

# MSPO SUPPLY CHAIN CERTIFICATIONS

## REPORT MSPO SCCS

### MAIN ASSESSMENT 2019

# FGV PALM INDUSTRIES SDN BHD (KILANG SAWIT BAIDURI AYU)

☒ Palm Oil Mill(s) included in the scope ☐ N/A, i.e. NO mills included in the scope

Name Palm Oil Mill	Mill Capacity (CSPO)	Location	GPS Reference	
(POM)	MT/hr	Address	Longitude	Latitude
Kilang Sawit Baiduri Ayu	54MT/hr	FGV Palm Industries Sdn Bhd, Baiduri Ayu Peti Surat No. 29, Pos Cenderawasih, 91150 Lahad Datu, Sabah	N 5°9'3.24"	E 119°0'23.7 6"

Audit date:	26 NOVEMBER 2019	
Report prepared by:	ERMADASILA BIN MOHAMAD	(Lead Assessor)
Certification decision by:	MOHD RIZAL BIN KASSIM	(Certifier)
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## PART 1: CERTIFIED COMPANY DETAILS

### 1.1 Company Contact Details

Changes since previous audit: ☐

Company Name:	FGV PALM INDUSTRIES SDN BHD
Principle Contact Person:	AHMAD SHAHRIR ISMAIL
Business Address:	FGV Palm Industries Sdn Bhd, Wisma FGV, Jalan Raja Laut, 50350, Kuala Lumpur.
Office Contact Number:	03-2789 0000
Fax Contact Number:	-
E-mail:	<a href="mailto:sharir.i@fgvholdings.com">sharir.i@fgvholdings.com</a>
Website:	-

### 1.2 Facilities included in the Scope of the Audit

Changes since previous audit: ☐

Site included in the scope of the audit

Project Number	Name of site	Location address	Supply Chain Model
024-2019-SCCS	Kilang Sawit Baiduri Ayu	FGV Palm Industries Sdn Bhd, Baiduri Ayu Peti Surat No. 29, Pos Cenderawasih, 91150 Lahad Datu, Sabah	Mass Balance

Outsourced companies included in the scope of the audit.

☒ N/A, no outsourcing

No	Name of company	Location address	Linked to site(s):	Visited (see also Annex 2)
-	-	-	-	<input type="checkbox"/>
-	-	-	-	<input type="checkbox"/>
-	-	-	-	<input type="checkbox"/>

### 1.3 Contact Details of Respective Facilities

List out the contact details of each management representative responsible for overseeing the certification process for each facility if different to that shown in table 1 above

No.	Contact name	Office phone	E-mail
1.	Mohd Jefri Amat	013-397 3039	<a href="mailto:mohdjefri.a@fgvholdings.com">mohdjefri.a@fgvholdings.com</a>
2.	Irsyad Ahmad Abdul Aleem	019-318 7765	<a href="mailto:irsyad.a@fgvholdings.com">irsyad.a@fgvholdings.com</a>
3.	Nurdin Bin Jainuddin	019-800 8438	<a href="mailto:nurdin.j@fgvholdings.com">nurdin.j@fgvholdings.com</a>

<b>1.4 Audit Overview</b>		
List out the planning of the audit cycle		
<b>Audit Type</b>	<b>Year</b>	<b>Executed Audit date</b>
<b>Main Assessment</b>	<b>2019</b>	<b>26 November 2019</b>
ASA1	-	-
ASA2	-	-
ASA3	-	-
ASA4	-	-
Re-assessment	-	-

## **PART 2: SUMMARY OF THE REPORT AND SCOPE OF THE AUDIT**

<b>2.1 MSPO SCCS Summary Report</b>	
Summary report of the audit including a brief description of the scope of certification	
Processing of Fresh Fruit Bunch into CPO and PK with mill's processing capacity of 60mt per hour. The production of CPO and PK is only for local export. There was sighted four storage of CPO with capacity of 1800mt each and bulk storage of PK with capacity of 700mt. There was no external storage involved.	

<b>2.2 Description of the Audit Scope</b>	
Description of the scope of the audit including the supply chain model(s) used	
<b>Project No.</b>	<b>Scope and Supply Chain Model</b>
<b>024-2019-SCCS</b>	Production of Sustainable Crude Palm Oil and Palm Kernel using Mass Balance Model

<b>2.3 Multi Sites / Group Certification Only</b>	
Justification and explanation of the sampling formula used, applicable to Multi Sites / Group Certification Only	
Not Applicable	

<b>2.4 Description of the Organizational Management Systems</b>	
Including organizations, management and operational systems to ensure compliance with the MSPO Supply Chain Certification Systems and Standards as detailed above	
The management has developed SOP of MSPO SCCS procedure for Kilang Sawit Baiduri Ayu, effective date on 1 September 2019. The management has appointed Mohd Jefri Amat as responsible person to monitor the MSPO SCCS requirement.	

## PART 3: MSPO SCCS CERTIFIED PRODUCTS

### 3.1 MSPO SCCS Certified Volumes

☒ N/A, i.e. no refinery, manufacturer, etc. under scope certificate

Confirmation of the company's summary of annual certified volume of MSPO SCCS certified Palm Oil Products or Palm Derivatives over a specified period

Purchased			
No.	Supplier	Product	Volume
1	0	0	0
2	0	0	0
Sold			
No.	Product		Volume
1	0		0
2	0		0

### 3.2 Quantitative Information (Mills)

☐ N/A, i.e. no mill(s) under scope certificate

#### 3.2.1 Monthly Records of Certified FFB received , CSPO and PK produced

If this is the 1<sup>st</sup> Main Assessment, the figures used are from the last 12 months.

If this is an Annual Surveillance Assessment, the figures used are since the last audit.

No	Month-Year	Certified FFB (MT)	Certified CSPO (MT)	Certified PK (MT)
1	N/A	-	-	-
2	N/A	-	-	-
3	N/A	-	-	-
4	N/A	-	-	-
5	N/A	-	-	-
6	N/A	-	-	-
TOTAL		N/A	N/A	N/A

#### 3.2.2 Records of CSPO and certified PK sold (under book and claim and MSPO IT platform e-Trace system) to each buyer.

If this is the 1<sup>st</sup> Main Assessment, the figures used are from the last 12 months.

If this is an Annual Surveillance Assessment, the figures used are since the last audit.

No	Buyers Name	Trading No	Certified CSPO (MT)	Certified PK (MT)
1	N/A	-	-	-
2	N/A	-	-	-
3	N/A	-	-	-
4	N/A	-	-	-
5	N/A	-	-	-
6	N/A	-	-	-
7	N/A	-	-	-

## PART 4: BACKGROUND TO THE REPORT

### 4.1 Certification Body

TRANS CERTIFICATION INTERNATIONAL SDN BHD (TCI)

### 4.2 Lead Auditor

Name	Qualifications
ERMADASILA BIN MOHAMAD	AUDITOR MSPO SCCS
NADIAH BINTI RAMLI	TRAINEE AUDITOR MSPO SCCS

### 4.3 Certification Decision Management Team

Name	Qualifications
MOHD RIZAL BIN MD KASSIM	CERTIFIER MSPO SCCS

### 4.4 Summary Of Previous Certification Assessments And Conclusion, With Recommendations Or Non-Conformances

See Annex 2; Not applicable for main assessment reports

### 4.5 Audit Agenda

Date	Location	Main activities
26 November 2019	FGV- Kilang Sawit Baiduri Ayu	9.00-9.30 am - Opening meeting
		9.30-10.30 am - Site Visit
		10.30-16.30 pm - Document Audit
		16.30-17.00 pm - Closing Meeting

### 4.6 MSPO Supply Chain Requirements

MSPO Supply Chain Certification Standard, (MSPO SCCS-01) (November 2018)

## PART 5: CLOSING MEETING

The purpose of the closing meeting is to allow the audit team to present their findings to the client, to agree dates for the completion of any corrective action required, and to establish any subsequent follow up action. The meeting is chaired by the audit team leader and wherever possible involve the same people who were present at the opening meeting.

**Company name:** FGV Palm Industries – Kilang Sawit Baiduri Ayu

**Date of closing meeting:** 26 November 2019

### Names of attendees

Name:	Affiliation:
Ermadasila Bin Mohamad	Lead Auditor
Nadiah Binti Ramli	Trainee Auditor
Nurdin Jainuddin	Assistant Mill Manager
Jamaluddin B. Laheho	Executive Assistant
Abdulham Bin Pius	Clerk
Salleh Bin Ali	Clerk
Mohd Shazwan Sharif	Executive, SCC
Nur Hanisah Binti German	Executive, SCC
Jammil Sait	SHO
Azwan Yusuf	FGVH
Siti Rozana Sarahim	Document Controller

### 5.1 Certified Status at this Time

It is very important for the client to understand that until they receive written confirmation of their MSPO Supply Chain certification registration from the TCI certifier (see 6.2c below) and its expiry date that they are not certified and cannot make any claims concerning certification.

### 5.2 Actions that a Need to be Completed Prior before Certification can Proceed

- If any non-compliance was noted, then a certification decision is not possible until the client has taken steps to close out the non-compliances noted in the certification checklist. See also 6 below.
- If full compliance was noted during the audit, the next step is for the checklist and public summary plus any associated documentation, to be sent to the TCI MSPO SCCS Certifier, by the lead auditor. The certifier will review the documents and may refer back to either the lead auditor or to the client for further information or clarification.
- Once the certifier is satisfied, a positive certification will be made and a certificate is awarded and sent to the client. The MSPO SCCS is also notified within 14 days of the issuing of the certificate.

### 5.3 Audit Findings

The findings of the MSPO SCCS checklist and the certification report were presented to the client.

### 5.4 Details of Any Further Information Supplied by the Client at this Stage

No further information was given.



<b>5.5</b>	<b>Confidentiality</b>
TCI auditors will not discuss or reveal any of the confidential information seen during the audit to any third party. Any public summary of the main assessment will be approved by the client prior to publication.	

<b>5.6</b>	<b>Annual Audit</b>
The certificate is valid for 5 years and the certificate holder needs to be audited annually	

<b>5.7</b>	<b>Non-Compliance</b>
<p>The client is made aware that:</p> <ul style="list-style-type: none"> <li>• All non-compliance observed during an audit shall be classified as 'major' since all requirements for Supply Chain Certification have to be met before granting certification.</li> <li>• Applicable to main assessment audits, all non-compliances shall be addressed satisfactorily by the client before certification may be granted. If non-compliances are not addressed within three (3) months of the audit, a full re-audit shall be required.</li> <li>• TCI shall assess the effectiveness of the corrective and/or preventive actions taken before closing out the non-compliance.</li> <li>• Non-compliances that are raised after the main certification are serious (i.e. must be considered as a major) and the integrity of the MSPO Supply Chain Certification is at risk.</li> <li>• For subsequent annual assessment audits, a maximum of one month is to be given to the certified client to satisfactorily address the non-compliance. Should the non-compliance not be addressed within the one month maximum timeframe, a suspension or withdrawal of the certificate and a full re-audit may be necessary.</li> <li>• Where objective evidence indicates that there has been a demonstrable breakdown in the supply chain caused by the certified client's actions or inactions, and that oil palm products have been or are about to be shipped which are falsely identified as MSPO certified product then immediate action will be taken by TCI, and the MSPO Supply Chain certification should be suspended until such time that it has been addressed.</li> <li>• If certification is suspended or removed, for example on the basis of lack of effective corrective actions, the client shall inform their supply chain customers immediately. If certification is granted subsequently then this can be communicated to the customer group.</li> </ul>	

## PART 6: CONCLUSIONS OF THE AUDIT & CERTIFICATE DETAILS

6.1 Final Certification Decision of Trans Certification International Sdn Bhd	
Summary of non-compliances:	
NC Number:	Not Applicable
Date:	Not Applicable
Reference to standard:	Not Applicable
Standard requirement:	Not Applicable
Evidence of non-compliance:	Not Applicable
Evidence of compliance: (to be filled in by certifier)	Not Applicable
Status (closed if applicable)	Not Applicable

6.2 Certificate Details and Scope			
Client number:	024-2019-SCCS		
Certificate number:	<b>MSPO SCCS-TCI-024-2019-01</b>		
Start date of certificate:	31 December 2019		
End date of certificate:	30 December 2024		
Date of first certification:	31 December 2019		
Type of certification:	Single site: Yes <input checked="" type="checkbox"/>	Multi site: Yes <input type="checkbox"/>	Group: Yes <input type="checkbox"/>
Duration of certificate:	5 Years from date of certification		

6.3 Certificate Status of Client
<p>Please select the applicable box, do not remove the others:</p> <p><input checked="" type="checkbox"/> Main Evaluation: All facilities included in the scope of this audit demonstrated full compliance with the MSPO SCCS.</p> <p>With effect from the certification date given below, this company and all facilities mentioned in the scope of this report are considered to be certified in accordance with the MSPO SCCS.</p> <p><input type="checkbox"/> Main Evaluation: Full compliance of all facilities in the scope of this audit with the MSPO SCCS is not yet demonstrated. Identified Non-conformities need to be closed prior to certification.</p> <p><input type="checkbox"/> Surveillance audit: All facilities included in the scope of this audit demonstrated full compliance with the MSPO SCCS. The certified status is maintained.</p> <p><input type="checkbox"/> Surveillance audit: Not all facilities included in the scope of this audit demonstrated continued compliance with the MSPO SCCS. Outstanding NC's need to be closed within 3 month from the audit date.</p>

**PART 7: FORMAL SIGN OFF OF AUDIT FINDINGS****7.1 Signing by the Client**

I the undersigned, being the most senior relevant management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in document (MSPO SCCS Report and Checklist).

I also confirm:

- Acceptance of liability in execution of the instructions given in the document and at the closing meeting.
- That this company was made aware that the findings of the audit team are tentative; pending review and decision making by the duly designated representatives of Trans Certification International's Certifications.
- That this company was informed that until they receive written confirmation of their MSPO Supply Chain certification registration and its expiry date that they are not certified and cannot make any claims concerning certification.
- That the formal record of the closing meeting is accurate and that all agenda items were covered by the lead auditor.
- I understand the implications of non-compliance as laid out above.

Acknowledged by:

AMEER IZYANIF HAMZAH

Name:	Head of Sustainability Compliance & Certification
Position:	Sustainability Compliance & Certification Department Group Sustainability Division
Date:	23.12.2019



Signature

**7.2 Signing by the Lead Auditor**

I the undersigned, being the Lead Auditor, confirm that this report is an accurate record of the findings and of the closing meeting. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Based on the findings during the assessment, I recommended the certification unit is:

Complies ☒

Not Complies ☐

With the MSPO SCCS, I the undersigned, being the Lead Auditor, recommend that:

Granting Certificate ☒

Continue Certification ☐

Suspend Certificate ☐

Withdraw Certificate ☐

Re-certificate ☐

For FGV Palm Industries – Kilang Sawit Baiduri Ayu

Acknowledged by:

Name:	ERMADASILA BIN MOHAMAD
Position:	LEAD AUDITOR
Date:	24.12.2019



Signature

**7.3 Signing by the Certifier**

I the undersigned, being the Reviewer and Certifier, confirm that this report is an accurate record of the findings and recommendation by Lead Auditor. I further confirm that the summary of the findings as presented in this report are a true representation of the actual findings of the audit team.

Based on the findings during the assessment, I recommended the certification unit is:

Complies ☒

Not Complies ☐

With the MSPO SCCS, I the undersigned, being the Reviewer and Certifier, decided that:

Granting Certificate ☒

Continue Certification ☐

Suspend Certificate ☐

Withdraw Certificate ☐

Re-certificate ☐

For FGV Palm Industries – Kilang Sawit Baiduri Ayu

**Acknowledged by:**

Name: MOHD RIZAL BIN MD KASSIM

Position: CERTIFIER MSPO SCCS

Date: 25.12.2019



**Signature**