

TRANS CERTIFICATION & INSPECTION SDN. BHD.



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PUBLIC SUMMARY REPORT

MS 2530-4:2013

Malaysia Sustainable Palm Oil (MSPO)

Part 4: General Principal for Palm Oil Mills

**NAME OF CLIENT: FGV PALM INDUSTRIES SDN BHD
– KILANG SAWIT SELANCAR 2B**

STANDARD: MS 2530-4:2013

ANNUAL SURVEILLANCE ASSESSMENT 3

DATE: 27 OCTOBER 2023

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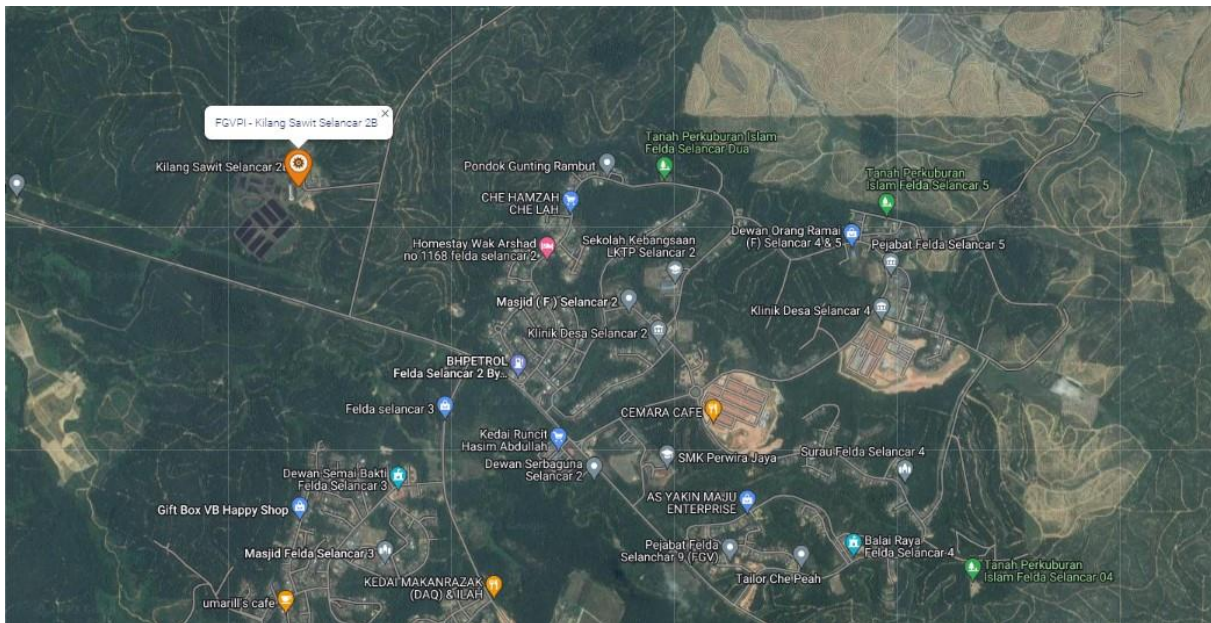
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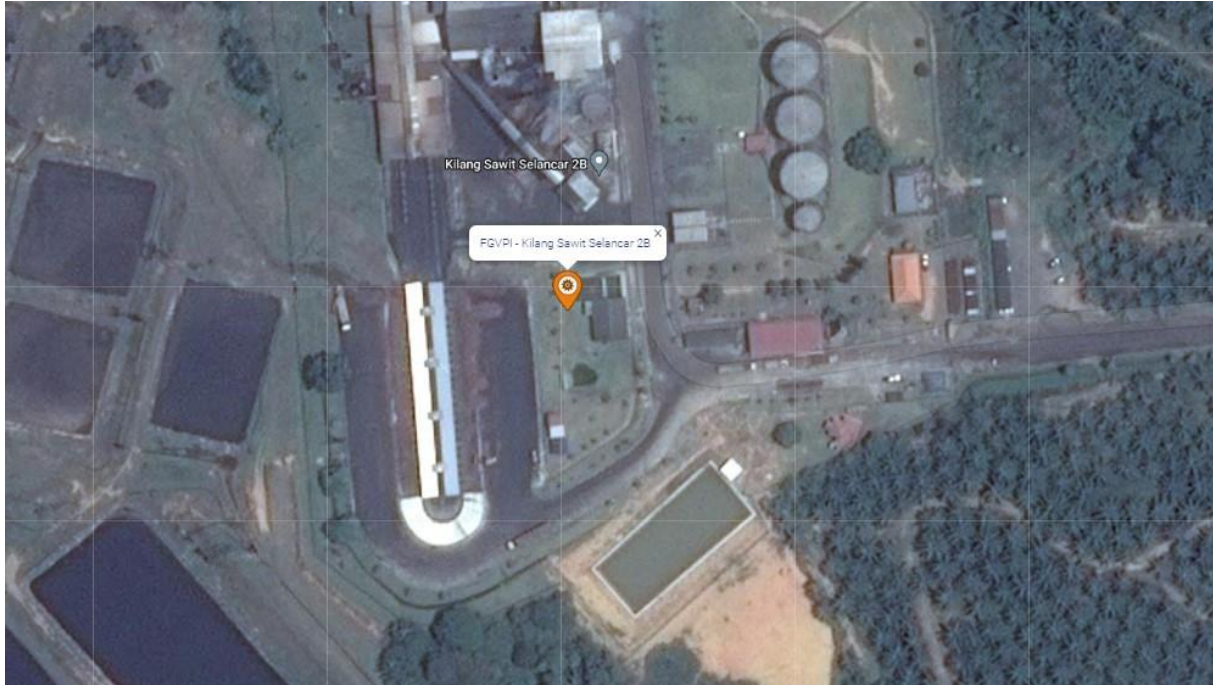
1. DETAIL OF CERTIFICATION ASSESSMENT

Type of Certification Assessment	Annual Surveillance 3
Audit Objectives	<ol style="list-style-type: none"> 1. Determination of the non-conformity of the client's management system, or parts of it, with audit criteria 2. Determination of the ability of the management system to ensure client meets applicable statutory, regulatory and contractual agreement 3. Determination of the effectiveness of the management system to ensure client can reasonably expect to achieve it specific objective 4. Identification of area for improvement of the management system, as if applicable
Scope of MSPO Certification	Palm Oil Mill
MSPO Criteria and Standards used for the Assessment	MS 2530-4:2013 – General principles for palm oil mills

Map with geographical coordinate

Kilang Sawit Selancar 2B





2. DETAILS OF THE CERTIFIED ENTITY

Name of Certified Entity		FGV PALM INDUSTRIES SDN BHD – KILANG SAWIT SELANCAR 2B
Main Address		Wisma FGV, Jalan Raja Laut, 50350 Kuala Lumpur.
Management and contact person's details	Name:	Mr. Ahmad Shahrir Bin Ismail
	Phone Number:	-
	Fax Number:	-
	Email Address:	-
MPOB License	MPOB License's No.:	500204704000
	Expiry date:	31.03.2024
Estimated Tonnages of Annual FFB Production		-
Scope of Activity		Sustainable Management of Palm Oil Mill
Date of certificate issued and validity		24 rd December 2020 until 23 rd December 2025
Other sustainability certifications		N/A

Certified Area		
Mill	Coordinates	Total Capacity
KILANG SAWIT SELANCAR 2B	N 2° 38' 16.00", E 103° 0' 1.00"	54 Mt/Hr

3. ASSESSMENT PROCESS

3.1 Certification Bodies

No	Audit Team Members	Role & Principles Audited	Qualifications
1	MOHAMAD IRWAN BIN SENIN [MIS]	Lead Auditor Principle: 4	Graduate in Diploma Executive in Planting Management and Technology at University Malaysia Pahang. Has 13 years of working experiences in Plantation Management. Completed in MSPO 2530:2013 Auditors Training Course, Integrated Management System (IMS) ISO 9001:2015 & ISO 14001:2015 Lead Auditor Training, MSPO SCCS Auditor Training & etc. Able to speak and understand in Bahasa Malaysia and English.
2	ERMADASILA BIN MOHAMAD [EBM]	Auditor Principle: 1 & 2	Post graduate qualification in Master in Science (MSc) by Research with 7 years working experience in Lecturer and manufacturing activities. Lecturer in Applied Science Faculty, University Teknologi Mara cawangan Pahang since 2014, expert in Biodiversity and Environmental assessment. Completed Malaysian Sustainable Palm Oil Lead Auditor course in 2017.
3	HJ. BORHAN ABD AZIZ (BAA)	Auditor Principle: 6	Graduate with Master in Business Administration majoring in Techno-Entrepreneurship at University of Technology Malaysia (UTM). Successfully obtained the competency of the Lead Auditor course for Malaysian Sustainable Palm Oil (MSPO) in 2017 and IRCA Certified Lead Auditor competency for Quality Management System (ISO 9001:2015). Has experience for more than 30 years in the plantation sector, management of the oil

			palm plantations and palm oil mill operations all over East and West Malaysia.
4	ESNAN BIN AB. GHANI [EAG]	Auditor Principle: 3	Post graduate qualification in Master of Science in United Kingdom University with more than 20 years' experience in Plantation and agriculture. Accomplished Lead Auditor Course (2015), (EMS) ISO 14001:2015, Lead Auditor Course SCCS 2019 (2019) and Peer Review Training Course 1-2017 (MSPO) (MPOCC). Experience in conducting MSPO Audit as Lead Auditor since 2014. Able to speak and understand in Bahasa Melayu and English.
5	AZMI BIN ADNAN [AA]	Auditor Principle: 5	Holds degree in Economics from University of Malaya (UM) in 1998 with 20 years working experience of managing oil palm plantations with expertise in Good Agriculture Practices (GAP). Completed Malaysian Sustainable Palm Oil Lead Auditor course in 2019.

3.2 Audit Plan

AUDIT AGENDA

DATE	TIME	SUBJECT	AUDITOR
27 th October 2023 Friday	09:00 – 09:30	Centralize Opening Meetings at FGV Selancar 2B POM: <ul style="list-style-type: none"> Presentation by the manager/coordinator Presentation by Lead Auditor. <p>➤ Confirmation of assessment scope and finalize Audit Plan (for <i>Main Assessment Audit</i>, the stakeholder consultations shall be held along the audit progress)</p>	MIS/EBM/ BAA/EAG/AA
	09:30 – 12:00	FGV Selancar 2B POM <p>➤ Site inspection (Part 4):</p> <p>Verify overall mill process including incoming material, sterilizer section, pressing, CPO & PK storage, Boiler & genset etc.</p> <p>➤ Non-conformity Verification for Previous Year Audit</p> <p>➤ Verify any outstanding issues, auditor discussion.</p>	MIS/EBM/ BAA/EAG/AA
	12:00 – 13:00	FGV Selancar 2B POM <p>➤ Document Audit:</p> <ul style="list-style-type: none"> Documents review P1 – P3 (part 3), P1: Management commitment and responsibility, P2: Transparency, P3: Compliance to legal requirement, 	MIS/EBM/ BAA/EAG/AA
	13:00 – 14:00	Lunch	

14:00 – 16:30	FGV Selancar 2B POM <ul style="list-style-type: none"> ➤ Document Audit: <ul style="list-style-type: none"> • Document review P4-P6 (Part 3), P4: Social Responsibility, Health, Safety and Employment Conditions P5: Environment, Natural Resources, Biodiversity and Ecosystem Service. P6: Best Practices 	MIS/EBM/ BAA/EAG/AA
16:30 – 17:30	Centralize Closing Meetings at FGV Selancar 2B POM: <ul style="list-style-type: none"> ➤ Chaired by the audit Lead Auditor <ul style="list-style-type: none"> ➤ Welcome and introduction by the Lead Auditor ➤ Presentation of findings by the audit team ➤ Questions & answers and Final summary by Lead Auditor <p>End of Assessment.</p>	MIS/EBM/ BAA/EAG/AA

3.3 Proposed Date of Next Surveillance Audit

Date of next ASA	
The provisional date for the next ASA is:	September 2024

3.4 Audit 5 Year Audit Programme FGV Plantations (Malaysia) Sdn Bhd – Kilang Sawit Selancar 2B

Mill	1 st Year	2 nd Year	3 rd Year	4 th Year	5 th Year
Kilang Sawit Selancar 2B	✓	✓	✓	✓	✓

4. SUMMARY OF AUDIT RESULTS

4.1 Lead Auditor's Summary and Recommendation for Certification

This on-site assessment was conducted from the 27th Of October 2023. The audit program is included on the Audit Agenda. The approach to the audit was to treat the FGVPI SELANCAR 2B POM as an MSPO Certification Unit. A range of environmental and social factors was covered. This includes consideration of photography, palm age, proximity to areas with HBV, declared conservation areas, and local communities.

Documentation of the subscribed MSPO management system is seen with minor changes caused by internal external factors influenced by the scope of certification.

During the audit process, the auditors conducted extensive interviews with the Mill manager, assistant mill manager, and MSPO coordinator taking place in a formal and informal environment, and interviews with employees were conducted at the Mill Ramp. During interviews with employees, the employee understanding of the requirements to be adhered to in the MSPO standard is very good, and the visibility of all employees in the mill operation area are using appropriate PPE equipment according to their respective departments.

There were 1 major non-conformity, and 2 minor non-conformities has been raised during the audit, as per the annex. The Mill manager, assistant mill manager, and MSPO coordinator have addressed non-conformity accordingly before the certificate is awarded.

The audit team conducts the audit based on the sampling process of the available information.

4.2 Claim - Verification and Use of Marks/Logo (MSPO, TCI or MPOCC Logo)

Based on the on-site audit process of ASA 3 FGV PALM INDUSTRIES SDN BHD – FGV KILANG SAWIT SELANCAR 2B through visibility and interviews with management representative. It has been confirmed that the management does not use Marks/logos. The management has also been informed that it is not allowed to use the MSPO logo if it is not approved by the MPOCC.

4.3 Summary of Non-Conformance and Current Status

<input type="checkbox"/>	No NCR recorded. Recommended certification
<input checked="" type="checkbox"/>	Minor NCR(s) recorded. Corrective action plan has been accepted. Verification of the NCR(s) to be carried out in the next audit
<input checked="" type="checkbox"/>	Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided and accepted by the audit team. The NCR(s) have been satisfactorily closed out.
<input checked="" type="checkbox"/>	Recommended to continue certification
<input type="checkbox"/>	Major NCR(s) recorded. Evidence of implementation of the corrective actions have been provided but cannot fully accepted by the audit team. NCR(s) have not been closed out within 90 days of the audit. Recommended for suspension of the certificate

Audit Outcome	
Major NC	1
Minor NC	2
Opportunity For Improvement (OFI)	0

4.4 Issues raised during Stakeholder Consultation:

A stakeholders' consultation meeting was conducted on Main Assessment to gather information from the local communities in accordance to Certification Scheme and Stakeholder Consultation requirements.

The subjects of discussion are as below:

- a. Introduction
- b. Development of oil palm plantations
- c. Community service and support provided wildlife management and wildlife corridor
- d. Type of wildlife sighted.
- e. Local communities' development.
- f. Safety and Health

The following relevant subject have been discussed during the stakeholders' consultation

Subject Discussed	Response and Action taken by Company
No raised issued.	Not applicable.

** (Stakeholder Consultation is compulsory during Main Assessment only but if there is issue raised during Annual Surveillance Audit, the stakeholder Consultation will be conducted)*

4.5 Previous Audit Verification

Effectiveness of corrective action implementation for non-conformities (both major and minor findings) raised during previous audit is being evaluated in this year audit, in ensuring appropriate action has been successfully executed/ carried out as per corrective action plan and evidences provided by the certified client in the previous year CAR Form.

Based on Lead Auditor's and audit team verification, it can be concluded that:

- ☒ all the corrective action plan of non-conformities (both major and minor findings) raised during previous audit has been effectively implemented by the certified entities.
- ☐ all Opportunity for Improvement (OFI's) raised has been implemented accordingly by the certified client.
- ☐ Inadequate implementation of corrective action plans for non-conformities raised during previous audit.

Details on the previous non-conformity evaluation and verification is available in the Full Audit Assessment Report.

4.6 Changes Since Previous Audit

a. Changes on Client's Management System.

Please tick (if any):

<input type="checkbox"/>	Legal, Commercial, organizational status or ownership
<input type="checkbox"/>	Key managerial person or the organization and management
<input type="checkbox"/>	New contact Personnel, client's address and site
<input type="checkbox"/>	Scope of operations under certified management system
<input type="checkbox"/>	Major changes to the management system and processes
<input checked="" type="checkbox"/>	Not applicable as there is no changes since previous audit

Justification for above changes:

b. Changes to the Certified Product

Please tick (if any):

<input type="checkbox"/>	Additional of new estate
<input type="checkbox"/>	Reduction of estate
<input type="checkbox"/>	Changes in estate hectarage area
<input type="checkbox"/>	Changes in MPOB License number
<input type="checkbox"/>	Changes in MPOB License expiry date
<input type="checkbox"/>	Changes in client's office coordinate
<input type="checkbox"/>	Changes in client's estate coordinate
<input checked="" type="checkbox"/>	Not applicable as there is no changes since previous audit

Justification for above changes:

5. OFFICIALS SIGNED-OFF OF THE ASSESSMENT FINDINGS

5.1 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 hereby 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.
- ☒ Previous audit findings have been verified with satisfactory implementation.
- ☒ The correction, corrective action plan, and evidence for any major non-conformities has been reviewed, and accepted. The effectiveness of implementation shall be reviewed in the next year audit.
- ☒ The correction and corrective action plan, for any minor non-conformities has been reviewed and accepted.
- ☐ all Opportunity for Improvement (OFI's) raised has been implemented accordingly by the certified client.
- ☐ All of the changes occurred since previous audit has been verify to be true during the audit.

Based on all above evaluation, in conclusion, I recommend:

- ☒ for continuation of MSPO certification
- ☐ Not to continue with MSPO certification due to reason: _____

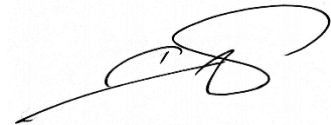
For **FGV PALM INDUSTRIES SDN. BHD. - KILANG SAWIT SELANCAR 2B** Certification Unit

Acknowledged by:

Name: MOHAMAD IRWAN BIN SENIN

Position: LEAD AUDITOR

Date: 06th DECEMBER 2023



Signature

5.2 Responses by Certified Entities:

I the undersigned, being the management representative of the operation seeking or holding certification, agree with the contents and audit findings as presented in this document.

I also confirm:

- Acceptance of liability in execution of the instructions given.
- 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 Certifications.
- That during the closing meeting all agenda items was covered by the Lead Auditor.

Acknowledged by:	
Name:	AHMAD SHAHRIR BIN ISMAIL
Position:	SENIOR MANAGER
Date:	15 DECEMBER 2023



Signature

6. CERTIFIED BODY ACKNOWLEDGEMENT OF CERTIFICATION DECISION

6.1 Signing by Certifier

I, the undersigned Certifier, hereby confirm that I have conducted review as below:

- ☒ the information provided by the audit team is sufficient with respect to certification requirements and the scope for certification
- ☒ The correction, corrective action plan, and evidence for any major non-conformities has been reviewed, and accepted. The effectiveness of implementation shall be reviewed in the next year audit.
- ☒ The correction and corrective action plan, for any minor non-conformities has been reviewed and accepted.
- ☒ Audit Report has been sufficiently prepared by the audit team
- ☒ Audit team has commented on the non-conformities, where applicable, the correction and corrective actions taken by client.
- ☒ Audit team had performed evaluation for effectiveness of corrective action plan for previous audit findings
- ☒ Has performed confirmation of the information provided to TRANS in the Application Form
- ☒ Has performed confirmation that the audit objectives have been achieved
- ☐ Acknowledged on the changes states in point 4.6
- ☐ Has reviewed the result of recertification audit, the result of the review of system over the period of certification and complaints received from users of certification (*applicable for granting recertification only*).

Based on all the above confirmation, I the undersign Certifier recommended:

- ☐ Granting Certificate
- ☒ Maintaining Certificate
- ☐ Re-certify
- ☐ Suspend Certificate

For **FGV PALM INDUSTRIES SDN. BHD. - KILANG SAWIT SELANCAR 2B** certification unit.

For Certification Suspension Action (Only applicable for suspended client)

Suspension date: _____

Reason for suspension: _____

Date of uplift suspension: _____

Reason for uplift suspension: _____

Recommendation after suspension:

- ☐ Maintaining Certificate
- ☐ Re-certify

For _____ (Client's name) _____ certification unit.

Acknowledged by:

Name: ATIKA BINTI BAKAR

Position: CERTIFIER

Date: 19 DECEMBER 2023



Signature

-End of Report-