

MSPO CERTIFICATION SUMMARY REPORT

SUNGAI BATU SAWIT SDN BHD

CERTIFICATION AUDIT

Onsite Audit Date: 12/12/2024

TUV NORD (Malaysia) Sdn Bhd
No. 9F-1A, 9th Floor, Tower 2 @ PFCC
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MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Table of Contents

1.	INTRODUCTION.....	4
1.1.	Objective	4
1.2.	Scope	4
1.3.	Appointment and Qualification of team members	4
2.	METHODOLOGY.....	8
3.	ORGANISATION INFORMATION.....	10
3.1.	Production volume	10
3.2.	Maps of Dealers Location	10
4.	CERTIFICATION ASSESSMENT	15
4.1.	Certification audit	15
4.2.	Stakeholders' Consultation	15
4.3.	Summary of Findings	17
4.4.	Use of Marks and/or Any Other References to Certification	35
4.5.	Status of Non-Conformities Previously Identified	35
4.6.	Detail of Audit Findings Identified during last audit	35
4.7.	Detail of Onsite Audit Findings Identified during This Audit	35
5.	CONCLUSION	37
6.	RECOMMENDATION	38
7.	LIST OF STAKEHOLDERS	39
	Distribution / Confidentiality / Rights of ownership / Limitations / Responsibilities / Audit Objectives	40
	Annex / Enclosures	40

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Abbreviations

CHRA	Chemical Health Risk Assessment
CPO	Crude Palm Oil
CSR	Corporate Social Responsibility
DOE	Department of Environment
EFB	Empty Fruit Bunch
EIA	Environment Impact Assessment
FFB	Fresh Fruit Bunch
GMP	Good Milling Practices
GPS	Global Positioning System
ISO	International Standard Organisation
MPOB	Malaysian Palm Oil Board
MPOCC	Malaysia Palm Oil Certification Council
MSPO	Malaysia Sustainable Palm Oil
NC	Non Conformity
OSH	Occupational Safety and Health
P&C	Principle and Criteria
PK	Palm Kernel
POME	Palm Oil Mill Effluent
PPE	Personal Protective Equipment
RSPO	Roundtable Sustainable Palm Oil
RTE	Rare, Threatened and Endangered Species
SA8000	Social Accountability 8000
SDS	Safety Data Sheet
SIA	Social Impact Assessment
SOP	Standard Operating Procedure
WHO	World Health Organization
HCV	High Conservation Value
GHG	Greenhouse Gas
SG	Segregation
MB	Mass Balance
RBDPO	Refined, Bleached & Deodorized Palm Olein
PKO	Palm Kernel Oil

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

1. INTRODUCTION

Sungai Batu Sawit Sdn Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct certification audit for its dealer facility according to MS 2530-4-3:2022 Part 4-3 General principles for Dealers including Supply Chain Requirements.

1.1. Objective

The objective of this certification audit is to assess dealer by an independent certification body with the aim for compliance of the standards.

1.2. Scope

The certification is based on the documentation established by Sungai Batu Sawit Sdn Bhd.

The supporting documents provided to the audit team as well as information received by means of interviews and background investigation.

The documents and information are reviewed against the requirements and criteria based on MS 2530-4-3:2022 Part 4-3 General principles for Dealers including Supply Chain Requirements. TUV NORD Malaysia has employed a risk-based approach in the audit, focusing on the identification of significant risks and reliability of the assessment and reporting.

The following references are used as part of the assessment; the compliance of the requirements of the guidelines applied are checked.

1. Malaysian Sustainable Palm Oil MS 2530-4-3:2022 Part 4-3 General principles for Dealers including Supply Chain Requirements audit guidance;
2. SIA Guidelines and Approach for MSPO Standards;
3. HCV Assessment Guidelines for MSPO Standards.

1.3. Appointment and Qualification of team members

The audit team appointed consists of the team leader and one team member. The team contributes to the review of documents, assessment of the project activity and preparation of this report.

Qualification of the Lead Auditor: Ariff Bin Lokman

Requirement	Qualifications
Post-secondary education, college or university diploma / degree in one of the following	Graduate in Plantations Industry and Management.
i) Agriculture;	
ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,);	
iii) Engineering, Process Technology;	
iv) Energy Management, Quality Management;	
v) Social Sciences and/or Anthropology;	
vi) Business Management; or	
vii) Other relevant related fields	

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Requirement	Qualifications
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	7 years working experience in oil palm plantations.
Successfully completed MPOCC endorsed lead auditor training	Successfully completed MS 2530 series standards for Lead Auditors.
Conducted at least three (3) MSPO or equivalent sustainability certification audits as Lead Auditor-in-training with a minimum of fifteen (15) man-days under the supervision of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes within the last two (2) years.	Qualified as Lead auditor for MSPO scheme.
Field working experience in the palm oil sector, or demonstrable equivalent	7 years working experience in oil palm plantation.
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	7 years working experience in oil palm plantation.
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Successfully completed IMS ISO 9001:2015 Lead Auditor course.
Health and safety auditing on the farm and in processing facilities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Successfully completed IMS ISO 45001:2018 Lead Auditor course.
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Successfully completed SA 8000 Basic training.
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Successfully completed IMS ISO 14001:2015 Lead Auditor course.
Completed High Conversation Value assessment	Attended and completed the HCV-HCS for producers course.
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Able to communicate in Bahasa Malaysia and English.

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Qualification of Team Member

Requirement	Name of Assessor	Qualification	Compliance
Post-secondary education, college or university diploma / degree in one of the following i) Agriculture; ii) Science & Technology (e.g. Environmental Sciences, Life Sciences, Geological Sciences, Natural Sciences,); iii) Engineering, Process Technology; iv) Energy Management, Quality Management; v) Social Sciences and/or Anthropology; vi) Business Management; or vii) Other relevant related fields	Muhammad Khairul Anuar Bin Azizul Hasan	Graduate in Plantation Industry and Management	Yes
At least five (5) years of work experience in the oil palm sector or related field in consultancy / auditing of similar industry or equivalent related to and as necessary for the certification process. (e.g., sustainability, palm oil management; agriculture, ecology; social science)	Muhammad Khairul Anuar Bin Azizul Hasan	7 years working experience in oil palm plantations.	Yes
Successfully completed MPOCC endorsed lead auditor trainings	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed MS2530 series of standards for Lead Auditors.	Yes
Conducted a minimum six (6) on-site audits for a total of at least 20 man-days of audit experience as an auditor-in-training under the direction and guidance of a qualified Lead Auditor for MSPO or equivalent sustainability certification schemes.	Muhammad Khairul Anuar Bin Azizul Hasan	Qualified as auditor based on audit log.	Yes
Field working experience in the palm oil sector or demonstrable equivalent	Muhammad Khairul Anuar Bin Azizul Hasan	7 years working experience in oil palm plantations.	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Requirement	Name of Assessor	Qualification	Compliance
Good Agricultural Practices (GAP) and Integrated Pest Management (IPM), pesticide and fertilizer use	Muhammad Khairul Anuar Bin Azizul Hasan	7 years working experience in oil palm plantations.	Yes
Successfully completed Quality Management Systems (QMS) ISO9001 standard	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed ISO 9001:2015 LA course.	Yes
Health and safety auditing of the estate processes and activities Or Successfully completed Occupational, Health & Safety Management System ISO 45001 standard	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed ISO 45001:2018 Lead Auditor course.	Yes
Workers welfare and social auditing experience or Successfully attended SA8000 or related social or ethical accountability codes	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed SA 8000 Basic training	Yes
Environmental and ecological auditing or experience with organic agriculture. or Successfully completed Environmental Management Systems ISO 14001 standard	Muhammad Khairul Anuar Bin Azizul Hasan	Successfully completed IMS ISO 14001:2015 LA course.	Yes
Completed High Conversation Value assessment	Muhammad Khairul Anuar Bin Azizul Hasan	Attended and completed the HCV-HCS for producers course.	Yes
Able to communicate in Bahasa Malaysia, English and / or any other local language.	Muhammad Khairul Anuar Bin Azizul Hasan	Able to communicate in both Bahasa Malaysia and English.	Yes

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

2. METHODOLOGY

The audit approach consists of the following steps:

- Contract review;
- Appointment of team members;
- Contact client for relevant documentation according to the applicable MSPO standards;
- Audit planning;
- Background investigation, desk review of submitted documents;
- Assessment, inspections, interviews with operational personnel, stakeholders and its contractors; review of documentation;
- Reporting
- Draft audit reporting
- Technical review
- Final audit reporting
- Peer review
- Address Peer Review Comments (if any)
- Final approval, certification decision and issuance of certificate.

Certification Audit:

The certification audit conducted on site on 12/12/2024 covering the following activities but not limited to below:

Onsite:

- Background investigation
- Review of documentation established but not limited to below
 - Policies
 - Site location map
 - Land titles
 - Standard Operating Procedures including Mill Operation Manual
 - Work Flow Charts
 - Management Plans
 - Operating licenses and approvals
 - Operating records
 - Training records
 - Applicable Legislation Documents
- Stakeholders consultation meeting;

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
Certifying Unit: Sungai Batu Sawit Sdn Bhd
Client Number: 92-193
Audit Type: Certification Audit
Mode of Audit: Onsite

- Inspection, observations and inspection of Dealers facilities and activities
- Interview operation personnel for understanding for the work assigned;
- Reviewed revised and updated documentation established and implemented;
- Reports established;
- Work plans established;
- Review and closed out of non-conformance raised in last audit;
- Assessment reporting;

On-site Assessment

The audit of the mill is conducted according to the MS 2530-4-3:2022 Part 4-3 General principles for Dealers including Supply Chain Requirements.

The methodology for collection of objective evidences by means of physical site inspections, observation of tasks and processes; interview workers and operation personnel; interviews of stakeholders, communities, review of documentation and data. Checklists and questionnaires are used to guide the collection of information. The comments made by external stakeholders are taken into account in the assessment.

Non-conformance:

On the basis of the desk review, evidences presented during the audits as well as from the onsite visits non-conformance (NC) Major, Minor and Opportunity for Improvement (OFI) may be raised during the audit.

Initial Major non-conformance shall be addressed and responded with 180 days from closing date of audit. While for Surveillance and Recertification, Major non-conformance shall be addressed and responded with 90 days from closing date of audit. For minor non-conformances and action plan to be submitted within 30 days from closing date of audit for review and acceptance. Implementation of Minor NC will be reviewed and verified during the next audit.

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

3. ORGANISATION INFORMATION

Sungai Batu Sawit Sdn Bhd is located at No. 89, Kampung Baru, Sungai Batu, 34900 Pantai Remis, Perak.

Name of Dealer	MPOB License Number	Location	Coordinates
Sungai Batu Sawit Sdn Bhd	595433-015000	89, Kampung Baru, Sungai Batu, 34900 Pantai Remis, Perak	4.431981, 100.667268

Management Representative / Contact Person Details	
Name:	Mr. Chiang Zi Jun
Tel: 016 - 5454351	Email: chiangzjun@gmail.com
Certificate Details	
Scope of Activity:	Trading of FFBs and Management System for Palm Oils Dealers
Certificate Issuance Date:	New Client
Certificate Validity Date:	28/02/2025
Other Certification(s):	N/A

3.1. Production volume

Volume for the past year Jan 2023 to Dec 2023	Actual volumes Jan 2024 to Oct 2024	Projected volume Nov 2024 to Dec 2024
FFB	FFB	FFB
17,938.48 mt	13,665.46 mt	1,834.54

Suppliers Information					
Name	Address	Product	Volume (Mt)	Module	Certificate Number
Chiang Saw Chaw	56, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	273.21	-	781210001001
Chiang Choo Hwa	56, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	345.05	-	767594001002
Chiang Wah Khong	56, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	350.77	-	767595001002

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

	Perak				
Ah Kow @ Chun Shee Kwei	494, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	339.08	-	744757001002
Chai Lee Ming	19, Jalan Putra Murni 3/3b, Putra Heights Seksyen 3, 47650 Subang Jaya, Selangor	FFB	249.42	-	799326001002
Chan Ah Ngaw @ Chan Chen Yeng	75, Taman Bintang, 34900 Pantai Remis, Perak	FFB	260.13	-	929743001002
Cheang Ah Moy	54, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	410.71	-	744755001002
Chieng Lay Choon	Lot 29282, Kampung Selamat, 32000 Sitiawan, Perak	FFB	388.54	-	865682001002
Chong Ah Hin	Lot 1317, Batu 13, Jalan Segari, 34900 Pantai Remis, Perak	FFB	393.10	-	765971001002
Chong Ah Kim	17, Lrg Air Putih 11, Taman Klasik, Jln Air Putih 1, Kuantan, Pahang	FFB	356.82	-	793654001002
Chong Ban Hin	390, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	443.67	-	744881001002
Chong Chon Heong	230, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	299.85	-	846786001002
Chong Gu Heng	212, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	321.39	-	746402001002
Chong Kew	418, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	409.41	-	919504001002
Chong Li Ling	89, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	317.50	-	746401001002
Chong Pet Kear	533, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	187.67	-	746400001002
Chong Thye	210, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	182.62	-	799328001002
Chong Way Look	230, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	226.88	-	221357401000

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd

Certifying Unit: Sungai Batu Sawit Sdn Bhd

Client Number: 92-193

Audit Type: Certification Audit

Mode of Audit: Onsite

Chong Tai Ung	17, Jalan Wawasan 1/6, Pusat Bandar Puchong, 47160 Puchong, Selangor	FFB	269.09	-	842577001002
Gan See Hing	369, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	250.79	-	799336001002
Hasim Bin Taib	Tebuk Yan, 34900 Pantai Remis, Perak	FFB	265.36	-	799337001002
Ho Sue Tong	325, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	217.25	-	746408001002
Hoo Chin	322 A, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	238.62	-	746407001002
Khor Phai Joo	39, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	199.98	-	799338001002
Kong Looi	85, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	275.39	-	766262001002
Kong Yook	511, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	230.79	-	799339001002
Lai Bok Sang	371, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	245.90	-	765972001002
Lam Kai Fong	458, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	208.78	-	799329001002
Lam Yean Kap	40, Jalan Perdana 5/4, Pandan Perdana, 55300 Kl	FFB	289.76	-	800951001002
Law Ah Meng	91, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	265.14	-	746484001002
Lee Chin Teik	23, Lorong 7a, Taman Kota Jaya, 34700 Simpang, Perak	FFB	250.18	-	225619201000
Lee Gek Sim	390, K/B Sungai Batu, 34900 Pantai Remis, Perak	FFB	313.72	-	931913001002
Leong Yok Mooi	1, Taman Rakyat Kampung Koh, 32000 Sitiawan, Perak	FFB	262.10	-	747464001002
Leong Yoke Wah	54, K/B Sungai Batu, 34900 Pantai Remis,	FFB	304.54	-	747463001002

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

	Perak				
Lim Ah Huat	14, Jalan Cj 4/15-1e, Taman Cheras Jaya Balakong, 43200 Batu 9 Cheras, Selangor	Ffb	402.17	-	799340001002
Ooi Back Dem	376, K/B Sungai Batu, 34900 Pantai Remis, Perak	Ffb	376.82	-	766257001002
Pat Che Wing	152 Taman Desa Bintang, 32000 Sitiawan, Perak	Ffb	333.90	-	747458001002
Tan Eng Chai	1, Taman Rakyat Kampung Koh, 32000 Sitiawan, Perak	Ffb	415.45	-	747675001002
Tan Hoo Hing	25, K/B Sungai Batu, 34900 Pantai Remis, Perak	Ffb	312.09	-	748275001002
Tan Penk Yeok	101, Taman Seri Bintang, 34900 Pantai Remis, Perak	Ffb	299.87	-	748277001002
Tan Zeng Hong	68&69, Hala Desa Pantai 3/5, Taman Desa Pantai, 34900 Pantai Remis, Perak	Ffb	365.60	-	842576001002
Teoh Swee King	86, Hala Desa Pantai 6, Tanab Desa Pantai, 34900 Pantai Remis, Perak	Ffb	322.84	-	748280001002
Toh Yoke Yeng	55, K/B Sungai Batu, 34900 Pantai Remis, Perak	Ffb	319.83	-	799334001002
Wai Ah Kam	553, K/B Sungai Batu, 34900 Pantai Remis, Perak	Ffb	326.41	-	748284001002
Wong Ah Moi	325, K/B Sungai Batu, 34900 Pantai Remis, Perak	Ffb	347.27	-	748285001002

Buyers Information					
Name	Address	Product	Volume (mt)	Module	Certificate Number
TERMA SAWIT SDN BHD	Lot 5629, Wilayah Sungai Rotan, Mukim Sungai Tinggi, 34800 Larut Dan Matang, Perak.	FFB	4,480.04	MB	620379-015000
TEMERLOH MILL SDN BHD	Lot 4196, Kampung Temerloh, Jalan Taiping-	FFB	9,185.42	MB	500022-204000

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

	Pantai Remis, 34800 Trong, Perak.				
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3.2. Maps of Dealer Location



Figure 1: Sungai Batu Sawit Sdn Bhd map location

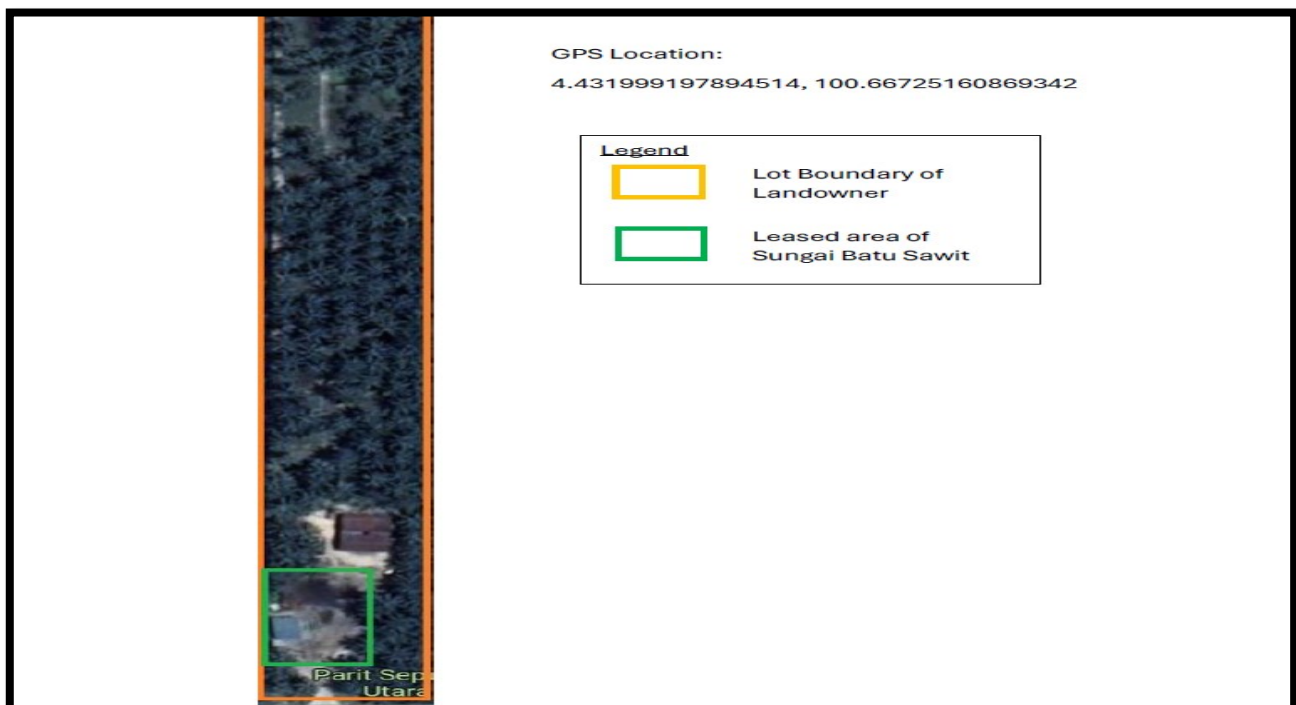


Figure 2: Sungai Batu Sawit Sdn Bhd site location

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

4. CERTIFICATION ASSESSMENT

4.1. Certification audit

The objective of the audit is to assess the activities of the dealer are in compliance with MS 2530-4-3:2022 Part 4-3 General principles for Dealers including Supply Chain Requirements.

Audit Programme								
Certification Unit	Name of dealer	CA	Additional Audit	SA 1	SA 2	SA 3	SA 4	RC
Sungai Batu Sawit Sdn Bhd	Sungai Batu Sawit Sdn Bhd	X	-					

Proposed date of next surveillance audit: 12/11/2025

4.1.1. Certification Audit:

The certification audit is conducted on 12/12/2024.

The major non-conformances raise during the certification audit are closed out by means of documents review that are establish, revised and implemented appropriately and preventive actions taken. Action plan is submitted for Minor non-conformance with implementation review during the next audit.

For details of the assessment, refer summary of assessment for each indicator in section 4.3 of this report.

The number of audit findings raised in this audit refer to Section 4.6 of this audit report.

4.2. Stakeholders' Consultation

According to MSPO Certification Scheme Document, dated 3 April 2023, 4.8 Stakeholder Consultation. During the certification, surveillance and recertification audit of the management unit, the CB shall carry out stakeholder consultation to ensure continued compliance with the requirements of the certification standards. For surveillance, CB shall carry out stakeholder consultation but not limited to those stakeholders within vicinity of the management unit being audited and those stakeholders who have raised concerns, complains or disputes.

The audit team leader has review the stakeholders' consultation feedback during the last surveillance audit and there are no concerns or complaints or disputes raised or any prior to this audit.

TUV NORD (Malaysia) Sdn. Bhd., has published the public notification on 11/11/2024 as to accommodate stakeholder's consultation meeting for Sungai Batu Sawit Sdn Bhd to provide comments. As at audit date on 12/12/2024 there are no comments received.

Invitation letters are sent on 11/11/2024 to invite relevant stakeholders to attend a local stakeholders' consultation on 12/12/2024 to gather information from the local communities in accordance to MSPO Certification Scheme Document, 4.4 of the Certification Procedure requirements.

The topics of discussion are as below:

1. Introduction of MSPO certification.
2. Development of oil palm plantations.
3. Community service and support.

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

4. Wildlife management and wildlife corridor.
5. Type of wildlife sighted at plantations and wildlife corridor.
6. Local communities' development.

The following relevant Principles & Criteria of the applied standard are discussed during the stakeholders' consultation:

1. Principle 1 Criteria 4 Indicator 3: Where contractors are engaged, they shall understand the MSPO requirements and shall provide the required documentation and information
 The contractors who provides maintenance and service could confirm they are briefed/aware of MSPO requirements.
2. Principle 1 Criteria 6 Indicator 1: Contribute to local development in consultation with the local communities.
 The local communities could confirm the company has provide assistance and support to communities.
3. Principle 1 Criteria 7 Indicator 1: A complaint form should be made available at the premises, where employees and affected stakeholders can make a complaint
 The stakeholders' advice that they have been informed a logbook and form available at the office to lodge any complaints or suggestions.
4. Principle 2 Criteria 1 Indicator 1: Consultation and Communication with stakeholders:
 The stakeholders could confirm they have attended meetings with the company on MSPO certification.

There are no issues raised during the stakeholder's consultation in terms of tenure and/or land use rights, social or environmental aspects of management and operations that need to be addressed by the certified unit. It can be concluded the relevant Principles and Criteria clauses of the applied standard are in compliance.

The list of stakeholders who attended the meeting or interview by telephone refer to Table 7-1.

Item	Subject discussed	Audit team findings	Company response and proposed action to be taken
1	Any information from the Company on MSPO audit?	Stakeholders confirmed they received invitation letter from TUV NORD (M) Sdn Bhd informing of MSPO.	No further action required.
2	Social issues	Stakeholder confirmed there are no issue or concern raise during stakeholders' meeting.	Positive comment for Sungai Batu Sawit Sdn Bhd.
3	Economy / livelihood Is there any impact on livelihood after the introduction of MSPO?	Stakeholder acknowledge there are positive impact on livelihood after the introduction of MSPO	Positive comment for Sungai Batu Sawit Sdn Bhd.
4	Does MSPO largely benefits the local community?	Stakeholders acknowledge there is improvement in income since working with the mill.	Positive comment for Sungai Batu Sawit Sdn Bhd.

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Item	Subject discussed	Audit team findings	Company response and proposed action to be taken
5	Environmental understanding	Stakeholders are aware and have a better understanding on environmental issues.	Positive comment for Sungai Batu Sawit Sdn Bhd.
6	Support to smallholders	Stakeholders acknowledge Sungai Batu Sawit Sdn Bhd support smallholders by accepting their FFB and provide information on FFB prices.	Positive comment for Sungai Batu Sawit Sdn Bhd.
7	FFB quality	Stakeholders aware of FFB quality and Sungai Batu Sawit Sdn Bhd is in collaborating with suppliers to ensure FFB quality and grading according to MPOB requirements	Positive comment for Sungai Batu Sawit Sdn Bhd.
8	Are there any mill management practices that affect you?	Stakeholders confirmed they have not encounter any negative impacts from the dealer operation.	Positive comment for Sungai Batu Sawit Sdn Bhd.
9	Do you consider the management conflicts with the MSPO principles and criteria?	Stakeholders confirm there is no conflicts with the MSPO principles and criteria.	Positive comment for Sungai Batu Sawit Sdn Bhd.
10	Do you have any suggestions for management?	No further suggestions.	No further input for consideration

4.3. Summary of Findings

Principle and Criteria Assessment Summary

The assessment team conducted a thorough assessment of each principle and criteria. Over the 5 years' period of the certificate cycle, there will be 4 annual surveillance audits where all criterions will be assessed. Evidences are sought for conformity with the MSPO 2530-4-3:2022. The summary of the assessment can be seen below, where the "Findings/Comments" column reflects the findings in accordance with each indicator or evidences and when non conformity is found. Summary of the non-conformity can be found below.

Principle 1: Management Commitment & responsibility

Indicator	Summary of Assessment	Compliance
4.1.1.1	Sungai Batu Sawit Sdn Bhd (SBSSB) established MSPO Policy dated 01/10/2024 sign by Company Director. The policy statement:	No

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	<p>The management is committed to comply with the requirement of the MSPO system and it is adhere to the following policy statement of MSPO in line with requirements MS2530:2022.</p> <p>The company strives to be leading dealers of oil palm (ffp) and is committed to sustainable development of its operation by implementing:</p> <ol style="list-style-type: none"> 1. Best practices in social; 2. Environmental impact; 3. Safety and health; 4. New information and technology; 5. Economic spheres through the process of certification. <p>The company policy Ethical conduct and anti-bribery has been established dated on 01/10/2024.</p> <p>NC No. 1</p> <p>Document review and interviewing of stakeholders verified implementation of MSPO, emphasizing commitment to continual improvement is not communicate to the relevant stakeholders.</p>	
4.1.1.2	<p>SBSSB MSPO policy dated 01/10/2024 describe:</p> <p>SBSSB committed to pursuit of a sustainable business operation and working with great enthusiasm toward certification by being committed to continual improvement, traceability and transparency in the activities of sustainable palm product.</p> <p>SBSSBB established Continuous Improvement Plan 2024 -2027 dated 29/11/2024.</p> <p>The CIP had covered the social, and environmental impacts, safety and health. There is no new technology and as well as new information.</p> <p>Example:</p> <p>Scope: Environment</p> <p>Objective: To Monitor GHG Emission released by scheme owner.</p> <p>Strategy: To calculate the amount of GHG emitted.</p> <p>Activity: To Use GHG calculator and report the result to scheme.</p> <p>Resource: GHG calculator provided by scheme owner</p> <p>PIC: MR & MM</p> <p>Timeline: 2024</p> <p>Site interviews with dealer manager informed the GHG calculation established when released by scheme owner.</p>	Yes
4.1.2.1	<p>a Onsite visit verification and interview with SBSSB management informed no new establishment SBSSB. Therefore, it is not applicable.</p>	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	b Onsite visit verification and interview with SBSSB management informed no new establishment SBSSB. Therefore, it is not applicable.	Yes
	c Onsite visit verification and interview with SBSSB management informed no new establishment SBSSB. Therefore, it is not applicable.	Yes
	d Onsite visit verification and interview with SBSSB management informed no new establishment SBSSB. Therefore, it is not applicable.	Yes
4.1.2.2	Onsite visit verification and interview with SBSSB management informed no new establishment SBSSB. Therefore, it is not applicable.	Yes
4.1.2.3	Onsite visit verification and interview with SBSSB management informed no new establishment SBSSB. Therefore, it is not applicable.	Yes
4.1.3.1	SBSSB establish SOPs for Good Practices for dealers operation dated 01/10/2024. Example of SOPs for Good Dealer practices established; <ol style="list-style-type: none"> 1. Sourcing fresh fruit bunches (FFB); 2. Weighing process upon receiving FFB; 3. Unloading, Inspection and Quality Control of FFB; 4. Loading FFB for Delivery to Mill; 5. Unloading FFB at the Mill. NC No. 2 SBSSB establish SOPs for Good Practices for FFB dealer operation dated 01/10/2024. However there is no SOPs training has been conducted to all employees	No
4.1.4.1	SBSSB establish training need analysis dated 01/10/2024 for all employees. Document review verified, all workers are trained based on job description. Briefing based on workers job description conducted: <ol style="list-style-type: none"> 1. Zero burning policy training on 22/10/2024; 2. Safety & Health policy on 22/10/2024. 	Yes
4.1.4.2	SBSSB establish annual training programme for year 2024 updated on 01/10/2024. Example of training conducted: SOPs training carried out on 22/10/2024 for employees. Evaluation of the effectiveness of the training had been established but not well covered. Example:	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
	Training on scheduled waste management dated on 22/10/2024.	
4.1.4.3	<p>SBSSB established contract agreement with FFB transporter dated 01/01/2024 is available and signed by both parties.</p> <p>Period of contract is for 1 year from 01/01/2024 untill 31/12/2024.</p> <p>NC No. 3</p> <p>SBSSB established contract agreement with FFB transporter dated 01/01/2024 is available and signed by both parties. However, there is no statement on MSPO requirement and provide required documentation and information established.</p>	No
4.1.5.1	<p>SBSSB established summary of income and expenditure for year 2024.</p> <p>From document review of business plan consist of;</p> <ol style="list-style-type: none"> Budgeted FFB; Profit and Loss Account; Administrative expenses; FFB price/mt. <p>Document review verified the business plan has been reviewed on monthly and annual basis.</p>	Yes
4.1.5.2	a SBSSB Business plan for year 2024 include the FFB forecast.	Yes
	b SBSSB Business plan for year 2024 include cost of production: cost per tonne of product.	Yes
4.1.6.1	<p>SBSSB contributes to local development with the local communities.</p> <p>Example:</p> <p>SBSSB has provide job opportunity such as office work and operators to locals.</p>	Yes
4.1.7.1	<p>SBSSB established SOP complaint and grievances, Doc no 2, revision 00, dated 01/10/2024.</p> <p>Review on complaints records, there is no complaint and grievances as at audit date.</p> <p>NC No. 4</p> <p>SBSSB established SOP complaint and grievances, Doc no 2, revision 00, dated 01/10/2024. However there is no system for dealing with complaints and grievances established.</p>	No
4.1.7.2	<p>SBSSB established SOP complaint and grievances, Doc no 2, revision 00, dated 01/10/2024.</p> <p>The SOP describe committee will conduct meeting within 14 days after received the complaint. Committee resolve the complaint after meeting two to four weeks.</p> <p>Review on complaint records there are no complaints lodged by internal and external stakeholders.</p>	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 1: Management Commitment & responsibility		
Indicator	Summary of Assessment	Compliance
4.1.7.3	SBSSB established complaint form for workers and external parties. Review on complaint records there are no complaints lodged by internal and external stakeholders.	Yes
4.1.8.1	SBSSB has established SOP for internal audit document number 03, revision no 0, dated 01/10/2024. The procedure describes the audit will be conducted at least once a year before third party external audit. Latest internal audit conducted dated 22/10/2024. There is 10 Major NC, 8 Minor NC raised during the internal audit. New requirement audit checklist had been used.	Yes
4.1.8.2	Latest internal audit conducted dated 22/10/2024. There is 10 Major NC, 8 Minor NC raised during the internal audit. Internal audit conducted covered all elements of MSPO P&C requirements. Example of Major NC Issue: No training conducted during internal audit Root cause: insufficient knowledge on MSPO requirement Corrective action: to prepare annual training programme and training / briefing records to employees. Document reviews confirmed dealers management has established annual training programmer and training conducted to employees.	Yes
4.1.9.1	SBSSB has conducted Management Review Meeting prepared by Top management representative dated 20/11/2024. Site interviews with manager informed the frequency of management review is at least once annually. Latest management review conducted on 20/11/2024 with agenda as follows: <ol style="list-style-type: none"> 1. Actions of previous meeting 2. External and internal issues that are relevant to the MSPO system 3. The extent to which MSPO management plans have been achieved 4. Information on the organisation's performance 5. Preventive and corrective action status 6. Audit results. 7. Adequacy of resources 8. Relevant communication(s) from stakeholders 9. Opportunities for continual improvement. 10. CSR records. 	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 1: Management Commitment & responsibility			
Indicator	Summary of Assessment		Compliance
	a	Document review confirmed this is the first management review meeting conducted.	Yes
	b.i	Changes of External and internal issues that are relevant to the MSPO system has been discuss in management review.	Yes
	b.ii	The needs and expectations of interested parties (stakeholders), including compliance obligations has been discuss in management review.	Yes
	c	The extent to which MSPO management plans have been achieved has been discuss in management review.	Yes
	d.i	Nonconformities and corrective actions has been discuss in management review.	Yes
	d.ii	Monitoring and measurement results has been discussed in management review.	Yes
	d.iii	Fulfilment of its compliance obligations and has been discuss in management review.	Yes
	d.iv	Audit results had been discussed for 10 Major NC and 8 Minor NC raised.	Yes
	e	Adequacy of resources has been discussed in management review	Yes
	f	Relevant communication(s) from stakeholders including complaints has been discuss in management review	Yes
	g	The Opportunities for Continual Improvement (CIP) has been discuss in management review	Yes

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
4.2.1.1	SBSSB established Stakeholders communication and consultation procedure dated 01/10/2024, revision 00. The SOP states the period to solve the request from stakeholders is within 2 weeks. NC No. 5 Communication and consultation procedure is not communicated to the relevant stakeholders.	No
4.2.1.2	SBSSB established Stakeholders Register dated 22/11/2024 includes suppliers, local communities, government agencies and FFB buyer. Document review verified, there is no request made by the relevant stakeholders.	Yes
4.2.1.3	SBSSB appoints MSPO Person in-charge for consultation and communication dated 01/10/2024. Letter of appointment statement:	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 2: Transparency																			
Indicator		Summary of Assessment		Compliance															
		<ul style="list-style-type: none">- To update stakeholder register, handle any complaint and attend stakeholders meeting- To ensure effective implementation and maintenance of traceability system.																	
4.2.1.4		<p>SBSSB establish list of Public and confidential documents dated 01/10/2024.</p> <p>Public available: 7 documents</p> <p>Example:</p> <ul style="list-style-type: none">- Company policies- Complaint / grievance procedure- Continual Improvement plan <p>Confidential: 10 documents</p> <p>Example:</p> <ul style="list-style-type: none">- Land titles- Business plan <p>There are available in both Bahasa Malaysia and English.</p>		Yes															
4.2.2.1		<p>SBSSB established Traceability procedure, document no. 04 dated 01/10/2024 with revision 00.</p> <p>SOP describes;</p> <ol style="list-style-type: none">1. Person in charge for oversee the traceability process.2. Sequence of traceability from receiving of FFB until dispatch to mill <p>Documents of receiving FFB</p> <ul style="list-style-type: none">- MPOB license <p>Documents of delivering FFB to Mill</p> <ul style="list-style-type: none">- Weighbridge ticket number, date, vehicle number, net weight. <p>NC No. 6</p> <p>There is no documents provided from SBSSB prior of transporting of FFB to Mill as required in the Traceability procedure, document no. 04 dated 01/10/2024 with revision 00.</p>		No															
4.2.2.2		a	<table><tr><th colspan="3">Incoming FFB</th></tr><tr><th>No</th><th>Description</th><th>Details</th></tr><tr><td rowspan="2">a)</td><td>Seller</td><td>Lee Gek Sim</td></tr><tr><td>Buyer</td><td>Sungai Batu Sawit Sdn Bhd</td></tr><tr><td>b)</td><td>Model</td><td>MB</td></tr></table>		Incoming FFB			No	Description	Details	a)	Seller	Lee Gek Sim	Buyer	Sungai Batu Sawit Sdn Bhd	b)	Model	MB	Yes
Incoming FFB																			
No	Description	Details																	
a)	Seller	Lee Gek Sim																	
	Buyer	Sungai Batu Sawit Sdn Bhd																	
b)	Model	MB																	
b																			
c																			
d																			
e																			
f																			
g																			

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 2: Transparency				
Indicator	Summary of Assessment			Compliance
		c)	Weight	2.92 mt
		d)	Delivery date	11/12/2024
		e)	Unique number	0050202
		f)	Certificate number	-
		g)	Certificate Validity	-
		Despatch of FFB		
		No	Description	Details
		a)	Seller	Sungai Batu Sawit Sdn Bhd
			Buyer	Topaz Emas S/B
		b)	Model	MB
		c)	Weight	2.92 mt
		d)	Delivery date	11/12/2024
		e)	Unique number	282867
		f)	Certificate number	-
		g)	Certificate Validity	-
4.2.2.3	SBSSB appointed Dealer Manager as person in charge responsible for managing the overall traceability and supply chain system dated 01/10/2024.			Yes
4.2.2.4	SBSSB established Traceability procedure, document no. 04 dated 01/10/2024 with revision 00. The procedure stated capability to trace and verify history of FFB sales. Further review on sales receipt dated 03/01/2023 and 02/01/2022 verified the records are maintained.			Yes
4.2.2.5	NC No. 7 There is no establishment of documented procedure for handling non-conforming oil palm product / documents.			No
4.2.2.6	a.i	Not applicable due to FFB recieved from both certified and non-certified MSPO source.		Yes
	a.ii	Not applicable due to FFB recieved from both certified and non-certified MSPO source.		Yes
	b.i	SBSSB applies mass balance model to monitor both certified and uncertified palm oil products. Since there are no request from buyers for MSPO certified palm products, current sales of FFB are considered as uncertified.		Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 2: Transparency			
Indicator	Summary of Assessment		Compliance
	b.ii	SBSSB establish mass balance system to monitor incoming FFBs and outgoing FFBs.	Yes
	b.iii	SBSSB established continuous accounting system to monitor incoming FFBs and outgoing of FFBs. Implementation on Sawit Intelligent Management System (SIMS) SBSSB has not sold any MSPO certified palm oil products.	Yes
4.2.2.7	a	SBSSB applies continuous accounting system. The system establish is to monitor input and output of certified and non-certified FFBs.	Yes
	b	SBSSB does not sold MSPO certified FFBs. Therefore, no data available.	Yes
4.2.2.8	a	N/A	Yes
	b	N/A	Yes
	c	N/A	Yes
	d	N/A	Yes
4.2.2.9	a	Document review and site inspection verified, there is no outsource activities carried out by SBSSB.	Yes
	b	Document review and site inspection verified, there is no outsource activities carried out by SBSSB.	Yes
4.2.2.10	There is no MSPO Logo usage within the SBSSB.		Yes
4.2.2.11	NC No. 8 Interviewing with SBSSB management informed, there is no registration on MSPO Trace.		No
4.2.3.1	SBSSB established documentation for product purchasing. Review on services used by SBSSB on rental of Lorry for transporting FFB to Mill dated 01/01/2024. Sighted invoice dated 12/07/2024 as evidence of completion of service.		Yes
4.2.3.2	SBSSB established Truck Rental Agreement dated 01/01/2024. The contract period is valid for one year. The contract agreement includes; <ul style="list-style-type: none"> - Payment of RM2,000 monthly - Payment shall be made monthly Example: Document review verified payment has been made on 10/06/2024 on monthly basis		Yes
4.2.4.1	SBSSB established Ethical Conduct and Anti Bribery Policy procedure dated 01/10/2024, revision 00.		No

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 2: Transparency		
Indicator	Summary of Assessment	Compliance
	NC No. 9 Document review and site inspection sighted there is no evidence of policy has been communicated and implemented in all business operation.	
4.2.4.2	SBSSB established Ethical Conduct and Anti Bribery Policy procedure dated 01/10/2024, revision 00. The procedure includes; <ul style="list-style-type: none"> - Complying with local laws - Hospitality and Gifts - Bribery - Conflict of interest - Corporate opportunity 	Yes

Principle 3: Compliance to legal and other requirements		
Indicator	Summary of Assessment	Compliance
4.3.1.1	SBSSB established List of Applicable Laws and Regulations dated 08/11/2024. Legal register document includes: Example: <ol style="list-style-type: none"> 1. Occupational Safety and Health Act 1994 (Act 514) 2. Weight and Measure Act 1972 (Act 71) 3. Land Acquisition Act 1960 (Act 486) NC No. 10 Document review found out, there are no updated made on new regulation coming into force such as; <ul style="list-style-type: none"> - Occupational Safety and Health Act Amendment 2022; - Minimum Wage Order 2022; - Employment Act Amendment 2022. 	No
4.3.1.2	SBSSB compliance to identified legal requirement as follows; Example: <ol style="list-style-type: none"> 1. MPOB license no. 595433015000 valid until 28/02/2025. 2. Perakuan Penentuan Timbang da Sukat with latest test on 25/06/2024. 3. Trading license with validity until 19/08/2025 	Yes
4.3.2.1	SBSSB located on Mukim Pengkalan Baharu, Manjung District.	No

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 3: Compliance to legal and other requirements		
Indicator	Summary of Assessment	Compliance
	Type of land title: Geran Mukim (Freehold) NC No. 11 The land use right indicates in the 'Geran Mukim' is for Tanaman Kelapa Sawit only while SBSSB is operating FFB Ramp operation. Thus, this is against the land use right purpose.	
4.3.2.2	SBSSB Geran Mukim issued by Manjung District Office. Land titles are in the name of Chan Kian Na, Chong Li Ling, Hoo Kheong. Document review verified there is tenancy agreement between landlord and SBSSB dated 22/01/2022 to 31/12/2024. Stamp certificate by LHDN dated 22/01/202 is review.	Yes
4.3.2.3	SBSSB Geran Mukim issued by Manjung District Office. The land title include a map with boundary markers. The ramp facilities are within the boundaries of the land title.	Yes
4.3.2.4	NC No. 12 Site inspection sighted there is no perimeter boundary clearly demarcated and visibly maintained by SBSSB.	No
4.3.3.1	N/A	Yes
4.3.3.2	N/A	Yes
4.3.3.3	N/A	Yes

Principle 4: Responsibility to social, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.1.1	SBSSB established Social Impact Assessment report year 2024, document no MSPO0307-00 dated 01/10/2024. The SIA conducted includes positive and negative impacts: Example: Positive: All staff and workers received monthly salaries that meet or exceed the minimum wage order 2022; Promote action: To ensure adherence to labour law and regulations. Person in charge: Dealer Manager; Time frame: Continuous ; The SIA summary impact includes feedback from the internal and external stakeholders are separated into positive and negative impact for action plan and monitoring purposes. NC No. 13	No

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 4: Responsibility to social, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	Sungai Batu Sawit Sdn Bhd Social Impact Assessment is not in accordance the guidelines provided by the scheme owner.	
4.4.1.2	<p>The SIA summary impact includes feedback from the internal and external stakeholders are separated into positive and negative impact for action plan and monitoring purposes.</p> <p>Example:</p> <p>Positive: The management does provides safety helmets, rubber boots and gloves on a complimentary basis.</p> <p>Promote action: The management ensure to provides PPEs to all workers at no cost.</p> <p>PIC: Manager</p> <p>Dateline: completed in 2024.</p>	Yes
4.4.1.3	SBSSB established Social Impact Assessment report year 2024 dated 01/10/2024. The next reviewed date will conducted on 01/10/2025.	Yes
4.4.2.1	<p>SBSSB established Safety and Health Policy, dated 01/10/2024 sign by Company Director.</p> <p>Safety and health policy training conducted on 22/10/2024.</p> <p>NC No. 14</p> <p>Document review and interviewing of stakeholders verified an occupational safety and health policy and plan is not communicate to the relevant stakeholders.</p>	No
4.4.2.2	<p>a</p> <p>NC No. 15</p> <p>There is no responsible person or person in charge attended OSH Coordinator as a responsible for workers health and safety.</p>	No
	<p>b</p> <p>SBSSB established Hazard Identification, Risk Assessment, and Risk Control (HIRARC) for respective operations activities updated on 01/10/2024.</p> <p>Example;</p> <ol style="list-style-type: none"> 1. Transportation; 2. Load and unload of FFBs; 3. Loading ramp; 4. Road maintenance; <p>The HIRARC established includes:</p> <ol style="list-style-type: none"> 1. Work activity; 2. Hazard category; 3. Effect; 4. Existing control; 	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 4: Responsibility to social, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	5. Additional control measure; 6. Person in charge. Example: Susun buah di atas lori Work activity: Susun buah di atas lori Hazard category: Terjatuh, Luka terkena duri sawit, Effect: Luka dan patah anggota badan Existing control: Wear PPE such as rubber boots, cotton glove and safety helmet. Additional control: Continues Training for SOP safety work; Person in charge: Manager Site interviews with lorry drivers informed they has been briefed on safe work training by manager during muster call.	
	c SBSSB established the SOP for safety and health for all operation in the dealer based on Hazard Identification and Risk Assessment. Example: 1. Safety SOP for Operation. SBSSB established SOP for Unloading, Inspection and Quality Control Of FFB, revision 00, dated 01/10/2024. Site inspection and interviews with sampled lorry driver informed dealer management has briefed SOP for Unloading, Inspection and Quality Control of FFB to all employees.	Yes
	d NC No. 16 Site inspection verified there is no evidence of availability of first aid at each workplace.	No
	e NC No. 17 Document review verified there is no evidence of PPE issuance records to all employees at no cost	No
4.4.2.3	NC No. 18 Document review verified there is no evidence of JKPP 8 registration submitted.	No
4.4.3.1	SBSSB established Social Policy signed by Company Director dated 01/10/2024. The policy describe: <ol style="list-style-type: none"> Human right No discrimination Freedom of association Employees minimum age 	No

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 4: Responsibility to social, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	5. Equal opportunities 6. Sexual harassment & violence 7. Right of employment 8. Minimum wage 9. Whistleblowers 10. Human right defenders 11. Child protection NC No. 19 Document review and interviewing of sampled workers verified there is no evidence Social policy communicated and implemented throughout the SBSSB	
4.4.3.2	a Site inspection and interviews with sampled lorry operators sighted there is no sign abuse of vulnerability detected. Review the complaint and grievance record, no complaint and grievance related to abuse of vulnerability lodge by internal and external stakeholders.	Yes
	b Site inspection and interviews with sampled lorry operators sighted there is no sign of deception related contract, salary and job scope detected. Review the complaint and grievance record, no complaint and grievance related to deception by internal and external stakeholders.	Yes
	c Site inspection and interviews with sampled lorry operators informed there is no restriction for workers to resign and move. Review the complaint and grievance record, no complaint and grievance related Lack of freedom of workers to resign and restriction of movement lodge by internal and external stakeholders.	Yes
	d Site inspection and interviews with sampled lorry operators informed there is no isolation practiced by the company. The workers are given freedom to use personal telephone and contact with any bodies via telephone or internet. Review the complaint and grievance record, no complaint and grievance related Isolation lodge by internal and external stakeholders.	Yes
	e Site inspection and interviews with sampled lorry operators informed there is no physical and sexual violence happen in the SBSSB. Review the complaint and grievance record, no complaint and grievance related physical and sexual violence lodge by internal and external stakeholders.	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 4: Responsibility to social, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
f	<p>Site inspection and interviews with sampled lorry operators informed there is no foreign workers at SBSSB.</p> <p>Review the complaint and grievance record, no complaint and grievance related to retention of identity documents or passports lodge by internal and external stakeholders.</p>	Yes
g	<p>Site inspection and interviews with sampled lorry operators informed there is no debt bondage implement by company.</p> <p>Review the complaint and grievance record, no complaint and grievance related debt bondage lodge by internal and external stakeholders.</p>	Yes
h	<p>Site inspection and interviews with sampled lorry operators inform there is no withholding of wages conducted company.</p> <p>Review the complaint and grievance record, no complaint and grievance related withholding of wages lodge by internal and external stakeholders.</p>	Yes
i	<p>Site inspection and interviews with sampled lorry operators inform there is no abusive working and living condition at SBSSB.</p> <p>Review the complaint and grievance record, no complaint and grievance related abusive working and living conditions lodge by internal and external stakeholders.</p>	Yes
j	<p>Site inspection and interview with sampled lorry operators and management has confirm all employees working at SBSSB is local workers.</p> <p>Review the complaint and grievance record, no complaint and grievance related payment of statutory recruitment fees lodge by internal and external stakeholders.</p>	Yes
k	<p>Refer to Minor NC raised (4.4.3.6)</p> <p>There is no system for recording working hours, overtime, paid leave for staff and workers.</p>	No
l	<p>Refer to Minor NC raised (4.4.3.5)</p> <p>There is no evidence of contract agreement has been established for all employees to ensure that employees' (including employees of contractors) pay and conditions, working hours and breaks of each employee, wages and overtime payments documented on pay slips shall comply with legal requirements and where applicable, Collective Agreements</p>	No
m	<p>Refer to Minor NC raised (4.4.3.5)</p> <p>There is no evidence of contract agreement has been established for all employees to ensure that employees' (including employees of contractors) pay and conditions, working hours and breaks of each employee, wages and overtime payments and term of termination of employment comply with legal requirements and where applicable, Collective Agreements</p>	No

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 4: Responsibility to social, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
4.4.3.3	<p>SBSSB established Social Policy sign by Company Director dated 01/10/2024.</p> <p>The policy states on company commitment to ensure no discrimination in all level of workforce and demonstrate equality.</p> <p>Site inspection and interviews with sampled lorry operators informed there is no discrimination occur at the workplace and the management provide equal opportunity and treatment regardless of age, disability, race, colour, gender, religion, political opinion, nationality, social origin or any other distinguishing characteristics</p>	Yes
4.4.3.4	<p>SBSSB established Social Policy signed by Company Director dated 01/10/2024.</p> <p>The policy states:</p> <p>Company commitments and action taken on harassment complaints.</p> <p>Review on grievance records and interview with sampled mill operators informed no case of sexual harassment occur.</p>	Yes
4.4.3.5	<p>NC No. 20</p> <p>There is no evidence of contract agreement has been established for all employees to ensure that employees' (including employees of contractors) pay and conditions, working hours and breaks of each employee, wages and overtime payments documented on pay slips shall comply with legal requirements and where applicable, Collective Agreements</p>	No
4.4.3.6	<p>NC No. 21</p> <p>There is no system for recording working hours, overtime, paid leave for staff and workers.</p>	No
4.4.3.7	<p>SBSSB established updated employees and contractor's workers list dated 01/10/2024.</p> <p>The list includes workers name, gender, I/C or passport no, position, date of join, department / section, date of birth, address, wage and period of employment and Immigration details.</p>	Yes
4.4.3.8	<p>NC No .22</p> <p>There is no evidence of all employees shall be provided with fair contracts that have been agreed by both employee and employer in accordance to legal requirements</p>	No
4.4.3.9	<p>NC No .23</p> <p>There is no evidence of social benefits shall be offered by the employer to employees, their families or the community</p>	No
4.4.3.10	<p>SBSSB established social policy dated 01/10/2024 signed by Company Director.</p> <p>The policy describes the company will not hire underage person as employee.</p>	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 4: Responsibility to social, health, safety and employment conditions		
Indicator	Summary of Assessment	Compliance
	List of mill's workers is reviewed and there are no underage workers employed by SBSSB Site inspection and interviews sampled workers confirmed there is no underage workers hired by SBSSB.	
4.4.3.11	SBSSB established Social Policy dated 01/10/2024 and signed by Company Director. The policy states: Respect employees' right in the freedom to join a trade union relevant to the industry or to organize themselves for collective bargaining. Employees shall have the right to organize and negotiate their work condition. Employees exercising this right should not be discriminated against or suffer repercussions. Site interviews with sampled lorry operators informed, management has brief on freedom to join trade union.	Yes
4.4.3.12	Site interview with lorry operators and management informed triangular employment relationship is not implemented. Therefore, it is not applicable.	Yes
4.4.4.1	Site inspection and interviews with dealer manager informed all employees are local and they living at their own house. Therefore, it is not applicable.	Yes

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.1.1	SBSSB established Environmental Policy dated 01/10/2024, revision 00 signed by Director. NC No .24 Document review and interviewing of workers verified there is no evidence Environmental Policy is communicated and implemented throughout the SBSSB.	No
4.5.1.2	SBSSB established EAIA register dated on 01/10/2024 including activities could impact the environments. The EAIA register includes assessing on polluting activities such as land pollution, water pollution and air pollution.	Yes
4.5.1.3	SBSSB established EAIA register dated on 01/10/2024 with specific activities accordance to legal requirements for mitigate environmental impact and promote beneficial impacts. Example: FFB loading and unloading Aspect: Leaching of oil residue Impact: Land and water pollution	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 5: Environment, natural resources, biodiversity and ecosystem services			
Indicator	Summary of Assessment		Compliance
	Mitigation: FFB collected on cemented floor, not located nearby waterways. Promote to beneficial: prevent from waterlog that can caused mosquito breeding and contamination. Site inspection sighted FFB collection point is well maintained.		
4.5.1.4	SBSSB established training plan year 2024 – 2027 dated 01/10/2024. The training includes the policy training and plans. NC No .25 SBSSB established training plan year 2024 – 2027 dated 01/10/2024. However, there is no training to employees has been carried out as at audit date.		No
4.5.2.1	SBSSB established and monitor energy consumption including fossil fuel. Example: Usage on month of November 2024 is maintained and documented.		Yes
4.5.2.2	Site inspection sighted there is no renewable energy applied within SBSSB.		Yes
4.5.3.1	a	NC No .26 Document review verified the Waste management plan not fully covered and monitored such as, - Not identified empty fruit bunch as waste - Recycling or coverting of potential waste to value added by products not identified.	No
	b		
4.5.3.2	NC No .27 Document review verified, Standard Operating Procedure for handling of waste that are classified under Environment Quality (Scheduled Waste) Regulations is not established.		No
4.5.3.3	NC No .28 Site inspection sighted domestic waste disposal are not in accordance to legal requirements.		No
4.5.4.1	SBSSB has identified of GHG emission sources and type as follow:		Yes
	Source	Type	
	FFB Lorry	CO2	
4.5.5.1	a	SBSSB water source is from Lembaga Air Perak. Usage is for domestic use only.	Yes
	b	There is no outgoing water from SBSSB.	Yes
	c	Rainwater harvesting is practices to use for domestic usage.	Yes

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Principle 5: Environment, natural resources, biodiversity and ecosystem services		
Indicator	Summary of Assessment	Compliance
4.5.5.2	Site inspection sighted there is no extraction of natural water within the tenancy area.	Yes
4.5.6.1	NC No .29 There are no assessment conducted by SBSSB with stakeholders to identify and record the present of species.	No
4.5.7.1	SBSSB established Environmental Policy dated 01/10/2024, revision 00 signed by Director. The policy describes; Ensuring at any time there shall be no open burning, except in situation under the legislation and to develop fire prevention response and mitigation plans. Site inspection sighted there is no sign of open burning within SBSSB.	Yes

4.4. Use of Marks and/or Any Other References to Certification

The audit team leader has reviewed and confirmed that there are no usage of mark/logo in Sungai Batu Sawit Sdn Bhd operation or any on/off-products claim.

4.5. Status of Non-Conformities Previously Identified

	The stage 1 audit findings of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have been implemented to address the identified audit findings.
	The last audit results of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have implemented to address any nonconformity identified.
	The last audit results of this system have been reviewed, in particular to assure appropriate corrections and corrective actions have not been implemented effectively. The non-conformity will be re-raised.
X	N/A
<i>Note 1: If a minor non-conformity raised in last audit, is not closed out or repeated, the finding will be raised to a Major non-conformity.</i> <i>Note 2: All major and minor NCs raise in last audit are required to capture in this report together with the review of the non-compliance implementation.</i>	

4.6. Detail of Audit Findings Identified during last audit

- N/A

4.7. Detail of Onsite Audit Findings Identified during This Audit

ONSITE AUDIT OUTCOME		
During this onsite audit,	6	MAJOR Non-Conformities
	23	MINOR Non-Conformities

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

Nr.	Indicator	Description	Location	Opportunity for Improvement
1.	4.1.4.1	A training needs analysis shall be identified for all employees, contractors and direct suppliers	Office	SBSSB could improve the training need analysis for contractor and direct supplier.
2.	4.1.4.2	A training programme based on training need analysis shall be documented and implemented. Evaluations of the effectiveness of training shall be conducted.	Office	SBSSB could improve the evaluation of the effectiveness of training.
3.	4.2.3.2	All contracts shall be fair/mutually agreed, legal and transparent and agreed payments shall be made in timely manner. The contract shall include acceptance of approved auditors to verify the relevant MSPO requirement through on-site inspection, if required.	SBSSB	Truck Rental Agreement dated 01/01/2024 to include acceptance of approved auditors to verify MSPO requirements.
4.	4.5.4.1	The organisation shall identify relevant GHG emission sources and type from its respective processes that will generate emissions.	SBSSB	To improve GHG assessment on empty fruit bunch and old fruit bunch.

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

5. CONCLUSION

Sungai Batu Sawit Sdn Bhd has commissioned TUV NORD (Malaysia) Sdn Bhd to conduct Certification audit according to MS 2530-4-3:2022 Part 4-3 General principles for Dealers including Supply Chain Requirements.

There are 6 Major NC raised in this audit and closed out successfully. There are 23 Minor NC raise with action plan submitted and accepted. Minor NC raise in this audit will be verify in the next surveillance audit.

From the review of the standard operating procedures, relevant forms, workflow charts established and implemented; the subsequent background investigation and interviews conducted during this certification audit have provided TUV NORD Malaysia with sufficient evidence on the fulfilment of the applied standard Principles & Criteria.

In conclusion the certified unit has been established, implemented and continued to improve in managing the dealers are in line with the Principles & Criteria of the applied standards of MS 2530-4-3:2022 Part 4-3 General principles for Dealers including Supply Chain Requirements.

As a result of this audit, the audit team confirms that:

FFB Production January 2024 to October 2024:	13,665.46	mt
Projected FFB November 2024 to December 2024:	1,834.54	mt

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
 Certifying Unit: Sungai Batu Sawit Sdn Bhd
 Client Number: 92-193
 Audit Type: Certification Audit
 Mode of Audit: Onsite

6. RECOMMENDATION

The audit team conducted a process-based audit focussing on significant aspects/risks and objectives required by the standard(s). The audit methods used were interviews, observations, sampling of activities and review of documentation and records.

The structure of the audit was in accordance with the audit plan included in to this summary report.

The audit team concludes that the organisation has established and maintained its management system in line with the requirements of the standard(s) and demonstrated the ability of the system to achieve requirements for products and/or services within the scope and the organisation's policy and objectives.

Therefore the audit team recommends that, based on the results of this audit and the system's demonstrated state of development and maturity that this management system certification be

<input checked="" type="checkbox"/>	Recommended for Certification Upon site verification
<input type="checkbox"/>	Recommended for Continuity of Certification
<input type="checkbox"/>	Recommended for Suspension of Certification

Puchong, 01/02/2025



Ariff Bin Lokman
 TUV NORD (Malaysia) Sdn Bhd
 Audit Team Leader

Puchong, 05/05/2025



Mohamad Norhisham Bin Mohd Salleh
 TUV NORD (Malaysia) Sdn Bhd
 Certifier / Approver

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
Certifying Unit: Sungai Batu Sawit Sdn Bhd
Client Number: 92-193
Audit Type: Certification Audit
Mode of Audit: Onsite

7. LIST OF STAKEHOLDERS

Table 7-1: List of Interviewed Stakeholders

No.	Organisation
1.	Smallholders (Supplier FFB)

MSPO Certification Summary Report

Company Name: Sungai Batu Sawit Sdn Bhd
Certifying Unit: Sungai Batu Sawit Sdn Bhd
Client Number: 92-193
Audit Type: Certification Audit
Mode of Audit: Onsite

Distribution / Confidentiality / Rights of ownership / Limitations / Responsibilities / Audit Objectives	
<p>This report is sent by the certification body to the members of the audit team and the audit representative of the organisation. All documents (such as this report) regarding the certification procedure are treated confidentially by the audit team and the certification body. This audit report remains the property of the certification body.</p> <p>An audit is a procedure based on the principle of random sampling and cannot cover each detail of the management system. Therefore nonconformities of weaknesses may still exist which were not expressly mentioned by the auditors in the final meeting or in the audit report.</p> <p>The responsibility for continuous effective operation of the management system always rests solely with the audited and certified organisation.</p> <p>Salvo clause:</p> <p>The audit report will be left to the organisation at the end of the audit - subject to approval by the certification body. The independent release process may cause modifications or additions. In these cases a modified revision will be sent to the audited organisation.</p> <p>The objective (goal) of the audit is to establish compliance of the management system of the aforementioned organization with the requirements of the aforementioned standard in order to achieve or maintain certification through an independent and accredited certification body. Identification of possibilities to improve the management system can also be a component of the audit and is considered simply to be an enhancement; it does not constitute consultancy or advice with regard to the management system.</p>	
Annex / Enclosures	
Annex / corresponding audit documentation	<div><input checked="" type="checkbox"/> P&C Audit Report / Checklist(s)</div> <div><input checked="" type="checkbox"/> Audit Plan</div>