

# Sabah TLAS Audit Report

## Sabah Legality Standard Principles 1 – 4

|                       |                                                                                                                                               |                          |                 |
|-----------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|-----------------|
| <b>Licensee</b>       | Satria Eramaju Sdn. Bhd. 200701021373 (779388-K)                                                                                              | <b>Reference #</b>       | GFSSBH 003-384  |
| <b>Contact Person</b> | Mr. Jielion Mokuntil (Estate Manager)                                                                                                         | <b>Date of Report</b>    | 16/01/2026      |
| <b>Office Address</b> | Lot 74, Block 6, 1 <sup>st</sup> Floor, Prima Square, Phase 1 Batu 4, Jalan Utara, 90000 Sandakan, Sabah, Malaysia.                           | <b>Date of close out</b> | -               |
| <b>Email</b>          | gabungan.bayu@gmail.com<br>satria1.bonggaya@gmail.com<br>PPD Beluran: MohdAdzrul.Ahmad@sabah.gov.my<br>PPW Sandakan: Janius.Ebin@sabah.gov.my | <b>Telephone</b>         | +6089 210 086   |
|                       |                                                                                                                                               | <b>Fax</b>               | -               |
|                       |                                                                                                                                               | <b>Approved By</b>       | Dr. Kevin Grace |

### Statements

|                         |                 |                 |                 |
|-------------------------|-----------------|-----------------|-----------------|
| Statement of Compliance | GFS 105 LVS     |                 |                 |
| Issuance Date           | 20 January 2026 | Expiration Date | 19 January 2027 |

### Assessment Details

|                     |                                                                                                                                                                                                       |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Assessment Dates    | 12-16 January 2026                                                                                                                                                                                    |
| Scope of Assessment | Sabah TLAS P1-4: Agro-Forestry Management License Agreement No. JP(SBN)02/2011(CO)                                                                                                                    |
| Species             | Plantation: Oil Palm ( <i>Elaeis guineensis</i> )                                                                                                                                                     |
| Lead Assessor       | Teddy Quintin, (Acting Lead Auditor) Eljipy Sualim                                                                                                                                                    |
| Assessor(s)         | Ennald Chin, Riczuan Richard                                                                                                                                                                          |
| SFD Staff           | Sh. Mohd Roslie Bin Sh. Ameerit (ADFO Beluran), Mohd Safri Merami (PPD Beluran), Mohd Rozlan Zabidi (PPD Beluran), Ian Achilleus (PPD Beluran), Ahmad Kabulai (PPD Beluran), Brian Fred (PPD Beluran) |

### 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:

On 27/01/2011, Satria Eramaju Sdn. Bhd. (Satria Eramaju) was granted an area of approximately 4,000 ha (more or less) for FMU 18 in part of Bonggaya Forest Reserve (Licensed Area) by the State Government under the Agroforestry Management License Agreement #: JP(SBN)02/2011(CO).

Satria Eramaju has permissions to plant, establish and harvest forest products and agroforestry crops under the principles of sustainable forest management and conservation for economic, environmental and social purposes for the period of 60 years, commencing on 27/01/2011 and ending on 31/12/2071.

The project area is situated in Lot 5, Bonggaya Forest Reserve, within the District of Beluran, covering as estimated area of approximately 4,109.70 ha.

Satria Eramaju has not engaged any subcontractors for oil palm harvesting and maintenance activities due to difficulty in finding contractors.

The previous assessment was conducted in January 2025 that resulted in 4 gap(s) and 0 observation(s) (Report #: GFSSBH 003-327).

Land use classification:

| Land classification        | 2 <sup>nd</sup> ADP Area (Ha)                                                                                          | Current status as of Jan 2026 (Ha)                                                                                                      |
|----------------------------|------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| Conservation               | 677.93                                                                                                                 | Riparian Reserves = 416.54 ha<br>Swamp, Kerangas and Mangrove Forest = 261.39 ha                                                        |
| Agroforestry Plantation    | 3,431.74<br>Phase 1: 527.65 ha<br>Phase 2: 748.38 ha<br>Phase 3: 834.79 ha<br>Phase 4: 911.58 ha<br>Phase 5: 409.34 ha | Planted Oil Palm: Phases 1 - 4 = 2,202 ha<br><br><u>Unplanted areas: Phase 5 (Has not been cleared):</u><br>Coupe SDK.07/19 = 409.34 ha |
| <b>Total Licensed Area</b> | <b>4,109.67</b>                                                                                                        |                                                                                                                                         |

### Current Operations:

Based on the AWP 2026.

| Activity                             | Remarks                                                                                                                   |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| Forest Conservation and protection   | Regular patrolling and monitoring activities.                                                                             |
| Agro-forestry Plantation Development | Phase 5 – 400.25 ha                                                                                                       |
| Salvage logging                      | Phase 5 (Blocks 26-28) – 409.30 ha (Based on interview, the management will not proceed with the salvage logging in 2026. |
| HCV Assessment                       | The assessment will only proceed once MSPO issues the list of registered panels approved to conduct the HCV assessment.   |

List of current Oil palm area.

| Coupe #              | Land Use | Status             | Area (ha) | Geo-location data                                                                                                               |
|----------------------|----------|--------------------|-----------|---------------------------------------------------------------------------------------------------------------------------------|
| Phase 1<br>SDK.14/13 | Oil Palm | Sabah TLAS<br>EUDR | 527.67    | NW: 06°9'44" N, 117°26'44" E<br>NE: 06°9'44" N, 117°28'17" E<br>SW: 06°8'33" N, 117°26'44" E<br>SE: 06°8'33" N, 117°28'17" E    |
| Phase 3<br>SDK.08/15 | Oil Palm | Sabah TLAS<br>EUDR | 748.19    | NW: 06°11'37" N, 117°26'44" E<br>NE: 06°11'1" N, 117°28'17" E<br>SW: 06°9'44" N, 117°26'44" E<br>SE: 06°9'44" N, 117°28'17" E   |
| Phase 4<br>SDK.04/16 | Oil Palm | Sabah TLAS<br>EUDR | 834.80    | NW: 06°12'43" N, 117°26'44" E<br>NE: 06°11'37" N, 117°29'26" E<br>SW: 06°11'37" N, 117°26'44" E<br>SE: 06°11'1" N, 117°29'40" E |

|                      |          |                    |        |                                                                                                                             |
|----------------------|----------|--------------------|--------|-----------------------------------------------------------------------------------------------------------------------------|
| Phase 4<br>SDK.11/18 | Oil Palm | Sabah TLAS<br>EUDR | 911.60 | NW: 06°11'1" N, 117°28'17" E<br>NE: 06° 11'1" N, 117°29'40" E<br>SW: 06°9'44 N, 117°28'17" E<br>SE: 06°9'44 N, 117°30'26" E |
|----------------------|----------|--------------------|--------|-----------------------------------------------------------------------------------------------------------------------------|

List AWP 2026 planned harvesting.

| Coupe #              | NFM / ITP | Status | Area (ha) | Geo-location data                                                                                                           |
|----------------------|-----------|--------|-----------|-----------------------------------------------------------------------------------------------------------------------------|
| Phase 5<br>SDK.07/19 | *         | *      | 409.30    | NW: 06°9'44" N, 117°28'17" E<br>NE: 06° 9'44" N, 117°30'26" E<br>SW: 06°8'33 N, 117°28'17" E<br>SE: 06°8'33 N, 117°29'38" E |

\*Based on the interview with the MR, the management will not proceed with the salvage logging in 2026.

### Environmental Context:

Existing EIA report & key elements for protection / mitigation:

| EIA                                                                                         | Ref. #                    | Consultant                    |
|---------------------------------------------------------------------------------------------|---------------------------|-------------------------------|
| Proposed Oil Palm Plantation in Lot 5, Bonggaya Forest Reserve, District of Beluran, Sabah. | JPAS/PP/02/600-1/11/1/159 | Chemsain Konsultant Sdn. Bhd. |

Forest type and short history of management:

Bonggaya Forest Reserve was first established and gazetted as a Permanent Forest Reserve in 1958. In 1984, Bongaya FR was re-gazetted and reclassified as a Commercial FR Class II. Over the past few years, the management has harvested 1,867 ha and the remaining balance of 378 ha, which planted in 2019 and 2020 is expected to be harvested in 2022 and 2023. From 2016 to 2021, a total of FFB production of 52,512.25 MT had been harvested and each oil palm planting has a density of 136 per hectare.

Principal commercial species currently existing:

None

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

No endangered species were sighted.

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

There are 4 main rivers found in the Licensed Area; Sg. Pangata and Sg. Tangga-Tangga are both located in the north, which traverses at the Licensed Area from west to east before they both meet at the center with Sg. Bonggaya, which the latter flows from south to the north of the Licensed Area before it turns east and flows to the sea in Labuk Bay. The fourth river is Sg. Makopoko, which flows from south to northeast of the Licensed Area and then to the sea in Labuk Bay.

### Social Context:

Social assessment EIA summary:

There are no villages or officially recognized villages in the Licensed Area. Even though there are no villages in the Licensed Area, Satria Eramaju has been practising corporate social responsibility by participating in regular charity donation visits to villages in surrounding areas such as Kg. Bukit Besi.

Identified communities that are dependent on the FMU:

None

Land claims, disputes & communication system:

None

Community Forestry Projects:

None

### Scope of Assessment

- The scope of the evaluation is to verify compliance of Satria Eramaju Sdn. Bhd. with the Agro-Forestry Management License Agreement number JP(SBN)02/2011(CO) for FMU 18 (partly).
- 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).
- Site evaluation to verify and report the level of compliance by Satria Eramaju Sdn. Bhd. and contractors 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 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.

**Itinerary & Mandays: 12-16 January 2026 / FMU 18 (partly): Satria Eramaju Sdn. Bhd. / Beluran District**

| Date                         | Activity                                                                                                                                                                       | GFS Staff                                                     | Mandays   |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|-----------|
| 12 January 2026<br>Monday    | Travel to Beluran and opening meeting at PPD Beluran for Satria Eramaju, K.K Advantage and Ultra Surge). Document review. Overnight at Pamol resthouse.                        | Teddy Quintin,<br>Ennald Chin, Eljipy Sualim, Riczuan Richard | 4         |
| 13 January 2026<br>Tuesday   | Field assessment to operation area, licensed boundary, protected areas. Document review at Satria Eramaju basecamp office and overnight at Pamol Resthouse.                    | Teddy Quintin,<br>Ennald Chin, Eljipy Sualim, Riczuan Richard | 4         |
| 14 January 2026<br>Wednesday | Field visit to workshop, workers' quarters, genset, fertilizer store, diesel depot, and schedule waste store. Document review at Satria Eramaju basecamp office and overnight. | Teddy Quintin,<br>Ennald Chin, Eljipy Sualim, Riczuan Richard | 4         |
| 15 January 2026<br>Thursday  | Document review at resthouse and overnight.                                                                                                                                    | Teddy Quintin,<br>Ennald Chin, Eljipy Sualim, Riczuan Richard | 4         |
| 16 January 2026<br>Friday    | Document review at resthouse and overnight.                                                                                                                                    | Teddy Quintin,<br>Ennald Chin, Eljipy Sualim, Riczuan Richard | 4         |
| 17-18 January 2026           | Reporting/Administration: GFSSBH003-384                                                                                                                                        | Dr. Kevin Grace<br>Teddy Quintin                              | 2         |
| <b>Total</b>                 |                                                                                                                                                                                |                                                               | <b>22</b> |

### Highlights of Assessment

**(Major Gaps = 0; Minor Gaps = 0; Observations = 3)**

Satria Eramaju Sdn. Bhd. has complied with the Sabah TLAS requirements (FDS TLAS-006) as no non-compliance was identified during the assessment on 12-16 January 2026.

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

**Principle 1. Right to Harvest**

The Agro-forestry Management License Agreement No. JP(SBN)02/2011(CO) was made on 27/01/2011, which is valid until 31/12/2071.

**January 2026: Observation 001-2026 – Checklist 1.2.5**

The Q3 ECR report has not been submitted to the EPD.

**January 2025: Gap 001/2025 (minor) – Checklist 1.3.2.2**

Inadequate ground data to verify the aerial survey of forest conditions in respect to SFMLA conditions for salvage logging and development of 409.34 hectares under coupe SDK 07/19.

**January 2026: Gap 001/2025 (minor) - Closed**

Estimated salvage logging in Coupe SDK 07/19 (409 ha) is only 14.2 m<sup>3</sup>/ha) indicating Strata 4 forest quality based on an aerial survey.

## Highlights of Assessment

### **January 2025: Gap 002/2025 (minor) – Checklist 1.5.1**

AWP 2025 has yet to be approved by the SFD.

### **January 2026: Gap 002/2025 (minor) – Closed**

The AWP 2025 was approved by the CCF in Mar 2025.

### **January 2026: Observation 002-2026 – Checklist 1.5.1**

The AWP 2026 was submitted; however, has not been approved by the SFD.

### **January 2025: Gap 003/2025 (minor) – Checklist 1.6.4, 1.6.5, 1.6.6**

No evidence of a CPP for salvage logging and planting of the 409 ha including net planting and protected areas.

### **January 2026: Gap 003/2025 (minor) – Closed**

The CPP is not required as Satria Eramaju is not planning for salvage logging or planting in SDK 07/19.

### **Principle 2. Forest Operations**

Satria Eramaju has demonstrated compliance with regulations concerning workers' safety and health, the security of the licensed area, the maintenance of license boundaries, and the protection of designated protected areas.

### **January 2025: Gap 003/2025 (minor) – Checklist 2.3.5, 2.4.5**

Satria Eramaju has yet to conduct forest fire awareness and training for their workers.

### **January 2026: Gap 004/2025 (minor) - Closed**

Satria Eramaju conducted forest fire awareness and training for their workers.

### **12 January 2026: Gap 001/2026 (minor) – Checklist 2.4.1, 2.4.2, 2.4.8**

Documents such as employment agreement, COI and SOCSO monthly contribution (12/2025) were not provided during the assessment.

### **20 January 2026: Gap 001/2026 (minor) - Closed**

Workers have COI and an employment agreement and the full set of SOCSO and EPF documents were provided.

### **January 2026: Observation 003-2026 – Checklist 2.4.5**

PPE distribution records were not provided.

### **20 January 2026: Observation 003-2026 (Addressed)**

PPE distribution records were maintained.

### **Principle 3. Statutory Charges**

Satria Eramaju demonstrated compliance with the statutory charges. Fresh Fruit Bunch (FFB) royalty is paid and maintained.

### **January 2026: Observation 004-2026 – Checklist 3.1.1**

Occupational Permit for Gate House Site has expired.

### **Principle 4. Other User Rights**

There are no villages or officially recognized villages in the Licensed Area. Even though there are no villages in the Licensed Area, Satria Eramaju has been practising corporate social responsibility by participating in regular charity donation visits to villages in surrounding areas such as Kg. Bukit Besi. However, Satria Eramaju has not participated in charity donation to Kg. Bukit Besi.

**Summary Results:**

(Major gap = 0, Minor gap = 0, Observation = 3)

Gap raised against indicators &amp; criteria during the January 2026 assessment.

| GAP      | Type  | Checklist              | Status | Description                                                                                                                                                                                                                                                                                                                                                                  |
|----------|-------|------------------------|--------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 001/2025 | minor | 1.3.2.2                | Closed | <b>January 2025:</b><br>Inadequate ground data to verify the aerial survey of forest quality in respect to SFMLA conditions for salvage logging and development of 409.34 hectares under coupe SDK 07/19.<br><b>January 2026:</b><br>Estimated salvage logging in Coupe SDK 07/19 (409 ha) is only 14.2 m3/ha) indicating Strata 4 forest quality based on an aerial survey. |
| 002/2025 | minor | 1.5.1                  | Closed | <b>January 2025:</b><br>AWP 2025 has yet to be approved by the SFD.<br><b>January 2026:</b><br>The AWP 2025 was approved by the CCF in Mar 2025.                                                                                                                                                                                                                             |
| 003/2025 | minor | 1.6.4 1.6.5<br>1.6.6   | Closed | <b>January 2025:</b><br>No evidence of a CPP for salvage logging and planting of the 409 ha including net planting and protected areas.<br><b>January 2026:</b><br>The CPP is not required as Satria Eramaju is not planning for salvage logging or planting in SDK 07/19.                                                                                                   |
| 004/2025 | minor | 2.3.5, 2.4.5           | Closed | <b>January 2025:</b><br>Satria Eramaju has yet to conduct forest fire awareness and training for their workers.<br><b>January 2026:</b><br>Satria Eramaju conducted forest fire awareness and training for their workers.                                                                                                                                                    |
| 001/2026 | minor | 2.4.1,<br>2.4.2, 2.4.8 | Closed | <b>12 January 2026:</b><br>Documents such as employment agreement, COI and SOCSO monthly contribution (12/2025) were not provided during the assessment.<br><b>20 January 2026:</b><br>Workers have COI and an employment agreement and the full set of SOCSO and EPF documents were provided.                                                                               |

Observation raised against indicators &amp; criteria during the January 2026 assessment.

| Obs #                 | Checklist | Description                                                                                                                                    |
|-----------------------|-----------|------------------------------------------------------------------------------------------------------------------------------------------------|
| 001-2026              | 1.2.5     | <b>January 2026:</b><br>The Q3 ECR report has not been submitted to the EPD.                                                                   |
| 002-2026              | 1.5.1     | <b>January 2026:</b><br>The AWP 2026 was submitted; however, has not been approved by the SFD.                                                 |
| 003-2026<br>Addressed | 2.4.6     | <b>12 January 2026:</b><br>PPE distribution records were not provided.<br><b>20 January 2026:</b><br>PPE distribution records were maintained. |
| 004-2026              | 3.1.1     | <b>January 2026:</b><br>Occupational Permit for Gate House Site has expired.                                                                   |

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

| Recommendations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Satria Eramaju Sdn. Bhd.</b> 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.</p> <p>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:</p> <p><b>Observation 001-2026 – Checklist 1.2.5:</b> Satria Eramaju should ensure the quarter ECR report is submitted on time to the EPD.</p> <p><b>Observation 002-2026 - Checklist 1.5.1:</b> Satria Eramaju should submit the AWP 2026 in due time to ensure approval from the SFD.</p> <p><b>Observation 004-2026 – Checklist 3.1.1:</b> Occupational Permits should be renewed 3 months before the expiry date and the SFD should expedite the renewal process.</p> <p>The next annual surveillance audit will be scheduled for <b>January 2027</b>.</p> |

### End of Summary Report