



**PUBLIC SUMMARY
2ND SURVEILLANCE AUDIT (2ND CYCLE) ON
SAPULUT FOREST MANAGEMENT UNIT
FOR FOREST MANAGEMENT CERTIFICATION**

**Certificate Number: FMC – NF 00117
Date of First Certification: 11th June 2018
Audit Date: 21st - 24th March 2023
Date of Public Summary: 23rd November 2023**

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EXECUTIVE SUMMARY

This surveillance 2 audit on the Sapulut Forest Management Unit (hereafter referred as the Sapulut FMU) was conducted on 21st to 24th March 2023 to assess the continued compliance of the overall forest management system of the Sapulut FMU against the requirements of the Malaysian Criteria and Indicators for Forest Management Certification (MC&I SFM) using the verifiers stipulated for Sabah. The scope of this surveillance 2 audit was limited to the forest management system and practices on the Permanent Reserved Forest (PRF) within the Sapulut FMU.

This surveillance 2 audit was conducted by a 3-member team comprising Mohd Annas Amin Bin Haji Omar (Lead Auditor), Puteri Arlydia binti Abdul (Auditor) and Azrul Ikhsan bin Mohamed (Auditor).

Based on the findings of this surveillance 2 audit, it was found that Sapulut FMU had continued to comply with the requirements of the MC&I SFM. This surveillance audit had resulted in the issuance of one (1) major and eight (8) minor Non-Conformity Reports (NCRs).

This public summary contains the general information on the Sapulut FMU, the findings of the surveillance 2 audit, NCRs raised as well as the decision on the continued certification of the FMU.

1 INTRODUCTION

1.1 Name of FMU

Sapulut Forest Management Unit

1.2 Contact Person and Address

Name : Mr Teddy Sius @ Lawrencius
Address : Mile 60, Jalan Kalabakan Keningau, Sabah
Phone # : +6088 858 811
Fax # : +6088 858 810
E-mail : teddy.sius@sapulut.com

1.3 General Background on the Sapulut FMU

The Sapulut FMU is managed by the Sapulut Forest Development Sdn. Bhd. (hereafter referred as SFDSB). The management of SFDSB is committed in the management of the FMU on a sustainable basis. The Sapulut FMU No.14 (FMU No.14) managed by SFDSB, covers an area of 54,643 ha of logged-over forest in the Sapulut Forest Reserve.

The inland forest is managed under a Natural Forest Management System (NFM) on a 25-year rotation period. Under the 3rd Forest Management Plan (3rd FMP), the Annual Allowable Cut (AAC) for the Sapulut FMU has been set at 2,102 ha a year. A Forest Management Plan (FMP) covering the period from 2016 to 2025 had been presented during the audit.

The FMU currently comprises of 2,091 ha of conservation and 52,552 ha of production area. The forest types in the FMU are logged-over Mixed Dipterocarp Forest (MDF), Mixed Dipterocarp Forest and Kerangas Forest, Lower Montane and secondary vegetation.

A map of the FMU showing the significant features of the forest is attached in **Attachment 1**.

1.4 Date First Certified

11th June 2018

1.5 Location of the FMU

The FMU is located between 4° 48' N, 116° 54' E and 4° 32' N, 116° 28' E.

1.6 Forest Management System

The FMU had followed the principles of sustainable forest management (SFM) and the requirements of the Licence Agreement of the State government. A Forest Management Plan (FMP) 2016 to 2025 was presented during this audit.

1.7 Annual Allowable Cut/Annual Harvest under the Forest Management Plan

The latest approved 3rd FMP had stated the NFM's AAC is 2,102 ha/year or not more than 95,644m³/year for the 10 years management plans. During this surveillance, the size of the FMU is 54,643ha.

1.8 Environmental and Socioeconomic Context

In the Special Environmental Impact Assessment (SEIA) report for Forest Logging and Plantation of Sapulut FMU, recommendation was made for the mitigation measures, protection of ERT species, and monitoring of flora and fauna within the FMU. It was also recommended that protection measures such as buffer zone along the common boundary with the Maliau Basin Conservation Area, wildlife, and sensitive areas such as water intake point for the communities of Kg. Bigor, be established.

There are about twenty-four (24) local settlements adjacent to the FMU with estimated population of 3,000 peoples. The main ethnicity of the communities is Murut Tahol and some Kadazan-Dusun. The

ethnic of Murut Tahol was originated from Pensiangan extending to the Sapulut river basin and spread to Nabawan, Sook and Keningau. They are still practicing hunting, fishing, and shifting cultivations with some had slowly adapted to commercial agriculture of oil palm and rubber plantations. Few are working with SFDSB's forest operations.

Sapulut FMU does not make use of local traditional forest-related knowledge and practices of indigenous peoples in forest species or management systems in forest operations.

Community has confirmed that, the employment opportunities and preference on local communities were established sufficiently.

2 AUDIT PROCESS

2.1 Audit Dates

21 – 24 March 2023 / (12 auditor man-days)

2.2 Audit Team

| | |
|------------------------------|----------------|
| Mohd. Annas Amin Bin Hj.Omar | (Lead Auditor) |
| Puteri Arlydia Binti Abdul | (Forester) |
| Azrul Ikhsan Bin Mohamed | (Forester) |

The details on the experiences and qualifications of the audit team members are as in **Attachment 2**.

2.3 Standard Used

Malaysian Criteria and Indicators for Forest Management Certification [MC&I SFM)] using the verifiers stipulated for Sabah.

2.4 Stakeholder Consultations

A one-month stakeholder consultation was conducted beginning February 2023 to solicit feedback from stakeholders on the compliance of the Sapulut FMU against the requirements of the MC&I SFM. However, there was no comment received. The comments by the stakeholders and responses by the audit team are shown in Attachment 3.

2.5 Audit Process

The audit was conducted primarily to evaluate the level of continued compliance of the Sapulut FMU's current documentation and field practices in forest management with the detailed of the standard of performances (SOPs) listed in the MC&I SFM, using the verifiers stipulated for Sabah.

For each Indicator, the auditors had conducted either a documentation review, consultation with the relevant personnel of the FMU, local community or stakeholders or field audit or a combination of these methods. Depending on the compliance with the verifiers for a particular indicator, the auditors then decided on the degree of the FMU's overall compliance with the indicator and decided whether or not to issue a major or minor NCR or an OFI which is defined as follows:

- (i) a major NCR is a non-compliance with the requirements of the MC&I SFM
- (ii) a minor NCR is a deviation or a lapse in complying with the requirements of the MC&I SFM; and
- (iii) an OFI is a situation where the auditor has noted an area of concern on the capability of the forest management system to achieve conformance to the requirements of the MC&I SFM but without sufficient objective evidence to support a non-conformance.

Consultations were held with the villagers and heads of communities from Kg. Labang, Kg.Kuala Sapulut, Kg.Agis, Kg. Balantos, which located outside the Sapulut FMU, Sabah Forestry Department (Tibow), worker's Representative, as well as contractors and workers operating in the FMU.

The coverage of this surveillance 2 audit is as shown in the surveillance Audit Plan in **Attachment 4**.

The FMU had sent a corrective action plan to the audit team to address the major and minor NCRs which the audit team had reviewed and accepted. The effectiveness of the corrective actions taken by the FMU to address the minor NCRs will be verified during the next surveillance audit.

3 SUMMARY OF AUDIT FINDINGS

Based on the findings of this surveillance audit, it was found that the FMU had continued to manage the Sapulut FMU in compliance with most of the requirements of the MC&I SFM. This surveillance 2 audit had resulted in the issuance of one (1) major and eight (8) minor NCRs.

The audit team had reviewed, accepted and verified the corrective actions taken by the FMU to address the one (1) major NCRs raised during this surveillance audit. The audit team was satisfied that the corrective action had been effectively implemented and had therefore closed out the major NCRs. The audit team had also reviewed and accepted the SFDSB's proposed corrective actions to address the eight (8) minor NCRs. However, these corrective actions for minor NCR will be verified during the next audit.

The audit team had also verified on the corrective actions taken by the FMU to address the minor NCRs and OFIs which were raised during the previous audit.

On indigenous peoples' rights, there were mechanisms in place to resolve disputes over tenure and use rights through meetings held with the villagers, heads of the communities and members of the Social Forestry Consultative Committee (SFCC). It was observed that there was no recorded civil court case pertaining to legal or customary tenure or use rights filed against the FMU.

With regard to Criterion 6.10, there was no new conversion of the PRF to forest plantations or other non-forest land uses during the intervening period since the last audit. The PRF in the Sapulut FMU has therefore remained the same, covering an area of 54,643 ha.

As the major NCR raised during this surveillance audit had been closed out, the audit team had therefore recommended that the Certificate for Forest Management be awarded to the Sapulut Forest Development Sdn. Bhd. be maintained.

The summary on the findings of the surveillance 2 audit on the Sapulut FMU against the requirements of the MC&I SFM are as follows:

| Principle | Strengths | Weaknesses |
|--|---|--|
| Principle 1 Compliance With Laws and Principles | <p>Copies of all relevant laws, policies and regulations stipulated in the new MC&I Sustainable Forest Management (MC&I SFM) for the FMU management were available in the office of the Sapulut FMU base camp.</p> <p>Interviewed with senior forest managers, showed that they had demonstrated knowledge on the federal, state and local laws and regulatory framework. They were aware of the relevance of laws and regulatory framework on the management of the FMU.</p> <p>Current list of all legally prescribed fees, royalties, taxes, and other charges were also available at the base camp office. Records of all payments were kept accordingly.</p> <p>The documentation of any conflicts between laws and regulation of newly revised MC&I SFM standard has been prepared by the FMU</p> | <p>Site Inspection to active harvesting activities at Compartment 148 found the Block Boundary was not demarcated between Block 148A and Block 148B along the main road (MR).</p> <p>Therefore, a Minor NCR ANS01/2023 for Indicator 1.5.2 was raised.</p> |

| Principle | Strengths | Weaknesses |
|---|---|--|
| | <p>updated 23 March 2022.</p> <p>The statement of commitment to MC&I standard in the Forest Management Plan (FMP) (2016-2025) has been replaced to new standard MC&I SFM at page 3.</p> <p>Public summary on the policies or statement of commitment was made available at https://sapulut.com.my/forest-certification/natural-forest-management/</p> | |
| Principle 2 Tenure and Use Rights and Responsibilities | <p>The licensed agreement of the FMU was issued for 99 years, covering a period from 1997 to 2096. It was signed between the Chief Minister of the State of Sabah and Sapulut Forest Development Sdn. Bhd. in September 1997. to manage a total 76,613 ha.</p> <p>An SOP on Community Relations Conflict Resolution dated 25th June 2014 and revised on 8th March 2021, was established to resolve any land claim issues through the Social Forestry Consultative Committee (SFCC) meeting.</p> <p>Forest managers support legally recognised mechanisms for resolving land claims. Based on documentation review and stakeholder consultation with Kg. Balantos, Kg Saliku, Kg Pulutan Atas / Bawah, Kg Salangon, Kg Nalasaran and Kg. Labang has confirm that local communities have not raised any new tenure claims and use rights against Sapulut FMU since last audit.</p> <p>Maps showing the location of settlements of local communities / indigenous peoples in and adjacent to the FMU dated 2022 were maintained.</p> | There is no negative finding |
| Principle 3 Indigenous People's Rights | <p>Documentation of the customary rights of indigenous peoples' lands within relevant federal, state and local laws were kept at Sapulut Forestry Complex Office</p> <p>SOP no. 3.4 entitled "Standard Operating Procedure: Local Sites of Significance" dated 15 November 2014 was followed in the process of identifying and protecting sites with special cultural, ecological, economic or religious significance to indigenous people and provisions for rights of access to these sites by the indigenous peoples.</p> <p>Record showed that, FMU has carried out the monitoring of all the catchment areas in Kg. Bigor, Kg. Tonomon, Kg. Naturan and Kg. Simatuoh.</p> | <p>Table 7.1 mitigation of the environmental impact of forest management activities under community needs to address the mitigation impact of Sapulut FMU activities on local communities. However, content not following SIA 2009, SIA 2015 and stakeholder engagement results in the review period of 2016-2023 and actual practices by Sapulut FMU.</p> <p>The following were not addressed: 1) Stakeholder consultation with local communities to gather information on their significant important areas inside the Sapulut FMU (SIA and Social</p> |

| Principle | Strengths | Weaknesses |
|--|---|--|
| | <p>Documentation review and stakeholder consultation with local communities confirmed that, Sapulut FMU forest operations have not encroach sites of special cultural, ecological, economic, or religious significance to local communities.</p> <p>The FMU does not make use of local traditional forest-related knowledge and practices of indigenous peoples in forest species or management systems in forest operations.</p> | <p>Monitoring)</p> <ol style="list-style-type: none"> 2) Demarcation on the ground and map (for watershed areas and significant important areas) 3) Monitoring of significant areas & HCV 5&6 for the period 2016-2023 4) Proper planning (avoid operation near village area) and implementation of Reduce Impact Logging to minimise the negative impact of the Sapulut FMU operation on local communities 5) Establishment of Sapulut Forest Reserve Social Forestry Committee 6) Increase recruitment of local communities in Sapulut FMU to reduce employment from foreign workers and avoid the social problem of foreign workers <p>Therefore, A Minor NCR LYD02/2023 for Indicator 3.2.1 was raised.</p> |
| Principle 4 Community Relations and Workers' Rights | <p>Training programs were provided by Sapulut Forest Development Sdn Bhd to enable and support capacity building for its operation.</p> <p>The FMU management has supported to the formation of workers representatives based on the ILO convention no. 87 and Trade Union Act 1959. Tender Loving Care (TLC) committee was form on 15th January 2015. The workers representatives and management representatives who will meet up on a quarterly basis to discuss various issues or resolve grievances brought up by the workers.</p> <p>No restrictions for workers to organise and undertake collective bargaining and non-discrimination in the workplace in accordance with relevant ILO Conventions.</p> | <p>Site Inspection to active harvesting activities at Compartment 148A found that one compass and one distance/meter tape of RIL Supervisor's equipment were not in good working condition.</p> <p>Therefore, a Minor ANS02/2023 for Indicator 4.2.3 was raised.</p> <ol style="list-style-type: none"> 1. Based on documentation review on Contract Agreement of Ming Fui workers found that Contract Agreement for worker passport no CTT34695 and no P9632333B were not follow Minimum Wages Order 2022. 2. Review the payment voucher for worker passport no CTT34695 dated 25 February 2023 and worker passport no P9632333B dated 28 February was paid RM1200 that below the minimum wages. <p>Therefore, a Minor NCR ANS03/2023 for Indicator 4.3.3 was raised.</p> |

| Principle | Strengths | Weaknesses |
|---|--|---|
| | | <p>1) Records show discrepancies between SIA 2009 (9 villages), SIA 2015 (21 villages) and Minit Mesyuarat Bersama Barisan Kepimpinan bagi 28 Buah Kampung Di Kawasan Sapulut dated 12th April 2022 (28 villages)</p> <p>2) No record of SIA with the following local communities:</p> <ul style="list-style-type: none"> a) Kg. Buluit b) Kg. Maatol c) Kg. Mawantol d) Kg. Tantayakan e) Kg. Naturan f) Kg. Tanpa Ri Kailiau g) Kg. Tantayakun h) Kg. Kuala Sapulut i) Kg. Sandukan <p>3) The SIA assessment was yet to be updated to cover information on their forest dependencies and the impact of the forest operations on the surrounding communities for all 38 villages (e.g., water source, the safety of road due to lorry access, job opportunities, economic dependencies (homestay and tourism to waterfall adjacent to FMU and others)</p> <p>4) No record of local communities having access to the SIA result</p> <ul style="list-style-type: none"> a) no record of consultation of SIA results to local communities b) no summary of SIA results on the Sapulut website for public accessibility <p>Therefore, a Minor NCR LYD03/2023 for Indicator 4.4.1 was raised</p> |
| Principle 5 Benefits from the Forest | Investments and reinvestments in forest management at Sapulut FMU 14 included provisions for forest administration, forest development, research (scientific collaboration | There is no negative finding |

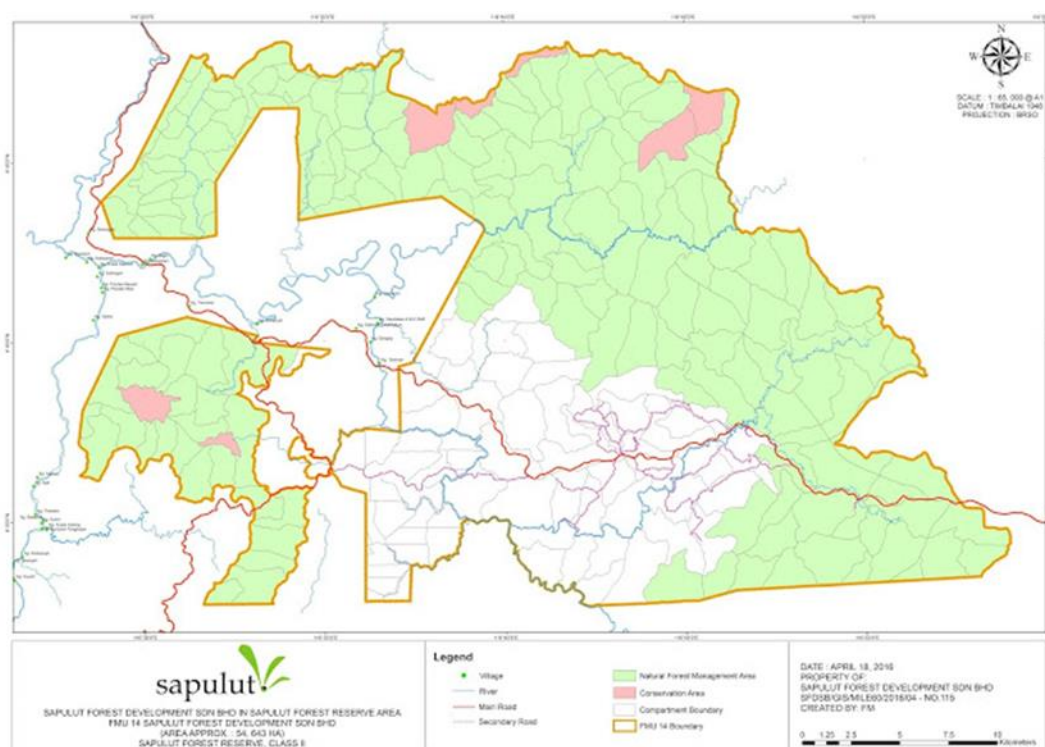
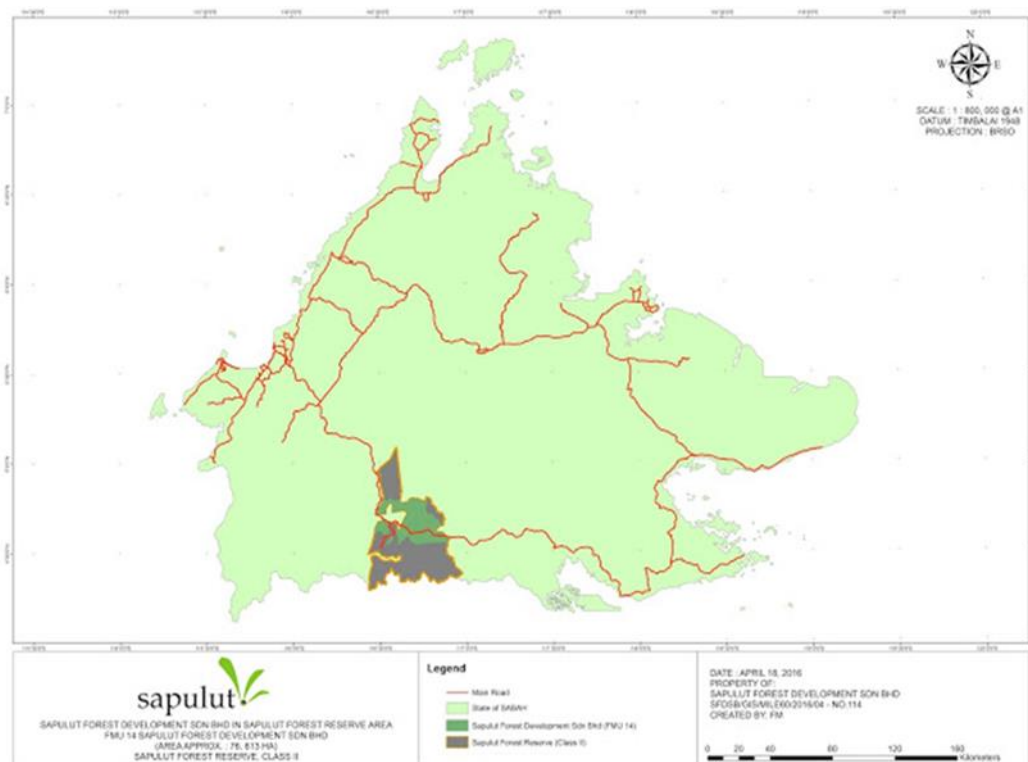
| Principle | Strengths | Weaknesses |
|---|---|--|
| | <p>and PSP), human resource development, protection (patrolling), economic (operating), conservation (HCV), environmental (EMR) and social aspects (CSR, compensation).</p> <p>Silviculture treatments, forest rehabilitation and reforestation operations were described in the FMP. The silvicultural treatment or planned activities were conducted in Compartments 152, during this audit.</p> <p>Forest management practices encourage the optimal use of forest resources by adopting 25-year intervals felling cycle. Site visit to Compt. 148, found that the harvesting processes were in accordance to RIL guidelines and the comprehensive harvesting plans and followed by post harvesting compliance assessment.</p> <p>Regular training was conducted for the staff on techniques of reduced-impact logging. Training was conducted on 27 June 2022 to 12 August 2022.</p> <p>The FMU operating only for the production and harvesting of timber products particularly logs.</p> <p>Riparian reserve had been demarcated and marked out on the field. Slopes of more than 25 degrees, watershed area were excluded from logging, and were demarcated on the ground.</p> <p>The NFM's AAC is 2,102 ha/year or not more than 95,644m³ /year for the 10 years management plans.</p> | |
| Principle 6 Environmental Impact | <p>SEIA at the landscape level was conducted for Sapulut FMU 14 (Forest Logging and Plantation) and the report was produced in February 2005, prior to the commencement of forest operations. It covers potential impacts on RTE species (Ecology), the protection of RTE fauna, and Recommendation on mitigation measures for flora and fauna protection.</p> <p>Quarterly report of an Environmental Compliance Report under Project: Forest Logging and Plantation of 76,613 Hectares within Forest Management Unit (FMU14), Sapulut, date of inspection from 16th to 18th January 2023 was verified.</p> <p>Standard Operating Procedures (SOP) regarding Protection for Wildlife, Forest Protection, RIL, HCVF were established and</p> | <p>During site visit at Workshop Sapulut Camp, it was found that the Safety Data Sheet by chemical manufacturer for the Fuel, Oil, and Lubricant used was not made available nearby. This was not in accordance to Occupational, Safety, and Health Act 1994 under Regulation 25. Provision of Chemical Safety Data Sheet in a place of work.</p> <p>Therefore, a Minor AZR01/2023 for Indicator 6.6.2 was raised.</p> |

| Principle | Strengths | Weaknesses |
|-----------|--|------------|
| | <p>implemented accordingly. It also includes identification, management and monitoring procedures.</p> <p>Cooperation between the FMU and relevant stakeholders including local communities and government authorities, Nabawan District Office, Tibow Forestry Department, JKKK, Village Heads, and Ketua Anak Negeri were well established.</p> <p>Hunting fishing and collecting activities were controlled and inappropriate activities were strictly prohibited in the FMU.</p> <p>“No entry to Permanent Forest Reserve” and “No hunting” signage has been erected along FMU external boundaries, FMU access points (gates) and posters on notice boards at workers’ camps.</p> <p>Information on hunting prohibition was prominently displayed in project sites and offices. Workers and their families were regularly briefed and educated to discourage illegal hunting.</p> <p>Guidelines for post-harvest regeneration assessment in Natural Forest of FMU were available which include Equipment, Method, Evaluation and Silvicultural information on Post – harvest stand.</p> <p>RIL guidelines were implemented on areas demarcated and conserved against impact from management operations especially harvesting.</p> <p>Fire prevention and control plan was prepared and implemented for all fire prone forest in FMU, as stated in Forest fire management plan 2018 - 2028 at Sapulut Forest Reserve.</p> <p>All scheduled waste were disposed to a registered Contractor Legenda Bumimas Sdn Bhd and were verified during the audit.</p> <p>There was no application of biological control agents in Sapulut FMU 14.</p> <p>The FMU only uses native forest species from the area for reforestation, enrichment planting and restoration planting.</p> <p>There was no further conversion of natural forest area into plantation forest since the establishment of Sapulut FMU 14 in 2005.</p> | |

| Principle | Strengths | Weaknesses |
|--|--|---|
| Principle 7 Management Plan | <p>The 3rd Forest Management Plan (January 1, 2016 – December 31, 2025) FMU No. 14 (SFMLA 04/97) Sapulut Forest Reserve (Part of) (Revised version 3rd FMP) is still pending approval by Sabah Director of Forestry, was presented for verification during the audit.</p> <p>Forest managers were generally aware of the new scientific and technical information pertinent to the management of the natural forest.</p> <p>Training of workers in their respective roles in the implementation of the FMP was implemented in 2022/23.</p> <p>A summary of the primary elements of the forest management plan as prepared and implemented under Indicator 7.1.1 was made available to the public. The hyperlink to the public summary https://sapulut.com.my was verified at the time of audit.</p> | <p>1) The latest Draft of the 3rd Forest Management Plan (FMP) 1st January 2016 – 31st December 2023 Ref MD/NW/SFD/JPHTN/075/22/ac dated 20th October 2022 were inadequate to address review of changes on the following:</p> <ol style="list-style-type: none"> socio-economic conditions demographic profile including total population. forest dependencies locality of significant areas impact of Sapulut FMU activities on local communities <p>Therefore, a Minor NCR AS02/2022 was upgraded Major NCR: LYD01/2023 for Indicator 7.2.1 was raised.</p> |
| Principle 8 Monitoring and Assessment | <p>Total of 65 Permanent Sample Plots (PSPs) were established to assess growth of forest stand. Data collated were analysed by SDSB and the results were incorporated in the 3rd FMP.</p> <p>Appropriate monitoring procedures and monitoring report for assessing social, ecological, environmental and economic impacts were available i.e. (SOP#13.0 Monitoring Social, Environmental and Economic Impacts).</p> <p>An Internal Audit was conducted on 13th – 15th Feb 2023, and management review was conducted on 9th March 2023.</p> <p>The movement of harvested log from Sapulut FMU 14 certified forest to its destination, a process known as the “chain of custody”, was enabled through relevant documentations and implementation of computer – based “Log Flow Information System (LFIS)”.</p> | <p>During stakeholder consultation and records verification, it was found out the following sampled villages’ social impact was yet to be monitored:</p> <ol style="list-style-type: none"> Kg. Balantos Kg Saliku, Kg Pulutan Atas / Bawah, Kg Salangon, Kg Nalasaran, Kg. Labang <p>Therefore, a Minor NCR LYD04/2023 for Indicator 8.2.1 was raised.</p> <p>It was found that, result of monitoring listed in Criterion 8.2 for item c) Environmental and social impacts of harvesting and other operations was not updated.</p> <p>Therefore, a Minor NCR AZR2/2023 for Indicator 8.5.1 was raised.</p> |

| Principle | Strengths | Weaknesses |
|--|--|------------------------------|
| Principle 9 Maintenance of High Conservation Values | <p>Sapulut FMU 14 has conducted an assessment to identify HCV Area as in the HCVF report titled "High Conservation Value Forest (HCVFs) of FMU 14 Sapulut Forest Development Sdn. Bhd."</p> <p>Letter of stakeholder invitation for HCV establishment (Ref:MD/NW/SFD/Misc/097/17/cc) dated 4th January 2018 including attendance list and pictures of stakeholders meeting was verified during the audit. The FMU has consulted for the enchantment of the HCV areas, the relevant stakeholders based on the letter Ref.No.Sap/JPHTN.HQ/011/2021.AS dated 11th June 2021.</p> <p>Measures to ensure maintenance and/or enhancement of the applicable conservation attributes have been implemented on the ground. HCV areas has been mapped and incorporated progressively into the 3rd Forest Management Plan at Sapulut Forest Development Sdn Bhd – Forest Management Unit No.14 (2016 – 2025), (Revised Version 3rd FMP -year 2021).</p> <p>The HCVF attributes and map were updated in Sapulut FMU 14 website's:https://sapulut.com.my/forest-certification/natural-forest-management/#single/0 and was verified during the recertification audit.</p> <p>The annual monitoring to assess the effectiveness of measures taken in the management of the HCV areas in the FMU was done on 6-monthly and yearly basis.</p> <p>Monitoring for 2022 has been done on 6-month basis and yearly basis.</p> <ol style="list-style-type: none"> 1) Batu Tantalawau – January and July 2022 2) Labau soil – January and July 2022 3) Water intake for Kg. Bigor – January 2022 4) Salt Lick in Compt. 148 – February and September 2022 | There is no negative finding |

Map of Sapulut FMU



Experiences and Qualifications of Audit Team Members

| Names of Audit Team | Role | Qualification and Experience |
|-------------------------------------|---------------------------|--|
| Mohd Annas Amin Bin Haji Omar | Lead auditor/ forester | <p>Academic Qualification: <i>Diploma In Forestry, UPM</i> <i>B. Sc. In Forestry, UPM</i></p> <p>Work Experience: Six years as Assistant Forest Officer at Perak State Forestry Department from 2013-2018. Main responsibility is assisting District Forest Officers in administrative work, forest development and forest operations.</p> <p>Conduct forest enforcement team activities such as the prevention of illegal logging. appointed as raid officer in raid eradicating illegal Refinery in Kinta Manjung Forest District. Also Appointed as Investigation Officer in A Case Involved Ayer Chepam Forest Reserve and Cased Prosecuted in Court.</p> <p>Training / Research Areas: Attended And Pass the Following Training Programmes:</p> <ul style="list-style-type: none"> • Auditor Training Course On MC&I Sustainable Forest Management 18/08/2020 - 18/08/2020 • Smeta-Sedex Members Ethical Trade Audit (Awareness & Auditor Course) 20/10/2021 - 21/10/2021 • MTCS Auditor Training Course 09/07/2018 - 12/07/2018 • Lead Auditor Integrated Management Systems (IMS) ISO 9001, ISO 14001 & Ohsas 18001/ISO 45001 13/08/2018 - 18/08/2018 • COC Auditor Training 19/12/2018 - 20/12/2018 • RSPO P&C 5-Day Lead Auditor Course 09/03/2020 - 13/03/2020 • Training On Indigenous People 04/10/2021 - 04/10/2021 • FMC Workshop 23/11/2021 - 24/11/2021 • Audit Report Writing & NCR 25/06/2018 - 25/06/2018 • MTCS Auditor Training Course 09/07/2018 - 12/07/2018 • Culture Transformation Program 04/04/2019 - 04/04/2019 • Workshop For Mspo Sc 22/08/2019 - 22/08/2019 • Calibration Workshop For RSPO Workshop P&C (Session 2) 28/01/2020 - 28/01/2020 • SIA Workshop 30/01/2020 - 30/01/2020 • Training EMS For FMC Auditor 12/02/2020 - 12/02/2020 • Training OHSAS For FMC Auditor 11/02/2020 - 11/02/2020 • ISO /IEC 17021 12/06/2020 - 12/06/2020 • Principles Of Conformity Assesment 12/06/2020 - 12/06/2020 • RSPO PC Workshop 22/12/2020 - 23/12/2020 • Training On Indigenous People 04/10/2021 - 04/10/2021 • Program Siri Bicara Integriti Bagi Anggota Kerja Kumpulan |

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|----------------------------|------------------|--|
| | | <p>Sirim Dan Anak-Anak Syarikatnya 20.9 20/09/2021 - 20/09/2021</p> <ul style="list-style-type: none"> • MSPO Workshop 2022 06/07/2022 - 07/07/2022 • General Workshop For MSCD 29/08/2022 - 29/08/2022 • Legal Awareness OSHA Act 2020 30/08/2022 - 30/08/2022 • RSPO P&C Calibration Workshop [Session - 2] 22/09/2022 - 22/09/2022 |
| Puteri Arlydia Binti Abdul | Auditor/forester | <p>Academic Qualification: B.Sc of Forestry (Forest Production), University Putra Malaysia.</p> <p>Work Experience: 1 year with Forestry Department Peninsular Malaysia (JPSM) 2007-2008, 3 years with Forest Plantation Development Sdn Bhd (Wholly owned by MTIB) 2008 – 2011, 1 year with Transparency International Malaysia 2011-2012, 3 years with Intertek Certification International Sdn Bhd 2012-2015 and with Sirim QAS International from 2015 onwards. Her working experience cover forest elements among others, Geographic Information System, Remote Sensing, Forest Governance Integrity and Local Communities programs and auditing in ISO 9001 (Quality), ISO 14001 (Environment), PEFC Chain of Custody and PEFC MC&I (both Natural and Plantation Forest).</p> <p>Training / Research Areas: Was attending and pass in the following training programmes:</p> <ul style="list-style-type: none"> • ISO 9001: 2008 Lead Auditor Course dated 19-23/03/2012 • MC&I (Natural and Plantation) Lead Auditor Course 9 - 10/07/2015 • Training on ISO 9001:2015 (final version) dated 21/09/2015 • ISO 14001: 2004 Lead Auditor Course dated 18-22/05/2015 • Aspect and Impact Mitigation and Environmental Laws dated 27/05/2016 • Schedule Waste Handling dated 1/06/2016 • ISO 14001:2015 dated 18/09/2017 • PEFC CoC by MTCC dated 6 & 14/12/2017 |
| Azrul Ikhsan Mohamed | Auditor | <p>Academic Qualification: Diploma in Agriculture, Universiti Putra Malaysia Kampus Bintulu Bachelor of Science with Honours (Plant Resource Science and Management), Universiti Malaysia Sarawak.</p> <p>Work Experience: Five years of Experience in the field of Forestry, 2 Years of Forest Plantation as Assistant Plantation Manager in Forestry Assets SDN BHD in the year from 2015 to 2017, and 4 Years in Natural Forest as Forest Manager in RELIWOOD SDN BHD in the year 2018 – 2021. Main responsibility is Assisting and Manage in the administrative work, forest development, and forest operations based on the MC&I SFM standard. Work closely with relevant stakeholders on the development of the Forest such as Enrichment planting, HCV collaboration, Improvement of the Reduced impact logging, and developing procedures.</p> |

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| | | Training / Research Areas: <ul style="list-style-type: none"> • Auditor Training Course on Forest Management Certification Under the Malaysian Timber Certification Scheme (MTCS) – (13th – 15th October 2021) • SIRIM LEAD AUDITOR COURSE INTEGRATED MANAGEMENT SYSTEMS (IMS) ISO 9001, ISO 14001 & ISO 45001 (LIMS02) – (25th – 29th October 2021) |
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Comments Received from Stakeholders and Responses by Audit Team Leader

| No. | Comments/Issues Raised | Response by Audit Team |
|-----|------------------------|------------------------|
| 1 | none | none |
| 2 | | |

Surveillance 2 Audit Plan

| DAY | TIME | PROGRAM | | |
|--|-------------------|--|--|--|
| | | Auditor 1 (Annas) | Auditor 2 (Azrul) | Auditor 3 (Lydia) |
| Day 0 20/3/2023 (Monday) | 7:00 am - 12:00pm | All Auditors travelling from KLIA to Kota Kinabalu on 18 April 2021 Flight from Kuala Lumpur (KUL) to Kota Kinabalu (BKI)- MH2610 ETD - 09:35, ETA – 12:15) | | |
| | 2.00pm- 7.00pm | Travel to Sapulut Camp site | | |
| Day 1 21/2/2023 (Tuesday) | 8.00 am – 1.00 pm | <ul style="list-style-type: none"> Opening Meeting with representatives of FMU Briefing session by Forest Manager of the FMU Q&A Session Follow up on issues of concern from last audit. Check on complaints, stakeholder comments and follow-up actions (if any) <ul style="list-style-type: none"> Local Communities Government agencies NGOs Evaluate on internal audit and management review | | |
| | 2.00 pm – 5.00 pm | <u>Documentation and records review</u> Principle 1 – Compliance with Laws and Principles Principle 5 – Benefits from the forest Principle 7 – Management Plan | <u>Documentation and records review</u> Principle 6 – Environmental Impact Principle 8 – Monitoring and Assessment Principle 9 – Maintenance of High Conservation Value (HCV) | <u>Documentation and records review</u> Principle 2 – Tenure and Use Rights and Responsibilities Principle 3 – Indigenous Peoples' Right Principle 4 - Community Relations and Worker's Right |
| | | Review of Day 1 Findings by Audit Team Leader | | |
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|--|--------------------|--|---|--|
| Day 2 22/3/2023 (Wednesday) | 7.30 am – 1.00 pm | <u>Site visit</u> <ul style="list-style-type: none"> Inspection of active harvesting area 148A Compt, Ming Fui Contractor 162A Compt, Jaya Enterprise | <u>Site visit</u> <ul style="list-style-type: none"> Consultation with contractors and workers operating in active logging area, bulldozer, hook-man, chainsaw and supervisor. Inspection of Coupe Boundary PSP Plot 4 Compt 154 PSP Plot 11 Compt 157 HCVF Kerangas Compt 146 Outerboundar Sapulut FMU&ZILLION | <u>Site visit</u> <ul style="list-style-type: none"> Consultation with Local Communities of Kg. Labang & Kg Kuala Sapulut Consultation with stakeholders – Tibow Forestry Department Office Consultation with workers and worker's representative Inspection of staff quarters |
| | 2.00 pm – 5.00pm | <ul style="list-style-type: none"> Consultation with contractors and workers operating in active logging area, bulldozer, hook-man, chainsaw and supervisor. Inspection of Coupe Boundary | | |
| | | Review of Day 2 Findings by Audit Team Leader | | |
| Day 3 23/3/2023 (Thursday) | 7.30 am – 1.00 pm | <u>Site visit</u> <ul style="list-style-type: none"> POST F Compt 155A Silviculture treatment Kompt 151 | <u>Site visit</u> <ul style="list-style-type: none"> Workshop HCV Saltlick Nursery Inspection of FMU Licenses Boundaries | <u>Site visit</u> <p>Consultation with Local Communities of Kg. Agis & Kg. Balantos</p> |
| | 2.00 pm – 5.00 pm | <ul style="list-style-type: none"> Buffer zone Stumping | <ul style="list-style-type: none"> Nursery Forest fire equipment Inspection on workshop, SW Store | <p>Consultation with contractors and workers at camp area</p> |
| | | Review of Day 3 Findings by Audit Team Leader | | |
| Day 4 24/3/2023 (Friday) | 12.00 pm – 1.00 pm | <ul style="list-style-type: none"> Preparation of audit report and findings (if any) Briefing to representatives of FMU on the findings of audit Closing Meeting and presentation of findings of audit and discussion on follow-up activities Adjourn Closing Meeting All Auditors travelling to Kota Kinabalu Airport Flight from Kota Kinabalu (BKI) to Kuala Lumpur (KUL) - MH2647 ETD 2010, ETA – 2250) | | |

End of Report