

Public Notification Letter

FSC® Chain of Custody Controlled Wood Stakeholder Consultation

To: Interested Parties

From: SCS Global Services

Consultation period: 12 June 2018 – 23 August 2018

Re: Notification of intent to audit Corinthian Industries (Asia) Sdn Bhd against FSC Chain of Custody Controlled Wood standard FSC-STD-40-005 V3-1

The Forest Stewardship Council® (FSC) requires that a certification body conducting an audit of a certified organization or applicant must consult stakeholders whenever the audit includes intent to source and use uncertified material in an FSC Chain of Custody (CoC) program according to the requirements in FSC-STD-40-005 V3-1 “Requirements for Sourcing FSC Controlled Wood”. Therefore, SCS Global Services (SCS) is seeking input from interested and directly affected stakeholders regarding the relevance, effectiveness, and/or adequacy of **Corinthian Industries (Asia) Sdn Bhd’s** Due Diligence System (DDS).

An explanation of ‘FSC Controlled Wood’, as well as a copy of FSC-STD-40-005 V3-1, is available here: <https://ic.fsc.org/en/certification/types-of-certification/controlled-wood-02> ; a copy of this standard is also available from SCS upon request.

Due Diligence Systems are required for certified organizations in order to avoid the sourcing and use of material originating from unacceptable sources in their FSC CoC program.

Directly affected stakeholders include any person, group of persons, or entity that is, with high probability, subject to the effects of the activities related to an organization’s controlled wood sourcing program, including the activities of their suppliers and sub-suppliers, as well as those who influence risk identified through the organization’s Due Diligence System.

This letter serves as SCS’ invitation to directly affected stakeholders to participate in our consultation process. This letter also serves as SCS’ public notification for any interested stakeholders, who are also invited to participate in the consultation process. Participation in this stakeholder consultation process is voluntary; stakeholders are not required to submit comments.

Scope of audit and audit details:

The audit will assess the conformity of the organization’s controlled wood program – including Risk Assessment(s) and DDS – according to the certification requirements as per FSC-STD-40-005 V3-1.

The company’s DDS Public Summary and Risk Assessment (excluding confidential information), as well as any other information or documents deemed relevant for the purpose of this stakeholder consultation, are included as appendices to this letter—see below. For a list of the information that is required to be publically available for stakeholder consultation by SCS, see FSC-STD-40-005 V3-1, Section 6.

Additional certificate holder information:

<https://info.fsc.org/details.php?id=a0240000005sRu9AAE&type=certificate>

Options for participation and provision of comments:

Please submit written comments and evidence (where appropriate) by mail, FAX or email to SCS:

SCS Global Services
Att'n: Caitlin Lelles, Chain of Custody Certification Services
2000 Powell Street, Suite 600
Emeryville, CA 94608

Fax: 510-452-6882

Email: CWStakeholder@SCSGlobalServices.com

A summary of the stakeholder consultation and comments received will be made publically available on the FSC certificate database, as per FSC-STD-20-011 V4-0. Verbatim comments will only be published with prior consent from the stakeholder and will not be associated with stakeholder names.

Note that, while SCS is required to evaluate all information and comments objectively, SCS certification decisions are affected by stakeholder comments only insofar as the comments provide evidence of conformity or nonconformity to the applicable requirements.

Within 30 days of making our certification decision, SCS will respond to all stakeholders who provided comments to explain how their comments were taken into account.

More information about FSC and SCS can be found on our respective websites: www.fsc.org and www.scsglobalservices.com.

Publically Available Information for FSC Controlled Wood Certificate Holders

INSTRUCTIONS

FSC® requires that organizations track their controlled material and publish specific findings. This form helps you meet the requirements in Section 6 of FSC-STD-40-005 V3-0 “Publically Available Information”.¹

Organization Name	CORINTHIAN INDUSTRIES (ASIA) SDN BHD
FSC COC Certificate Number	SCS-COC-006258

Name of Authorized Representative (Contact information for person or position responsible for addressing complaints)	Mr. Kenneth Koh
Procedure for filing complaints <i>Note: for further details on complaints procedure, see section 7 in FSC-STD-40-005 V3-0</i>	CIA/FSC/CW/WIN/001-09 3.1 All complaints receive should be recorded on a complaint record form. 3.2 The complaints received would be evaluated based on the facts and an assessment of the risk would be carried out within 2 weeks 3.3 With relevent evidence a field verification may be carried out within 2 months after its received. 3.4 Suppliers failing to comply with the requirement shall be given oppurtunity to justify, failing which shall be 'suspended' from the controlled wood supplier list. Records of the complaint and actions taken shall be filed for future references. 3.5 Notify the certification body when the complaint is successfully addressed and closed.

¹ This document is meant as guidance only, utilization of templates and guidance documents is no guarantee of conformity with FSC requirements. It is your organization’s responsibility to conform to relevant FSC requirements.



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www.SCSglobalservices.com

Risk Assessment Summary

In the case that there are multiple risk assessments, copy and paste this table below for each assessment.

Description of Supply Area	<p>The timber is originated from natural forest which is a Permanent Reserved Forest (PRF) of Central Kedah Forest District (CKFD), managed by the Central Kedah District Forest Office (CKDFO) of Kedah State Forestry Department. Central Kedah DFO is one of three District Forest Offices (DFOs) within the Kedah State Forestry Department. The DFO is responsible in managing the PRF within the CKFD totalling to 114,199.83 ha covering 9 PRFs. All 9 PRFs are managed using the Selective Management System (SMS) through a 30-years cutting cycle.</p> <p>The above is managed with the governance of the Section 10(1) of the National Forest Act, 1984, which classifies the PRF into 11 functional classes as follows:</p> <ol style="list-style-type: none"> a) Timber production forest under sustained yield; b) Soil protection forest; c) Soil reclamation forest; d) Flood control forest; e) Water catchment forest; f) Forest sanctuary for wild life; g) Virgin jungle reserved forest; h) Amenity forest; i) Education forest; j) Research forest; and k) Forest for federal purposes. <p>Based on the above only first classification is allowed to be harvested on sustainable basis (using SMS) while the remaining 10 classifications are totally protected forest and hence harvesting, encroaching and other unauthorized activities is strictly prohibited.</p> <p>In general the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable. The SMS requires an adequate pre-felling forest inventory and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted</p>
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	<p>to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also be conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.</p> <p>As far as the PRFs, the PRFs for CKFD has been classified into 11 functional classes as stipulated under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993). Only areas classified as production forest can be harvested, while the other forest categories are designated for protection and conservation purposes.</p> <p>The operation of the Forestry District is guided by the Annual Forestry Plan. Annual Forestry Plan for Central Kedah District for 2017 is available that includes all management prescriptions for both timber and non-timber forest products covering all forest management operations within the FMU such as Pre-F, Harvesting, Post-F etc. In addition, the plan also includes the management prescription for human resources of the FD, community forest covering recreational forest and educational forest as well as research conducted such as CFI and growth plot. The plan is also found to be signed and approved by the respective District Forest Officer.</p>
Reference to the applicable Risk Assessment	Extended Risk Assessment
Submit applicable risk assessment (excluding confidential information) in a separate document	
Risk Designations Summary For any category not rated as “Low” please fill in control measures by risk assessment indicator	Sub-category
In order to select a checkbox, “double-click” on the box, and select default value as “checked”.	
Overall Risk Designation for the Supply Area	<input type="checkbox"/> Unspecified (see below for unspecified risk designations) <input checked="" type="checkbox"/> Low
1. Illegally harvested wood Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low Control Measures per indicator (if applicable)	1.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.3 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.4 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low
2. Wood harvested in violation of traditional and human rights Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low	2.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low

Control Measures per indicator (if applicable)	2.3 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.4 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.5 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low
3. Wood harvested from forests in which high conservation values are threatened by management activities Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low Control Measures per indicator (if applicable)	3.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 3.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low
4. Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses Control Measures (if applicable)	4.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low
5. Wood harvested from forests in which genetically modified trees are planted Control Measures (if applicable)	5 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low

Stakeholder Consultation Summary

N/A No stakeholder consultations conducted

Summary of the consultation process(es) performed according to Annex B of FSC-STD-40-005 V3

Stakeholder Consultation has been performed to several identified stakeholder groups during the 2 days Field Verification 17-18 December 2017. The stakeholders consulted are as follows:

a) Villagers of Kampung Sandai, Baling, Kedah;

Feedback received:

- *Confirmed that the consultation on logging operation (social impact assessment) has been conducted before the logging operations takes place.*
- *There is no evidence that logging activities have ever threatened high conservation values or any areas that have a social and cultural interest to the villagers. Such areas have been identified before the logging operation during the social impact assessment.*
- *Being a licensed area, the contractors must comply with the Government Policy. No violation of our rights.*
- *The logging contractors are frequently visiting the villagers offering job opportunities to the villagers in the logging camp.*

b) Department of Wildlife and National Park (PERHILITAN), Kedah

- *The Forestry Department is constantly engaging the PERHILITAN pertaining to information sharing on the sensitive areas that is important to wildlife as well as areas that known to be the corridor for the wildlife to roam in the forest.*
- *The PERHILITAN also is invited by the Forestry Department during the briefing to the logging contractors before the commencement of logging operations. PERHILITAN also has been given opportunity to provide the briefing on wildlife perspective especially on regulations to not disturbing or hunting the wildlife.*

	<p><i>c) Department of Occupational Safety and Health (DOSH);</i></p> <ul style="list-style-type: none"> - <i>The department is continuously support and implemented safety measures to ensure safe and healthy working condition for peoples and environment. The department is also committed and give full cooperation for OSHA officer to do inspection and enforcement in their FMU.</i> - <i>Visit to logging camp/area are conducted every three months to ensure the implementation of safety requirements and safe workplace.</i> - <i>There is no accident lead to death reported at this moment. All workers are found aware on the safety and health requirements in the logging operations and are keen to use appropriate PPEs for their own safety, as per guided by the Guidelines on Occupational Safety and Health in Logging Operations.</i> <p><i>d) Logging Operator (Kepala Hutan) - License KT-01-07-17 in Ulu Muda FR;</i></p> <ul style="list-style-type: none"> - <i>Very good working condition</i> - <i>Payment and wages are paid in time</i> - <i>Provided with proper employees benefits such as working insurance and SOCSO</i> - <i>Training/Briefing is provided by the Central Kedah DFO before the logging commence.</i> <p><i>e) Forestry Ranger (ground staff of the Forestry Department)</i></p> <ul style="list-style-type: none"> - <i>Very good working condition</i> - <i>Payment and wages are paid in time</i> - <i>Provided with proper employees benefits such as working insurance, EPF and SOCSO</i> - <i>Training is given for the workers in aspects relating to forest operations such as reduced impact logging, directional felling as well as the awareness on indentifying tree allowed cutting</i> - <i>Routine training is also provided on implementing the Guidelines on Occupational Safety and Health in Logging Operations.</i>
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Expert Engagement Summary

N/A No expert engagement conducted

Information on the engagement of one or more experts in the development of control measures in accordance with Annex C of FSC-STD-40-005 V3

Note: For individual experts this includes the names of the experts, their qualifications, their license/registration number (if applicable), and the scope of their services. For publically available expertise, the specific sources of information shall be cited.

Expert's Name: DR. SAVINDER KAUR

The above expert has been engaged for the clarification pertaining to the Controlled Wood Category 2 and Category 3 with regards to Social and HCV respectively.

Qualification:

- *Savinder Kaur Gill, Ph.D. is an environmental sociologist with more than 7 years' experience in social audits and impact assessments for sustainable forest and oil palm management (RSPO). She has coordinated social development/sustainable livelihood projects for Orang Asli in Pahang under the United Nations Development Programme (UNDP)/Global Environment Facility (GEF) and has worked with various rural communities in Malaysia and Indonesia on high conservation value forest (HCVF) assessments). Dr. Savinder holds a doctorate degree in Environment and Resource Studies.*

Summary of Field Verification (undertaken as a control measure)

N/A No field verifications conducted as control measures

A summary of the organization's findings from field verification undertaken as a control measure, and steps taken by the organization to address identified non conformities where they occurred, unless confidential. The organization shall provide a justification for the exclusion of confidential information.

Note: The confidential nature of the information may be determined by the legislation that the organization must be in compliance with. Commercially sensitive information, and the names of individual landholders may be treated as confidential.

The following active logging areas has been visited during the audit:

- *Compartment 103 (Block D), Ulu Muda Forest Reserve;*
- *Compartment 103 (Block B), Ulu Muda Forest Reserve.*

The above two licenses areas are sampled randomly to assess the harvesting activities and practices. The interviews with logging contractors are conducted at the logging camp.

Stakeholder consultations are conducted with supplier and Forestry staff present. The situation is very informal and free from any threat.

During the field verification audit, the auditor has verified several key documention such as Forest harvesting plan which is a key document for forest operation in the permanent reserved forest. Observed that the document described forest road planning, tagging trees, estimation production, cutting limit, species, wildlife reports, RIL, Buffer Zone and replanting programme. The forest harvesting plan emphasised on reduced impact logging methods that aimed at optimum harvest while minimising impact. Pre-harvest planning carried out identifies steep slope and other areas prohibited from harvesting to ensure impact such as erosion are under control.

Every tree to be harvested is pre identified and tagged prior to felling operation during the Pre-Felling Inventory. Each of the tree marked for felling is tagged with tagging number in the form of serial continuous number i.e. AA1234/1, AA1234/2, AA4321/1, and AA4321/3. The give number is unique and only given for one particular license area only that is recorded and maintained in the 'Tree Marking Record Book' which is an important component as a means to control the tree harvesting.

The auditor also has taken action to verified the Forest Checking Station i.e. Weng FCS to inspect the control of

document and logs transporting out from the permanent reserved forest.

Each log to be transported are required to undergone a routine verification at Forest Checking Station (FCS) manned by the personnel from the Central Kedah DFO. Each of the logs on the lorry is measured and verified in term of tag #, species, diameter and length where the details are subsequently be recorded into the Removal Pass. The tag number at this stage is cross check with the 'Tree Marking Record Book' to ascertain accuracy of the species harvested and measurement of the logs. This is to ensure only tree marked for felling is harvested from the PRF.

During the transportation of logs, it is a requirement under the National Forestry Act, 1984 (Amendment 1993) that the lorry driver is required to carry the Removal Pass. Absent of such document during the transportation may implicates that the lorry and the cargo is illegal and can be confiscated by the Central Kedah DFO.

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Organization Name	CORINTHIAN INDUSTRIES (ASIA) SDN BHD
FSC COC Certificate Number	SCS-COC-006258

Name of Authorized Representative (Contact information for person or position responsible for addressing complaints)	Mr. Kenneth Koh
Procedure for filing complaints <i>Note: for further details on complaints procedure, see section 7 in FSC-STD-40-005 V3-0</i>	<p>CIA/FSC/CW/WIN/001-09</p> <p>3.1 All complaints receive should be recorded on a complaint record form.</p> <p>3.2 The complaints received would be evaluated based on the facts and an assessment of the risk would be carried out within 2 weeks</p> <p>3.3 With relevent evidence a field verification may be carried out within 2 months after its received.</p> <p>3.4 Suppliers failing to comply with the requirement shall be given oppurtunity to justify, failing which shall be 'suspended' from the controlled wood supplier list. Records of the complaint and actions taken shall be filed for future references.</p> <p>3.5 Notify the certification body when the complaint is successfully addressed and closed.</p>

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Risk Assessment Summary

In the case that there are multiple risk assessments, copy and paste this table below for each assessment.

Description of Supply Area	<p>The timber is originated from natural forest which is a Permanent Reserved Forest (PRF) of Kuantan Forest District (KFD), managed by the Kuantan District Forest Office (KDFO) of Pahang State Forestry Department.</p> <p>Kuantan DFO is one of seven District Forest Offices (DFOs) within the Pahang State Forestry Department. The DFO is responsible in managing the PRF within the district totalling to 285,001 ha covering 32 PRFs.</p> <p>Out of the total 32 PRFs above, 152,696 ha or 17 PRFs are inland PRFs which the company intends to source Kembang Semangkuk species from.</p> <p>All 17 PRFs are managed using the Selective Management System (SMS) through a 30-years cutting cycle.</p> <p>The above is managed with the governance of the Section 10(1) of the National Forest Act, 1984, which classifies the PRF into 11 functional classes as follows:</p> <ol style="list-style-type: none"> a) Timber production forest under sustained yield; b) Soil protection forest; c) Soil reclamation forest; d) Flood control forest; e) Water catchment forest; f) Forest sanctuary for wild life; g) Virgin jungle reserved forest; h) Amenity forest; i) Education forest; j) Research forest; and k) Forest for federal purposes. <p>Based on the above only first classification is allowed to be harvested on sustainable basis (using SMS) while the remaining 10 classifications are totally protected forest and hence harvesting, encroaching and other unauthorized activities is strictly prohibited.</p> <p>Since its establishment and implementation i.e. in 1978, the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable.</p> <p>The SMS requires comprehensive pre-felling forest inventory</p>
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	<p>and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also be conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.</p> <p>Similar to other state of Peninsular Malaysia, all harvesting operation within the KFD is govern by the National Forestry Act, 1984 (Amendment 1993). Aside from the National Forestry Act, there are several other laws that are deemed applicable during both operation and management of the FMU.</p> <p>The operation of the Forestry District is guided by the Annual Forestry Plan. Annual Forestry Plan for Kuantan District for 2017 is available that includes all management prescriptions for both timber and non-timber forest products covering all forest management operations within the FMU such as Pre-F, Harvesting, Post-F etc. In addition, the plan also includes the management prescription for human resources of the FD, community forest covering recreational forest and educational forest as well as research conducted such as CFI and growth plot. The plan is also found to be signed and approved by the respective District Forest Officer.</p>
Reference to the applicable Risk Assessment	Extended Risk Assessment
Submit applicable risk assessment (excluding confidential information) in a separate document	
Risk Designations Summary For any category not rated as “Low” please fill in control measures by risk assessment indicator	Sub-category
In order to select a checkbox, “double-click” on the box, and select default value as “checked”.	
Overall Risk Designation for the Supply Area	<input type="checkbox"/> Unspecified (see below for unspecified risk designations) <input checked="" type="checkbox"/> Low
1. Illegally harvested wood Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low Control Measures per indicator (if applicable)	1.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.3 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.4 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low

<p>2. Wood harvested in violation of traditional and human rights Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low Control Measures per indicator (if applicable)</p>	<p>2.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.3 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.4 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.5 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low</p>
<p>3. Wood harvested from forests in which high conservation values are threatened by management activities Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low Control Measures per indicator (if applicable)</p>	<p>3.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 3.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low</p>
<p>4. Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses Control Measures (if applicable)</p>	<p>4.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low</p>
<p>5. Wood harvested from forests in which genetically modified trees are planted Control Measures (if applicable)</p>	<p>5 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low</p>

Stakeholder Consultation Summary

N/A No stakeholder consultations conducted

Summary of the consultation process(es) performed according to Annex B of FSC-STD-40-005 V3

Stakeholder Consultation has been performed to several identified stakeholder groups during the 2 days Field Verification 02-03 January 2018. The stakeholders consulted are as follows:

a) Villagers of Kampung Sg. Soi, Kuantan, Pahang;

Feedback received:

- *Confirmed that the consultation on logging operation (social impact assessment) has been conducted before the logging operations takes place.*
- *There is no evidence that logging activities have ever threatened high conservation values or any areas that have a social and cultural interest to the villagers. Such areas have been identified before the logging operation during the social impact assessment.*
- *Being a licensed area, the contractors must comply with the Government Policy. No violation of our rights.*
- *The logging contractors are frequently visiting the villagers offering job opportunities to the villagers in the logging camp.*

b) Villagers of Kampung Bukit Bangkok:

- *confirmed that the social impact assessment and consultation has been conducted before and during logging operations take place.*
- *confirmed that the logging contractors are frequently visiting the village to offer job opportunities to the villagers in the logging operation based on their qualification.*
- *confirmed that there is no instance that the logging activities and operations have threatened the cultural areas of the villagers. The interview also confirmed that the villagers has been duly consulted by the logging contractors and the villagers on such areas prior to the logging operations takes*

	<p><i>place during the social impact assessment.</i></p> <p><i>c) Villagers of Kampung Sg. Mas:</i></p> <ul style="list-style-type: none"> - <i>confirmed that the logging contractors has consulted the villagers for job opportunities in logging operation i.e. employed as cook and chainsaw operatios (based on their qualification and experience)</i> - <i>confirmed that the forestry department has consulted the villagers prior and during the logging operations.</i> - <i>confirmed that there is no evidence that the logging operations compromise any cultural and heritage value of the community. The interview also confirmed that the community also has been asked about the location of such areas during the social impact assessment</i> <p><i>d) Department of Wildlife and National Park (PERHILITAN), Kuantan, Pahang:</i></p> <ul style="list-style-type: none"> - <i>The Forestry Department is constantly engaging the PERHILITAN pertaining to information sharing on the sensitive areas that is important to wildlife as well as areas that known to be the corridor for the wildlife to roam in the forest.</i> - <i>The PERHILITAN also is invited by the Forestry Department during the briefing to the logging contractors before the commencement of logging operations. PERHILITAN also has been given opportunity to provide the briefing on wildlife perspective especially on regulations to not disturbing or hunting the wildlife.</i> <p><i>e) Department of Occupational Safety and Health (DOSH);</i></p> <ul style="list-style-type: none"> - <i>The department is continuously support and implemented safety measures to ensure safe and healthy working condition for peoples and environment. The department is also committed and give full cooperation for OSHA officer to do inspection and enforcement in their FMU.</i> - <i>Visit to logging camp/area are conducted every three months to ensure the implementation of safety requirements and safe workplace.</i>
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	<ul style="list-style-type: none"> - <i>There is no accident lead to death reported at this moment. All workers are found aware on the safety and health requirements in the logging operations and are keen to use appropriate PPEs for their own safety, as per guided by the Guidelines on Occupational Safety and Health in Logging Operations.</i> <p><i>f) Logging Operator (Kepala Hutan) - License CK-01-23-17 & CK-01-26-17 in Lepar FR;</i></p> <ul style="list-style-type: none"> - <i>Very good working condition</i> - <i>Payment and wages are paid in time</i> - <i>Provided with proper employees benefits such as working insurance and SOCSO</i> - <i>Training/Briefing is provided by the Kuantan DFO before the logging commence.</i> <p><i>g) Forestry Ranger (ground staff of the Forestry Department)</i></p> <ul style="list-style-type: none"> - <i>Very good working condition</i> - <i>Payment and wages are paid in time</i> - <i>Provided with proper employees benefits such as working insurance, EPF and SOCSO</i> - <i>Training is given for the workers in aspects relating to forest operations such as reduced impact logging, directional felling as well as the awareness on indentifying tree allowed cutting</i> - <i>Routine training is also provided on implementing the Guidelines on Occupational Safety and Health in Logging Operations.</i>
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Expert Engagement Summary

N/A No expert engagement conducted

Information on the engagement of one or more experts in the development of control measures in accordance with Annex C of FSC-STD-40-005 V3

Note: For individual experts this includes the names of the experts, their qualifications, their license/registration number (if applicable), and the scope of their services. For publically available expertise, the specific sources of information shall be cited.

Expert's Name: DR. SAVINDER KAUR

The above expert has been engaged for the clarification pertaining to the Controlled Wood Category 2 and Category 3 with regards to Social and HCV respectively.

Qualification:

- *Savinder Kaur Gill, Ph.D. is an environmental sociologist with more than 7 years' experience in social audits and impact assessments for sustainable forest and oil palm management (RSPO). She has coordinated social development/sustainable livelihood projects for Orang Asli in Pahang under the United Nations Development Programme (UNDP)/Global Environment Facility (GEF) and has worked with various rural communities in Malaysia and Indonesia on high conservation value forest (HCVF) assessments). Dr. Savinder holds a doctorate degree in Environment and Resource Studies.*

Summary of Field Verification (undertaken as a control measure)

N/A No field verifications conducted as control measures

A summary of the organization's findings from field verification undertaken as a control measure, and steps taken by the organization to address identified non conformities where they occurred, unless confidential. The organization shall provide a justification for the exclusion of confidential information.

Note: The confidential nature of the information may be determined by the legislation that the organization must be in compliance with. Commercially sensitive information, and the names of individual landholders may be treated as confidential.

The following active logging areas has been visited during the audit:

- *Compartment 85-A, Lepar Forest Reserve;*
- *Compartment 89-D, Lepar Forest Reserve.*

The above two licenses areas are sampled randomly to assess the harvesting activities and practices. The interviews with logging contractors are conducted at the logging camp.

Stakeholder consultations are conducted with supplier and Forestry staff present. The situation is very informal and free from any threat.

During the field verification audit, the auditor has verified several key documention such as Forest harvesting plan which is a key document for forest operation in the permanent reserved forest. Observed that the document described forest road planning, tagging trees, estimation production, cutting limit, species, wildlife reports, RIL, Buffer Zone and replanting programme. The forest harvesting plan emphasised on reduced impact logging methods that aimed at optimum harvest while minimising impact. Pre-harvest planning carried out identifies steep slope and other areas prohibited from harvesting to ensure impact such as erosion are under control.

Every tree to be harvested is pre identified and tagged prior to felling operation during the Pre-Felling Inventory. Each of the tree marked for felling is tagged with tagging number in the form of serial continuous number i.e. AA1234/1, AA1234/2, AA4321/1, and AA4321/3. The give number is unique and only given for one particular license area only that is recorded and maintained in the 'Tree Marking Record Book' which is an important component as a means to control the tree harvesting.

The auditor also has taken action to verified the Forest Checking Station i.e. Gambang FCS to inspect the control of document and logs transporting out from the permanent reserved forest.

Each log to be transported are required to undergone a routine verification at Forest Checking Station (FCS) manned by the personnel from the Kuantan DFO. Each of the logs on the lorry is measured and verified in term of tag #, species, diameter and length where the details are subsequently be recorded into the Removal Pass. The tag number at this stage is cross check with the 'Tree Marking Record Book' to ascertain accuracy of the species harvested and measurement of the logs. This is to ensure only tree marked for felling is harvested from the PRF.

During the transportation of logs, it is a requirement under the National Forestry Act, 1984 (Amendment 1993) that the lorry driver is required to carry the Removal Pass. Absent of such document during the transportation may implicates that the lorry and the cargo is illegal and can be confiscated by the Kuantan DFO.

Publically Available Information for FSC Controlled Wood Certificate Holders

INSTRUCTIONS

FSC® requires that organizations track their controlled material and publish specific findings. This form helps you meet the requirements in Section 6 of FSC-STD-40-005 V3-0 “Publically Available Information”.¹

Organization Name	CORINTHIAN INDUSTRIES (ASIA) SDN BHD
FSC COC Certificate Number	SCS-COC-006258

Name of Authorized Representative (Contact information for person or position responsible for addressing complaints)	Mr. Kenneth Koh
Procedure for filing complaints <i>Note: for further details on complaints procedure, see section 7 in FSC-STD-40-005 V3-0</i>	<p>CIA/FSC/CW/WIN/001-09</p> <p>3.1 All complaints receive should be recorded on a complaint record form.</p> <p>3.2 The complaints received would be evaluated based on the facts and an assessment of the risk would be carried out within 2 weeks</p> <p>3.3 With relevent evidence a field verification may be carried out within 2 months after its received.</p> <p>3.4 Suppliers failing to comply with the requirement shall be given oppurtunity to justify, failing which shall be 'suspended' from the controlled wood supplier list. Records of the complaint and actions taken shall be filed for future references.</p> <p>3.5 Notify the certification body when the complaint is successfully addressed and closed.</p>

¹ This document is meant as guidance only, utilization of templates and guidance documents is no guarantee of conformity with FSC requirements. It is your organization’s responsibility to conform to relevant FSC requirements.



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Risk Assessment Summary

In the case that there are multiple risk assessments, copy and paste this table below for each assessment.

Description of Supply Area	<p>Corinthian intends to source the timber that is originated from Permanent Reserved Forest (PRF) of Rompin Forest District (RFD), managed by the Rompin District Forest Office (RDFO) of Pahang State Forestry Department.</p> <p>Rompin DFO is one of seven District Forest Offices (DFOs) within the Pahang State Forestry Department. The DFO is responsible in managing the PRF within the district totalling to 195,284 ha covering 15 PRFs.</p> <p>Out of the total 15 PRFs above, 166,944 ha or 6 PRFs are inland PRFs which the company intends to source Kembang Semangkuk species from.</p> <p>All 6 PRFs are managed using the Selective Management System (SMS) through a 30-years cutting cycle.</p> <p>The above is managed with the governance of the Section 10(1) of the National Forest Act, 1984, which classifies the PRF into 11 functional classes as follows:</p> <ul style="list-style-type: none"> a) Timber production forest under sustained yield; b) Soil protection forest; c) Soil reclamation forest; d) Flood control forest; e) Water catchment forest; f) Forest sanctuary for wild life; g) Virgin jungle reserved forest; h) Amenity forest; i) Education forest; j) Research forest; and k) Forest for federal purposes. <p>Based on the above only first classification is allowed to be harvested on sustainable basis (using SMS) while the remaining 10 classifications are totally protected forest and hence harvesting, encroaching and other unauthorized activities is strictly prohibited.</p> <p>With regards to the SMS; which is the system used to managed the PRFs as specified above, the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable.</p> <p>The SMS requires comprehensive pre-felling forest inventory</p>
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	<p>and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also be conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.</p> <p>Similar to other state of Peninsular Malaysia, all harvesting operation within the RFD is govern by the National Forestry Act, 1984 (Amendment 1993). Aside from the National Forestry Act, there are several other laws that are deemed applicable during both operation and management of the FMU.</p> <p>The operation of the Forestry District is guided by the Annual Forestry Plan. Annual Forestry Plan for Rompin District for 2017 is available that includes all management prescriptions for both timber and non-timber forest products covering all forest management operations within the FMU such as Pre-F, Harvesting, Post-F etc. In addition, the plan also includes the management prescription for human resources of the FD, community forest covering recreational forest and educational forest as well as research conducted such as CFI and growth plot. The plan is also found to be signed and approved by the respective District Forest Officer.</p>
Reference to the applicable Risk Assessment	Extended Risk Assessment
Submit applicable risk assessment (excluding confidential information) in a separate document	
Risk Designations Summary For any category not rated as “Low” please fill in control measures by risk assessment indicator	Sub-category
In order to select a checkbox, “double-click” on the box, and select default value as “checked”.	
Overall Risk Designation for the Supply Area	<input type="checkbox"/> Unspecified (see below for unspecified risk designations) <input checked="" type="checkbox"/> Low
1. Illegally harvested wood Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low Control Measures per indicator (if applicable)	1.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.3 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 1.4 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low

<p>2. Wood harvested in violation of traditional and human rights Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low Control Measures per indicator (if applicable)</p>	<p>2.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.3 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.4 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 2.5 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low</p>
<p>3. Wood harvested from forests in which high conservation values are threatened by management activities Overall Risk Designation: <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low Control Measures per indicator (if applicable)</p>	<p>3.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low 3.2 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low</p>
<p>4. Wood harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses Control Measures (if applicable)</p>	<p>4.1 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low</p>
<p>5. Wood harvested from forests in which genetically modified trees are planted Control Measures (if applicable)</p>	<p>5 <input type="checkbox"/> Unspecified <input checked="" type="checkbox"/> Low</p>

Stakeholder Consultation Summary

N/A No stakeholder consultations conducted

Summary of the consultation process(es) performed according to Annex B of FSC-STD-40-005 V3

Stakeholder Consultation has been performed to several identified stakeholder groups during the 2 days Field Verification 04-05 January 2018. The stakeholders consulted are as follows:

a) Villagers of RPS Bukit Serok, Rompin, Pahang;

Feedback received:

- *Confirmed that the consultation on logging operation (social impact assessment) has been conducted before the logging operations takes place.*
- *There is no evidence that logging activities have ever threatened high conservation values or any areas that have a social and cultural interest to the villagers. Such areas have been identified before the logging operation during the social impact assessment.*
- *Being a licensed area, the contractors must comply with the Government Policy. No violation of our rights.*
- *The logging contractors are frequently visiting the villagers offering job opportunities to the villagers in the logging camp.*

b) Villagers of RPS Kedaik, Rompin, Pahang:

- *confirmed that the logging contractors has consulted the villagers for job opportunities in logging operation i.e. employed as cook and chainsaw operators (based on their qualification and experience)*
- *confirmed that the forestry department has consulted the villagers prior and during the logging operations.*
- *confirmed that there is no evidence that the logging operations compromise any cultural and heritage value of the community. The interview also confirmed that the community also has been asked about the location of such areas during the social impact*

	<p style="text-align: center;"><i>assessment</i></p> <p><i>c) Department of Wildlife and National Park (PERHILITAN), Rompin, Pahang:</i></p> <ul style="list-style-type: none"> - <i>The Forestry Department is constantly engaging the PERHILITAN pertaining to information sharing on the sensitive areas that is important to wildlife as well as areas that known to be the corridor for the wildlife to roam in the forest.</i> - <i>The PERHILITAN also is invited by the Forestry Department during the briefing to the logging contractors before the commencement of logging operations. PERHILITAN also has been given opportunity to provide the briefing on wildlife perspective especially on regulations to not disturbing or hunting the wildlife.</i> <p><i>d) Department of Occupational Safety and Health (DOSH);</i></p> <ul style="list-style-type: none"> - <i>The department is continuously support and implemented safety measures to ensure safe and healthy working condition for peoples and environment. The department is also committed and give full cooperation for OSHA officer to do inspection and enforcement in their FMU.</i> - <i>Visit to logging camp/area are conducted every three months to ensure the implementation of safety requirements and safe workplace.</i> - <i>There is no accident lead to death reported at this moment. All workers are found aware on the safety and health requirements in the logging operations and are keen to use appropriate PPEs for their own safety, as per guided by the Guidelines on Occupational Safety and Health in Logging Operations.</i> <p><i>e) Logging Operator (Kepala Hutan) - License CR-01-16-17 & CK-01-18-17 in Bukit Ibam FR;</i></p> <ul style="list-style-type: none"> - <i>Very good working condition</i> - <i>Payment and wages are paid in time</i> - <i>Provided with proper employees benefits such as working insurance and SOCSO</i> - <i>Training/Briefing is provided by the Rompin DFO before the logging commence.</i> <p><i>f) Forestry Ranger (ground staff of the Forestry Department)</i></p>
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	<ul style="list-style-type: none">- <i>Very good working condition</i>- <i>Payment and wages are paid in time</i>- <i>Provided with proper employees benefits such as working insurance, EPF and SOCSO</i>- <i>Training is given for the workers in aspects relating to forest operations such as reduced impact logging, directional felling as well as the awareness on indentifying tree allowed cutting</i>- <i>Routine training is also provided on implementing the Guidelines on Occupational Safety and Health in Logging Operations.</i>
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Expert Engagement Summary

N/A No expert engagement conducted

<p>Information on the engagement of one or more experts in the development of control measures in accordance with Annex C of FSC-STD-40-005 V3</p> <p><i>Note: For individual experts this includes the names of the experts, their qualifications, their license/registration number (if applicable), and the scope of their services. For publically available expertise, the specific sources of information shall be cited.</i></p>	<p>Expert's Name: DR. SAVINDER KAUR</p> <p><i>The above expert has been engaged for the clarification pertaining to the Controlled Wood Category 2 and Category 3 with regards to Social and HCV respectively.</i></p> <p>Qualification:</p> <ul style="list-style-type: none"> - <i>Savinder Kaur Gill, Ph.D. is an environmental sociologist with more than 7 years' experience in social audits and impact assessments for sustainable forest and oil palm management (RSPO). She has coordinated social development/sustainable livelihood projects for Orang Asli in Pahang under the United Nations Development Programme (UNDP)/Global Environment Facility (GEF) and has worked with various rural communities in Malaysia and Indonesia on high conservation value forest (HCVF) assessments). Dr. Savinder holds a doctorate degree in Environment and Resource Studies.</i>
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Summary of Field Verification (undertaken as a control measure)

N/A No field verifications conducted as control measures

A summary of the organization's findings from field verification undertaken as a control measure, and steps taken by the organization to address identified non conformities where they occurred, unless confidential. The organization shall provide a justification for the exclusion of confidential information.

Note: The confidential nature of the information may be determined by the legislation that the organization must be in compliance with. Commercially sensitive information, and the names of individual landholders may be treated as confidential.

The following active logging areas has been visited during the audit:

- *Compartment 105-B, Bukit Ibam Forest Reserve;*
- *Compartment 109-B, Bukit Ibam Forest Reserve.*

The above two licenses areas are sampled randomly to assess the harvesting activities and practices. The interviews with logging contractors are conducted at the logging camp.

Stakeholder consultations are conducted with supplier and Forestry staff present. The situation is very informal and free from any threat.

During the field verification audit, the auditor has verified several key documention such as Forest harvesting plan which is a key document for forest operation in the permanent reserved forest. Observed that the document described forest road planning, tagging trees, estimation production, cutting limit, species, wildlife reports, RIL, Buffer Zone and replanting programme. The forest harvesting plan emphasised on reduced impact logging methods that aimed at optimum harvest while minimising impact. Pre-harvest planning carried out identifies steep slope and other areas prohibited from harvesting to ensure impact such as erosion are under control.

Every tree to be harvested is pre identified and tagged prior to felling operation during the Pre-Felling Inventory. Each of the tree marked for felling is tagged with tagging number in the form of serial continuous number i.e. AA1234/1, AA1234/2, AA4321/1, and AA4321/3. The give number is unique and only given for one particular license area only that is recorded and maintained in the 'Tree Marking Record Book' which is an important component as a means to control the tree harvesting.

The auditor also has taken action to verified the Forest Checking Station i.e. Muadzam Shah FCS to inspect the control of document and logs transporting out from the permanent reserved forest.

Each log to be transported are required to undergone a routine verification at Forest Checking Station (FCS) manned by the personnel from the Rompin DFO. Each of the logs on the lorry is measured and verified in term of tag #, species, diameter and length where the details are subsequently be recorded into the Removal Pass. The tag number at this stage is cross check with the 'Tree Marking Record Book' to ascertain accuracy of the species harvested and measurement of the logs. This is to ensure only tree marked for felling is harvested from the PRF.

During the transportation of logs, it is a requirement under the National Forestry Act, 1984 (Amendment 1993) that the lorry driver is required to carry the Removal Pass. Absent of such document during the transportation may implicates that the lorry and the cargo is illegal and can be confiscated by the Rompin DFO.

PUBLICALLY AVAILABLE FSC™ CONTROLLED WOOD COMPANY EXTENDED RISK ASSESSMENT

This template is provided as a guide, based on FSC-STD-40-005 V 3-1 (or later version) with examples in Annex G for extended risk assessments. Further examples with graphical presentation are provided in FSC-PRO-60-002a FSC National Risk Assessment Framework.

It is not mandatory to use this template. Any other format will be accepted as long as all required information is provided. The use of this template is no guarantee for complying with the respective requirements.

The confidential nature of the information may be determined by the legislation that the organization must be in compliance with. Commercially sensitive information and the names of individual landholders may be treated as confidential. The certificate holder shall inform their Certification Body of any confidential information in this risk assessment, which shall not be published.

Guidance below is highlighted with orange colour. All highlighted guidance shall be deleted in the completed document.

A COMPANY DETAIL

Name of the Certificate Holder	Corinthian Industries (Asia) Sdn Bhd
Certificate Code	SGS-COC-000865
Risk Assessment Number	

B APPROVAL (TO BE COMPLETED BY CERTIFICATION BODY)

Date of Risk Assessment	
Date of Approval	

C ORIGIN OF TIMBER

Country	Malaysia
Supply Area	<p>The timber is originated from natural forest which is a Permanent Reserved Forest (PRF) of Central Kedah Forest District (CKFD), managed by the Central Kedah District Forest Office (CKDFO) of Kedah State Forestry Department.</p> <p>Central Kedah DFO is one of three District Forest Offices (DFOs) within the Kedah State Forestry Department. The DFO is responsible in managing the PRF within the CKFD totalling to 114,199.83 ha covering 9 PRFs. All 9 PRFs are managed using the Selective Management System (SMS) through a 30-years cutting cycle.</p> <p>The above is managed with the governance of the Section 10(1) of the National Forest Act, 1984, which classifies the PRF into 11 functional classes as follows:</p> <p>a) Timber production forest under sustained yield;</p>

- b) Soil protection forest;
- c) Soil reclamation forest;
- d) Flood control forest;
- e) Water catchment forest;
- f) Forest sanctuary for wild life;
- g) Virgin jungle reserved forest;
- h) Amenity forest;
- i) Education forest;
- j) Research forest; and
- k) Forest for federal purposes.

Based on the above only first classification is allowed to be harvested on sustainable basis (using SMS) while the remaining 10 classifications are totally protected forest and hence harvesting, encroaching and other unauthorized activities is strictly prohibited.

In general the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable. The SMS requires an adequate pre-felling forest inventory and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also be conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.

As far as the PRFs, the PRFs for CKFD has been classified into 11 functional classes as stipulated under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993). Only areas classified as production forest can be harvested, while the other forest categories are designated for protection and conservation purposes.

The operation of the Forestry District is guided by the Annual Forestry Plan. Annual Forestry Plan for Central Kedah District for 2017 is available that includes all management prescriptions for both timber and non-timber forest products covering all forest management operations within the FMU such as Pre-F, Harvesting, Post-F etc. In addition, the plan also includes the management prescription for human resources of the FD, community forest covering recreational forest and educational forest as well as research conducted such as CFI and growth plot. The plan is also found to be signed and approved by the respective District Forest Officer.

As far as the company is concerned and for the year 2017 & 2018 Controlled Wood (CW) assessment, only timber originated from the following PRFs is considered:

- Ulu Muda Forest Reserve;
- Rimba Teloi Forest Reserve;

	<ul style="list-style-type: none"> • Bukit Perak Forest Reserve. <p>Every tree to be harvested is pre identified and tagged prior to felling operation during the Pre-Felling Inventory. Each of the tree marked for felling is tagged with tagging number in the form of serial continuous number i.e. AA1234/1, AA1234/2, AA4321/1, and AA4321/3. The give number is unique and only given for one particular license area only that is recorded and maintained in the 'Tree Marking Record Book' which is an important component as a means to control the tree harvesting.</p> <p>With regards to the license no., for Central Kedah District Forest Office (CKDFO), the Forestry Department has issued a license code which unique to CKDFO. Example is as follows:</p> <ul style="list-style-type: none"> • KT-01-02-2017– where; <ul style="list-style-type: none"> ○ KT – is the identification code on the district of origin of the logs i.e. Central Kedah District of Kedah FMU; <p>Note: 'KT' stands for <i>Kedah Tengah</i> which means Central Kedah</p> ○ 01 - is identification code specifically used for logs harvested from Permanent Reserved Forest (PRF) in Kedah FMU that has been classified as production forest under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993); and ○ 02-2017 – is the identification code indicating the license number for the respective year. <p>Each log to be transported are required to undergone a routine verification at Forest Checking Station (FCS) manned by the personnel from the Central Kedah DFO. Each of the logs on the lorry is measured and verified in term of tag #, species, diameter and length where the details are subsequently be recorded into the Removal Pass. The tag number at this stage is cross check with the 'Tree Marking Record Book' to ascertain accuracy of the species harvested and measurement of the logs. This is to ensure only tree marked for felling is harvested from the PRF.</p> <p>During the transportation of logs, it is a requirement under the National Forestry Act, 1984 (Amendment 1993) that the lorry driver is required to carry the Removal Pass. Absent of such document during the transportation may implicates that the lorry and the cargo is illegal and can be confiscated by the Central Kedah DFO.</p> <p>At the mill or primary processing mill where the logs are unloaded, the Removal Pass is presented to the buyer as a legal document. The Removal Pass is the key document for Chain of Custody where it provides links of the log to the forest origin through the details written on the Removal Pass include the license # where the log has been harvested. At this stage, it is possible to cross-checked the log tag number with the 'Tree Marking Record Book' maintained by the Central Kedah DFO to confirm the originality of the tag number.</p>
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D OVERALL RESULTS

Controlled wood category	Risk Rating	
Controlled wood category 1 Illegally harvested wood	<input checked="" type="checkbox"/> Low Risk	<input type="checkbox"/> Unspecified Risk
Controlled wood category 2	<input checked="" type="checkbox"/> Low Risk	<input type="checkbox"/> Unspecified Risk

Wood harvested in violation of traditional and human rights	
Controlled wood category 3 Wood harvested from forest in which high conservation values are threatened	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 4 Wood harvested from areas being to plantations or non-forest uses	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 5 Wood from forests in which genetically modified trees are planted	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk

SPECIFIC REQUIREMENTS FOR EACH FSC CONTROLLED WOOD CATEGORY

1 ILLEGALLY HARVESTED WOOD

Identification of the applicable legislation

Indicator	Evidence
<p>If the applicable legislation was identified based on data available on GFR (www.globalforestryregistry.org) describe how this was reviewed to ensure it is complete and up-to-date.</p>	<p>Applicable legislation is identified using GFR document entitled Draft list of applicable legislation to consider for forest legality related risks (updated 30th Aug 2013).</p> <p>To ensure the most updated list of laws is identified, the following sources is also utilized:</p> <ul style="list-style-type: none"> • Draft The FSC National Forest Stewardship Standard of Malaysia (Ref: FSC-STD-MYS-01-2017Natural and plantation forests EN) – to capture the most up-to-date laws listed for Peninsular Malaysia; and • Verifiers listed in Malaysian Criteria and Indicators for Forest Management Certification [MC&(Natural Forest)] – to capture the applicable section of the laws identified, concurrent with the issues highlighted.
<p>If the applicable legislation identified using other sources:</p> <ol style="list-style-type: none"> Provide the location of the list of applicable legislation developed based on the FSC-PRO-60-002a and structured according to Table 1 in the FSC-PRO-60-002a (e.g. annex) Specify sources of information used for identification (e.g. FSC FM National Standard, expert evaluation, list provided by NGO and/or governmental institutions) Provide an explanation giving reasons for using others sources than the GFR (e.g. no data ion GFR). 	

Assessment of enforcement of the applicable legislation

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures

1.1 Land Tenure and Management Rights	World Bank Governance Indicator (http://data.worldbank.org/data-catalog/worldwide-governance-indicators)	<p>Low.</p> <p>Sources confirm the implementation of the legislation pertaining to the tenureship and management rights of the Permanent Reserved Forests (PRFs).</p> <p>PRFs tenureship is belong to the government as specified in the National Forestry Act, 1984 (Amendment 1993) and National Land Code, 1930. The government through the State Forestry Department is entrusted to govern and manage the PRF in accordance with the Selective Management System (SMS), 1978.</p> <p>In general the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable. The SMS requires an adequate pre-felling forest inventory and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also be conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.</p>	-	<p>Risk Assessment and Field Verification has been conducted covering the following:</p> <ul style="list-style-type: none"> • Documentation Review at Kedah Tengah DFO; • Visit to active operation areas: <ul style="list-style-type: none"> ○ KT 01-07-17 – Compt. 103 (Block D), Ulu Muda FR ○ KT 01-06-17 – Compt. 103 (Block B), Ulu Muda FR • Visit to Forest Checking Station – Weng Forest Checking Station. <p>Visit to the District Forest Office has verified the following:</p> <ul style="list-style-type: none"> ○ Records of legal documentations (acts, rules, regulations, enactments); ○ records of gazattement of PRFs; ○ records of issuance of logging license; ○ records of taxes, premiums, cess and other taxes collected; ○ management plans and harvesting plans for the particular forest management unit (PRFs) managed by the District FD; ○ records of the implementation of the Selective Management System (SMS), 1978 together with the associated documentations and monitoring documentations thereunder; ○ records of Pre-Felling inventory conducted prior to approval and issuance of logging license; ○ records of Post-Felling inventory conducted after logging conducted;
1.2 Concessions and Licenses		Low.	-	
1.3 Management & Harvesting Planning		Sources confirm the implementation of the laws pertaining to the issuance of license and session.	-	

<p>1.4 Harvesting Permits</p>		<p>In practice, for any production areas within the PRF due for harvesting and has undergone the Pre-felling Inventory, the Central Kedah Forestry Department (CKFD) will issued logging license to contractors. However, a due administration and technical process shall be conducted before the area is granted a logging license. Forest Harvesting Plan shall be established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected trees etc.</p> <p>For any draft Forest Harvesting Plan prepared, the Forestry Engineer will visit the area and will assess the suitability and appropriateness of those areas that marked on the map which has been demarked on the ground. Upon confirmation of the area, the Forestry Engineer will prepare the report to be verified by the Central Kedah District Forest Office (CKDFO). Otherwise, the logging contractor will have to redo the forest harvesting plan; addressing the comment and remarks made by the Forestry Engineer during his/her visit.</p>		<ul style="list-style-type: none"> ○ records of silvicultural treatment conducted, if necessary following to Post-Felling inventory; ○ record of Pre-harvesting briefing to all stakeholders by the FD; ○ records of identification and demarcation of local communities within the vicinity of the PRFs; ○ usage of the Social Impact Monitoring Forms for consulting the local communities before, during and after the logging has been conducted; ○ records of identification of 32 listed protected tree species provisioned by the FD; ○ records of demarcation of mother trees as required by SMS, 1978 <p>Visit to Active Logging Area verified the following:</p> <ul style="list-style-type: none"> ○ Implementation of the harvesting operations in accordance with the approved forest harvesting plan; ○ Tree harvesting and tree felling process; ○ Verification of residual stands and trees; ○ Verification of protected trees and mother trees that has been marked in term of the quality and health status of the marked tree; ○ Boundary demarcations; ○ Bufferzone demarcations; ○ Construction of forest roads and skid trails;
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				<p>Visit to Forest Checking Stations has verified the following:</p> <ul style="list-style-type: none"> ○ Records of removal passes issued; ○ Availability of the Tree Tagging Record Book for the monitoring of the movement of trees that has been felled out from the PRF; ○ Traceability of the information captured in the removal pass with the information in the Tree Tagging Record Book. <p>Stakeholder consultation has also being conducted with the local communities in Kg. Landai & kg. Lubok Lagong to gauge the following:</p> <ul style="list-style-type: none"> ○ FPIC through the usage of the Social Impact Monitoring Form for the particular local communities. <p>Interview with the Forestry Department Officer during the 2 days Risk Assessment Audit has been conducted to gauge their level of knowledge at their respective level on the implementation of the forest management and operations in line with the adhered SMS, 1978;</p> <p>During the field visit to the active logging area, interview with the logging workers to gauge their level of knowledge on forest harvesting operations and rules to be abide with respect to environmental, social and occupational safety and health requirements.</p>
1.5 Corruption Perception Index	Transparency International (https://www.transparency.org/news/feature/corruption_pe)	Specified at country level. Source verified showed that as of 2016, Malaysia rank 55 with the score of 49 under the CPI Index by Transparency	Risk: Specified Risk at country level Low Risk at CK	<p>Implementation of the following:</p> <ul style="list-style-type: none"> ● Forest Management Plan;

	receptions_index_2016)	International.	Forestry District Level	<ul style="list-style-type: none"> • Forest Harvesting Plan; • Harvesting process in line with Reduced Impact Logging Guidelines; • Inventory in line with the SMS manual; • Tree are correctly tagged; • PRFs and compartment Boundary are clearly marked; • Protected and protection trees are clearly marked.
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2 WOOD HARVESTED

IN VIOLATION OF TRADITIONAL OR CIVIL RIGHTS

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures
2.1 Indigenous Peoples Rights & FPIC	Illegal Logging Portal (https://www.illegal-logging.info/content/indigenous-groups-activists-risk-arrest-blockade-logging-malaysia)	<p>Specified at country level.</p> <p>Sources verified showed that there is latest incidence of conflict between the indigenous peoples (IPs) with the State Forestry Department where the IPs has erected a blockade at the entrance of the PRFs due to their objection against the forest harvesting activities occur in the neighboring PRFs.</p> <p>The above however, occur in Gua Musang District of Kelantan State of Peninsular Malaysia and not Central Kedah District of Kedah State of Peninsular Malaysia, where the Logs intended to be sourced.</p>	<p>Ownership: Government FMU</p> <p>Risk: Specified Risk at Country Level;</p> <p>Low Risk at CK Forestry District Level</p>	<p>Documentation confirming the following:</p> <ul style="list-style-type: none"> • Maps within the harvesting plan depicting the areas of cultural values of local communities and protected trees of economic value for the local communities that depending on them; • FPIC through the utilization of Monitoring Form E (Social Impact Form) (before, during and after harvesting operations) as a means to gauge the impact of tree harvesting activities in the PRFs. <p>Stakeholder consultation with the local community (Malay Community) and Orang Asli Community of Kg. Lubok Lagong to confirm the FPIC and utilization of the Monitoring Form E as well as other means of communications established by the FD such as <i>Jawatankuasa Kemajuan dan Keselamatan Kampong (JKKK)</i></p>

				<p>[Village Security and Development Committee].</p> <p>Listed CMs are as follows:</p> <ul style="list-style-type: none"> • Mechanisms to resolve disputes over the tenure and use rights at the state or the district levels, where officials from the Forestry Department are invited to participate in the various committees set up to discuss any issues; • Stakeholder consultation with the local communities to gauge the following: <ul style="list-style-type: none"> ○ FPIC through the usage of the Social Impact Monitoring Form for the particular local communities; ○ Gauge their depending with the PRFs for their livelihood; ○ Form of engagement by the FD; ○ Identification of customary areas within the PRFs. <p>During the Risk Assessment Audit, Stakeholder consultation with local communities of Kg. Sandai and Kg. Lubok Lagong has been conducted and showed the following:</p> <ul style="list-style-type: none"> • FPIC has been implemented by the FMU using the Monitoring Form E (Social Impact) for the logging operations that takes place in the neighboring PRFs; • The community is no longer depending to FR for livelihood and economy - have their own business, jobs (city job), land and orchard; • The community only venture into forest for collecting honey which is conducted seasonal; and • Well informed of dispute mechanisms established to be communicated with the
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				<p>FD.</p> <p>Record of Orang Asli settlement held by the CKDFO showed there is only Orang Asli community in the District i.e. Kg. Lubok Lagong, Baling (settlement of Semang Kensiu Community) which is located around 5km from Baling Town.</p> <p><u>Engagement with Social Expert:</u></p> <p>Based on the above, it can be summarized, the CMs listed can be divided into:</p> <ul style="list-style-type: none"> • Documentation Review; • Stakeholder Consultation. <p>Based on the risk assessment, the documentation review has been conducted to verify on the availability of the local communities living neighboring the PRFs of CKDFO as well as any form of maps that has been produced which specifying the location of the local communities.</p> <p>In addition, stakeholder consultation has been conducted with the local community i.e. Kg. Sandai and Kg. Lubok Lagong, Baling and all CMs listed has been duly implemented.</p>
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3 WOOD HARVESTED FROM FOREST IN WHICH HIGH CONSERVATION VALUES ARE THREATENED BY MANAGEMENT ACTIVITIES

HCV category	Data used for HCV identification	Identified threats (provide sources)	Functional scale	Control measures
HCV 1	HCVF Toolkit for Malaysia (https://www.hcvnetwork.org/resources/national-hcv-interpretations/HCV)	Specified Risk: Important Bird Areas (Ulu Muda FR listed in Appendix 4) of the HCVF Toolkit.	Specified Risk at State Level; Low Risk at CKDFO Level	Listed CMs are as follows: <ul style="list-style-type: none"> • HCVFs assessment conducted at Kedah State FMU Level; • Stakeholder consultation with local

	F%20Malaysia%204th%20Draft.pdf)			communities; <ul style="list-style-type: none"> Site visit to verify the management and protection of HCVFs.
HCV 2	HCVF Toolkit for Malaysia (https://www.hcvnetwork.org/resources/national-hcv-interpretations/HCVF%20Malaysia%204th%20Draft.pdf)	<p>Specified Risk:</p> <p>Ulu Muda is listed as part of the Central Forest Spine (CFS) forest complex that provide primary linkage with the Titiwangsa Ridge, thus harvesting in this area may complicate the maintainance of the CFS.</p>	<p>Specified Risk at State Level;</p> <p>Low Risk at CKDFO Level</p>	<p>Risk Assessment conducted showed that Under the Draft HCVFs Toolkit for Malaysia (May 2009) there are two values identified unique to CKDFO as follows:</p> <ul style="list-style-type: none"> Important Bird Areas (Ulu Muda FR listed in Appendix 4) of the HCVF Toolkit; and Ulu Muda is listed as part of the Central Forest Spine (CFS) forest complex that provide primary linkage with the Titiwangsa Ridge, thus harvesting in this area may complicate the maintainance of the CFS. <p>Documentation review and field verification conducted showed that the FD has identified trees that known to be nesting trees for birds and listed those trees as part of 32 identified protected tree species.</p> <p>Moreover, a pre-felling briefing to all stakeholders including the Department of Wildlife also be given and any information sharing pertaining to wildlife areas and its possible habitat.</p> <p>Record also showed that the DFO has also classified the PRFs under its district into 11 functional classes as stipulated under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993) whereby the PRF is also classified as protection forest under various categories such as Watershed Forest, Soil Conservation/Protection Forest, Recreational Forest, Educational Forest, Wildlife Conservation Forest, Virgin Jungle Reserves, Research Forest and Forest on Reclaimed Land. All of the above areas are managed and conserved similar to HCV and marked as well as mapped.</p> <p>Observed also that the classifications of forests</p>

			<p>according to this have been incorporated into the Annual Forest Plan for the CKDFO. Such identified area is marked on map and demarcated on the ground and set aside for protection.</p> <p>In addition, Forest Harvesting Plan shall be established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected and protection trees.</p> <p>The DFO has also classified the PRFs under its district into 11 functional classes as stipulated under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993). Only areas classified as production forest can be harvested, while the other forest categories are classified as protection forest under various categories such as Watershed Forest, Soil Conservation/Protection Forest, Recreational Forest, Educational Forest, Wildlife Conservation Forest, Virgin Jungle Reserves, Research Forest and Forest on Reclaimed Land. All of the above areas are managed and conserved similar to HCV and marked as well as mapped.</p> <p>Classifications of forests according to this have been incorporated into the Annual Forest Plan for the CKDFO. Such identified area is marked on map and demarcated on the ground and set aside for protection.</p> <p>In addition, Forest Harvesting Plan shall be established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected and protection trees.</p> <p>No logging license is allowed to be issued from</p>
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				<p>the above-mentioned areas. Encroachment or logging into such area is prohibited under the National Forestry Act, 1984 (Amendment 1993).</p> <p><u>Engagement with Expert:</u></p> <p>Based on the above CMs, the audit confined to Central Kedah Forest District (the FMU that has been audited), which is the only FMU that will be sourced by Corinthian. The Central Kedah Forest District is part of the Kedah State FMU comprising of three Districts i.e. North Kedah Forest District, Central Kedah Forest District and South Kedah Forest District.</p> <p>CMs listed are found to be adequately implemented covering both documentation review and field verification.</p> <p>The Risk Assessment took consideration the HCVF toolkit and its findings as a basis to determine the potential HCVF in the PRFs of CKDFO. Moreover, Risk Assessment also has taken further action to verify CKDFO's compliance against the laws and regulation pertaining to the protected trees.</p> <p>Field verification has also been conducted to verify the action taken by the CKDFO to mark and protect any areas identified as protected areas and trees therein.</p> <p>In practice, the FMU performing the prescribed management programme as specified in the HCV Assessment Report with proper monitoring programme outlined. The monitoring is found to be conducted as per in the programme. Records of the monitoring are found to be updated and be made available to the assessor during the audit.</p>
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4 WOOD HARVESTED FROM AREAS BEING CONVERTED FROM FORESTS AND OTHER WOODED ECOSYSTEMS TO PLANTATIONS OR NON-FOREST USES

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures																				
4.1 Forest Conversion	FAO (http://www.fao.org/docrep/005/y7209e/y7209e04.htm)	<p>Low.</p> <p>According to source, there is no evidence of current conversion of PRF into forest plantation or other land uses occur within the CKDFO except those that has been established before 1990 with some details are as follows:</p> <table border="1" data-bbox="705 643 1178 1076"> <thead> <tr> <th>PRF</th> <th>Purpose</th> <th>Area (ha)</th> <th>Year establishment</th> </tr> </thead> <tbody> <tr> <td>Bukit Enggang</td> <td>Teak</td> <td>31.63</td> <td>1953-1957</td> </tr> <tr> <td>Bukit Enggang</td> <td>Teak</td> <td>76.00</td> <td>1983-1986</td> </tr> <tr> <td>Rimba Teloi</td> <td>Teak</td> <td>43.60</td> <td>1985-1986</td> </tr> <tr> <td>Bukit Perak</td> <td>Teak</td> <td>19.00</td> <td>1989</td> </tr> </tbody> </table> <p>As described earlier, the timber sourced by the company is originated from natural forest which is a Permanent Reserved Forest (PRF) of CKFD, managed by the CKDFO of Kedah State Forestry Department. All gazetted PRFs under CKDFO are managed using the Selective Management System (SMS) through a 30-years cutting cycle.</p>	PRF	Purpose	Area (ha)	Year establishment	Bukit Enggang	Teak	31.63	1953-1957	Bukit Enggang	Teak	76.00	1983-1986	Rimba Teloi	Teak	43.60	1985-1986	Bukit Perak	Teak	19.00	1989	-	-
PRF	Purpose	Area (ha)	Year establishment																					
Bukit Enggang	Teak	31.63	1953-1957																					
Bukit Enggang	Teak	76.00	1983-1986																					
Rimba Teloi	Teak	43.60	1985-1986																					
Bukit Perak	Teak	19.00	1989																					
4.2 Forest Loss	FAO – Global Forest Resource Assessment 2015	<p>Low.</p> <p>According to FAO GFR 2015, there is a</p>	-	-																				

		slight increase of total forested areas in Malaysia (an increase of 0.1% as compared to 2010).		
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5 WOOD FROM FORESTS IN WHICH GENETICALLY MODIFIED TREES ARE PLANTED

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk) Provide numbers of thresholds ²⁵ that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures
5.1 Usage of GMO in Forestry	Global Forestry Registry (http://www.globalforestryregistry.org/map)	Low. According to source, there is no commercial use of genetically modified trees of the species concerned taking place in Malaysia.	-	-

Annex 1: List and contact details of experts involved in the risk assessment

Controlled wood category 1

1. Mr. Abdul Haye Semail – Lead Auditor for FSC FM, FSC COC and FSC CW as well as PEFC FM Certification Schemes

Controlled wood category 2

1. Mr. Mohd Faisal Jaafar - Lead Auditor for FSC COC, FSC CW and PEFC FM Certification Schemes.

End of report

PUBLICALLY AVAILABLE FSC™ CONTROLLED WOOD COMPANY EXTENDED RISK ASSESSMENT

This template is provided as a guide, based on FSC-STD-40-005 V 3-1 (or later version) with examples in Annex G for extended risk assessments. Further examples with graphical presentation are provided in FSC-PRO-60-002a FSC National Risk Assessment Framework.

It is not mandatory to use this template. Any other format will be accepted as long as all required information is provided. The use of this template is no guarantee for complying with the respective requirements.

The confidential nature of the information may be determined by the legislation that the organization must be in compliance with. Commercially sensitive information and the names of individual landholders may be treated as confidential. The certificate holder shall inform their Certification Body of any confidential information in this risk assessment, which shall not be published.

Guidance below is highlighted with orange colour. All highlighted guidance shall be deleted in the completed document.

A COMPANY DETAIL

Name of the Certificate Holder	Corinthian Industries (Asia) Sdn Bhd
Certificate Code	SGS-COC-000865
Risk Assessment Number	

B APPROVAL (TO BE COMPLETED BY CERTIFICATION BODY)

Date of Risk Assessment	
Date of Approval	

C ORIGIN OF TIMBER

Country	Malaysia
Supply Area	<p>The timber is originated from natural forest which is a Permanent Reserved Forest (PRF) of Kuantan Forest District (KFD), managed by the Kuantan District Forest Office (KDFO) of Pahang State Forestry Department.</p> <p>Kuantan DFO is one of seven District Forest Offices (DFOs) within the Pahang State Forestry Department. The DFO is responsible in managing the PRF within the district totalling to 285,001 ha covering 32 PRFs.</p> <p>Out of the total 32 PRFs above, 152,696 ha or 17 PRFs are inland PRFs which the company intends to source <i>Kembang Semangkuk</i> species from.</p> <p>All 17 PRFs are managed using the Selective Management System (SMS) through a 30-years cutting cycle.</p> <p>The above is managed with the governance of the Section 10(1) of the National Forest Act, 1984, which classifies the</p>

PRF into 11 functional classes as follows:

- a) Timber production forest under sustained yield;
- b) Soil protection forest;
- c) Soil reclamation forest;
- d) Flood control forest;
- e) Water catchment forest;
- f) Forest sanctuary for wild life;
- g) Virgin jungle reserved forest;
- h) Amenity forest;
- i) Education forest;
- j) Research forest; and
- k) Forest for federal purposes.

Based on the above only first classification is allowed to be harvested on sustainable basis (using SMS) while the remaining 10 classifications are totally protected forest and hence harvesting, encroaching and other unauthorized activities is strictly prohibited.

Since its establishment and implementation i.e. in 1978, the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable.

The SMS requires comprehensive pre-felling forest inventory and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.

Similar to other state of Peninsular Malaysia, all harvesting operation within the KFD is govern by the National Forestry Act, 1984 (Amendment 1993). Aside from the National Forestry Act, there are several other laws that are deemed applicable during both operation and management of the FMU. Details are captured in Annex I of this document.

The operation of the Forestry District is guided by the Annual Forestry Plan. Annual Forestry Plan for Kuantan District for 2017 is available that includes all management prescriptions for both timber and non-timber forest products covering all forest management operations within the FMU such as Pre-F, Harvesting, Post-F etc. In addition, the plan also includes the management prescription for human resources of the FD, community forest covering recreational forest and educational forest as well as research conducted such as CFI and growth plot. The plan is also found to be signed and approved by the respective District Forest Officer.

For the year 2017 & 2018 Controlled Wood (CW) assessment, only timber harvested from the following PRFs is considered:

- Bukit Kuantan Forest Reserve;
- Bukit Galing Forest Reserve;

	<ul style="list-style-type: none"> • Remen Chereh Forest Reserve; • Remen Chereh Tambahan Forest Reserve; • Lepar Forest Reserve; and • Berkelah (Tambahan) Forest Reserve. <p>For harvesting process, every tree to be harvested is pre identified and tagged prior to felling operation during the Pre-Felling Inventory. Each of the tree marked for felling is tagged with tagging number in the form of serial continuous number i.e. AA1234/1, AA1234/2, AA4321/1, and AA4321/3. The give number is unique and only given for one particular license area and specific to the District of which the logs is harvested. The details of the above coding is recorded and maintained in the 'Tree Marking Record Book' which is an important component as a means to control the tree harvesting.</p> <p>With regards to the license no., for KDFO, the Forestry Department has issued a license code which unique to KDFO. Example is as follows:</p> <ul style="list-style-type: none"> • CK-01-23-2017– where; <ul style="list-style-type: none"> ○ C – is the identification code for the State of Pahang; ○ K – is the identification code for the district of origin of the logs; in this case Kuantan Forest District; ○ 01 - is identification code specifically used for logs harvested from Permanent Reserved Forest (PRF) in Pahang FMU that has been classified as production forest under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993); and ○ 23-2017 – is the identification code indicating the license number for the respective year. <p>Each log to be transported are required to undergone a routine verification at Forest Checking Station (FCS) manned by the personnel from the Kuantan DFO. Each of the logs on the lorry is measured and verified in term of tag #, species, diameter and length where the details are subsequently be recorded into the Removal Pass. The tag number at this stage is cross check with the 'Tree Marking Record Book' to ascertain accuracy of the species harvested and measurement of the logs. This is to ensure only tree marked for felling is harvested from the PRF.</p> <p>During the transportation of logs, it is a requirement under the National Forestry Act, 1984 (Amendment 1993) that the lorry driver is required to carry the Removal Pass. Absent of such document during the transportation may implicates that the lorry and the cargo is illegal and can be confiscated by the Kuantan DFO.</p> <p>At the mill or primary processing mill where the logs are unloaded, the Removal Pass is presented to the buyer as a legal document. The Removal Pass is the key document for Chain of Custody where it provides links of the log to the forest origin through the details written on the Removal Pass include the license # where the log has been harvested. At this stage, it is possible to cross-checked the log tag number with the 'Tree Marking Record Book' maintained by the Kuantan DFO to confirm the originality of the tag number.</p>
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D OVERALL RESULTS

Controlled wood category	Risk Rating
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Controlled wood category 1 Illegally harvested wood	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 2 Wood harvested in violation of traditional and human rights	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 3 Wood harvested from forest in which high conservation values are threatened	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 4 Wood harvested from areas being to plantations or non-forest uses	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 5 Wood from forests in which genetically modified trees are planted	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk

SPECIFIC REQUIREMENTS FOR EACH FSC CONTROLLED WOOD CATEGORY

1 ILLEGALLY HARVESTED WOOD

Identification of the applicable legislation

Indicator	Evidence
<p>If the applicable legislation was identified based on data available on GFR (www.globalforestryregistry.org) describe how this was reviewed to ensure it is complete and up-to-date.</p>	<p>Applicable legislation is identified using GFR document entitled Draft list of applicable legislation to consider for forest legality related risks (updated 30th Aug 2013).</p> <p>To ensure the most updated list of laws is identified, the following sources is also utilized:</p> <ul style="list-style-type: none"> • Draft The FSC National Forest Stewardship Standard of Malaysia (Ref: FSC-STD-MYS-01-2017Natural and plantation forests EN) – to capture the most up-to-date laws listed for Peninsular Malaysia; and • Verifiers listed in Malaysian Criteria and Indicators for Forest Management Certification [MC&(Natural Forest)] – to capture the applicable section of the laws identified, concurrent with the issues highlighted.
<p>If the applicable legislation identified using other sources:</p> <ol style="list-style-type: none"> Provide the location of the list of applicable legislation developed based on the FSC-PRO-60-002a and structured according to Table 1 in the FSC-PRO-60-002a (e.g. annex) Specify sources of information used for identification (e.g. FSC FM National Standard, expert evaluation, list provided by NGO and/or governmental institutions) Provide an explanation giving reasons for using others sources than the GFR (e.g. no data ion GFR). 	

Assessment of enforcement of the applicable legislation

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures

1.1 Land Tenure and Management Rights	World Bank Governance Indicator (http://data.worldbank.org/data-catalog/worldwide-governance-indicators)	<p>Low.</p> <p>Sources confirm the implementation of the legislation pertaining to the tenureship and management rights of the Permanent Reserved Forests (PRFs).</p> <p>PRFs tenureship is belong to the government as specified in the National Forestry Act, 1984 (Amendment 1993) and National Land Code, 1930. The government through the State Forestry Department is entrusted to govern and manage the PRF in accordance with the Selective Management System (SMS), 1978.</p> <p>In general the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable. The SMS requires an adequate pre-felling forest inventory and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also be conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.</p>	-	<p>Risk Assessment and Field Verification has been conducted covering the following:</p> <ul style="list-style-type: none"> • Documentation Review at Kuantan DFO; • Visit to active operation areas: <ul style="list-style-type: none"> ○ CK 01-23-17 – Lepar FR ○ CK 01-26-17 – Lepar FR • Visit to Forest Checking Station – Gambang Forest Checking Station. <p>Visit to the District Forest Office has verified the following:</p> <ul style="list-style-type: none"> ○ Records of legal documentations (acts, rules, regulations, enactments); ○ records of gazattement of PRFs; ○ records of issuance of logging license; ○ records of taxes, premiums, cess and other taxes collected; ○ management plans and harvesting plans for the particular forest management unit (PRFs) managed by the District FD; ○ records of the implementation of the Selective Management System (SMS), 1978 together with the associated documentations and monitoring documentations thereunder; ○ records of Pre-Felling inventory conducted prior to approval and issuance of logging license; ○ records of Post-Felling inventory conducted after logging conducted; ○ records of silvicultural treatment conducted, if necessary following to Post-Felling inventory;
1.2 Concessions and Licenses		<p>Low.</p> <p>Sources confirm the implementation of the laws pertaining to the issuance of license and session.</p>	-	
1.3 Management & Harvesting Planning			-	

<p>1.4 Harvesting Permits</p>		<p>In practice, for any production areas within the PRF due for harvesting and has undergone the Pre-felling Inventory, the Kuantan Forestry Department (KFD) will issued logging license to contractors. However, a due administration and technical process shall be conducted before the area is granted a logging license. Forest Harvesting Plan shall be established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected trees etc.</p> <p>For any draft Forest Harvesting Plan prepared, the Forestry Engineer will visit the area and will assess the suitability and appropriateness of those areas that marked on the map which has been demarked on the ground. Upon confirmation of the area, the Forestry Engineer will prepare the report to be verified by the Kuantan District Forest Office (KDFO). Otherwise, the logging contractor will have to redo the forest harvesting plan; addressing the comment and remarks made by the Forestry Engineer during his/her visit.</p>		<ul style="list-style-type: none"> ○ record of Pre-harvesting briefing to all stakeholders by the FD; ○ records of identification and demarcation of local communities within the vicinity of the PRFs; ○ usage of the Social Impact Monitoring Forms for consulting the local communities before, during and after the logging has been conducted; ○ records of identification of 32 listed protected tree species provisioned by the FD; ○ records of demarcation of mother trees as required by SMS, 1978 <p>Visit to Active Logging Area verified the following:</p> <ul style="list-style-type: none"> ○ Implementation of the harvesting operations in accordance with the approved forest harvesting plan; ○ Tree harvesting and tree felling process; ○ Verification of residual stands and trees; ○ Verification of protected trees and mother trees that has been marked in term of the quality and health status of the marked tree; ○ Boundary demarcations; ○ Bufferzone demarcations; ○ Construction of forest roads and skid trails; <p>Visit to Forest Checking Stations has verified the following:</p>
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				<ul style="list-style-type: none"> ○ Records of removal passes issued; ○ Availability of the Tree Tagging Record Book for the monitoring of the movement of trees that has been felled out from the PRF; ○ Traceability of the information captured in the removal pass with the information in the Tree Tagging Record Book. <p>Stakeholder consultation has also being conducted with the local communities in Kg. Sungai Soi, Kg. Sungai Mas and Kg. Bukit Bangkong to gauge the following:</p> <ul style="list-style-type: none"> ○ FPIC through the usage of the Social Impact Monitoring Form for the particular local communities. <p>Interview with the Forestry Department Officer during the 2 days Risk Assessment Audit has been conducted to gauge their level of knowledge at their respective level on the implementation of the forest management and operations in line with the adhered SMS, 1978;</p> <p>During the field visit to the active logging area, interview with the logging workers to gauge their level of knowledge on forest harvesting operations and rules to be abide with respect to environmental, social and occupational safety and health requirements.</p>
1.5 Corruption Perception Index	Transparency International (https://www.transparency.org/news/feature/corruption_perceptions_index_2016)	Specified at country level. Source verified showed that as of 2016, Malaysia rank 55 with the score of 49 under the CPI Index by Transparency International.	Risk: Specified Risk at country level Low Risk at Kuantan Forest District Level	Implementation of the following: <ul style="list-style-type: none"> ● Forest Management Plan; ● Forest Harvesting Plan; ● Harvesting process in line with Reduced Impact Logging Guidelines;

				<ul style="list-style-type: none"> • Inventory in line with the SMS manual; • Tree are correctly tagged; • PRFs and compartment Boundary are clearly marked; • Protected and protection trees are clearly marked.
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2 WOOD HARVESTED

IN VIOLATION OF TRADITIONAL OR CIVIL RIGHTS

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures
2.1 Indigenous Peoples Rights & FPIC	Illegal Logging Portal (https://www.illegal-logging.info/content/indigenous-groups-activists-risk-arrest-blockade-logging-malaysia)	<p>Specified at country level.</p> <p>Sources verified showed that there is latest incidence of conflict between the indigenous peoples (IPs) with the State Forestry Department where the IPs has erected a blockade at the entrance of the PRFs due to their objection against the forest harvesting activities occur in the neighboring PRFs.</p> <p>The above however, occur in Gua Musang District of Kelantan State of Peninsular Malaysia and not Kuantan Forest District of Pahang State of Peninsular Malaysia, where the Logs intended to be sourced.</p>	<p>Ownership: Government FMU</p> <p>Risk: Specified Risk at Country Level;</p> <p>Low Risk at Kuantan Forestry District Level</p>	<p>Documentation confirming the following:</p> <ul style="list-style-type: none"> • Maps within the harvesting plan depicting the areas of cultural values of local communities and protected trees of economic value for the local communities that depending on them; • Maps of Orang Asli Villages and Areas identified by the Department of Orang Asli Development (JAKOA) as per in the Aboriginal Peoples Act, 1954; • FPIC through the utilization of Monitoring Form E (Social Impact Form) (before, during and after harvesting operations) as a means to gauge the impact of tree harvesting activities in the PRFs. <p>Stakeholder consultation with the Orang Asli Community of Kg. Sungai Soi, Kg. Sungai Mas and Kg. Bukit Bangkong to confirm the FPIC and utilization of the Monitoring Form E as well as other means of communications established by the FD such as <i>Jawatankuasa Kemajuan dan Keselamatan Kampong (JKKK)</i> [Village</p>

				<p>Security and Development Committee].</p> <p>Listed CMs are as follows:</p> <ul style="list-style-type: none"> • Mechanisms to resolve disputes over the tenure and use rights at the state or the district levels, where officials from the Forestry Department are invited to participate in the various committees set up to discuss any issues; • Stakeholder consultation with the local communities to gauge the following: <ul style="list-style-type: none"> ○ FPIC through the usage of the Social Impact Monitoring Form for the particular local communities; ○ Gauge their depending with the PRFs for their livelihood; ○ Form of engagement by the FD; ○ Identification of customary areas within the PRFs. <p>During the Risk Assessment Audit, Stakeholder consultation with local communities of Kg. Sungai Soi, Kg. Sungai Mas and Kg. Bukit Bangkong has been conducted and showed the following:</p> <ul style="list-style-type: none"> • FPIC has been implemented by the FMU using the Monitoring Form E (Social Impact) for the logging operations that takes place in the neighboring PRFs; • The community is no longer depending to FR for livelihood and economy - have their own business, jobs (city job), land and orchard; • The community only venture into forest for collecting honey which is conducted seasonal; and • Well informed of dispute mechanisms established to be communicated with the
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				<p>FD.</p> <p><u>Engagement with Social Expert:</u></p> <p>Based on the above, it can be summarized, the CMs listed can be divided into:</p> <ul style="list-style-type: none"> • Documentation Review; • Stakeholder Consultation. <p>Based on the risk assessment, the documentation review has been conducted to verify on the availability of the local communities living neighboring the PRFs of Kuantan Forest District as well as any form of maps that has been produced which specifying the location of the local communities.</p> <p>In addition, stakeholder consultation has been conducted with the above communities to gauge the dependency of the communities with the forest has been duly conducted.</p> <p>Based on the above, it can be summarized that all CMs listed has been duly implemented.</p>
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3 WOOD HARVESTED FROM FOREST IN WHICH HIGH CONSERVATION VALUES ARE THREATENED BY MANAGEMENT ACTIVITIES

HCV category	Data used for HCV identification	Identified threats (provide sources)	Functional scale	Control measures
HCV 1	HCVF Toolkit for Malaysia (https://www.hcvnetwork.org/resources/national-hcv-interpretations/HCVF%20Malaysia%204th%20Draft.pdf)	<p>Specified Risk:</p> <p>Important Bird Areas (Peat Swamp areas of South East of Pahang State listed in Appendix 4) of the HCVF Toolkit.</p> <p>However, the above area is not considered as part of this Risk Assessment.</p>	<p>Specified Risk at State Level;</p> <p>Low Risk at KDFO Level</p>	<p>Listed CMs are as follows:</p> <ul style="list-style-type: none"> • HCVFs assessment conducted at Pahang State FMU Level; • Stakeholder consultation with local communities; • Site visit to verify the management and

HCV 2	<p>HCVF Toolkit for Malaysia https://www.hcvnetwork.org/resources/national-hcv-interpretations/HCVF%20Malaysia%204th%20Draft.pdf</p>	<p>Specified Risk: Remen Chereh and Berkelah FRs is listed as part of the Central Forest Spine (CFS) forest complex that provide primary linkage with the Titiwangsa Ridge, thus harvesting in this area may complicate the maintainance of the CFS.</p>	<p>Specified Risk at State Level; Low Risk at Kuantan Forest District Level</p>	<p>protection of HCVFs.</p> <p>Documentation review and field verification conducted showed that the FD has identified trees that known to be nesting trees for birds and listed those trees as part of 32 identified protected tree species.</p> <p>Moreover, a pre-felling briefing to all stakeholders including the Department of Wildlife also be given and any information sharing pertaining to wildlife areas and its possible habitat.</p> <p>Record also showed that the DFO has also classified the PRFs under its district into 11 functional classes as stipulated under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993) whereby the PRF is also classified as protection forest under various categories such as Watershed Forest, Soil Conservation/Protection Forest, Recreational Forest, Educational Forest, Wildlife Conservation Forest, Virgin Jungle Reserves, Research Forest and Forest on Reclaimed Land. All of the above areas are managed and conserved similar to HCV and marked as well as mapped.</p> <p>Observed also that the classifications of forests according to this have been incorporated into the Annual Forest Plan for the KDFO. Such identified area is marked on map and demarcated on the ground and set aside for protection.</p> <p>In addition, Forest Harvesting Plan shall be established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected and protection trees.</p> <p>The DFO has also classified the PRFs under</p>
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			<p>its district into 11 functional classes as stipulated under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993). Only areas classified as production forest can be harvested, while the other forest categories are classified as protection forest under various categories such as Watershed Forest, Soil Conservation/Protection Forest, Recreational Forest, Educational Forest, Wildlife Conservation Forest, Virgin Jungle Reserves, Research Forest and Forest on Reclaimed Land. All of the above areas are managed and conserved similar to HCV and marked as well as mapped.</p> <p>Classifications of forests according to this have been incorporated into the Annual Forest Plan for the Kuantan Forest District. Such identified area is marked on map and demarcated on the ground and set aside for protection.</p> <p>In addition, Forest Harvesting Plan shall be established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected and protection trees.</p> <p>No logging license is allowed to be issued from the above-mentioned areas. Encroachment or logging into such area is prohibited under the National Forestry Act, 1984 (Amendment 1993).</p> <p><u>Engagement with Expert:</u></p> <p>Based on the above CMs, the audit confined to Kuantan Forest District (the FMU that has been audited), which is the only FMU that will be sourced by Corinthian. The Kuantan Forest District is part of the Pahang State FMU.</p> <p>CMs listed are found to be adequately implemented covering both documentation</p>
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				<p>review and field verification.</p> <p>The Risk Assessment took consideration the HCVF toolkit and its findings as a basis to determine the potential HCVF in the PRFs of KDFO. Moreover, Risk Assessment also has taken further action to verify KDFO's compliance against the laws and regulation pertaining to the protected trees.</p> <p>Field verification has also been conducted to verify the action taken by the KDFO to mark and protect any areas identified as protected areas and trees therein.</p>
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4 WOOD HARVESTED FROM AREAS BEING CONVERTED FROM FORESTS AND OTHER WOODED ECOSYSTEMS TO PLANTATIONS OR NON-FOREST USES

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures
4.1 Forest Conversion	FAO (http://www.fao.org/docrep/005/y7209e/y7209e04.htm)	<p>Low.</p> <p>According to source, there is no evidence of current conversion of PRF into forest plantation or other land uses occur within the Kuantan Forest District.</p> <p>As described earlier, the timber sourced by the company is originated from natural forest which is a Permanent Reserved Forest (PRF) of KFD, managed by the KDFO of Pahang State Forestry Department. All gazetted PRFs under KDFO are managed using the Selective Management System (SMS) through a 30-years cutting cycle.</p>	-	-
4.2 Forest Loss	FAO – Global Forest Resource Assessment 2015	<p>Low.</p> <p>According to FAO GFR 2015, there is a slight increase of total forested areas in Malaysia (an increase of 0.1% as compared</p>	-	-

		to 2010).		
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5 WOOD FROM FORESTS IN WHICH GENETICALLY MODIFIED TREES ARE PLANTED

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk) Provide numbers of thresholds ²⁵ that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures
5.1 Usage of GMO in Forestry	Global Forestry Registry (http://www.globalforestregistry.org/map)	Low. According to source, there is no commercial use of genetically modified trees of the species concerned taking place in Malaysia.	-	-

Annex 1: List and contact details of experts involved in the risk assessment

Controlled wood category 1

1. Mr. Abdul Haye Semail – Lead Auditor for FSC FM, FSC COC and FSC CW as well as PEFC FM Certification Schemes

Controlled wood category 2

1. Mr. Mohd Faisal Jaafar - Lead Auditor for FSC COC, FSC CW and PEFC FM Certification Schemes.

End of report

PUBLICALLY AVAILABLE FSC™ CONTROLLED WOOD COMPANY EXTENDED RISK ASSESSMENT

This template is provided as a guide, based on FSC-STD-40-005 V 3-1 (or later version) with examples in Annex G for extended risk assessments. Further examples with graphical presentation are provided in FSC-PRO-60-002a FSC National Risk Assessment Framework.

It is not mandatory to use this template. Any other format will be accepted as long as all required information is provided. The use of this template is no guarantee for complying with the respective requirements.

The confidential nature of the information may be determined by the legislation that the organization must be in compliance with. Commercially sensitive information and the names of individual landholders may be treated as confidential. The certificate holder shall inform their Certification Body of any confidential information in this risk assessment, which shall not be published.

Guidance below is highlighted with orange colour. All highlighted guidance shall be deleted in the completed document.

A COMPANY DETAIL

Name of the Certificate Holder	Corinthian Industries (Asia) Sdn Bhd
Certificate Code	SGS-COC-000865
Risk Assessment Number	

B APPROVAL (TO BE COMPLETED BY CERTIFICATION BODY)

Date of Risk Assessment	
Date of Approval	

C ORIGIN OF TIMBER

Country	Malaysia
Supply Area	<p>Corinthian intends to source the timber that is originated from Permanent Reserved Forest (PRF) of Rompin Forest District (RFD), managed by the Rompin District Forest Office (RDFO) of Pahang State Forestry Department.</p> <p>Rompin DFO is one of seven District Forest Offices (DFOs) within the Pahang State Forestry Department. The DFO is responsible in managing the PRF within the district totalling to 195,284 ha covering 15 PRFs.</p> <p>Out of the total 15 PRFs above, 166,944 ha or 6 PRFs are inland PRFs which the company intends to source <i>Kembang Semangkuk</i> species from.</p> <p>All 6 PRFs are managed using the Selective Management System (SMS) through a 30-years cutting cycle.</p> <p>The above is managed with the governance of the Section 10(1) of the National Forest Act, 1984, which classifies the</p>

PRF into 11 functional classes as follows:

- a) Timber production forest under sustained yield;
- b) Soil protection forest;
- c) Soil reclamation forest;
- d) Flood control forest;
- e) Water catchment forest;
- f) Forest sanctuary for wild life;
- g) Virgin jungle reserved forest;
- h) Amenity forest;
- i) Education forest;
- j) Research forest; and
- k) Forest for federal purposes.

Based on the above only first classification is allowed to be harvested on sustainable basis (using SMS) while the remaining 10 classifications are totally protected forest and hence harvesting, encroaching and other unauthorized activities is strictly prohibited.

With regards to the SMS; which is the system used to managed the PRFs as specified above, the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable.

The SMS requires comprehensive pre-felling forest inventory and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.

Similar to other state of Peninsular Malaysia, all harvesting operation within the RFD is govern by the National Forestry Act, 1984 (Amendment 1993). Aside from the National Forestry Act, there are several other laws that are deemed applicable during both operation and management of the FMU. Details are captured in Annex I of this document.

The operation of the Forestry District is guided by the Annual Forestry Plan. Annual Forestry Plan for Rompin District for 2017 is available that includes all management prescriptions for both timber and non-timber forest products covering all forest management operations within the FMU such as Pre-F, Harvesting, Post-F etc. In addition, the plan also includes the management prescription for human resources of the FD, community forest covering recreational forest and educational forest as well as research conducted such as CFI and growth plot. The plan is also found to be signed and approved by the respective District Forest Officer.

For the year 2017 & 2018 Controlled Wood (CW) assessment, only timber harvested from the following PRFs is considered:

- Chini Forest Reserve;
- Bukit Ibam Forest Reserve;

	<ul style="list-style-type: none"> • Lesong Forest Reserve; and • Lesong (Tambahan) Forest Reserve. <p>For harvesting process, every tree to be harvested is pre identified and tagged prior to felling operation during the Pre-Felling Inventory. Each of the tree marked for felling is tagged with tagging number in the form of serial continuous number i.e. AA1234/1, AA1234/2, AA4321/1, and AA4321/3. The give number is unique and only given for one particular license area and specific to the District of which the logs is harvested. The details of the above coding is recorded and maintained in the 'Tree Marking Record Book' which is an important component as a means to control the tree harvesting.</p> <p>With regards to the license no., for RDFO, the Forestry Department has issued a license code which unique to RDFO. Example is as follows:</p> <ul style="list-style-type: none"> • CR-01-16-2017– where; <ul style="list-style-type: none"> ○ C – is the identification code for the State of Pahang; ○ R – is the identification code for the district of origin of the logs; in this case Rompin Forest District; ○ 01 - is identification code specifically used for logs harvested from Permanent Reserved Forest (PRF) in Pahang FMU that has been classified as production forest under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993); and ○ 16-2017 – is the identification code indicating the license number for the respective year. <p>Each log to be transported are required to undergone a routine verification at Forest Checking Station (FCS) manned by the personnel from the Rompin DFO. Each of the logs on the lorry is measured and verified in term of tag #, species, diameter and length where the details are subsequently be recorded into the Removal Pass. The tag number at this stage is cross check with the 'Tree Marking Record Book' to ascertain accuracy of the species harvested and measurement of the logs. This is to ensure only tree marked for felling is harvested from the PRF.</p> <p>During the transportation of logs, it is a requirement under the National Forestry Act, 1984 (Amendment 1993) that the lorry driver is required to carry the Removal Pass. Absent of such document during the transportation may implicates that the lorry and the cargo is illegal and can be confiscated by the Rompin DFO.</p> <p>At the mill or primary processing mill where the logs are unloaded, the Removal Pass is presented to the buyer as a legal document. The Removal Pass is the key document for Chain of Custody where it provides links of the log to the forest origin through the details written on the Removal Pass include the license # where the log has been harvested. At this stage, it is possible to cross-checked the log tag number with the 'Tree Marking Record Book' maintained by the Rompin DFO to confirm the originality of the tag number.</p>
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D OVERALL RESULTS

Controlled wood category	Risk Rating
Controlled wood category 1 Illegally harvested wood	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk

Controlled wood category 2 Wood harvested in violation of traditional and human rights	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 3 Wood harvested from forest in which high conservation values are threatened	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 4 Wood harvested from areas being to plantations or non-forest uses	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk
Controlled wood category 5 Wood from forests in which genetically modified trees are planted	<input checked="" type="checkbox"/> Low Risk <input type="checkbox"/> Unspecified Risk

SPECIFIC REQUIREMENTS FOR EACH FSC CONTROLLED WOOD CATEGORY

1 ILLEGALLY HARVESTED WOOD

Identification of the applicable legislation

Indicator	Evidence
<p>If the applicable legislation was identified based on data available on GFR (www.globalforestregistry.org) describe how this was reviewed to ensure it is complete and up-to-date.</p>	<p>Applicable legislation is identified using GFR document entitled Draft list of applicable legislation to consider for forest legality related risks (updated 30th Aug 2013).</p> <p>To ensure the most updated list of laws is identified, the following sources is also utilized:</p> <ul style="list-style-type: none"> • Draft The FSC National Forest Stewardship Standard of Malaysia (Ref: FSC-STD-MYS-01-2017Natural and plantation forests EN) – to capture the most up-to-date laws listed for Peninsular Malaysia; and • Verifiers listed in Malaysian Criteria and Indicators for Forest Management Certification [MC&(Natural Forest)] – to capture the applicable section of the laws identified, concurrent with the issues highlighted.
<p>If the applicable legislation identified using other sources:</p> <ol style="list-style-type: none"> Provide the location of the list of applicable legislation developed based on the FSC-PRO-60-002a and structured according to Table 1 in the FSC-PRO-60-002a (e.g. annex) Specify sources of information used for identification (e.g. FSC FM National Standard, expert evaluation, list provided by NGO and/or governmental institutions) Provide an explanation giving reasons for using others sources than the GFR (e.g. no data ion GFR). 	

Assessment of enforcement of the applicable legislation

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures

1.1 Land Tenure and Management Rights	World Bank Governance Indicator (http://data.worldbank.org/data-catalog/worldwide-governance-indicators)	<p>Low.</p> <p>Sources confirm the implementation of the legislation pertaining to the tenureship and management rights of the Permanent Reserved Forests (PRFs).</p> <p>PRFs tenureship is belong to the government as specified in the National Forestry Act, 1984 (Amendment 1993) and National Land Code, 1930. The government through the State Forestry Department is entrusted to govern and manage the PRF in accordance with the Selective Management System (SMS), 1978.</p> <p>In general the SMS involves the selection of a management regime to optimize not only the objectives of efficient and economic harvesting, utilization, reforestation and sustained yield but, more importantly, to ensure that forest development is socially, biologically, ecologically and environmentally sustainable. The SMS requires an adequate pre-felling forest inventory and simulation of alternative felling options taking all relevant factors into account to determine the best regime for sustainable management. The system also requires tree-tagging or marking to be conducted to gauge trees marked for felling, trees marked as a protected trees and trees marked as mother trees (as a source of seed for future generation). In addition post-felling inventory is also be conducted after felling to determine residual stocking and appropriate silvicultural treatments to ensure that the residual stands will be ready for next cutting rotation due in 30 years.</p>	-	<p>Risk Assessment and Field Verification has been conducted covering the following:</p> <ul style="list-style-type: none"> • Documentation Review at Rompin DFO; • Visit to active operation areas: <ul style="list-style-type: none"> ○ CR 01-16-17 – Bukit Ibam FR ○ CR 01-18-17 – Bukit Ibam FR • Visit to Forest Checking Station – Muadzam Shah Forest Checking Station. <p>Visit to the District Forest Office has verified the following:</p> <ul style="list-style-type: none"> ○ Records of legal documentations (acts, rules, regulations, enactments); ○ records of gazattement of PRFs; ○ records of issuance of logging license; ○ records of taxes, premiums, cess and other taxes collected; ○ management plans and harvesting plans for the particular forest management unit (PRFs) managed by the District FD; ○ records of the implementation of the Selective Management System (SMS), 1978 together with the associated documentations and monitoring documentations thereunder; ○ records of Pre-Felling inventory conducted prior to approval and issuance of logging license; ○ records of Post-Felling inventory conducted after logging conducted; ○ records of silvicultural treatment conducted, if necessary following to Post-Felling inventory;
1.2 Concessions and Licenses		Low.	-	
1.3 Management & Harvesting Planning		Sources confirm the implementation of the laws pertaining to the issuance of license and session.	-	

<p>1.4 Harvesting Permits</p>		<p>In practice, for any production areas within the PRF due for harvesting and has undergone the Pre-felling Inventory, the Rompin Forestry Department (RFD) will issued logging license to contractors. However, a due administration and technical process shall be conducted before the area is granted a logging license. Forest Harvesting Plan shall be established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected trees etc.</p> <p>For any draft Forest Harvesting Plan prepared, the Forestry Engineer will visit the area and will assess the suitability and appropriateness of those areas that marked on the map which has been demarked on the ground. Upon confirmation of the area, the Forestry Engineer will prepare the report to be verified by the Central Rompin District Forest Office (RDFO). Otherwise, the logging contractor will have to redo the forest harvesting plan; addressing the comment and remarks made by the Forestry Engineer during his/her visit.</p>		<ul style="list-style-type: none"> ○ record of Pre-harvesting briefing to all stakeholders by the FD; ○ records of identification and demarcation of local communities within the vicinity of the PRFs; ○ usage of the Social Impact Monitoring Forms for consulting the local communities before, during and after the logging has been conducted; ○ records of identification of 32 listed protected tree species provisioned by the FD; ○ records of demarcation of mother trees as required by SMS, 1978 <p>Visit to Active Logging Area verified the following:</p> <ul style="list-style-type: none"> ○ Implementation of the harvesting operations in accordance with the approved forest harvesting plan; ○ Tree harvesting and tree felling process; ○ Verification of residual stands and trees; ○ Verification of protected trees and mother trees that has been marked in term of the quality and health status of the marked tree; ○ Boundary demarcations; ○ Bufferzone demarcations; ○ Construction of forest roads and skid trails; <p>Visit to Forest Checking Stations has verified the following:</p>
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				<ul style="list-style-type: none"> ○ Records of removal passes issued; ○ Availability of the Tree Tagging Record Book for the monitoring of the movement of trees that has been felled out from the PRF; ○ Traceability of the information captured in the removal pass with the information in the Tree Tagging Record Book. <p>Stakeholder consultation has also being conducted with the local communities in RPS Bukit Serok and RPS Kedaik to gauge the following:</p> <ul style="list-style-type: none"> ○ Free, Prior and Informend Consent (FPIC) through the usage of the Social Impact Monitoring Form for the particular local communities. <p>Interview with the Forestry Department Officer during the 2 days Risk Assessment Audit has been conducted to gauge their level of knowledge at their respective level on the implementation of the forest management and operations in line with the adhered SMS, 1978;</p> <p>During the field visit to the active logging area, interview with the logging workers to gauge their level of knowledge on forest harvesting operations and rules to be abide with respect to environmental, social and occupational safety and health requirements.</p>
1.5 Corruption Perception Index	Transparency International (https://www.transparency.org/news/feature/corruption_perceptions_index_2016)	Specified at country level. Source verified showed that as of 2016, Malaysia rank 55 with the score of 49 under the CPI Index by Transparency International.	Risk: Specified Risk at country level Low Risk at Rompin Forestry District Level	Implementation of the following: <ul style="list-style-type: none"> ● Forest Management Plan; ● Forest Harvesting Plan; ● Harvesting process in line with Reduced Impact Logging Guidelines;

				<ul style="list-style-type: none"> • Inventory in line with the SMS manual; • Tree are correctly tagged; • PRFs and compartment Boundary are clearly marked; • Protected and protection trees are clearly marked.
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2 WOOD HARVESTED

IN VIOLATION OF TRADITIONAL OR CIVIL RIGHTS

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures
2.1 Indigenous Peoples Rights & FPIC	Illegal Logging Portal (https://www.illegal-logging.info/content/indigenous-groups-activists-risk-arrest-blockade-logging-malaysia)	<p>Specified at country level.</p> <p>Sources verified showed that there is latest incidence of conflict between the indigenous peoples (IPs) with the State Forestry Department where the IPs has erected a blockade at the entrance of the PRFs due to their objection against the forest harvesting activities occur in the neighboring PRFs.</p> <p>The above however, occur in Gua Musang District of Kelantan State of Peninsular Malaysia and not Rompin Forest District of Pahang State of Peninsular Malaysia, where the Logs intended to be sourced.</p>	<p>Ownership: Government FMU</p> <p>Risk: Specified Risk at Country Level;</p> <p>Low Risk at Rompin Forestry District Level</p>	<p>Documentation confirming the following:</p> <ul style="list-style-type: none"> • Maps of Orang Asli Villages and Areas identified by the Department of Orang Asli Development (JAKOA) as per in the Aboriginal Peoples Act, 1954; • Maps within the harvesting plan depicting the areas of cultural values of local communities and protected trees of economic value for the local communities that depending on them; • FPIC through the utilization of Monitoring Form E (Social Impact Form) (before, during and after harvesting operations) as a means to gauge the impact of tree harvesting activities in the PRFs. <p>Stakeholder consultation with the Orang Asli Community of RPS Bukit Serok and RPS Kedaik to confirm the FPIC and utilization of the Monitoring Form E as well as other means of communications established by the FD such as <i>Jawatankuasa Kemajuan dan Keselamatan Kampong (JKKK)</i> [Village Security and</p>

				<p>Development Committee].</p> <p>The following are the CMs that are listed to mitigate the risk for this FSC CW Category:</p> <ul style="list-style-type: none"> • Performing the stakeholder consultation with the local communities to gauge the following: <ul style="list-style-type: none"> ○ FPIC through the usage of the Social Impact Monitoring Form for the particular local communities; ○ Gauge their depending with the PRFs for their livelihood; ○ Form of engagement by the FD; ○ Identification of customary areas within the PRFs; • Mechanisms to resolve disputes over the tenure and use rights at the state or the district levels, where officials from the Forestry Department are invited to participate in the various committees set up to discuss any issues. <p>During the Risk Assessment Audit, Stakeholder consultation with local communities of RPS Bukit Serok and RPS Kedaik has been conducted and showed the following:</p> <ul style="list-style-type: none"> • FPIC has been implemented by the FMU using the Monitoring Form E (Social Impact) for the logging operations that takes place in the neighboring PRFs; • The community is no longer depending to FR for livelihood and economy - have their own business (construction), jobs (city job), land and orchard (gazatted under the Aboriginal Peoples Act 1954); • The community only venture into forest for collecting honey which is conducted
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				<p>seasonal; and</p> <ul style="list-style-type: none"> Well informed of dispute mechanisms established to be communicated with the FD. <p><u>Engagement with Social Expert:</u></p> <p>Based on the above, it can be summarized, the CMs listed can be divided into:</p> <ul style="list-style-type: none"> Documentation Review; Stakeholder Consultation. <p>Based on the risk assessment, the documentation review has been conducted to verify on the availability of the local communities living neighboring the PRFs of Rompin Forest District. Moreover, other means of documentation has been captured during the RA i.e. maps that has been produced (from both the FD and the JAKOA) which specifying the location of the local communities.</p> <p>In addition, stakeholder consultation has been conducted with the communities of RPS Bukit Serok and RPS Kedaik to gauge and determine the communities dependency to the forest as the cultural value of the forest to them has been conducted.</p> <p>Based on the above, it can be summarized that all CMs listed has been duly implemented.</p>
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3 WOOD HARVESTED FROM FOREST IN WHICH HIGH CONSERVATION VALUES ARE THREATENED BY MANAGEMENT ACTIVITIES

HCV category	Data used for HCV identification	Identified threats (provide sources)	Functional scale	Control measures

HCV 1	HCVF Toolkit for Malaysia (https://www.hcvnet.org/resources/national-hcv-interpretations/HCVF%20Malaysia%204th%20Draft.pdf)	<p>Specified Risk:</p> <p>Important Bird Areas (Peat Sawmp areas of South East of Pahang State listed in Appendix 4) of the HCVF Toolkit.</p> <p>However, the above area is not considered as part of this Risk Assessment.</p>	<p>Specified Risk at State Level;</p> <p>Low Risk at Rompin Forest District Level</p>	<p>Listed CMs are as follows:</p> <ul style="list-style-type: none"> • HCVFs assessment conducted at Pahang State FMU Level; • Stakeholder consultation with local communities; • Site visit to verify the management and protection of HCVFs.
HCV 2	HCVF Toolkit for Malaysia (https://www.hcvnet.org/resources/national-hcv-interpretations/HCVF%20Malaysia%204th%20Draft.pdf)	<p>Specified Risk:</p> <p>Bukit Ibam FRs is listed as part of the Central Forest Spine (CFS) forest complex that provide primary linkage with the Titiwangsa Ridge, thus harvesting in this area may complicate the maintainance of the CFS.</p>	<p>Specified Risk at State Level;</p> <p>Low Risk at Rompin Forest District Level</p>	<p>Documentation review and field verification conducted showed that the FD has identified trees that known to be nesting trees for birds and listed those trees as part of 32 identified protected tree species.</p> <p>Moreover, a pre-felling briefing to all stakeholders including the Department of Wildlife also be given and any information sharing pertaining to wildlife areas and its possible habitat.</p> <p>Record also showed that the DFO has also classified the PRFs under its district into 11 functional classes as stipulated under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993) whereby the PRF is also classified as protection forest under various categories such as Watershed Forest, Soil Conservation/Protection Forest, Recreational Forest, Educational Forest, Wildlife Conservation Forest, Virgin Jungle Reserves, Research Forest and Forest on Reclaimed Land. All of the above areas are managed and conserved similar to HCV and marked as well as mapped.</p> <p>Observed also that the classifications of forests according to this have been incorporated into the Annual Forest Plan for the RDFO. Such identified area is marked on map and demarcated on the ground and set aside for protection.</p> <p>In addition, Forest Harvesting Plan shall be</p>

			<p>established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected and protection trees.</p> <p>The DFO has also classified the PRFs under its district into 11 functional classes as stipulated under Section 10 (1) of the National Forestry Act, 1984 (Amendment 1993). Only areas classified as production forest can be harvested, while the other forest categories are classified as protection forest under various categories such as Watershed Forest, Soil Conservation/Protection Forest, Recreational Forest, Educational Forest, Wildlife Conservation Forest, Virgin Jungle Reserves, Research Forest and Forest on Reclaimed Land. All of the above areas are managed and conserved similar to HCV and marked as well as mapped.</p> <p>Classifications of forests according to this have been incorporated into the Annual Forest Plan for the Rompin Forest District. Such identified area is marked on map and demarcated on the ground and set aside for protection.</p> <p>In addition, Forest Harvesting Plan shall be established that consist of detailed plan for harvesting operations for the particular area. The plan also shall contains a detailed maps depicting the location of area such as tree marked for harvesting, feeder road, skid trails, river and stream, bufferzone and protected areas, protected and protection trees.</p> <p>No logging license is allowed to be issued from the above-mentioned areas. Encroachment or logging into such area is prohibited under the National Forestry Act, 1984 (Amendment 1993).</p> <p>As there is one identified HCVF in the Forest District, the assessment team has visited the</p>
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			<p>area i.e. Padang Tujuh Kerangas Forest. Observed the area has been closely monitored by the DFO. Records of monitoring of the area is also available and verified by the assessment team.</p> <p>Engagement with Expert:</p> <p>Based on the above CMS, the audit confined to Rompin Forest District (the FMU that has been audited), which is the only FMU that will be sourced by Corinthian. The Rompin Forest District is part of the Pahang State FMU.</p> <p>CMS listed are found to be adequately implemented covering both documentation review and field verification.</p> <p>The Risk Assessment took consideration the HCVF toolkit and its findings as a basis to determine the potential HCVF in the PRFs of RDFO. Moreover, Risk Assessment also has taken further action to verify RDFO's compliance against the laws and regulation pertaining to the protected trees.</p> <p>Field verification has also been conducted to verify the action taken by the RDFO to mark and protect any areas identified as protected areas and trees therein.</p> <p>In practice, the FMU performing the prescribed management programme as specified in the HCV Assessment Report with proper monitoring programme outlined. The monitoring is found to be conducted as per in the programme. Records of the monitoring are found to be updated and be made available to the assessor during the audit.</p>
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4 WOOD HARVESTED FROM AREAS BEING CONVERTED FROM FORESTS AND OTHER WOODED ECOSYSTEMS TO PLANTATIONS OR NON-FOREST USES

Indicator (Applicable legality categories and sub-categories)	Sources of information	Risk determination and specification (if not low risk). Provide numbers of thresholds that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures
4.1 Forest Conversion	FAO (http://www.fao.org/docrep/005/y7209e/y7209e04.htm)	Low. According to source, there is no evidence of current conversion of PRF into forest plantation or other land uses occur within the Rompin Forest District. As described earlier, the timber sourced by the company is originated from natural forest which is a Permanent Reserved Forest (PRF) of Rompin Forest District, managed by the RDFO of Pahang State Forestry Department. All gazetted PRFs under RDFO are managed using the Selective Management System (SMS) through a 30-years cutting cycle.	-	-
4.2 Forest Loss	FAO – Global Forest Resource Assessment 2015	Low. According to FAO GFR 2015, there is a slight increase of total forested areas in Malaysia (an increase of 0.1% as compared to 2010).	-	-

5 WOOD FROM FORESTS IN WHICH GENETICALLY MODIFIED TREES ARE PLANTED

Indicator (Applicable legality categories and sub-categories)	Sources of informatio	Risk determination and specification (if not low risk) Provide numbers of thresholds ²⁵ that are met. JUSTIFY THE OUTCOME (for each threshold).	Functional scale	Control measures

5.1 Usage of GMO in Forestry	Global Forestry Registry (http://www.globalforestregistry.org/malaysia)	Low. According to source, there is no commercial use of genetically modified trees of the species concerned taking place in Malaysia.	-	-
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Annex 1: List and contact details of experts involved in the risk assessment

Controlled wood category 1

1. Mr. Abdul Haye Semail – Lead Auditor for FSC FM, FSC COC and FSC CW as well as PEFC FM Certification Schemes

Controlled wood category 2

1. Mr. Mohd Faisal Jaafar - Lead Auditor for FSC COC, FSC CW and PEFC FM Certification Schemes.

End of report