



PESAMA TIMBER CORPORATION SDN BHD

(A Subsidiary of Golden Pharos Berhad)

The FSC[®] Principles and Criteria for Responsible Forest Management

The FSC[®] Principles and Criteria describe how the forests have to be managed to meet the social, economic, ecological, cultural and spiritual needs of present and future generations. They include managerial aspects as well as environmental and social requirements. In fact FSC[®] rules are the strictest and FSC[®]'s social and environmental requirements the highest.

These 9 principles and 56 criteria form the basis for all FSC[®] forest management standards. Based on these 9 principles, the FSC[®] has developed further rules (called policies or standards) that further define and explain certain requirements stipulated in the 9 principles.

Here is a summary of some of the points the FSC[®] Principles and Criteria require. Many of the points listed below will appear almost basic – but in many places even these basic requirements are not fulfilled. This is where FSC[®] can have the biggest positive impact.

1. Prohibit conversion of forests or any other natural habitat
2. Respect of international workers right.
3. Prohibition of use of hazardous chemicals
4. Respect of Human Rights with particular attention to indigenous peoples
5. No corruption – follow all applicable laws
6. Identification and appropriate management of areas that need special protection (e.g. cultural or sacred sites, habitat of endangered animals or plants)

Overview of the FSC[®] Principles and Criteria

Principle 1.

Compliance with all applicable laws and international treaties
(Pematuhan dengan undang-undang dan prinsip-prinsip FSC[®])

Principle 2.

Demonstrated and uncontested, clearly defined, long-term land tenure and use rights
(Perjanjian/Tenure dan hak-hak mengguna dan tanggungjawab)

Principle 3.

Recognition and respect of indigenous peoples' rights
(Hak-hak penduduk peribumi/orang asli)

Principle 4.

Maintenance or enhancement of long-term social and economic well-being of forest workers and local communities and respect of worker's rights in compliance with International Labour Organisation (ILO) conventions
(Hubungan kemasyarakatan dan hak-hak pekerja)

Principle 5.

Equitable use and sharing of benefits derived from the forest
(Faedah daripada hutan)

Principle 6.

Reduction of environmental impact of logging activities and maintenance of the ecological functions and integrity of the forest
(Kesan alam sekitar)

Principle 7.

Appropriate and continuously updated management plan
(Rancangan pengurusan hutan)

Principle 8.

Appropriate monitoring and assessment activities to assess the condition of the forest, management activities and their social and environmental impacts
(Pemantauan dan penilaian)

Principle 9.

Maintenance of High Conservation Value Forests (HCVFs) defined as environmental and social values that are considered to be of outstanding significance or critical importance
(Pemeliharaan hutan dengan nilai pemuliharaan tinggi (HCVF))