

## 1. Aim

Ensure the effectiveness of compliance with the RSPO supply chain requirements and compliance for the granting, denial, suspension, change of scope or revocation of certificates for the RSPO standard of KIWA

## 2. Scope of application.

This document explains the certification system and the procedure for obtaining and maintaining RSPO supply chain certification. It also details the obligations and rights of the certification body and of clients applying for certification.

## 3. Responsible parties:

### 3.1 Implementation:

Certified clients are responsible for being familiar with and applying this document at the level of certified operations. Kiwa is obliged to provide these regulations to all holders in the RSPO certification system. KIWA officials involved in the assessment and certification process are responsible for their application.

### 3.2 Content and update:

The Management and Quality Coordination are in charge of the content and updating of this document.

## 4. Introduction:

Certification of sustainable palm oil and/or its derivatives is the process by which an accredited and approved third party ensures that the oil complies with the requirements that regulate its production, procurement, processing and marketing. Certification for sustainable palm oil and/or its derivatives, depending on the scope, may include evaluation of the raw material production systems, evaluation of other processing units for crude palm oil, palm kernel oil and/or its derivatives, and monitoring of the commercial process through supervision and control.

### 4.1 Application of RSPO Supply Chain Certification (SCC):

Downstream processors or users of RSPO certified sustainable oil palm products can claim to use (or support) RSPO certified oil palm products provided they adhere to RSPO Supply Chain Certification Schemes, and this is independently verified by an accredited certification body (in this case KIWA).

### 4.2 Certification Unit in SCC.

All operators who take legal ownership and physically handle (including receiving into storage tanks) RSPO certified palm oil products must be RSPO certified for the supply chain. This requirement applies all the way to the manufacturer of the final product.

### 4.3 Scope of RSPO supply chain certification:

#### 4.3.1 Multisite Certification:

The different operations included in the multi-site certification will be grouped into subgroups. The main subgroups will operate under a common management system and can be classified as follows:

1. Refining and blending
2. Palm kernel crushing plants
3. Storage and distribution
4. Processing (includes secondary processing after refining)
5. Production (final manufacturing of the final product).

Information for the assessment of multi-site certification is detailed in the 2020 Supply Chain Certification Standard document.

#### 4.3.2 Group Certification:

The group will consist of members who have formally agreed to join the group and have demonstrated compliance with the requirements of this Group Certification System and the group rules. Membership in a group is voluntary. Micro-users may be a part of a group's membership.

Information for group certification assessment is detailed in the 2020 Supply Chain Certification Standard document.

#### 4.3.3 BOOK & CLAIM Certification (BC):

Book & Claim audits, consisting of audits for the purchase and sale of sustainability credits in the RSPO standard.

The information for the BC certification assessment is detailed in the 2020 Supply Chain Certification Standard document.

#### 4.3.4 Certification of independent SCC units.

It consists of the certification of independent units that purchase, process and/or sell products made with raw materials derived from certified palm or palm kernel oil.

#### 4.3.5. Traceability models that can be applied by clients:

Identity preserved (IP): This means that the raw materials used in the production of the product can be traced to a single extraction plant.

Segregated (SG): This means that the raw materials used in the production of the product can be traced to two or more extraction plants.

Mass Balance (MB): It consists of the raw materials used in the production of the product having a physical or administrative product mix.

**Note:** Regardless of the scope applied by the client, they must in all cases select a traceability model and implement the general requirements of the V.2020 standard.

### 5. Types of audits in SCC:

**5.1 Granting audit:** It consists of the initial evaluation of the SCC V.2020 standard. If the client is in compliance with the standard, a certificate is issued with a validity of five years.

**5.2 Surveillance audit(s):** These consist of evaluations after the granting of a compliance certificate, in which the implementation and correct functioning of the RSPO SCC management system is evaluated.

**5.3 Recertification audit:** In the fifth year of validity of the certificate, a complete evaluation of the RSPO SCC standard is carried out, with the aim of issuing a certification decision with a validity of another five years.

### 6. Closing non-conformities in SCC:

In RSPO supply chain certification, all non-conformities are considered major and the deadlines for closing them are indicated in the following image:

Type of audit	Type of non-conformities
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Initial	<b>Older</b> : There is a maximum period of three months after the initial certification audit, if this period is exceeded, a new audit must be carried out.
EAS	<b>Major</b> : There is a maximum period of one month from the closing meeting, if this period is exceeded. A suspension of the certification and Prisma must be carried out. If the client fails to close the non-conformities within a period of three months, the certificate will be revoked.
Recertification	<b>Older people:</b> Same management as described above.

## 7. Certification decisions in the supply chain scope:

The modification of the scope of certification occurs when changes occur at the level of the certified organization in the corporate name, ownership, representation or structure of the organization and these changes have a direct impact on the legal responsibility of compliance with the provisions of this Regulation.

This also applies when there are changes in the address of the sites covered by the certification. In addition, due to the expansion or reduction of cultivation areas, number of products, number of producers, production volume. Likewise, when there are changes in the production, processing and marketing lines.

The certification holder must inform KIWA as soon as changes are anticipated. Modifications made without informing KIWA will lose coverage and the certification will be suspended until the changes are evaluated.

The changes that require audit, review and certification are as follows:

- Address of the sites covered by the certification
- Expansion or reduction of cultivation areas
- Production, processing and marketing lines
- Number of products, number of producers, production volumes

As a result of this, formal documents will be issued to expand or reduce the scope:

- Certificate
- Communication to the RSPO Secretariat

**Note:** For more information, please refer to

SCC V.2020 certification systems.  
Supply Chain Certification Standard 2020.

### 7.1 Suspension of certification

Suspension of certification is a sanction that occurs when irregularities are detected during the audit process or certification maintenance activities.

The most common irregularities are related to non-conformities greater than the SCC scope requirements, and with situations such as:

- Denial of access to information or locations to be audited by KIWA.
- Breach of contract
- Giving a bad reputation to the KIWA certification body, or giving wrong information.
- Fraudulent or misleading use of the RSPO certificate.
- Failure to report changes to the scope of the RSPO in a timely manner.
- Failure to perform a follow-up audit is not carried out within 12 months.

- Result of the Annual Follow-up Evaluations associated with the failure to close major non-conformities within the established deadlines.
- Results of unannounced audits related to the management of complaints issued by customers of RSPO certified products or interested parties.
- Where there is objective evidence that a demonstrable breakdown has occurred in the supply chain caused by actions or omissions of the certified client, and that palm oil products have been or are about to be shipped which have been falsely identified as RSPO certified product, immediate action shall be taken by the CB, and the RSPO supply chain certification shall be suspended until such time as the situation has been addressed. It is a requirement that KIWA informs RSPO within 24 hours of the decision to suspend certification.

KIWA will communicate the necessary compliance deadlines, on the same day of the audit closing, to end the suspension and reestablish the certification in the certification decision letter which is signed by the Manager. The monitoring of compliance with these corrective actions will be the responsibility of KIWA's operations area.

In the event that the operator presents evidence to resolve the suspension, KIWA will manage it through the following stages: audit (if applicable), review and certification. In the event that said evidence is satisfactory, KIWA will reinstate the certification.

The client can accept the decision or start the appeal process if they do not agree with it. During the suspension, the holder will not be able to use the KIWA Name and Seal, will not be able to market products under the scope of the certification and KIWA will communicate this decision to the RSPO Secretariat. If necessary, an audit visit will be carried out to demonstrate compliance and thus lift the sanction.

**Note:** For more information, please refer to

SCC V.2020 certification systems.  
Supply Chain Certification Standard 2020.

## 7.2 Revocation and withdrawal of certification

- Certification may be cancelled or revoked for RSPO Certification Program holders when it can be verified that the certification holder is cultivating crops for illicit use, fraud or deceit is proven in the certificate, the certificate holder does not provide sufficient evidence or is unable to carry out the corrective actions that led to the suspension of the certificate. The certificate may also be withdrawn as a result of an EAS.
- In cases where the holder does not renew the certification in a timely manner - loss of validity of the certificate - or does not accept the performance of the EAS, the administrative procedure for contract liquidation will be carried out and the RSPO Secretariat will be informed.
- In the case of paragraph a), the Operations Coordinator will notify the RSPO Secretariat. In the case of paragraph b), the Commercial Area will send the file directly to the Administrative Area so that it can proceed with the liquidation of the Certification Contract.
- In both cases, the decision to revoke the certificate and/or terminate the contract will be communicated in writing to the certification holder within 3 (three) business days. The reasons for the decision will be addressed, and the withdrawal of the KIWA Name and Seal will be required. KIWA will proceed to terminate the Certification Contract and will inform the RSPO Secretariat of this fact.

## 7.3 Denial of certification

It is a decision that is presented when KIWA carries out the audit, evaluation and certification process and in which it is concluded that the client still presents major non-conformities that prevent a positive

certification decision. This determination will be communicated through the certification decision letter within three (3) business days of having made the decision.

A negative decision may be re-evaluated if the client expresses its willingness to close the major non-conformities that led to the denial. The audit, assessment-certification process will need to be applied again and the result will be communicated to the RSPO.

#### 7.4 Change of scope

The change in scope is usually due to a request from the client and is related to modifications in cultivation areas, process lines, certified product volumes, certified products, etc.

The above certification decisions will be reflected in the following certification documents (Certification Decision Letter, Certificate). Additionally, they will be communicated to the RSPO Secretariat.

### 8. RIGHTS AND OBLIGATIONS OF CERTIFICATION HOLDERS

#### 8.1 Obligations of certification holders

- a. The RSPO Certification holder is the natural or legal person who signs the certification contract, who is responsible for compliance with the principles and criteria within the scope of certification for sustainable palm oil and/or its derivatives.
- b. The certification holder is responsible for declaring in a timely, truthful, current and complete manner the operating sites, activities, areas and products to be included in the scope and area of the certification.
- c. The certification holder must comply with all provisions of these regulations, the RSPO Supply Chain System (SCC) standard, the RSPO Rules for Communications and Complaints and all related standards and procedures issued by the RSPO. The holder is also responsible for compliance with the payment of the costs of providing the service agreed in the certification contract.
- d. The certification holder must not modify the content or structure of the forms. Data related to products or production volumes that are not included in the information provided in accordance with this list will not be taken into account for the audit visit and will not be included in the corresponding certificate. This documentation will be reviewed by KIWA's Operations Coordination. If the company does not send the complete information to the KIWA office in the established time, the visit must be postponed. It should be noted that, in this case, any financial or time loss in the Certification Program will be the full responsibility of the client.
- e. Certification holders will be required to submit the technical documentation (System Plan and annexes) on the dates established by the operations coordination.
- f. RSPO certification holders agree to be audited by KIWA at any time, to provide relevant information and to allow authorised KIWA personnel unrestricted access to the plantations and other facilities involved.
- g. The certification holder must take the necessary measures to remedy any deficiencies identified by KIWA in each of the activities included in the certification process.
- h. The certification holder must make the corresponding corrections and corrective actions.
- i. The certification holder shall implement changes communicated by KIWA concerning documents, procedures and requirements of the certification scheme.
- j. RSPO certification holders are responsible for immediately notifying any change in the product, change in the location of the production unit, or in its production method, due to expansion or

reduction in cultivation areas, expansion or reduction of products, expansion or reduction of process lines, inclusion or exclusion of members within the producer group, or changes in the ownership, structure or management of the certification holder or any event that modifies the conditions of the scope and area of certification, or significant changes in the quality management system, for which KIWA must carry out an audit when applicable and issue a new certificate.

k. Certification holders shall, upon request by KIWA, authorise attendance at audits or controls by auditors or training experts, or authorities as required.

l. In the event of suspension, revocation or termination of certification, the certificate holder shall cease using all advertising material containing any reference to the scope of the certification.

m. Should certification holders provide copies of certification documents to others, they undertake to reproduce them in full.

n. RSPO certification holders undertake to make good use of the KIWA Name and Seal, where applicable, and not to provide misleading information about the scope of the certification they are applying for.

o. Certification holders are obliged to make proper use of all official KIWA documents arising from audit and certification activities. No certificate, audit report, copy of the certificate under review or part thereof may be used in a misleading manner.

p. When referring to your certification in media such as brochures, leaflets and other advertising, you must comply with the provisions of the Regulations for the use of the KIWA Name and Seal. The information available must faithfully correspond to that communicated by KIWA.

q. Certification holders shall keep records of all complaints, which shall be available to the KIWA auditor, as well as any actions taken in response to the complaints. The effectiveness of such actions shall be assessed during the audit.

r. If KIWA deems it necessary, it may make changes to the audit days initially agreed upon, thereby modifying the audit plan. Examples of these circumstances include: changes in logistics, external factors such as weather, public order situations, etc. In these cases, the client must assume all the costs incurred.

## 8.2 Rights of certification holders and/or applicants

a. The RSPO certification holder has the right to arrange audit visits with KIWA.

b. The RSPO certification holder has the right to be informed in advance of the attendance at audits or controls by auditors or training experts, evaluators or authorities as required.

c. The RSPO certification holder has the right to have KIWA ensure that the technical competence of all personnel involved in the certification process is maintained.

d. KIWA guarantees the certification holder that it will assess the risks to impartiality and take action to mitigate them. As a result, KIWA will guarantee the certification holder that the personnel involved in the certification process will act impartially.

e. Applicants and certification holders have the right to have the results of the control process made available to them exclusively by KIWA, guaranteeing the confidentiality of the information obtained during the course of certification activities at all levels of the organization, including technical and commercial aspects, product and process details, evaluation reports and any associated documentation. No confidential information will be transmitted to third parties without the written authorization of the certification holder.



- f. By signing the certification contract, the holder approves the provision of information to the RSPO. In the event of additional requirements to those indicated therein, certification holders have the right to be informed in advance.
- g. By signing the certification contract, the holder approves the delivery of information to the RSPO accreditation body (ASI) provided that this information corresponds to the scope of the certification.
- h. In the case of requests from public and control entities, additional to those indicated in literals f) and g) of this section, the owner has the right to be informed in advance.
- i. When KIWA is required by law or authorization of contractual provisions to disclose confidential information, the client or person involved must be notified of the information provided unless prohibited by law.
- j. The applicant or certification holder has the right to have information relating to them obtained from sources other than the applicant or certification holder (for example, from a complaint or from regulatory authorities) treated as confidential information.
- k. Any person has the right to make complaints or appeals related to the RSPO Certification process, and must follow the procedures set out in document C.04.02\_P-ALL\_CO Complaints and Appeals Procedure.
- l. The certification holder has the right to be informed in advance about subcontracting activities in order to be given the opportunity to object to them.

## **9. PENALTIES IN CASE OF IMPROPER USE OF THE CERTIFICATE OF CONFORMITY, LICENCE OR MARK OF CONFORMITY**

KIWA will assess the severity of the non-compliance with respect to the use of the certificate, licenses and mark of conformity and determine whether it is classified as a major or minor non-conformity. In the first case, the need to suspend the certificate will be assessed. In the second case, the closure will be verified at the next EAS.

## **10. CONTROL MECHANISMS TO ENSURE THE CORRECT USE OF THE CERTIFICATE OF CONFORMITY, LICENCES AND MARK OF CONFORMITY**

KIWA provides written certification as a guarantee that the products and their production systems comply with the principles, standards and requirements of the applicable Regulations.

Control of the use of certification, licence and conformity mark occurs in several stages:

**10.1 Prior to the certification assessment:** the operator will sign document G.02.03\_F-65\_CO\_Local schemes contract, in which it undertakes to use the certificate of conformity, licenses and mark of conformity in accordance with the provisions of this regulation.

### **10.2 During the certification evaluation and the annual follow-up:**

**10.2.1 Audit:** The KIWA auditor verifies the correct use of the certificate if applicable. Compliance with the certification scope and area will be confirmed. To do this, the following information will be verified: activities, areas, products, names of producers (in the case of group certification), volumes produced, processed and marketed, as well as areas with potential social and environmental risks. It is verified that the client is approved to use the RSPO checkmark. If the auditor establishes that there are non-conformities, evidence will be left in the audit report.

**10.2.2 Certification:** The Certifier will review the comments in the audit report regarding the use of the certificate, license and mark of conformity and accordingly issue a certification decision which will be notified to the RSPO Secretariat.

### 10.3 During the validity of the certification

**10.3.1** In case of changes in the scope and/or reach of certification: the certified operator is responsible for previously notifying any change in the product or in its percentage of mixture, due to expansion or reduction in the cultivation areas, expansion or decrease of products, expansion or decrease of processing lines, inclusion or exclusion of members within the producer group, or changes in ownership, legal representation, company name, or address of operations, domicile and/or residence of the operator or any event that modifies the conditions of the scope and reach of certification. According to the nature of the change, KIWA will evaluate the need to carry out a re-evaluation visit and issue a new certificate.

**10.3.2** KIWA internal administrative process: The KIWA Commercial Area prepares an annual schedule for monitoring certificate validity, so that four (4) months before the anniversary date of the certification, it communicates in writing with the holder to inform him about this situation and also about the procedure and schedule for the new evaluation cycle.

### 10.4 In case of revocation of the certificate

In the event of revocation of the certificate, the holder undertakes not to use the certificate, in compliance with the provisions of the certification contract, section 8. KIWA will inform the RSPO secretariat of the revocation decision.

## 11. GUIDELINES FOR SCC AUDITING.

**11.1** Client documents must be updated to the latest version of the RSPO supply chain standard, otherwise it will be declared as a non-conformity in the certification process.

**11.2 Internal audit:** Internal audits of clients must be carried out on the current versions of the regulatory documents, as of the date of the external audit.

**11.3 Internal audit:** The client, as part of its internal audit process, must use checklists that clearly identify the internal audit requirements.

**11.4 Internal Audit Procedures:** The client's procedures must clearly establish the appropriate timeframes and deadlines for closing non-conformities.

#### 11.5 Correct completion of annex 1:

##### Granting audit:

**Completion date:** Date on which the audit is performed and 12 months prior to this date.

##### EAS Audit 1:

Start date (license start date) up to the date of the EAS1 audit (completion date). This cut-off may be less than twelve months and is permitted by the scheme see general requirements 5.9.3

**EAS Audit 2 and subsequent audits:** Start date corresponds to the date of EAS audit 1 until the date of EAS 2. Here the record must correspond to 12 months and the following audits will repeat the evaluation cycle defined in EAS2.

## 12. APPEALS AND COMPLAINTS

Any person may file a complaint or appeal with KIWA against the audit or certification process in accordance with the scope of certification, by completing the form code D-ES\_07-010 Customer Complaint Form. KIWA will evaluate the causes and propose the implementation of corrective actions within a period of no more than fifteen (15) calendar days from the filing of the complaint or appeal and will inform the interested party of the result of the treatment.

## 13. REGISTRATION AND DISPOSAL OF COMPLAINTS FROM CLIENTS OF KIWA CERTIFICATION HOLDERS



All active clients of the RSPO Certification Program must have a documented Procedure for suggestions, complaints and claims from customers of their certified products, which will be verified by the audit team.

#### **14. INTRODUCTION OF NEW VERSIONS OF DOCUMENTS, REGULATIONS AND CERTIFICATION SCHEMES**

Initially, KIWA staff will be notified of the introduction of new versions of documents, regulations or changes to the requirements of the certification scheme. KIWA will subsequently inform active Certification Program holders of the precise manner and effective date of implementation of the changes affecting certification procedures.

KIWA Management will determine a timeframe for product certification program staff to withdraw and replace obsolete documents and for producers to begin implementing the new version of the document.

#### **15. INTRODUCTION OF NEW VERSIONS OF RSPO DOCUMENTS OR CHANGES IN KIWA ACCREDITATION REQUIREMENTS.**

KIWA Management will determine a period of six (6) calendar months or the time estimated by the new regulation or the new requirement for existing users of the RSPO certification program to complete implementing the new version.

KIWA will inform the members of the Stakeholder Committee (SCC) of the RSPO Certification Program. The objective will be to bring the changes to the attention of the SCC in order to obtain their opinion. KIWA could hold an information session for users if necessary and the changes in the regulations with respect to the previous one will be disclosed, and a copy of the new version will then be sent by magnetic means.

In the case of KIWA customers, you can report changes to the regulations in two ways:

Commercial area reports on the annual follow-up renewal/evaluation process.  
Operations area reports during the validity of the certification.

In the email, the respective area will indicate that the new version is in execution and will attach the reference document.