

Media Release For Immediate Release

Samling Group's Response to Bruno Manser Fonds's Article Dated 20th May 2021

3 June 2021, Miri, Sarawak - We refer to the post published on the Bruno Manser Fonds (BMF) official website on 20th May 2021 and which was widely cited in several media articles on 20th and 21st May 2021. The post by BMF contained allegations made against the Samling Group in relation to the Gerenai and Ravenscourt Forest Management Units or FMUs. The post called into question the certification of the two FMUs by the Malaysian Timber Certification Council (MTCC), alleging "many discrepancies between the certification requirements and its implementation".

At the outset, Samling would like to state clearly and firmly that the allegations contained in the post were false and lacked any shred of credibility or truth. The allegations have not only tarnished unfairly Samling's image but have also brought into serious question the good reputations of both MTCC and of the certifying body, SIRIM QAS International Sdn Bhd. Additionally, the allegations belittle the value of forest management certification and the integrity of the Programme for the Endorsement of Forest Certification (PEFC).

The allegations made in the post by BMF and Borneo Project (BP) have been repeated despite due clarification published by the MTCC itself on 13th August 2020, entitled '*Commentary: Processes Involved in Granting Certification Under the MTCS'*, where the MTCC clarified that Samling had indeed satisfactorily fulfilled all the requisite certification requirements.

Samling also wishes to clarify that the certification process for the Gerenai and Ravenscourt FMUs was done in accordance with all requirements of the Malaysian Timber Certification Scheme's Malaysian Criteria & Indicators, which have been endorsed by the PEFC, and are therefore compliant with international certification standards.

Part of this certification process involves the submission of 3rd party Environmental Impact Assessment (EIA) and Social Impact Assessment (SIA) reports – both of which were duly complied with by Samling. The scope the EIA report is under the purview of the Natural Resources and Environment Board (NREB) of Sarawak and not Samling. It is a requirement of the NREB that part of the EIA report must be put up for public display in the FMUs' offices.

The findings of the SIA are communicated to the communities – usually by the consultant responsible for the assessment – either by a visit to an individual community or at a meeting held for a group of communities. Contrary to what was alleged in the BMF post, Samling has not received any formal request to share neither the EIA Report nor the SIA report. Thus, to allege that Samling has refused to release these reports is totally untrue, and to say they were not made available to the communities is also incorrect.

This practice of lobbing baseless accusation after baseless accusation without any regard for truth or fact, is a practice that is unfortunate. Publishing groundless accusations based on false information does little good for the communities these NGOs purport to support, and

can in fact cause damage to the processes that have been put in place by Samling for the upliftment of the communities involved.



Samling values constructive engagement with the communities and has carried out numerous community engagements on its own initiative, which have already been reported by the media.

Samling's own internal Standard Operating Procedures involve direct and comprehensive engagement between the Group's liaison officers and the local communities to ensure there is full understanding and agreement of any proposed harvesting activity in areas that lie close to, or overlap with, community lands recognised under the law. This is done before the start of any harvesting operations and holds true also for the Gerenai and Ravenscourt FMUs.

Samling understands and respects the community's dependence on forest produce and has neither denied the importance of the forest to their livelihood nor wilfully caused damage to forests that are used by the communities as food sources. At the same time, Samling also believes in the empowerment of local communities so that they can discern for themselves their rights and the responsibilities of the Samling Group, and engage directly with Group instead of through NGOs who claim to speak for the communities.

To help achieve this, Samling has embarked on numerous community projects which are aimed not only at the economic uplifting of the communities, but more importantly at the educational uplifting of their children and future generations. These projects include roads, bridges, schools and medical assistance particularly Covid related medical support, testing and other equipment and facilities.

At a time when many were unable to source for income or food, Samling provided 20,000 packs of essential food packs comprising of rice, sugar, cooking oil, flour, biscuits and noodles for rural communities in Baram, Layun, Lawas, Mayeng, Lana and the urban poor in Miri. Samling also runs a bursary scheme for students from 51 Primary and 7 Secondary schools.

Samling has been present in rural Sarawak for many decades and has been a key partner of the state government in providing roads, education and healthcare facilities to these areas. The over 10,000km of various categories of roads and 81 bridges built and maintained by Samling have provided a lifeline for rural communities in seeking medical treatment as well as education for the children and business activities. The Group is also the main source of employment for most of these communities, which make up over 80% of the manpower for the Group's main upstream operational areas.

Samling will always maintain its integrity as a responsible corporate citizen by adhering to all the relevant laws and regulations that have been imposed by the State and Federal authorities. Samling accepts fair criticism and scrutiny as part and parcel of the corporate world but it will not accept baseless and false accusations hurled against the Group and will continue to speak up to defend its reputation and name.

For further information, please contact

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