



## GLOBAL FORESTRY SERVICES

Registered Office: 2446 N. San Gabriel Blvd., Suite #C, Rosemead, CA 91770, USA.  
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## LEGAL VERIFICATION SERVICES

### Sarawak Audit Checklist / Report STLVS Principles 1 - 4

<b>Licensee</b>	Ta Ann Plywood Sdn. Bhd. (208737-T)	<b>Reference #</b>	GFSS 019-027
<b>Contact Person</b>	Mr. Ling Tiing Tchin (General Manager)	<b>Report Date</b>	15/12/2023
<b>Office Address</b>	No. 6, Jalan Rawang, 96000 Sibul, Sarawak, Malaysia.	<b>Date of close out</b>	-
<b>Site Address</b>	<b>TAP Pasin &amp; Rejang Camp:</b> Mile 32, Katibas Logging Access Road, Song, Kapit Division, Sarawak, Malaysia. <b>TAP Woodley Camp:</b> Mile 24, Lajan Logging Access Road, Song, Kapit Division, Sarawak, Malaysia.	<b>Telephone</b>	+6084 331 125
<b>Email</b>	<a href="mailto:tiingtchin.ling@taann.com.my">tiingtchin.ling@taann.com.my</a>	<b>Fax</b>	+6084 333 125
		<b>Telephone</b>	-
		<b>Fax</b>	-
		<b>Approved By</b>	Dr. Kevin Grace

Statements			
GFS Statement of Compliance #	GFS 020 LVS		
Issuance Date	18 December 2023	Expiration Date	17 December 2024

Assessment Details	
Assessment dates	11 – 15 December 2023
Scope of Assessment	Licence for Planted Forest #: LPF/0010 (Rejang, Woodley & Pasin Divisions)
Species	Salvage logging: <i>Mangifera</i> spp. (Asam), <i>Octomeles sumatrana</i> (Binuang), <i>Eugenia</i> spp. (Ubah), <i>Parartocarpus</i> spp. or <i>Artocarpus</i> spp. (Terap), <i>Shorea</i> spp. / <i>Lithocarpus</i> spp. (Empenit), <i>Shorea</i> spp. (Meranti), <i>Dipterocarpus</i> spp. (Keruing), <i>Shorea</i> spp. (Selangan batu), <i>Dryobalanops</i> spp. (Kapur), <i>Sapotaceae</i> spp. (Nyatoh), Lauraceae (Medang), <i>Mezzettia</i> spp. (Kepayang Babi), <i>Gymnacranthera</i> spp. / <i>Horsfieldia</i> spp. / <i>Knema</i> spp. / <i>Myristica</i> spp. (Kumpang), <i>Tristaniopsis</i> spp. (Selunsur), <i>Xanthophyllum</i> spp. (Nyalin), <i>Cratoxylum</i> spp. (Geronggang), <i>Dialium</i> spp. (KerANJI), <i>Garcinia nigrolineata</i> (Kandis), <i>Vatica</i> spp. / <i>Cotylelobium</i> spp (Resak), <i>Parastemon</i> spp. (Ngilas), <i>Buchanania</i> spp. (Terentang), <i>Durio</i> spp. (Durian), <i>Gluta</i> spp. (Rengas hutan), <i>Anisoptera</i> spp. (Mersawa) Planted trees: <i>Acacia mangium</i> (Acacia), <i>Neolamarckia cadamba</i> (Kelampayan)
GFS Lead Assessor	Brandon James
GFS Assessor(s)	Glory Linggou
Others	Mr. Ling Tiing Tchin (GM – Forest Resource & Plantation [LPF/0010]), Mr. Liong Kah Hock (Certification Compliance Manager – Hariwood Sdn. Bhd.), Mr. Dari Ak. Gudang (QC & QS Head – TAP Pasin & Rejang), Ms. Ngu Sie Hong (TAP Reforestation)

Document Control			
GFS-FORM-006-STLVS-3.1	Title: STLVS P1-4 Checklist & Report	Issue: v03	Date: 01 Apr 2021



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### OBJECTIVES:

- The objective of this checklist is to verify compliance with the Criteria listed in the Sarawak Timber Legality Verification System as defined by **STLVS Principles 1-4 (v03)** dated **01 April 2021**, which reflects the change in the authority of SFC to conservation and wildlife management as of January 2020.
- Compliance is defined when all applicable criteria are observed to be compliant. A *Minor Gap* to any indicator *does not* constitute non-compliance to a criterion. A *Major Gap* to any applicable indicator does reflect non-compliance to a criterion. Compliance for a criterion where multiple minor gaps are identified in indicators under the criterion may reflect non-compliance to the criterion.
- All issues identified under this standard shall be considered appropriate to the scale and degree of forestry operations undertaken by the company in accordance with the standard.

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## LEGAL VERIFICATION SERVICES

### Summary Information

#### Overview of Licensee

##### Organization Information:

The license holder, Ta Ann Plywood Sdn. Bhd. (208737-T) (Ta Ann Plywood) is a 100% subsidiary of Ta Ann Holdings Berhad, a public company listed on the Main Board of the Bursa Malaysia (Kuala Lumpur Stock Exchange) on 23<sup>rd</sup> November 2009.

Ta Ann Holdings Berhad is a timber resource-based company based in Sibul, Sarawak, Malaysia. It was founded in the mid-1980's as a trading company by Datuk Abdul Hamed Bin Haji Sepawi, Datuk Wahab Bin Haji Dolah and Dato Wong Kuo Hea, starting as a forest concession licensee, including timber harvesting, and downstream industries (veneer, plywood, coated plywood, eco-plywood, laminated veneer lumber and pachinko plywood, sawn timber and laminated moulding). Ta Ann Holdings Berhad was incorporated as a public limited company in February 1997 and listed on the Bursa Malaysia in November 1999.

Ta Ann Holdings Berhad has embarked on research and development (R&D) to produce improved tree planting material of *Acacia mangium*, *Superbulk* and *Acacia hybrid*, for higher quality and yield for veneer production. Ta Ann Holdings Berhad plans to gradually shift to plantation-based timber using local species such as Kelampayan (*Neolamarckia cadamba*) planted in terraces (and alongside of skid trails).

Ta Ann Plywood engaged Hariwood Sdn. Bhd. as their contractor to conduct forest plantation activities, including planting, felling, extracting, and transporting of logs.

##### Key regulations:

The legal framework is provided in the following laws (ordinances), rules and regulations:

- Statement of Forest Policy (1954)
- Forest Ordinance (2015)
- Forest Rules (1954)
- National Parks Ordinance (1956)
- National Parks and Nature Reserves Ordinance (1998)
- Wildlife Protection Ordinance (1958)
- Sarawak Timber Industry Development Corporation Ordinance (1973)
- Sarawak Timber Industry (Registration) Regulations (2008)
- Sarawak Forestry Cooperation Ordinance (1995)
- State of Sarawak Forest Timber License (FTL) / License for Planted Forests (LPF)
- Inter-agency Standard Operating Procedures (SOPs) for Performance of Forestry Functions in Sarawak (Ministry of Resource Planning and Environment, 2012)
- Minimum Wages (Amendment) (No.3) Order 2013
- Sarawak Labour Ordinance (Cap.76)
- Employment Act 1955

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### Description & License:

The Licence for Planted Forest No. LPF/0010 area is located south of Song town, in the Song District of the Kapit Division in the state of Sarawak, Malaysia. The total concession area is 69,316 hectares (ha) and divided into four management divisions, Rejang, Woodley, Pasin and Naman. The license was issued on 8<sup>th</sup> December 1998 for 60 years, expiring on 7<sup>th</sup> December 2058. Rejang, Woodley, and Pasin Divisions are planned for tree plantations, while Naman Division is planted in oil palm. Naman Division is fully planted in oil palm and evaluated under the MSPO. The scope of this assessment includes Rejang, Woodley, and Pasin Divisions.

### Management / Land Tenure:

The State of Sarawak issued the License of Planted Forests (LPF/0010) license to Ta Ann Plywood Sdn. Bhd. for a period of 60 years commencing from 08 December 1998 and ending on 07 December 2058. Ta Ann Plywood shall have the right to establish, develop and maintain on the said land/planted forest in accordance with a tree planting plan approved by the Director of Forests.

### Management Planning (FMP / GP):

License for Planted Forest No. LPF/0010 is under a Tree Planting Plan with the license issued by the Director of the Forest Department Sarawak (30 August 2017) valid until 07 December 2058. Based on the last review of the license, the Tree Planting Plan was revised and approved by FDS on 30 August 2017 (Ref.#: WPO/P/106 (XII)-79).

Date of issue / revision	Hectarage	Reference #	Remarks
8 <sup>th</sup> December 1998	102,881	WPO/P/106-24	-
3 <sup>rd</sup> March 2008	108,125	WPO/P/106 (VII)-10	Rejang (22,164 ha), Woodley (18,423 ha), Pasin (54,393 ha) and Naman (13,145 ha)
1 <sup>st</sup> September 2015	107,485	WPO/P/106 (XI)-30	Excision of NCR land
29 <sup>th</sup> May 2017	69,316	WPO/P/106 (XII)-15	Exclusion of defined overlapping areas with FTL and LPF licenses

### Operational activities:

Ta Ann Plywood contracted Hariwood Sdn. Bhd. as a registered logging contractor to conduct forest plantation activities, which includes salvage logging, harvesting of planted forest and transporting of logs.

During the December 2023 assessment, the operational activities were summarized as follows:

Activity	Woodley Division	Rejang Division	Pasin Division
Planted Forest Harvesting	No operation for 2023	Scheduled for 2024 at Coupe 14E and Coupe 15E	No operation for 2019, 2020, 2021, 2022 and 2023. No plans for 2024.
Salvage Logging	No operation. Completed in August 2023.	On-going at Coupe 14E	No plans for 2023.

As of the assessment, no harvesting of planted trees within LPF areas from November 2022 to December 2023.

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### Land use classification:

Current land use classification based on 69,316 ha.

Area	Land use	Division				Total Area (ha)
		Woodley (ha)	Pasin (ha)	Rejang (ha)	Naman (ha)	
Plantable	ITP (Planted)	6,031	10,952	5,958	0	22,941
	ITP (Unplanted)	662	525	3,288	539	5,014
	Oil palm	0	0	2,093	10,984	13,077
Un-plantable	NCR	0	0	0	0	0
	Settlement Area	0	22	722	84	828
	Terrain Class IV	57	3,211	0	0	3,268
	Buffer Zone	2,765	9,870	8,835	1,109	22,579
	Conservation Area	0	69	1,111	275	1,455
	Dam	59	95	0	0	154
<b>Total</b>		<b>9,574</b>	<b>24,744</b>	<b>22,007</b>	<b>12,991</b>	<b>69,316</b>

### Environmental context:

Forest type and history of management

- Principal commercial species

The current vegetation in Rejang, Woodley, and Pasin divisions are predominantly logged-over remnant hill Mixed Dipterocarp Forest (MDF), with small margins of virgin forest in Pasin Division along the Sarawak / Indonesia border. The remnant vegetation varies in structure and species composition depending on terrain conditions and the intensity of previous timber harvesting. Also, in the Pasin Division, there are large areas of shifting agriculture in the northern part and isolated kerangas in the south.

- Specific biological values (e.g. rare or endangered species)

The EIA identified several protected mammals, including the orang utan, generally located adjacent to the Lanjak Entimau Wildlife Sanctuary and the Indonesian border. Other protected mammals are the Bornean gibbon, Hose's langur, maroon langur, clouded leopard, western tarsier, slow loris and giant squirrel. Protected avian species are six species of hornbills, Argus pheasant and Bulwer's pheasant.

- Environmental services (e.g. critical watersheds, wildlife corridor, etc.) provided by the forest

The Woodley Division is drained by Sg. Lajan Besat to the north, Sg. Sebatu to the west and Sg. Lanang to the south. The east of Woodley Division drains into Sg. Mukoh and Sg. Tekalit and eventually to Sg. Katibas. Streams in the east of Rejang Division drain into Sg. Matalau. In the western region, streams flowing northwards drain into Sg. Matalau while those flowing southwards drain into Sg. Laup and Sg. Nging.

- Environmental Impact Assessment (EIA)

EIA titled "Environmental Impact Assessment for Tree Planting under Licence for Planted Forests No. LPF/0010 in the Sibul and Kapit Divisions, Sarawak" was conducted by registered environmental consultant firm, Plantacia Sdn. Bhd. and approved by the Natural Resources and Environment Board (NREB) on 10 December 1999 (Ref.#: (8) NREB/6-11/64).

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### Social context

#### Social Assessment:

In June 2012, Ta Ann Plywood engaged Ecosol Consultancy Sdn. Bhd. to conduct a separate Social Impact Assessment (SIA), covering the Tree Plantation Areas in Woodley, Pasin and Rejang Divisions, including an evaluation of settlements. As the result, there were 63 villages located within a 3 km radius, and 14 villages outside of the 3 km radius claiming their shifting cultivation areas within LPF No. LPF/0010. However, only 27 villages were visited and surveyed.

#### Key findings of social assessment:

Identified communities dependent on the FTL / LPF.

Since the LPF No. LPF/0010 was revised on 29<sup>th</sup> May 2017 to cover an area of 69,316 ha, all the longhouses are no longer located within the licensed area.

All longhouses listed in this report were based on Rejang & Woodley divisions as there were no operations within the Pasin Division. The information recorded in this report is based on documentation and information provided by the Ta Ann Plywood for Rejang & Woodley divisions. Community areas claimed in Rejang Division are identified in Map A and for Woodley Division in Map B.

Longhouses aligned to Rejang and Woodley Divisions of LPF/0010 are listed as follows:

#	Race	Village Name	Claimed Coupe (Referring to Maps A & B)	Area Claimed (Ha)	Agreement GW / Log commission Harvest date	Remark(s)
<b>Rejang Division (Map A – Updated as of 31/10/2023)</b>						
1	Iban	Rh. Demang (Including Rh. Dari a sub-group of Rh. Demang)	Parts of Coupe 02E – 06E	3,731	Salvage logging (01/05/2018) Acacia harvesting (02/03/2017) (Shared agreement under Syarikat Matalau Musah)	Rh. Dari visited in October 2019
2	Iban	Rh. Junan	Parts of Coupe 02E – 06E			Interviewed in November 2022
3	Iban	Rh. Tugang	Parts of Coupe 02E – 06E			Interviewed in December 2020
4	Iban	Rh. Dominic Rungum	Part of Coupe 01E	418	No agreement - Ta Ann Plywood has not entered or operated in the disputed claimed area.	
5	Iban	Rh. Bangau	Part of Coupe 01E			
6	Iban	Rh. Kawin	Parts of Coupe 03E – 04E	223	Salvage logging in 2014	Visited in October 2018
7	Iban	Rh. Selikau	Parts of Coupe 03E – 04E		Yet to negotiate (No Operation)	-
8	Iban	Rh. Peter	Parts of Coupe 05E – 11E	3,226	Salvage logging (08/2021) Acacia harvesting (08/2019) Agreement: 02/08/2019	Visited in October 2019

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9	Iban	Rh. Ribut	Part of Coupe 05E	121	Yet to negotiate (No Operation)	-
10	Iban	Rh. Sanda	Parts of Coupe 06E – 07E & part of Coupe 09E	916	Salvage logging (29/04/2021) Acacia harvesting (July 2021) Signed Agreement	Interviewed in November 2021
11	Iban	Rh. Philip	Parts of Coupe 01E – 02E	1,169	Acacia harvesting (in 2019) (Shared agreement with Rh. Philip)	-
12	Iban	Rh. Tagi	Parts of Coupe 01E – 02E			-
13	Iban	Rh. Uding	Part of Coupe 18E	1,338	Yet to negotiate (No Operation)	-
14	Iban	Rh. Julin	Part of Coupe 18E			-
15	Iban	Rh. Ayomg	Part of Coupe 18E			-
16	Iban	Rh. Thomas	Part of Coupe 18E			-
17	Iban	Tr. Air	Part of Coupe 17E	690	Yet to negotiate (No Operation)	-
18	Iban	Tr. Anyau	Parts of Coupe 10E, 13E & 17E	911	Yet to negotiate (No Operation)	-
19	Iban	Tr. Baruh	Part of Coupe 14E	181	Yet to negotiate (No Operation)	-
20	Iban	Tr. Jalak	Part of Coupe 12E	642	Yet to negotiate (No Operation)	-
21	Iban	Tr. Galak	Part of Coupe 12E			-
22	Iban	Tr. Kesah	Part of Coupe 12E			-
23	Iban	Tr. Nabau	Part of Coupe 12E			-
24	Iban	Tr. Joslee	Parts of Coupe 07E – 13E	3,367	Yet to negotiate (No Operation)	-
25	Iban	Tr. Nyaru	Part of Coupe 18E	182	Yet to negotiate (No Operation)	-
26	Iban	Tr. Serik	Part of Coupe 18E			-
27	Iban	Tr. Nyipa	Coupe 16E; Parts of Coupe 15E, 17E & 18E	3,279	Yet to negotiate (No Operation)	-
28	Iban	Tr. Mengkau	Coupe 16E; Parts of Coupe 15E, 17E & 18E			-

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29	Iban	Tr. Kuling	Coupe 16E; Parts of Coupe 15E, 17E & 18E		Yet to negotiate (No Operation)	-
30	Iban	Rh. Bagan	Parts of Coupe 14E – 15E	1,555	Salvage logging Agreement: 01/09/2023	Interviewed in December 2023
31	Iban	Tr. Selia Bunsu	Part of Coupe 18E	58	Yet to negotiate (No Operation)	-
<b>Woodley Division (Map B – Updated as of 31/10/2022)</b>						
32	Iban	Rh. Bilon (Rantai)	Part of Coupe 01B	144	Salvage logging (2018) Acacia harvesting (2019) Agreement: 05/09/2017	-
33	Iban	Rh. Gibert	Coupes 05B & 07B; Parts of Coupe 01B, 06B & 08B	2,974	Salvage logging (2018) Acacia harvesting (2019) Agreement: 22/08/2017	-
34	Iban	Rh. Ijau	Coupes 03B & 09B; Part of Coupe 02B	956	Yet to negotiate (No Operation)	-
35	Iban	Rh. Leo	Coupe 03B; Part of Coupe 02B	1,834 (including Rh. Ijau)	Yet to negotiate (No Operation)	-
36	Iban	Rh. Kutak	Coupe 03B; Part of Coupe 02B		Yet to negotiate (No Operation)	-
37	Iban	Rh. Melayu	Parts of Coupe 01B – 02B	1,765	Salvage logging (02/04/2018) Acacia harvesting (in 2019) Agreement: 05/08/2017	Visited in October 2018
38	Iban	Rh. Munting	Part of Coupe 01B	460	Salvage logging (2018) Acacia harvesting (2019) Agreement: 22/08/2017	-
39	Iban	Rh. Ibi & other	Coupe 04B; Parts of Coupe 06B & 08B	1,441	Yet to negotiate (No Operation)	-
40	Iban	Syarikat Gerempung	Part of coupe 05B	649	Acacia & salvage logging	Remote interview

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	Menua Tekalit (Named under 20 longhouses)*		Agreement: 20/02/2022	Rh. Gilbert Dec 2022
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*Note\*: Syarikat Gerempung Menua Tekalit includes: (Rh. Gilbert, Rh. Johnny, Rh. Ebin, Rh. Philip, Rh. Lucy, Rh. Achau, Rh. Sibat, Rh. Melayu, Rh. Kana, Rh. Jaya, Rh. Munting, Rh. Rantai, Rh. Landun, Rh. Kaya, Rh. Changgai, Rh. Endah, Rh. Ensam, Rh. Barain, Rh. Lumpong, Rh. Dunggo)*

- Maps of longhouse communities.

Areas claimed by local communities for Woodley and Rejang divisions are mapped and updated as of October 2022 (for Woodley) and October 2023 (for Rejang). Areas claimed for Pasin division are not available, as Ta Ann Plywood does not have operations in this area in 2022 and 2023.

- Native Customary Rights – Agreements

Ta Ann Plywood has a system to establish formal agreements with each longhouse community for compensation for resource use within areas claimed. Agreements are reached through negotiations and discussions as operations progress, i.e., on a coupe-by-coupe basis. Once an agreement has been reached, provisions are laid out in a documented agreement that is read and interpreted to all parties to declare that they have fully understood and agreed to the terms prior to signing. Current payments are based on the volume of extracted timber within the claimed areas after local communities have finalized and resolved any conflicting land claims.

### Social Monitoring:

Regular communication and consultation between Ta Ann Plywood and local communities have been demonstrated since the commencement of logging operations. Community claims or issues are recorded, monitored and dealt following the company's Standard Operation Procedures (SOP). Ta Ann Plywood compensates the local communities for damages or losses to areas claimed through signed agreements. Audit interviews with local community identified that, in general, the communities are happy with their relationship with Ta Ann Plywood.

### Scope of Assessment

- The scope of the evaluation is to verify compliance with **LPF No. LPF/0010, Ta Ann Plywood Sdn. Bhd.** with the Principles 1-4 of the STLVS Standard (v03) 01 April 2021.
- Site evaluation to verify and report the level of compliance by **Ta Ann Plywood Sdn. Bhd. and Hariwood Sdn. Bhd.** to the standard in respect to each of the criteria within this report.
- Compliance is defined when the auditee demonstrates that the indicators consist of only minor gaps or no gaps against any applicable criteria of the standard. Non-compliance to the Sarawak Legality Standard occurs when a Major Gap is issued against an indicator and associated criterion.

### Document Control

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## GLOBAL FORESTRY SERVICES

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## LEGAL VERIFICATION SERVICES

### Itinerary of Assessment

Date	Activities	GFS Staff	Mandays
10 December 2023 Sunday	Travel from Kota Kinabalu and overnight in Sibiu.	Brandon James Glory Linggou	2
11 December 2023 Monday	Opening meeting & document review, Ta Ann HQ. Travel to TAP Pasin Camp of LPF/0010 and overnight.	Brandon James Glory Linggou	2
12 December 2023 Tuesday	Site visit to TAP Pasin Camp and nursery. Coupe 14E (Rejang Division) – License boundary, coupe boundary, salvaged logged area, Sg. Manari log pond at Song. Site visit to TAP Woodley Division - Protected areas, basecamp and nursery. Travel to Sibiu and overnight.	Brandon James Glory Linggou	2
13 December 2023 Wednesday	Document review at Ta Ann HQ.	Brandon James Glory Linggou	2
14 December 2023 Thursday	Document review at Ta Ann HQ. Community interview with Tr. Bagan Anak Jugam at Sibiu.	Brandon James Glory Linggou	2
15 December 2023 Friday	Document review and closing meeting at Ta Ann HQ.	Brandon James Glory Linggou	2
16-17 December 2023	Reporting: GFSS 019-027	Dr. Kevin Grace Brandon James	2
<b>Total</b>			<b>14</b>

### Highlights of Assessment

**Ta Ann Plywood Sdn. Bhd.** has complied with the Sarawak Legality Standard (Principles 1-4) as *no* non-compliance was identified during the assessment on 11 – 15 December 2023.

Summary of current status of operations against each principle.

#### Principle 1:

Ta Ann Plywood has demonstrated compliance with license requirements and management planning guidelines. Currently, salvage logging is carried out at Coupe 14E (Rejang Division) with a valid PEC.

#### Principle 2:

Ta Ann Plywood has demonstrated compliance with forestry operation standards.

Boundaries and areas designated for protection, such as buffer zones, were marked with signs and paint as depicted on the maps.

Ta Ann Plywood has a formal schedule for monitoring and patrolling inside the licensed area. Based on their patrolling records, two illegal activities were identified in April and May 2023 and were reported to the relevant authorities.

As of the assessment, no harvesting of planted trees within LPF areas from November 2022 to December 2023.

LPI tags and DPR are only required for the extraction of logs from the salvage logging but not for planted timber. Ta Ann Plywood adequately maintained both salvage logging and plantation harvesting related documents on production, royalties and transportation.

Field workers had valid documents and were covered by SOCSO and were equipped with PPE. Ta Ann Plywood provided adequate training to workers. Training records were documented and maintained.

#### December 2023: Observation 001-2023 – Checklist 2.1.4

The GPS readings for encroachment area were not consistently recorded in the patrolling report.

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## LEGAL VERIFICATION SERVICES

### Highlights of Assessment

#### Principle 3:

Ta Ann Plywood demonstrated compliance with the statutory charges, such as royalty & fees and maintained records.

#### Principle 4:

In June 2012, Ta Ann Plywood engaged Ecosol Consultancy Sdn. Bhd. to conduct a Social Impact Assessment (SIA) covering the Tree Plantation Areas in Woodley, Pasin and Rejang Divisions, which included an evaluation of settlements. There were 63 villages located within a 3 km radius, as well as 14 villages outside of the 3 km radius claiming shifting cultivation areas within LPF No. LPF/0010.

Since the LPF No. LPF/0010 was revised on 29<sup>th</sup> May 2017 to cover an area of 69,316 ha; all the longhouses were no longer located within the licensed area. However, some longhouses still have claims over lands within the recently revised LPF No. LPF/0010 concession. Ta Ann Plywood maintained the mutual agreement between the longhouses before conducting any harvesting operations within areas claimed by community.

There is no evidence that Ta Ann Plywood has breached the agreement and discriminated against the local community's needs.

### Summary results:

(Major Gap = 0 / Minor Gap = 0 / Observations = 1)

#### GAPs:

GAP #	Type	Checklist	Status	Description
-	-	-	-	-

*\*Note: Major Gap = Non-Compliance / Minor Gap still compliant to criterion. Minor Gap may be upgraded to a Major Gap if not adequately addressed by the date of the next surveillance visit.*

#### Observations

Obs #	Checklist	Description
001-2023	2.1.4	<b>December 2023:</b> The GPS readings for encroachment area were not consistently recorded in the patrolling report.

*\*Note: Observations can be upgraded to a Minor Gap if not adequately addressed by the date of the next surveillance visit.*

#### Highlights of Close out visit (if applicable)

Dates

-

Not applicable

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## LEGAL VERIFICATION SERVICES

### Recommendations

**Ta Ann Plywood Sdn. Bhd.** has demonstrated compliance with the Sarawak Legality Standard (Principles 1-4) for License for Planted Forests No. LPF/0010 and is recommended to receive a GFS Statement of Compliance and STLVS Certificate of Compliance from FDS.

Gap(s)/Observation(s) identified in this assessment should be addressed before the next surveillance visit. Action required to close the gap(s)/observation(s) include:

**Observation 001-2023 – Checklist 2.1.4:** Ta Ann Plywood shall consistently record GPS readings for encroachment area in the patrolling report.

The next annual monitoring visit will be scheduled for December 2024.

### End of Summary Report

#### Document Control

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