Compliance with the SBP Framework: Public Summary Report

Control Union Certifications BV Evaluation of TreeOne MegaPellet Sdn. Bhd.

Fourth Surveillance Audit

Sustainable Biomass Program
sbp-cert.org



Completed in accordance with the CB Public Summary Report Template Version 2.1 and SBP Bridging Requirements for Meeting the Directive EU/2023/2413 (REDIII)

For further information on the SBP Framework and to view the full set of documentation see **www.sbp-cert.org**

Document history

Version 2.0	**Published 10 August 2023**
Version 2.1	Published 21 May 2025

© Copyright Sustainable Biomass Program Limited 2025

Table of contents

1 Overview **3**

2 Audit conclusions **4**

2.1 Certification decision 4
2.2 Open non-conformities and observations 4
2.2 Closed non-conformities 7
2.3 Actions taken by Organisation Prior to Report Finalisation 9
2.4 Notes for the next Audit 9

3 Scope of the audit and SBP certificate **10**

3.1 Description of the company 11
3.2 Site details 11
3.3 Detailed description of the Chain of Custody system and Product Groups 11

4 Specific objective of the audit **12**

5 Evaluation process **13**

5.1 Timing and duration of evaluation activities 13
5.2 Auditor team qualification 13
5.3 Description of evaluation activities 13
5.4 List of forest management units and feedstock suppliers visited 14
5.5 Describe audit sampling methodology used 14
5.6 CB stakeholder engagement 14
5.7 Stakeholder feedback and response 15
5.8 Main strengths and weaknesses of the management system and operations 15
5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation 15
5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED 15
5.11 Summary of evaluation activities for chain of custody system per Standard 4 15
5.12 Summary of evaluation activities for collection and communication of data per Standard 5 15
5.13 Summary of audit findings for competency of involved personnel 15
5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable) 16

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable) **17**

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope 17
6.2 CB evaluation of specified risk indicators and mitigation measures 17

1 Overview

Certification Body (CB) Name:	Control Union Certifications BV
Primary CB contact for SBP:	Lukasz Dabrowski
Primary CB contact email:	ldabrowski@controlunion.com
Audit team leader:	Ferly Cynte Lanan
Audit team members:	Nur Azlin
Name of the Company:	TreeOne MegaPellet Sdn. Bhd.
Company legal address:	Lot 814, Jepak Industrial Estate, 97013 Bintulu, Sarawak, Malaysia
Company contact for SBP:	Yew Ee Hui
Company contact email:	yeweh@samling.com.my
Company website:	www.samling.com
Date of installation:	
SBP Certificate Code:	SBP-06-84
Date of certificate issue:	03 Mar 2023
Date of certificate expiry:	02 Mar 2028
Audit closing meeting date:	07 Aug 2026
Audit cycle:	Fourth Surveillance Audit

2 Audit conclusions

2.1 Certification decision

Based on the auditor's recommendation and the Certification Body's technical review, the following certification decision is taken:	
Certification decision:	Certification approved
Certification decision by (name of the person):	Robert Knysak
Date of decision:	09 Oct 2026
Other comments:	Minor NC's from previous audit closed satisfactory. Three new NC's issued during current assessment - no recurrency observed. Based on the REport findings and evidence, presented checklists (S 1, 2, 4, 5, 5e) the report can be approved.

2.2 Open non-conformities and observations

NC number 9626	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.10 The Organisation shall conduct an internal audit, not later than 12 months after the preceding audit (internal or external) for the purpose of evaluating the Organisation's conformance with SBP requirements, considering the size and scope of the Organisation and certificate. Note: An internal audit is not required to be conducted before the external initial certification audit by the CB. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The organisation conducted an internal audit on 11.06.2026 covering SBP Standards 1, 2, 4 and 5. The internal audit checklist and report did not specifically identify or document the evaluation of the applicable EU RED requirements. Upon clarification, the organisation confirmed that the internal auditor had evaluated the EU RED requirements during the internal audit; however, the evidences was not specifically recorded in the internal audit checklist or report. This finding is raised as a Minor NC because the internal audit records did not clearly demonstrate, through documented evidence, that all applicable requirements, including the ID 5E and EU RED requirements, had been systematically evaluated. Nevertheless, during the external audit, no non-compliance against the applicable EU RED requirements was identified, and the organisation made all relevant EU RED records and supporting documentation available for review.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	2027-10-09
Closing Date:	N/A
Upgrade Date:	N/A

Update Date:	N/A

NC number 9627	**NC Grading: Minor**
Standard:	SBP Standard 2: Feedstock Verification v2.0
Requirement:	3.6.1 The Organisation shall keep record of any changes in the Supply Base or supply chain and how these changes may affect the Risk Assessment conclusions. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The organisation submitted the SBR prior to the audit. During the audit, two Supply Bases were visited to verify compliance with SBP Standard 1 and Standard 2 requirements. Based on interviews and on-site observations, the organisation identified that one of the Supply Bases was no longer supply feedstock for SBP production and intend to exclude from its current sourcing activities as it was not able to demonstrate compliance with the applicable requirements. However, a review of the submitted SBR identified that the SBR had not been updated to reflect the actual or intended Supply Base to be used for SBP production. The organisation has found out that some area under PEFC certified and PEFC Controlled Sources are no longer complied with the SBP standard requirement. At the time of the audit, no SBP-eligible feedstock had been received and no SBP production had been conducted since the previous audit. The organisation had recorded the exclusion of the Supply Base from its current sourcing activities; however, there was no documented evidence demonstrating that the organisation had evaluated how this change may affect the conclusions of the existing Risk Assessment.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	2027-10-09
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

NC number 9628	**NC Grading: Minor**
Standard:	SBP Standard 2: Feedstock Verification v2.0
Requirement:	6.4 The Organisation shall justify the risk rating using the identified SBVs. The Organisation shall include this information in its SBR. N/A N/A N/A
Description of Non-conformance and Related Evidence:	
The organisation has identified the Supply Base Verifiers (SBVs) used to assess the risks against SBP Standard 1 and has provided risk justifications for these identified SBVs. However, for certain indicators — such as 1.1.5, 2.1.1, 2.1.2, 2.2.1, and others, the documented risk justification does not adequately demonstrate how the identified SBVs support the	

assigned risk ratings. Specifically, the justification does not sufficiently clarify or link the evidence from the identified SBVs to the corresponding risk conclusions. This finding is graded as minor, as the inadequate justification applies to only a portion of the indicators, not the entire assessment. Additionally, all identified SBVs can be verified during site visits to sampled suppliers, and the person responsible for conducting the Supply Base Evaluation (SBE) was able to clarify the risk justification during interview.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	N/A
Findings for Evaluation of Evidence:	N/A
NC Status:	Open
Original Due Date:	2027-10-09
Closing Date:	N/A
Upgrade Date:	N/A
Update Date:	N/A

2.2 Closed non-conformities

NC number 9622 copied from 7265	NC Grading: Minor
Standard:	SBP Standard 1: Feedstock Compliance v2.0
Requirement:	N/A N/A 2 22 Ecosystem productivity, functions, and services are maintained or enhanced. N/A
Description of Non-conformance and Related Evidence:	
The organisation sourced feedstock from plantation that is certified to and SBP-benchmarked certification scheme (PEFC MTCS) and PEFC DDS with negligeble risk. However, upon verified, the feedstock from PEFC DDS was sourced from plantation that was convert after 2008. The organisation has establish the plan to identified the coupe that is convert after 2008. This is raise as minor as there is no production for SBP since last year audit and no shipment for SBP-compliant and the organisation rating this as low.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Standard Operating Procedure for SBP log supply compliance. TOMP-SBP-CL-00.
Findings for Evaluation of Evidence:	Prepared SOP to address this matter and write of previous SBP credits. TOMP has created a SOP to ensure the ability to differentiate between logs sourced from plantation that was converted before or after 2008. This enables TOMP to trace the actual products that are produced using SBP compliant raw materials. The organisation has establish procedure to ensure the compliance with the SBP-compliant material.
NC Status:	Closed
Original Due Date:	2027-10-09
Closing Date:	2026-10-09
Upgrade Date:	N/A
Update Date:	N/A

NC number 9623 copied from 7269	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.15 The Organisation shall implement a documented complaint procedure, which is available upon request and part of its SEP. The procedure shall clarify that the complaints must be applicable to the scope of the Organisation's certificate, and include at least the following: – the person(s) or position(s) responsible for managing complaints; – a timeline for confirming receipt, not to exceed 10 calendar days; – provision for reviewing the complaint, determining the appropriate actions and responding to the complainant; and – provision for monitoring the effectiveness of actions taken. N/A

	N/A
Description of Non-conformance and Related Evidence:	
The organisation has implement complaint procedure in the SBP manual 4.19 Complaints & grievances. However, the timeline for acknowledgement receipt is within two weeks which is exceed 10 calendar days.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Photo screenshot of the documented procedure. Section 4.19.
Findings for Evaluation of Evidence:	The organisation has revised the procedure for complaints & grievances to 10 days.
NC Status:	Closed
Original Due Date:	2027-10-09
Closing Date:	2026-10-09
Upgrade Date:	N/A
Update Date:	N/A

NC number 9624 copied from 7270	**NC Grading: Minor**
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.16 Evidence of effective implementation of the SEP shall be available for verification, such as meeting notes, email communications, records of participation in regional multi-stakeholder processes, responses to comments/feedback/complaints, etc. N/A N/A
Description of Non-conformance and Related Evidence:	
The organisation is aware of the requirement and has included in their manual. As of now, this is raise as minor as the SEP are yet to be developed.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	Email communication 18.06.2026
Findings for Evaluation of Evidence:	The organisation has start engage with the all stakeholders. The organisation has engage with stakeholder by email communication date 18.06.2026
NC Status:	Closed
Original Due Date:	2027-10-09
Closing Date:	2026-10-09
Upgrade Date:	N/A
Update Date:	N/A

NC number 9625 copied from 7271	NC Grading: Minor
Standard:	SBP Standard 4: Chain of Custody v2.0
Requirement:	1.24 The Organisation shall maintain an up-to-date self-assessment covering the implementation of 1.21, 1.22 and 1.23. N/A N/A
Description of Non-conformance and Related Evidence:	
The organisation has conducted the internal audit as use as their own self-assessment against 1.21, 1.22 and 1.23. However upon verified the internal audit report, the report does not clearly record whether the organisation has done self-assessment which ensure implementation the policies and procedures according to 1.21,-1.23.	
Timeline for Conformance:	By the next surveillance audit, but no later than 12 months from report finalisation date
Evidence Provided by Company to close NC:	TOMP SBP IA Report 2026
Findings for Evaluation of Evidence:	The internal audit report has been updated to clearly document the self-assessment conducted against SBP re-quirements 1.21, 1.22, and 1.23, including the assessment results.
NC Status:	Closed
Original Due Date:	2027-10-09
Closing Date:	2026-10-09
Upgrade Date:	N/A
Update Date:	N/A

2.3 Actions taken by Organisation Prior to Report Finalisation

N/A as this is surveillance audit

2.4 Notes for the next Audit

Implementation and effectiveness of the corrective action shall be assessed.

3 Scope of the audit and SBP certificate

Scope item	Check all that apply to the Certificate scope
Primary activity	Biomass Producer
Secondary activity	
Approved Standards	SBP Standard 1: Feedstock Compliance v2.0; SBP Standard 2: Feedstock Verification v2.0; SBP Standard 4: Chain of Custody v2.0; SBP Standard 5: Collection and Communication of Data v2.0; Instruction Document EU RED: Bridging Requirements for Meeting the Directive EU/2023/2413; Instruction Document 5E: Collection and Communication of Energy and Carbon data. v2.1
Product Group IDs	☒ Forest feedstock (1A) ☐ Trees outside forest (TOF) - Urban and landscape feedstock (2A) ☐ Trees outside forest (TOF) - Agricultural land feedstock (3A) ☐ Processing residues feedstock (4A) ☐ Post-consumer feedstock (5A) ☐ Other (please specify)
SBP Feedstock types	☒ SBP Compliant; ☒ SBP Controlled
Includes Supply Base Evaluation (SBE)	Yes
Includes EU RED Scheme	Yes
Includes EU RED Supply Base Evaluation (SBE)	Yes
Products	WB 1.1 Wood pellets
Feedstock origin (countries):	Malaysia
SBP-endorsed Regional Risk Assessments used: **Public link:** https://sbp-cert.org/documents/standards-documents/risk-assessments/	Not applicable
Chain of custody system	☒ Physical separation ☒ Mass balance
Outsourcing	No
Changes in the scope	No change of scope since last 2025 audit

3.1 Description of the company

Guidance: Please describe the type, structure and operations of the company including its role in the supply chain, its inputs and outputs as they related to SBP Standards.

TreeOne Mega Pellets Sdn. Bhd., a member of the Samling Group of Companies, is situated at Jepak Industrial Estate, approximately 20 kilometers from Bintulu Town in Sarawak, Malaysia. The company specializes in the manufacturing of wood pellets. Construction of the facility was completed at the end of 2020, followed by a trial run and commissioning. The plant officially commenced full-scale operations by the end of 2020, running two (2) production lines with a combined capacity to produce 132,000 metric tons of wood pellets annually.

3.2 Site details

Legal entity name	Address	Site Activity	Visited during the audit
TreeOne MegaPellet Sdn Bhd	Lot 814, Jepak Industrial Estate, 97013 Bintulu, Sarawak, Malaysia	Headquarters, wood pellet production	☒
TreeOne MegaPellet Sdn Bhd - Storage	Lot 15, Block 20, Kemena Land District, Tanjung Kidurong, 97000 Bintulu, Sarawak	Storage	☒

3.3 Detailed description of the Chain of Custody system and Product Groups

Guidance: Please describe the operation of the CoC system including details of the mass balance management and a list of established Product Groups.

The factory exclusively produces wood pellets, utilizing Acacia and Eucalyptus logs as the primary input materials. These logs are sourced from planted forest concessions owned by affiliated sister companies. The feedstock supply is diligently managed and restricted to specific supply bases, as outlined below: TOMP is actively procuring feedstock that is compliant with the Sustainable Biomass Program (SBP) standards, sourced from PEFC-certified materials. The supply originates from the following listed supply bases: • Segan Licensed Planted Forest LPF0014 • Lana Licensed Planted Forest LPF0006 • Marudi Licensed Planted Forest LPF0008 • Kuala Baram Licensed Planted Forest LPF0004 In the forest plantations, the segregation of low-grade rough woods occurs, and the feedstock required for biomass pellet production is transported to the company after weighing, accompanied by relevant commercial documentation such as delivery orders and weighbridge tickets. The process flow for wood pellet production is as follows: Receiving of logs --> segregated at log yard --> daily determination of PEFC certified --> Fed into debarker --> Chipping --> Hammer Mill--> Drying--> Pelleting--> Storage (silo) --> Transfer and shipping. The finished wood pellets, produced at a total capacity of 132,000 metric tons per year from two production lines, are sold to buyers.

4 Specific objective of the audit

The specific objective of this evaluation was to validate that the Biomass Producer's management system is effective in ensuring the implementation of all specified SBP and EU RED (RED III) requirements across the entire certification scope.

5 Evaluation process

5.1 Timing and duration of evaluation activities

Audit Level of Effort (LoE)		
Activity	**Auditors**	**Auditor hours**
1. Preparation	Ferly Cynte Lanan	4.0
2. On-site (excl. travel time)	Ferly Cynte Lanan	32.0
3. Report writing	Ferly Cynte Lanan	8.0

5.2 Auditor team qualification

Auditor qualification		
Auditor name	**Role**	**Qualification**
Ferly Cynte Lanan	Lead Auditor	CUC approved FSC chain of custody and GGL lead auditor with 0.5 years of auditing experience. Having professional background in Forest Management, HCV Assessment and Social Impact Assessment with a B.Sc (Honours) in Conservation Biology and having successfully completed FSC, PEFC COC, MTCS SFM, FSC FM, SBP, ISO 14001 Lead Auditor Training. Passed the SBP exam version 2 on 24.09.2024.
Nur Azlin	Trainee Auditor	CUC approved chain of custody lead auditor with 0.5 years of auditing experience. Having professional background almost six (6) years in Forest Management with a B.Sc (Honours) in Plantation Technology and Management and having successfully completed Integrated Management System (IMS) ISO 9001;2015,ISO 14001;2015,ISO 45001:2018 Lead Auditor Course, FSC COC & FM, PEFC COC & MTCS (FM). Passed SBP exam in 2026.

5.3 Description of evaluation activities

The audit process commenced with an opening meeting, where the scope was affirmed, and the auditor provided an overview of the audit methods to be applied. Following this introduction, all pertinent requirements of the applicable SBP standard(s) were thoroughly examined for compliance, utilizing a report template and checklists. The audit process was concluded by completing the audit report and engaging in discussions regarding the audit findings.

Critical control points, including Receipt, Raw Material Storage, Input for Processing, Processing, and Final Pellet Storage, underwent evaluation and were deemed to be effectively managed.

In the closing meeting, there was a discussion on the submission of evidence related to corrective actions for identified non-conformities during the audit

5.4 List of forest management units and feedstock suppliers visited

☐ N/A – No forest sites or suppliers visited during this evaluation

Site name
LPF 0004
Site location
Miri, Sarawak
Site description
License Planted Forest
Rationale and focus of visit
Supplier visit for verified on the organisation SBE.
Description of audit activity
Onsite visit Documentation review Interview with management

Site name
LPF0008
Site location
Miri, Sarawak
Site description
Licence Planted Forest
Rationale and focus of visit
Supplier visit for verified on the organisation SBE.
Description of audit activity
Onsite visit Documentation review Interview with management

5.5 Describe audit sampling methodology used

All sites underwent the audit process. Given that there was only one SBP production and sale conducted to date, a material balance assessment was carried out specifically focusing on production related to material using primary feedstocks. The field visits encompassed site observations, record checks, and interviews with both management and staff. Out of five LPF only two LPF was visit based on travel time and road condition. All LPF was under one group management where they implement same management system.

5.6 CB stakeholder engagement

☒ N/A – Certification Body stakeholder consultation not applicable for this evaluation

Guidance: Please specify the number and types of stakeholders engaged, method of engagement and its outcomes.

5.7 Stakeholder feedback and response

☐ N/A – Certification Body stakeholder consultation not applicable for this evaluation

No comments from stakeholders were received during or After the consultation period.

5.8 Main strengths and weaknesses of the management system and operations

TreeOne Mega Pellets demonstrated a commendable level of compliance with the stipulated criteria of Standards 2, 4, and 5. The notable strength lies in the establishment of a robust PEFC Chain of Custody system, significantly contributing to TOMP's overall conformity with the relevant SBP standards. Any identified weaknesses have been documented as non-conformities and are detailed in the subsequent section of this report.

5.9 Summary of evaluation activities for robustness of the Supply Base Evaluation

☐ N/A – Standard 1 not in the scope of the evaluation

The SBE remains effectively implemented by checking each FMU against SBP standard 1. The organization demonstrated understanding of SBP requirements, and control measures are consistently applied to mitigate identified risks.

The Supply Base Report is comprehensive and reflects current supply areas and sourcing conditions.

Minor opportunities for improvement were noted regarding clearer documentation of stakeholder engagement outcomes and periodic review of information sources to ensure continued relevance.

5.10 Summary of evaluation activities for Processing residues and/or Post-consumer feedstock requirements per Standard 2 and EU RED

☒ N/A – processing residues and/or post-consumer feedstock not used.

5.11 Summary of evaluation activities for chain of custody system per Standard 4

The organisation has developed SBP manual which cover the applicable requirements as biomass producer for wood pellet.

The organisation has keep record for both feedstock. There is no sales transaction for SBP compliant since last audit.

5.12 Summary of evaluation activities for collection and communication of data per Standard 5

The organization has comprehensive procedures in place. The auditor verified the Greenhouse Gas sources associated with feedstock input, tracing from the plantations to log pong, through the production at the facility, transportation to the warehouse and port, and storage and handling at the port. The audit also reviewed the methods employed to measure the input data. The findings were corroborated through on-site staff interviews with operations personnel. These interviews covered the overview of facility operations, historical operations, changes to operations, procedures and processes used to maintain the facility, and the procedures and processes employed to ensure data quality.

5.13 Summary of audit findings for competency of involved personnel

During the audit, the competency of personnel involved in the management system and certification scope was assessed through document review, interviews, and observation of activities.

- Most personnel demonstrated adequate knowledge and understanding of relevant procedures, standard requirements, and operational practices. Training records and qualifications were generally well maintained and aligned with their assigned roles.

5.14 Summary of audit findings for GHG methodology per Standard 6 (if applicable)

☒ N/A – Standard 6 not in the scope

6 Detailed evaluation of BP's Supply Base Evaluation (if applicable)

☐ N/A – Supply Base Evaluation not in the scope of the evaluation

6.1 Overview of BP's risk assessments and mitigation measures including EU RED scope

TreeOne Mega Pellets (TOMP) has implemented a comprehensive risk assessment covering all EU RED requirements. The risk assessment (RA) is conducted for feedstock obtained from the following supply bases

- Segan Licensed Planted Forest LPF0014
- Lana Licensed Planted Forest LPF0006
- Marudi Licensed Planted Forest LPF0008
- Kuala Baram Licensed Planted Forest LPF0004
- Paong Licensed Planted Forest LPF0021

The primary purpose of the RA is to ensure that the provided feedstock is not derived from controversial or disputed areas.

Harvesting Criteria (Article 29(6)):
The SBE utilizes a risk assessment approach based on legality and sustainability principles. TOMP maintains thorough documentation, conducts on-site visits, and ensures compliance with prescribed procedures and management plans, indicating low risk. The LPFs undergo a systematic process involving GPS technology, boundary marking, and color codes for efficient land management. TOMP has established a robust management system, engaging in due diligence, maintaining documents, and ensuring compliance with relevant legislation.

The LPFs follow an approved harvesting plan, obtain necessary permits, and maintain comprehensive documentation for traceability. Forest regeneration is practiced in designated zones, and the LPF operates with conservation and buffer areas, ensuring biodiversity protection. Special Management Zones (SMZs) are identified, contributing to conservation values and biodiversity protection. Mechanized harvesting operations are employed to minimize soil erosion, and the chosen harvesting system protects fragile soils. The LPFs adhere to a replanting obligation and determine the annual cut based on sustainability factors, supporting long-term production capacity.

LULUCF Criteria (Article 29(7)):
TOMP ensures the maintenance or strengthening of carbon stocks and sinks in LPF sourcing areas, providing accurate and verifiable evidence. Carbon stocks and sinks are identified, historical reference periods are established, and a projected long-term period shows increased carbon stocks and sinks.

In summary, the risk assessment indicates low risk, showcasing TOMP's commitment to sustainable biomass production and adherence to regulatory requirements.

6.2 CB evaluation of specified risk indicators and mitigation measures

Country
Malaysia
Area/Sub-Scope
N/A

Indicator
2.2.1 Feedstock shall not be sourced from land that had one of the following statuses in January 2008 and no longer has that status due to land conversion: a. Forests b. Wetlands c. Peatlands d. Highly biodiverse grasslands.
Specified risk description
There is a specified risk that feedstock may originate from land that was natural forest, wetland, peatland, or highly biodiverse grassland as of January 2008, and has since been converted to plantation forest, particularly in blocks established after the MTCS cut-off date of 31 December 2010. This poses a risk of non-compliance with SBP Indicator 2.2.1 and MTCS Criterion 6.10, especially where land conversion may have impacted high conservation value (HCV) areas or ecologically sensitive zones.
Detailed description of a mitigation measure
To reduce the specified risk to a low/negligible level, implement the following **control and verification measures**: **a. Land Conversion Verification** • Require **documented land history** (e.g., satellite imagery, land use records, gazette notifications) to confirm land status as of January 2008. • Use **GIS mapping overlays** to verify that feedstock is not sourced from areas converted after 2008 or from HCV/ecologically sensitive areas. **b. Segregation and Traceability** • Maintain **strict segregation** of feedstock at the weighbridge and processing facilities based on Block Master classification (PEFC Certified vs Controlled Source). • Apply **clear labeling and stamping** on delivery documents to ensure traceability. **c. Enhanced Due Diligence for Controlled Source** • For PEFC Controlled Source feedstock, conduct **additional field verification** and **stakeholder consultation** to confirm no adverse environmental or social impacts. Require **Environmental Impact Assessments (EIA)** and **community consultation records** for all post-2010 blocks.
Detailed description of CB evaluation of mitigation measure and its conclusions
The BP has identified the feedstock from which block and segregation and traceability can be demonstrate for the plantation before and after 2008. During onsite visit to BP, it was observed that BP able to identified the plantation before and after 2008.

Country

Malaysia
Area/Sub-Scope
N/A
Indicator
4.2.5 Mechanisms shall be in place for resolving grievances and disputes relating to tenure and use rights of the forest and other land management practices.
Specified risk description
There is a possibility of overlooking grievances and disputes due to incompetent personnel failing to record them properly and provide timely responses to the complainants.
Detailed description of a mitigation measure
Defined Response Timeframes: Clear deadlines for acknowledging and resolving complaints to ensure accountability and shall abide to the procedure **Independent Audits & Reviews:** Conduct periodic internal audits to assess grievance-handling effectiveness and identify areas for improvement. **Community Engagement Sessions:** Regular meetings with complainants to provide updates, with support from the LPF management. **Guide/mentoring:** LPF management regularly guides the personnel (Community Liaison Officer) on **1)** maintaining a **Grievance Register** with records of all submissions, actions taken, and outcomes; and **2)** Implement a **feedback mechanism** to inform complainants of progress and resolution status.
Detailed description of CB evaluation of mitigation measure and its conclusions
Evidence of report of engagement session was verified during the audit. As of now, all the complaints, grievances was made though the SOP.