Our mission is to inspire and mobilise society to safeguard and restore wetlands for people and nature.

https://malaysia.wetlands.org
I. Message From the Chairman of Council

As we reflect on the past year's achievements and milestones, I am happy to present our annual report, showcasing the remarkable efforts and contributions of our team.

2023 was a busy year but we managed to meet the KPIs (Key Performance Index) set for the year. We successfully completed two major projects in Brunei, namely the Verified Carbon Standard (VCS) for the Badas Peat Dome, and the Reforestation project which is a follow-up project from the Biodiversity Action Project (BAP) carried out in 2012. We wrapped up the VCS project viz. to update on the carbon removal potential and economic aspects and to provide recommendations to the project donor for navigating discussions with Brunei government agencies should they decide to explore carbon trading opportunities in future. We completed the second project, Reforestation which involved the setting up of a nursery and seed collection where the seedlings were later replanted in identified degraded sites to mitigate and restore the healthy, functional, sustainable and resilient forest ecosystem.

We were successful in securing significant funding amounting to RM 1.3 million from Yayasan Hasanah. This funding will facilitate the replication of the Building with Nature concept at Tanjung Kepah, focusing on mangrove rehabilitation and helping the local community to be more resilient to climate impacts through a series of empowerment programs.

Collaborating with RSPO (Round Table for Sustainable Palm Oil), we conducted three training sessions on the RSPO Drainability Assessment Procedures for RSPO members, engaging a total of 102 participants from 2 training sessions in Indonesia and 1 in Malaysia. These training sessions have built up capacity amongst plantation growers and managers to conduct Drainability Assessments effectively, crucial for determining the suitability of peatlands for future replanting cycles.
Our partnership with Sime Darby Property and Gamuda Parks, two major developers, has been further strengthened, as evidenced by their engagement with our office to curate and develop educational learning programs for community engagement and the development of training modules relating to the field of urban wetlands, including the design consideration of constructed wetlands and management of healthy urban wetlands and sustainable drainage. This ongoing collaboration underscores our commitment to fostering meaningful partnerships for positive impacts.

Although faced with challenges, we have successfully wrapped up the Verified Carbon Standard (VCS) project design for Badas Peat Dome. While the absence of a carbon trading policy at the country level necessitated a strategic pause, our team has diligently updated the project's carbon removal potential and economic aspects. Furthermore, we have provided recommendations to the project donor for navigating discussions with Brunei government agencies, should they decide to explore carbon trading opportunities in the future.

In line with our dedication to capacity building, three of our staff members were selected to participate in Project Cycle Management training organized by Global Office Wetlands International (GOWI). This investment in professional development underscores our commitment to equipping our team with the skills and knowledge necessary to execute projects efficiently and effectively.

These achievements are a testament to the hard work, dedication, and expertise of our team. As we continue to navigate the challenges and opportunities ahead, I am confident that our collective efforts will help to drive positive change and foster sustainability of our wetlands for generations to come.

Datuk Paduka Ir Hj Keizrul bin Abdullah
Chairman of Council
II. Our Programmes and Activities

Mangrove Restoration Program 2023

Replanting activity
There were six (6) replanting activities were conducted; four programs in Selangor (Bagan Pasir Forest Reserve and Kuala Bernam Forest Reserve) and two programs in Pulau Pinang (Chenaam River, Nibong Tebal) with the support from private sectors, universities, Peninsular Malaysia Forest Department and Penang Inshore Fishermen Welfare Association (PIFWA). A total of 4,700 mangrove seedlings (*Rhizophora apiculata* and *Rhizophora mucronata*) were successfully replanted covering an estimated of 0.78 ha.
II. Our Programmes and Activities

Environmental Awareness

International Day for the Conservation of the Mangrove Ecosystem

A webinar titled ‘Mangroves: The Cradle of Life’ was organized on 6th August 2023 in conjunction of International Day for the Conservation of the Mangrove Ecosystem 2023. Speakers from Wetlands International (WI) and World Wildlife Fund (WWF) Setiu gave an insight of the importance of mangroves and efforts done in Selangor and Terengganu. An Interactive quiz was conducted to test their understanding, and ten of the participants successfully answered all questions with top scores.
II. Our Programmes and Activities

Environmental Awareness

International Day for the Conservation of the Mangrove Ecosystem

The announcement of poster competition delivered at the end of the webinar session, calling for artwork submission from youth around Peninsular Malaysia. Top three were selected for their incredible artworks:
II. Our Programmes and Activities

Environmental Awareness

**Young Water Scientist - GAMUDA**

Wetlands International supported ‘Wonders of Wetlands’ event organized by Gamuda Land in conjunction to International Day for Biodiversity 2023 on 10th to 11th June 2023. Junior Water Scientist Program was conducted where the participants from 7 to 12 years old had the opportunity to experience hands-on activities such as basic EPT Index and Water Quality Assessment.
II. Our Programmes and Activities

Environmental Awareness

TKMAP – Hari Bersama Komuniti

Wetlands International (WI) in collaboration with Universiti Teknologi PETRONAS (UTP) organised an event with the local community at Lekir, Perak. The event, “Program Bersama Komuniti” was held for half day on 18th November 2023, Saturday at Pusat Riadah Laut Tg Kepah, supported by strategic partners; i) National Water Research Institute of Malaysia (NAHRIM), ii) Department of Irrigation and Drainage (DID) Manjung, iii) Fisheries Research Institute (FRI) Perak and Pulau Pinang, and iv) TenCate Geosynthetics Asia Sdn. Bhd. (SOLMAX).
II. Our Programmes and Activities

Environmental Awareness

This event is one of the stakeholder engagement activity under Tanjung Kepah Mangrove Action Project (TKMAP), a community-based project funded by Yayasan Hasanah (YH). The objectives of this engagement are i) to introduce TKMAP project to the local community, ii) to identify the needs, concerns and expectation of the locals from this project and iii) to garner their interest and support in participating the project activities throughout the TKMAP implementation phase.

In general, the villagers are expecting a positive change from this project where the outcome would help to reduce the impact of the coastal erosion and mangrove nursery and shellfish cultivation could become their additional source of income and improving their livelihood.
II. Our Programmes and Activities

Environmental Awareness
Environmental Awareness

Asia Pacific Climate Week 2023

Wetlands International Malaysia office (MyWI) had the opportunity to participate in the event for three days to gain the insights into the current climate change issues and engage in discussions on challenges and solutions. Four major system-based tracks were addressed and discussed throughout APCW 2023 which are 1) Energy Systems and Industry, 2) Urban and Rural Settlements, Infrastructure and Transport, 3) Land, Ocean, Food and Water and 4) Societies, Health, Livelihoods, and Economies.

With more than 200 sessions held concurrently from 9:00 AM until 6:00 PM at different venue with presentation of technical papers, collaborative output, case studies, exhibition booth, strategies discussion and launching of different types of funding.
Environmental Awareness

Nature-based Solutions (NbS): Bridging the Knowledge Gap

‘Nature-Based Solutions (NbS): Bridging the Knowledge Gap’ workshop served as a medium of open dialogue with the goal of reducing the knowledge gap and problems in its implementation in Malaysia. This workshop, co-organized by WWF-Malaysia, Wetlands International Malaysia, River Engineering and Urban Drainage Research Center (REDAC), the Center for Global Sustainability Studies (CGSS), Water Watch Penang and the Malaysian National Water Research Institute, was held in tandem with all parties’ efforts to steer NbS implementation in this country.
II. Our Programmes and Activities

**Environmental Awareness**

**Global Environment Facility Cycle 8 (GEF-8)**

**National Dialogue**

The Ministry of Natural Resources, Environment and Climate Change (NRECC) Malaysia in collaboration with Global Environment Facility (GEF) Secretariat, Washington DC organized GEF Cycle 8 National Dialogue Workshop for three days, 8th to 10th May 2023. This workshop aims to facilitate the development of project proposal under GEF-8 funding. Introduction, overview, national priorities, brainstorming, and group discussion were adjourned on the first two days, and site reconnaissance to Raja Musa Forest Reserve on the last day of the workshop.
Project Cycle Management (PCM) Training

Wetlands International Global Office organized several sessions of Project Cycle Management Training and Malaysia Office attended one of the sessions (4th – 8th December 2023) along with Indonesia, Brunei, India, Senegal and Sahel Offices at Ede, Netherlands. The training aims to provide wider understanding of project management in efficient way at different phases from exploration to closure of project.
**II. Our Programmes and Activities**

**Brunei**

**Seedling and nursery project**

In the third quarter of 2023, our nursery received a notable request from Brunei Shell Petroleum (BSP) for the supply of 120 plants encompassing of *Barringtonia racemosa* (Putat sungai), *Callophyllum inophyllum* (Panaga laut) and *Terminalia catappa* (Telisai). The tree planting initiative at Kuala Beliat is as part of the green initiatives of the company in progressing towards its green ambition.

Although the planting task was delegated to another company, SPHIERE, it marked a significant milestone for us as it was the first time our seedlings underwent hardening treatment before deployment. This proactive measure ensured that the plants were well-prepared to thrive in their new environment, contributing to the success of the landscaping project.

Our involvement in this project signifies a shared commitment to environmental stewardship and sustainability. By implementing hardening treatment for the seedlings and supporting the client's green initiatives, we contribute to the creation of an eco-friendlier future for Brunei Darussalam. Moving forward, we remain dedicated to fostering partnerships that prioritize environmental responsibility and promote the preservation of our natural resources.

We are happy to share that the SPHIERE's tree-planting app was utilized to track the total number of trees planted, as well as the maturity and well-being of planted trees. This innovative tool not only facilitates efficient tree tracking but also ensures the long-term success of tree planting initiatives, contributing to Brunei's carbon sink, and fostering a sustainable future.
III. Our Team

Khadijah Binti Ahmad

Khadijah obtained her BSc. (Social Science) in Accounting and Economics from Southampton University, UK. In 1996, she joined Wetlands International Malaysia as a Finance Officer. Currently, she is in charge of all the Accounts administration of the Malaysia and Brunei office.

Flora George

Flora George is the current Administration Officer at Wetlands International Malaysia. She has an Executive Diploma in Secretarial studies. She gradually progressed in ranks from Secretary to Administration Officer.

Yong Huaimei

Huaimei joined Wetlands International Malaysia as a Technical Officer in 2014. She was recently promoted to Senior Technical Officer. Her main focus is on peatland conservation and management for Malaysia and Brunei. Huaimei, graduated with a Bachelor degree in Conservation Biology and a Masters degree in Ecology & Herpetology.
**III. Our Team**

**Aziah Binti Muhamad**

Aziah graduated from the University of Brunei Darussalam with a Bachelor degree in Biological Science and a Masters degree. She is involved with follow up projects from the Biodiversity Action Plan (BAP) project 2012 - 2014, a collaboration between Brunei Shell Petroleum (BSP) and Wetlands International (WI).

**Azwani Sahibu**

Azwani is Sabahan and holds a Master's degree in Marine Biology from Universiti Malaysia Terengganu. Her work involves on mangrove restoration and empowering local communities to adapt to climate change's repercussions.
IV. 2022 Financial Summary

WETLANDS INTERNATIONAL
(A Company Limited By Guarantee And Not Having A Share Capital)
(Incorporated in Malaysia)

STATEMENT BY DIRECTORS PURSUANT TO
SECTION 251(2) OF THE COMPANIES ACT, 2016

We, Dr. Shamsudin bin Ibrahim and Datuk Paduka Ir. Hj. Keizril bin Abdullah @ Lim Teik Keat, being two of the Directors of Wetlands International do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 5 to 28 are drawn up so as to give a true and fair view of the financial position of the Company as at 31 December 2022 and the financial performance of the Company for the financial year ended 31 December 2022 in accordance with Malaysian Financial Reporting Standards in Malaysia and the requirements of the Companies Act, 2016 in Malaysia.

ON BEHALF OF THE BOARD OF DIRECTORS

[Signatures]

DR. SHAMSUDIN BIN IBRAHIM
DIRECTOR

Datuk Paduka Ir. Hj. Keizril Bin Abdullah @ Lim Teik Keat
DIRECTOR

Subang Jaya, Selangor Darul Ehsan
15 MAR 2023

STATUTORY DECLARATION PURSUANT TO
SECTION 251(1) (g) OF THE COMPANIES ACT, 2016

I, Khadijah Ahmad, the officer primarily responsible for the financial management of Wetlands International, do solemnly and sincerely declare that the financial statements set out on pages 5 to 28 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1950.

Khadijah Ahmad

Subscribed and solemnly declared by the above-mentioned Khadijah Ahmad.
at: Subang Jaya, Selangor Darul Ehsan
on: 15 MAR 2023

before me.

[Stamp]
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
WETLANDS INTERNATIONAL
(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 384831-D)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Wetlands International, which comprise the statement of financial position as at 31 December 2022, and the statement of comprehensive income, statement of changes in members' funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 5 to 29.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (By-Laws) and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (Including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.
INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF WETLANDS INTERNATIONAL (CONTINUED)
(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 394031-D)

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
INDEPENDENT AUDITORS’ REPORT TO THE MEMBERS OF
WETLANDS INTERNATIONAL (CONTINUED)
(A Company Limited By Guarantee And Not Having A Share Capital)
(Company No. 394031-D)

d) Conclude on the appropriateness of the Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors’ report to the related disclosures in the financial statements of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors’ report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Director regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 2016 in Malaysia, we also report that in our opinion, the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the contents of this report.

ZAMZURI & CO.
(No. AF-1315)
Chartered Accountants

MOHD ZAMZURI BIN DARUS
(No. 02107/11/2024 (J))
Chartered Accountant
15 MAR 2023
Selangor Darul Ehsan
STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Revenue by Project

- Urban Wetlands within Bandar Bukit Raja
- Brunei Forestry Workshop
- Mangrove Replanting (Malaysian Government)
- Building with Nature-IK
- Gamuda Parks Urban Ecology & Biodiversity Programme
- GEF SGP Capacity Building
- Trainer for RSPO Drainability Assessment Procedure
- CSR Work
- Yayasan Hasanah-UTP Tg Kepah Mangrove Action Plan
- Reforestation (Brunei)
- VCS Badas Peat Dome (Brunei)
STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Administrative costs
# STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

<table>
<thead>
<tr>
<th></th>
<th>2023 (RM)</th>
<th>2022 (RM)</th>
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<tbody>
<tr>
<td>Revenue</td>
<td>1,507,794</td>
<td>1,005,037</td>
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<tr>
<td>Direct Project Costs</td>
<td>(984,375)</td>
<td>(932,330)</td>
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<tr>
<td>Gross (deficit)/surplus</td>
<td>523,419</td>
<td>72,707</td>
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<td>Other operating income</td>
<td>101,539</td>
<td>31,241</td>
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<tr>
<td>Administrative expenses *</td>
<td>(442,274)</td>
<td>(410,853)</td>
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<td>Other operating expenses</td>
<td>(138,444)</td>
<td>(149,635)</td>
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<td>Surplus/(Deficit) before taxation</td>
<td>44,240</td>
<td>(456,540)</td>
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<tr>
<td>Taxation</td>
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<td>-</td>
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<td>Surplus/(Deficit) for the financial year</td>
<td>44,240</td>
<td>(456,540)</td>
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<tr>
<td></td>
<td>2023 (RM)</td>
<td>2022 (RM)</td>
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<tr>
<td>NON-CURRENT ASSETS</td>
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<td>Property, plant and</td>
<td>452,779</td>
<td>460,332</td>
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<td>CURRENT ASSETS</td>
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<td>22,499</td>
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<td>deposits and prepayments</td>
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<td>Tax recoverable</td>
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<td>Cash and bank balances</td>
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<td>2,469,859</td>
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<td>LESS: CURRENT LIABILITIES</td>
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<td>NET CURRENT ASSETS</td>
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<td>Members’ contribution</td>
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<td>Reserve Fund</td>
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<td>funds</td>
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