

# Sabah TLAS Audit Report

## Sabah Legality Standard Principles 1 – 4

<b>Licensee</b>	Licensee: Rakyat Berjaya Sdn. Bhd. 197001000639 (009867-W)	<b>Reference #</b>	GFSSBH 003-382
<b>Contact Person</b>	Marcellinus Gidung (Forest Manager – Rakyat Berjaya Keningau Division)	<b>Date of Report</b>	19/12/2025
<b>Office Address</b>	Rakyat Berjaya (Keningau Division) Pusat Kraftangan Sabah, KM5, Jalan Apin-Apin, Peti Surat 961, 89008 Keningau, Sabah, Malaysia.	<b>Date of close out</b>	-
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 101 LVS		
Issuance Date	22 December 2025	Expiration Date	21 December 2026

### Assessment Details

Assessment Dates	15-19 December 2025
Scope of Assessment	Sabah TLAS P1-4: SFMLA 09/97 (FMU 15)
Species	<i>Drybalanops</i> spp. (Kapur), <i>Dipterocarp</i> spp. (Keruing), <i>Parashorea</i> spp. (White seraya), <i>Shorea</i> spp. (Red seraya, Yellow seraya, Melapi), <i>Heritiera simplicifolia</i> (Kembang), <i>Shorea pauciflora</i> (Oba suluk), <i>Neolamarckia cadamba</i> (Laran), <i>Duabanga moluccana</i> (Magas), <i>Octomeles sumatrana</i> (Binuang), <i>Eugenia</i> spp. (Obah), <i>Rubroshorea</i> sp. (Red seraya), <i>Richetia</i> sp. (Yellow seraya), <i>Anthoshorea</i> sp. (Melapi, White seraya), <i>Lauraceae</i> (Medang), <i>Hopea sangal</i> (Gagil), <i>Annonaceae</i> (Karai), <i>Alstonia</i> sp. (Pulai), <i>Sindora beccariana</i> (Sepetir), <i>Vatica</i> sp (Resak), <i>Koompassia malaccensis</i> (Impas), <i>Syzygium</i> sp. (Obah), <i>Shorea inappendiculate</i> (Selangan Batu), <i>Palaquium</i> sp. (Nyatoh), <i>Castanopsis motleyana</i> (Berangan), <i>Planchonia valida</i> (Putat Paya), <i>Irvingia malayana Oliv.ex Benn</i> (Pauh Kijang), <i>Pentace</i> sp. (Takalis), Other timber (OT)
Lead Assessor	Teddy Quintin, (Acting Lead) Eljipy Sualim
Assessor(s)	Anne Gimbir (Remotely)
SFD Staff	Jaime Gampawi (PPW), Mazlan Azman (PPW Keningau), Narbert Nasly (DFO Sook), Edmund William (DFO Nabawan), Victor Gadius (PPD Sook), Esebius Aegidius (PPD Sook), Ferderick Ferdinand (PPD Sook), Nordye Enik (PPD Nabawan), Mohd Putera Bin Mohd Amin (PPD Nabawan)

### OBJECTIVES:

- The objective of this checklist is to verify compliance to the Criteria listed in the Sabah Legality Standard as defined by Principles 1 - 4 for Sabah dated November 2020 (**SFD-TLAS-002**).
- 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 with 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 parties under the agreement.

## Summary Information

### Overview of Licensee:

Yayasan Sabah holds the biggest SFMLA area about 439,809 ha in Sabah.

SFMLA	FMU
SFMLA 09/97	15, 16, 20, 23, 24, 25, 26
SFMLA 01/2022	8, 13
SFMLA 02/2021	9
SFMLA 06/2021	25
SFMLA 07/2021	18

Yayasan Sabah, as a Foundation, has by an Agreement signed on 18/01/1971, assigned all its rights and liabilities to a subsidiary company Rakyat Berjaya Sdn. Bhd. (Rakyat Berjaya) to manage to all forestry business operations.

The 1<sup>st</sup> FMP was prepared to cover FMU 15 (57,990 ha) an FMU 16 (119,003 ha) and approved by the CCF on 02/11/2010 (2011-2020). In 2015, there was excision of about 2,139 ha of the Licensed Area, which had been reclassified as Sg. Lulunguan Forest Reserve Class I.

The 2<sup>nd</sup> FMP (2021-2030) is prepared and replaced the 1<sup>st</sup> FMP, taking into consideration for various factors, such as land use changes, wildlife corridors and past management experiences. Therefore, the 2<sup>nd</sup> FMP only covers the Licensed Area within FMU 15, which is now 54,171.20 ha.

The licensed area is located at Sg. Pinangah Commercial FR Class II (Partly). The total area of the licensed area is 54,171.20 ha. Sg. Pinangah FR was first gazetted as a Commercial FR in 1966 under GN 19/1966. There are significant changes in the 2<sup>nd</sup> FMP, among other, are change of land use and designation of ITP zone about 23,065.60 ha and community zone (81 ha), which previously were not earmarked in the 1<sup>st</sup> FMP and increased of conservation areas from 20,882.80 ha to 22,249.40 ha. In addition, the heli-logging practice will no longer prescribe in the 2<sup>nd</sup> FMP.

### Contrator Agreements within FMU 15 under **Natural Forest Management (NFM)**.

Contractor	SFD Coupe #	RBJ Block #	Area (ha)	Expiry date	Agreement #
Kinsasynergy Sdn. Bhd. (Eko Jutamas Sdn. Bhd.)	KGU.07/2024	YK5/2023	2,151.18	22/05/2029	FD/KK/4.06/EJSB/702/07/2025
Hasrat Gagah Sdn. Bhd.	KGU.04/2024	YK6/2023(A)	1,013.60	18/04/2027	NA
Tetap Jadi Sdn. Bhd.	KGU.05/2024	YK1/23	2,423.65	19/05/2027	NA
Tetap Jadi Sdn. Bhd.	KGU.06/2024	YK2/23	2,696.31	19/05/2027	NA
<b>Total</b>			<b>8,284.74</b>		

NA = Not available during the assessment.

### Contrator Agreements within FMU 15 under **Industrial Timber Plantations (ITP)**.

Contractor	SFD Coupe #	RBJ Block	Area (ha)	Coupe Expiry Date	Agreement #
Focus Lumber Sdn. Bhd.	NA Unknown	YK7/2023	NA	NA	NA
Primarth Development Sdn. Bhd.	NA Unknown	YK3/2023	NA	NA	NA
Luasong Plantation Sdn. Bhd.	NA Unknown	YK8/2023	NA	NA	NA
Hasrat Gagah Sdn. Bhd.	KGU.03/2024	YK.06/2023(B)	3,777.34	18/04/2027	NA

NA = Not available during the assessment.

The previous assessment was conducted in December 2024 that resulted in 7 gap(s) and 5 observation(s) (Report #: GFSSBH 003-325a).

Land use classification:

Land classification	2 <sup>nd</sup> FMP Area (ha)	Current Status as of Dec 2025 (ha)
Total Licensed Area	55,809.00	55,809.00
Production Area: NFM	8,775.20	<b>8,284.74</b>
Production Area: ITP (FMU 15)	23,065.60	23,065.60 Hasrat Gagah 3,777.34 ha
Conservation	22,249.40	22,249.40
Sensitive Areas (Steep Slope $\geq 25^\circ$ )	1,637.80	1,637.80
Community	81.00	81.00

### Current Operations:

Based on the AWP 2025, main activities are listed as below.

Activity	Remarks
CHP-RIL	Kinsasynergy: (KGU07/2024) YK5/2023 Compartments 212, 232, 233, 234, 235 Tetap Jadi: (KGU06/20243) YK2/2023 Compartment 591 (109)
Development	Continue bamboo and rattan development project.

Hasrat Gagah has developed the AWP 2025 for ITP area. Based on Hasrat Gagah AWP 2025, main activities area listed as below.

Activity	Remarks
CPP development	8 CPP (Compartment 11, 12, 23, 24, 25, 26, 27, 29)
Salvage logging-ITP	10 compartments (Deferred from 2024) – 707.68 ha 2 compartments (2025) – 508.53 ha Total harvestable area: 1,216.21 ha
Forest Plantation Establishment	Site preparation: 12 compartments – 2,412.25 ha Tree planting: 12 compartments – 1,240.81 ha

### Active Operations 2025: NFM compartments

Comp #	NFM / ITP	Status	Area (ha)	Geo-location data
109 (591) Tetap Jadi	NFM	Sabah TLAS	394.94	NW: 554000 N 775000 E NE: 551000 N 776000 E SW: 550000 N 775000 E SE: 549000 N 776000 E
214 Kinsasynergy	NFM	Sabah TLAS	248.13	NW: 567500 N 768000 E NE: 537500 N 769000 E SW: 565000 N 768000 E SE: 565000 N 770000 E

Note: Number in bracket is an old compartment number.

### AWP planned 2025 – Tetap Jadi - RIL harvesting.

Comp #	NFM / ITP	Status	Area (ha)	Geo-location data
590 (113)	NFM	Sabah TLAS	321.66	NW: 553000 N 777000 E NE: 553000 N 778000 E SW: 549000 N 777000 E SE: 549000 N 778000 E
588 (108)	NFM	Sabah TLAS	244.85	NW: 554000 N 775000 E NE: 554000 N 776000 E SW: 552000 N 775000 E SE: 552000 N 776000 E
587 (117)	NFM	Sabah TLAS	269.83	NW: 554000 N 776000 E NE: 554000 N 777000 E SW: 552000 N 776000 E SE: 552000 N 777000 E

Note: Number in bracket is an old compartment number.

**AWP planned 2025 – Kinsasynergy - RIL harvesting**

<b>Comp #</b>	<b>NFM / ITP</b>	<b>Status</b>	<b>Area (ha)</b>	<b>Geo-location data</b>
210	NFM	Sabah TLAS	127.53	NW: 565500 N 767000 E NE: 565000 N 767500 E SW: 564000 N 767000 E SE: 564000 N 767500 E
216	NFM	Sabah TLAS	220.80	NW: 565700 N 770000 E NE: 567500 N 771000 E SW: 565000 N 768000 E SE: 565000 N 768200 E
231	NFM	Sabah TLAS	222.29	NW: 569000 N 772000 E NE: 569000 N 772500 E SW: 567500 N 771000 E SE: 567500 N 772000 E
213	NFM	Sabah TLAS	223.47	NW: 567000 N 767000 E NE: 567000 N 768000 E SW: 565000 N 767000 E SE: 565000 N 768000 E
215	NFM	Sabah TLAS	173.95	NW: 567500 N 769000 E NE: 567500 N 771000 E SW: 567000 N 769000 E SE: 537000 N 770000 E

**Current ITP compartments – Hasrat Gagah / blocks under Salvage Logging and planting.**

<b>Comp #</b>	<b>NFM / ITP</b>	<b>Status</b>	<b>Area (ha)</b>	<b>Geo-location data</b>
50	ITP	Sabah TLAS	197.21	NW: 569000 N 780000 E NE: 569000 N 781000 E SW: 568000 N 780000 E SE: 568000 N 781000 E
54	ITP	Sabah TLAS	143.09	NW: 568000 N 778000 E NE: 568000 N 779000 E SW: 567000 N 778000 E SE: 567000 N 779000 E

**List AWP planned – Hasrat Gagah - Salvage Logging and planting.**

<b>Comp #</b>	<b>NFM / ITP</b>	<b>Status</b>	<b>Area (ha)</b>	<b>Geo-location data</b>
23	ITP	Sabah TLAS	246.74	NW: 576000 N 784000 E NE: 576000 N 785000 E SW: 575000 N 784000 E SE: 575000 N 785000 E
29	ITP	Sabah TLAS	222.85	NW: 575000 N 783000 E NE: 575000 N 784000 E SW: 574000 N 783000 E SE: 574000 N 784000 E
28	ITP	Sabah TLAS	298.56	NW: 575000 N 782000 E NE: 574500 N 783000 E SW: 573000 N 783000 E SE: 572000 N 784000 E
34	ITP	Sabah TLAS	277.49	NW: 57300 N 782000 E NE: 572000 N 783000 E SW: 571000 N 781000 E SE: 571000 N 783000 E
35	ITP	Sabah TLAS	267.86	NW: 573000 N 780000 E NE: 573000 N 783000 E SW: 572000 N 780000 E SE: 572000 N 783000 E
45	ITP	Sabah TLAS	229.53	NW: 572000 N 780000 E NE: 572000 N 783000 E SW: 571000 N 780000 E

				SE: 571000 N 782000 E
46	ITP	Sabah TLAS	170.91	NW: 571000 N 781000 E NE: 571000 N 783000 E SW: 570000 N 782000 E SE: 570000 N 783000 E
48	ITP	Sabah TLAS	279.27	NW: 569000 N 783000 E NE: 570000 N 784000 E SW: 568000 N 783000 E SE: 569000 N 784000 E
49	ITP	Sabah TLAS	173.89	NW: 56800 N 780000 E NE: 568000 N 783000 E SW: 566000 N 780000 E SE: 566000 N 783000 E
53	ITP	Sabah TLAS	204.21	NW: 567500 N 779000 E NE: 567500 N 780000 E SW: 567000 N 779000 E SE: 567000 N 780000 E

### Environmental Context:

Existing EIA report & key elements for protection / mitigation:

EIA - Kinsasynergy	Ref. #	Consultant
Normal EIA - Proposed logging operation of 2,000 ha within Yayasan Sabah Concession area under FMU 15 in Tongod, Sabah	JPAS/PP/TGD/600-1/11/1/511{23} approved on 10/11/2023	Prisma Adventure Sdn. Bhd.

EIA – Tetap Jadi	Ref. #	Consultant
Normal EIA – Proposed logging operation of Block YK1/2023 and YK2/2023 (5,000 ha) under NFM Zone within FMU 15 of Yayasan Sabah concession area at Sungai Pinangah Forest Reserve in Sook, Sabah.	JPAS/PP/SOOK/600-1/01/1/350{26} approved on 14/05/2024	Prisma Adventure Sdn. Bhd.

EIA – Hasrat Gagah	Ref. #	Consultant
Reassessment of EIA – Proposed logging operation of 5,000 ha in Block YK2/07(1) and YK2/07(2) at Sg. Pinangah Forest Reserve, within Yayasan Sabah Concession area, District of Tongod, Sabah.	JPAS/PP/24/600-1/01/1/220 Klt.2(12) Approved on 01/03/2016	Ekohandal Sdn. Bhd.

Forest type and short history of management:

Five forest formations can be classified within the licensed areas, i.e., Lower Montane Kerangas Forests, Upland Mixed Dipterocarp & Kerangas Forest, Lowland Mixed Dipterocarp & Kerangas Forests, Upland Mixed Dipterocarp Forest and Lowland Mixed Dipterocarp Forest. Commercial logging in FMU 15 was started in 1978 by Syarikat Nabawan Sdn. Bhd. This FMU was became part of the Yayasan Sabah Concession Area in 1984 and the first coupe permit (YS6/90) was issued by SFD in 1990 to allow Golden Apex Sdn. Bhd. to conduct the logging operation. In 1991, onwards, more coupe permits were issued for this FMU. Since then, until 2007, more than 30 coupes were issued which covered approximately 50,889 ha of FMU 15.

Principal commercial species currently existing:

The common presence of other conifer associates such as *Phyllocladus*, *Dacrydium pectinatum* and *Dacrycarpus imbricatus* provided evidence of typical lower montane forest on sandy soils.

*Campospermum coriaceum*, *Lithocarpus rigidus* and *Litsea jaswirii* were other common associates.

Other common canopy species are *Tristanopsis grandifloras*, *Lithocarpus spp.*, *Gymnostoma sumatrana* and *Dacrydium beccarii*. The dominant trees belong to the Dipterocarp genea of Shorea. Kerangas forest differ from lowland Dipterocarp in species composition, structure, texture and color. The Kerangas forests have a low, uniform canopy, with thick underbrush and rich growth of mass and epiphytes. The dominant tree species are Kapur merah (*Dryobalanops beccarii*) with some Kempas (*Koompassia malaccensis*).

Upland Mixed Dipterocarp forest contains low quality stands of dipterocarp, mainly *Shorea leprosula*, *Anisoptera costata* and *Hopea Sangal*.

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

Based on the FMP, in the FMU 15 area, the iconic Orangutan, Bornean Pygmy Elephant, Gibbons, and Tembadau, as surveyed by HUTAN – a French grassroots non-profit organization, should be prioritized.

Environmental services (e.g., critical watersheds, wildlife habitat, peat swamp, etc.):

FMU 15 serves as a watershed through numerous river tributaries of the Milian River. The main tributaries are Sg. Palawan located in northwest, Sg. Melikop in the north, Sg. Pinangah and Sg. Inarad in the southeast. All these rivers drain into the Milian River to form part of the upper Kinabatangan River drainage system.

**Social Context:**

Social assessment **SBS / SIA / EIA** summary:

Socio-economic assessment was carried out in 2021 by a team of SFD and assisted by the Licensee.

The survey and assessment conducted include SBS and SIA. Villages assessed were those located within 2 KM from the border of the licensed area. However, the range of village assessment for the SIA is up to 5 KM or depending on the expected impact of forestry operation unto them.

Based on the survey conducted, there is no settlement inside the Licensed Area.

A total of 17 settlements comprises of 10 villages and 7 sub-villages existed at the vicinity of the licensed area.

Zone	Name	Village	Location
A	Inarad zone	Kg. Imusan, Kg. Langga, Kg. Inarad 1, Kg. Inarad 2. Sub-village: Kg. Lotong, Kg. Kaliangau, Kg. Tundungin, Kg. Susui, Kg. Kuwom, Kg. Kawayoi, Kg. Tambunan 2	Along Sg. Pinangah
B	Pinangah zone	Kg. Pinangah, Kg. Dewara, Kg. Melikop, Kg. Alitang, Kg. Mangkawagu, Kg. Masaum	Along Sg. Milian and Sg. Melikop

Identified communities that are dependent on the FMU:

There are no settlements inside the Licensed Area. However, the local communities, still consider the surrounding forests as their own, handed from the older generations, particularly true with the old villages. Poaching, farming, fishing, timber extraction, Gaharu felling are part of the potential effect on the FMU.

Land claims, disputes & communication system:

There were various community issues gathered during the SIA assessment; lack of land in most villages will potentially result in the encroachment of FMU 15, hunting and gravity water intake. The management has a dispute resolution & communication system.

Community Forestry Projects:

Based on the 2<sup>nd</sup> FMP, an area of about 81 ha has been designated as community forestry zone for planting of bamboo and rattan through participation of local community. The planted bamboo and rattan will be used as raw materials in handicraft industry. The project aims to improve livelihood of local community through commercialization of handcraft. Yayasan Sabah is responsible to assist and monitor the project implementation, which commenced in 2022.

Scope of Assessment
<ul style="list-style-type: none"> <li>• The scope of the evaluation is to verify compliance of Rakyat Berjaya Sdn. Bhd. with the Sustainable Forest Management License Agreement (SFMLA 09/97) for FMU 15.</li> <li>• The assessment is in accordance with the terms of the agreement for the “Sabah Legality Standard Principles 1 - 4 dated 1 January 2024 (SFD-TLAS-006).</li> <li>• Site evaluation to verify and report the level of compliance by Rakyat Berjaya Sdn. Bhd. and contractors to the standard in respect to each of the criteria within this report.</li> <li>• Compliance is defined when the auditee demonstrates that the indicators consist of none or only minor gaps against any applicable criteria of the standard. Non-compliance to the Sabah Legality Standard occurs when the auditee does not comply adequately with a criterion.</li> </ul>

**Itinerary & Mandays: 15-19 Dec 2025 / FMU 15: Rakyat Berjaya Sdn. Bhd. / Sook & Nabawan District**

Date	Activity	GFS Staff	Mandays
15 December 2025 Monday	Travel to Keningau and overnight. Opening meeting at Pusat Kraftangan Sabah, Keningau office.	Teddy Quintin, Eljipy Sualim, Anne Gimbir	3
16 December 2025 Tuesday	Field assessment to Tetap Jadi and Pusat Kraftangan Sabah operations area, Compartment 109 (591) (RIL harvesting area, Compartment 209 (Bamboo and rattan planting area), licensed boundary, protected areas, log yard. Field visit to workshop, workers' quarters, landfill, hazardous waste. Document review.	Teddy Quintin, Eljipy Sualim, Anne Gimbir	3
17 December 2025 Wednesday	Field assessment to Hasrat Gagah and Kinsasynergy operations area, Compartment 50 (Salvage logging area), Compartment 54 (planting and maintenance area), Compartment 214 (RIL harvesting area), licensed boundary, protected areas, log yard. Field visit to workshop, workers' quarters, landfill, hazardous waste, document review.	Teddy Quintin, Eljipy Sualim, Anne Gimbir	3
18 December 2025 Thursday	Social assessment with representative from Kg. Kawayoi. Document review at Rakyat Berjaya Keningau office.	Teddy Quintin, Eljipy Sualim, Anne Gimbir	3
19 December 2025 Friday	Closing meeting at Pusat Kraftangan Keningau office. Travel back to homebase.	Teddy Quintin, Eljipy Sualim, Anne Gimbir	3
20-21 December 2025	Reporting/Administration: GFSSBH003-382	Dr. Kevin Grace Teddy Quintin	2
<b>Total</b>			<b>17</b>

**Highlights of Assessment**

**(Major Gaps = 0; Minor Gaps = 4; Observations = 1)**

Rakyat Berjaya Sdn. Bhd. has complied with the Sabah TLAS requirements (FDS TLAS-006) as no non-compliance was identified during the assessment on 15-19 December 2025.

Summary of status of operations by **Principle**:

**Principle 1. Right to Harvest**

The SFMLA 09/97 was awarded by the State Government to Sabah Foundation (Yayasan Sabah) on 10/09/1997 to manage the forest area for 100 years until 09/09/2097.

**December 2024: Gap 001/2024 (minor) – Checklist 1.2.5**

No evidence of the ECR has been conducted under Kinsasynergy from July to November 2024.

**December 2025: Gap 001/2024 (minor) – Closed**

ECRs were submitted quarterly as required.

**December 2025: Observation 001-2025 – Checklist 1.3.3**

FMP has not been reviewed in 2025 as stipulated in the FMP mid-term review.

**December 2024: Gap 002/2024 – Checklist 1.3.2.2**

The forest quality defined in the 2<sup>nd</sup> FMP differs from the SFD standard for forest stratification and lacked the list of compartments under each stratum in relation to management planning for ITP and NFM.

**December 2025: Gap 002/2024 (minor) – Outstanding**

Forest stratification categories based on Satellite image including 40+ cm diameter trees do not include ground verification for density of trees 60 cm and above.

**December 2024: Gap 003/2024 (minor) – Checklist 1.3.2.7**

NFM harvest schedule of logging all 39 compartments within 4 years is not based on Sustainable Natural Forest Management systems but reflects typical logging systems.

### Highlights of Assessment

**December 2025: Gap 003/2024 (minor) – Closed**

The harvest schedule was also approved by the SFD.

**February 2025: Observation 001-2025 - Checklist 1.6.6**

The submitted CPPs are pending approval by the SFD.

**December 2025: Observation 001-2025 (Addressed)**

CPPs were approved by the SFD.

**December 2024: Observation 001-2024 – Checklist 1.7.1**

Inconsistent marking on the coupe boundary for KGU.03/2024.

**December 2025: Observation 001-2024 (Addressed)**

The coupe boundary for KGU.03/2024 was marked accordingly.

**December 2024: Observation 002-2024 – Checklist 1.7.3**

No signage and inconsistent paint for ground identification on the steep area for KGU.03/2024.

**December 2025: Observation 002-2024 (Addressed)**

The signage for steep area for KGU.03/2024 was installed and observed consistent paint for ground identification.

**Principle 2. Forest Operations**

No evidence of disturbance in the protected areas was observed during the field assessment.

**December 2024: Gap 005/2024 (minor) – Checklist 2.1.1**

Excessive blading observed at Compartment 210, SKT 24.

**December 2025: Gap 005/2024 (minor) – Closed**

Water bumps were constructed at Compartment 210, SKT 24 and no excessive blading was observed during the field visit to Compartments 214 & 109.

**December 2024: Gap 006/2024 (minor) – Checklist 2.3.3**

PSP has not been established and analysed under ITP and NFM land use.

**December 2025: Gap 006/2024 (minor) – Outstanding**

Rakyat Berjaya has yet to establish the PSP plots inside ITP and NFM compartment.

**December 2024: Gap 001/2024 (minor) – Checklist 2.3.4**

No evidence of the ECR has been conducted under Kinsasynergy from July to November 2024.

**December 2025: Gap 001/2024 (minor) – Closed**

ECRs were submitted quarterly as required.

**December 2024: Observation 003-2024 – Checklist 2.3.5**

Rakyat Berjaya has yet to conduct the forest fire awareness programme as required.

**December 2025: Observation 003-2024 (Addressed)**

Rakyat Berjaya has conducted the forest fire awareness programme as required.

**December 2024: Observation 004-2024 – Checklist 2.4.2**

No COI for one worker under Eko Jutamas.

**December 2024: Gap 001/2025 (Raised to minor) – Checklist 2.4.2, 2.4.3**

Employment agreement and work permit were not provided, expired COI for one of Rakyat Berjaya's worker and two workers from Tetap Jadi and workers sample from Eko Jutamas was not provided.

**December 2024: Gap 007/2024 (minor) – Checklist 2.4.5, 2.4.6**

No safety training specific to job functions was conducted by contractors, and PPE distribution records were inconsistent.

**December 2025: Gap 007/2024 (minor) – Closed**

Safety training specific to job functions was conducted by contractors and PPE distribution records were maintained.

**December 2025: Gap 002/2025 (minor) – Checklist 2.4.8**

EPF and SOCSO monthly contributions were not available and JKPP 8 from contractors was not submitted

### Highlights of Assessment

to DOSH for 2024.

#### Principle 3. Statutory Charges

Rakyat Berjaya has paid the applicable licensing fees and other charges to the SFD.

#### December 2024: Gap 008/2024 (minor) – Checklist 3.1.1

Expired OP and pending OP payment under Kinsasynergy.

#### December 2025: Gap 008/2024 (minor) – Closed

Occupational Permits were renewed.

#### Principle 4. Other User Rights

Socio-economic assessment was carried out in 2021 by a team of SFD and assisted by the Licensee. The survey and assessment conducted include SBS and SIA. Villages assessed were those located within 2 KM from the border of the licensed area. However, the range of village assessment for the SIA is up to 5 KM or depending on the expected impact of forestry operation unto them.

Based on the survey conducted, there is no settlement inside the Licensed Area.

### Summary Results:

(Major gap = 0, Minor gap = 4, Observation = 1)

Gap raised against indicators & criteria during the December 2025 assessment.

GAP	Type	Checklist	Status	Description
001/2024	minor	1.2.5, 2.3.4	Closed	<p><b>December 2024:</b> No evidence of ECR have been conducted under Kinsasynergy from July to November 2024.</p> <p><b>December 2025:</b> ECRs were submitted quarterly as required.</p>
002/2024	minor	1.3.2.2	Outstanding	<p><b>December 2024:</b> The forest quality defined in the 2<sup>nd</sup> FMP differs from the SFD standard for forest stratification and lacked the list of compartments under each stratum in relation to management planning for ITP and NFM.</p> <p><b>December 2025:</b> Forest stratification categories based on Satellite image including 40+ cm diameter trees do not include ground verification for density of trees 60 cm and above.</p>
003/2024	minor	1.3.2.7	Closed	<p><b>December 2024:</b> NFM harvest schedule of logging all 39 compartments within 4 years is not based on Sustainable Natural Forest Management systems but reflects typical logging systems.</p> <p><b>December 2025:</b> The harvest schedule was approved by the SFD.</p>
005/2024	minor	2.1.1	Closed	<p><b>December 2024:</b> Excessive blading observed at Compartment 210, SKT 24.</p> <p><b>December 2025:</b> Water bumps were constructed at Compartment 210, SKT 24 and no excessive blading was observed during the field visit to Compartments 214 &amp; 109.</p>
006/2024	minor	2.3.3	Outstanding	<p><b>December 2024:</b> PSP has not been established and analysed under ITP and NFM land use.</p> <p><b>December 2025:</b></p>

GAP	Type	Checklist	Status	Description
				Rakyat Berjaya has yet to establish the PSP plots inside ITP and NFM compartments.
007/2024	minor	2.4.5, 2.4.6	Closed	<b>December 2024:</b> No safety training specific to job functions was conducted by contractors, and PPE distribution records were inconsistent. <b>December 2025:</b> Safety training specific to job functions was conducted by contractors and PPE distribution records were maintained.
008/2024	minor	3.1.1	Closed	<b>December 2024:</b> Expired OP and pending OP payment under Kinsasynergy. <b>December 2025:</b> Occupational Permits were renewed.
001/2025	Raised to minor	2.4.1, 2.4.2	Obs 004-2024	<b>December 2025:</b> Employment agreement and work permit were not provided, expired COI for one of Rakyat Berjaya's worker and two workers from Tetap Jadi and workers sample from Eko Jutamas was not provided.
002/2025	minor	2.4.8	New	<b>December 2025:</b> EPF and SOCSO monthly contributions were not available and JKPP 8 from contractors was not submitted to DOSH for 2024.

Observation raised against indicators & criteria during the December 2025 assessment.

Obs #	Checklist	Description
001-2024 Addressed	1.7.1	<b>December 2024:</b> Inconsistent marking on the coupe boundary for KGU.03/2024. <b>December 2025:</b> The coupe boundary for KGU.03/2024 was marked accordingly.
002-2024 Addressed	1.7.3	<b>December 2024:</b> No signage and inconsistent paint for ground identification on the steep area for KGU.03/2024. <b>December 2025:</b> The signage for steep area for KGU.03/2024 was installed and observed consistent paint for ground identification.
003-2024 Addressed	2.3.5	<b>December 2024:</b> Rakyat Berjaya has yet to conduct the forest fire awareness programme as required. <b>December 2025:</b> Rakyat Berjaya has conducted the forest fire awareness programme as required.
001-2025	1.3.3	<b>December 2025:</b> FMP has not been reviewed in 2025 as stipulated in the FMP mid-term review.

Highlights of Close Out Visit (if applicable)	Dates	-
Not applicable		

### Recommendations

**Rakyat Berjaya Sdn. Bhd.** demonstrated compliance with the Sabah TLAS requirements (FDS TLAS-006) for its designated area and is recommended to receive a GFS Statement of Compliance and Sabah Timber Legality Assurance System Compliance Certificate (TLAS-CC) from SFD.

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:

**Gap 002/2024 (minor) Outstanding – Checklist 1.3.2.2:** The forest quality defined in the 2<sup>nd</sup> FMP shall be in accordance with the SFD standard for forest stratification associated with a list of compartments under each stratum that justifies management planning for ITP and NFM.

**Gap 006/2024 (minor) Outstanding – Checklist 2.3.3:** Rakyat Berjaya shall establish the PSP and conduct the analysis for the ITP and NFM land use.

**Gap 001/2025 (Raised to minor) – Checklist 2.4.2, 2.4.2:** Eko Jutamas should provide document for workers to facilitate the Sabah TLAS assessment. COI should be renewed on time or 3 months before the expiry date.

**Gap 002/2025 (minor) – Checklist 2.4.8:** Eko Jutamas should provide EPF and SOCSO monthly contributions to facilitate the Sabah TLAS assessment and contractors should submit annual JKPP 8 to DOSH by 31<sup>st</sup> of January.

**Observation 001-2025 – Checklist 1.3.3:** FMP should be reviewed in 2025 as stipulated in the FMP mid-term review.

The next annual surveillance audit will be scheduled for **December 2026**.

**End of Summary Report**