

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Kilang Kayu Lohan Sdn. Bhd. (173680-M)	Reference #	GFSSBH 004-766
Contact Person	Ms. Adrena Kok	Audit Date	17/12/2024
Office Address	Lot B-2-5, 2nd Floor, Block B, Taipan 1, Inanam, 88450 Kota Kinabalu, Sabah, Malaysia.	Date close out	-
Mill Address	Kampung Bongkud, 89300 Ranau, Sabah, Malaysia.	Telephone	+6088 879 855
Email	kklohansb@yahoo.com kklohansbranau@yahoo.com DFO Ranau: Suib.Basri@sabah.gov.my PPW KK: MohdNasir.AgSuman@sabah.gov.my	Fax	+6088 879 855
		Approved By	Dr. Kevin Grace

Statements

Statement of Compliance	GFS 032 WTP		
Issuance Date	23 December 2024	Expiration Date	22 December 2025

Assessment Details

Company Type	Sawmill, Exporter
Scope of Assessment	Sabah TLAS P5-6: JP(K)RN005/00(X04)R, FDS(RN)(S)020/2022(M), KON(KRN)017/01(KK), FDS(RN)(E)006/2024(M)
Product Group	Sawn timber
Source of Material	Sabah, Malaysia
Species	Shorea inappendiculata (Selangan batu), Lithocarpus & Quercus (Mempening), Shorea pauciflora (Oba suluk), Drybalanops spp. (Kapur), Dipterocarpus spp. (Keruing), Parashorea spp. (White seraya), Shorea spp. (Red seraya, Yellow seraya), Other Timber (OT)
Lead Assessor	Anne G. Grace
Assessor(s)	Awena Jaibin
SFD Staff	Yusri (PPD Ranau)

Terms of Assessment

The scope of the evaluation is to verify compliance with Kilang Kayu Lohan Sdn. Bhd. to the criteria within the Sabah Timber Legality Assurance System (TLAS) Principle 5 - Mill Operations and Principle 6 - Trade and Customs standards. Compliance is defined when the organization demonstrates that there is no non-compliance to any applicable criteria. Non-compliance to the Sabah Legality Standard occurs when the organization does not comply with 1 or more criteria. Non-compliance must be formally addressed prior to certification or within 2 months following a surveillance assessment.

Limitations of Assessment

The information presented in this report is based on documentation and other information presented by the client and observations made during the field verification under the assessment. Auditor's reporting of information presented by the client is taken as accurate unless evaluated differently through the observations made during the assessment. All information presented in the report is accurate and complete to the best knowledge of GFS.

Background Information:

Kilang Kayu Lohan Sdn. Bhd. (Kilang Kayu Lohan) is, on and from 06/09/1988, incorporated under Companies Act 2016, and is registered in Kuala Lumpur, Malaysia, with registration #: 198801006323 (173680-M). Kilang Kayu Lohan produces sawn timber and sells to the local market only.

Associated Organizations & Subcontractors:

Kilang Kayu Lohan does not engage subcontractor to produce, manufacture products or provide manpower.

Description of the Supply Chain:

From November 2023 to November 2024, Kilang Kayu Lohan purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Andoni Binti Pangajum & 6 Peserta	JPHTN(FIIB)DKM-2024/01(CO)	Round logs	Kota Marudu	-	High
Francis B. Madangan & 40 Peserta	JP(STG)006/2021(F1)	Round logs	Tongod	Non-Compliance	High
Jobina Binti Badau@Jamin	JPHTN: (FIIB) KRN-2024/02	Round logs	Ranau	-	High
Koperasi Polis Komponan Sabah (KOPOSA)	JPHTN: (FIIB) STL 2023/23	Round logs	Telupid	-	High
KTS Plantation Sdn. Bhd.	JP(SLK)125/93(CO) SDK14/03	Round logs	Beluran	Non-Compliance	High
Pemegang Amanah Tanah Rizab Padang Ragut Anak Negeri Kg Mampakot	JPHTN(FIIB)DPS-2023/03	Round logs	Pitas	-	High
Perusahaan Hiong Tiong Sdn. Bhd.	JPHTN/FRM(S) 700-2/10/79	Round logs	Sipitang	-	High
Rakyat Berjaya Sdn. Bhd. (Waygood Enterprise Sdn. Bhd.)	JP(DPS)010/2023(F1)	Round logs	Pitas	GFS 198 LVS (07/04/2025)	Low
Sabah Energy Coporation Sdn. Bhd.	JP(DPS)013/2023(F1)	Round logs	Sipitang	-	High
TSH Resources Berhad	SFMLA 07/97	Round logs	Beluran	-	High

*GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) materials & products.

Summary Results:

(Major gap = 0, Minor gap = 1, Observation = 0)

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.2.1, 6.1.1, 6.1.2, 6.1.3	Closed	17 December 2024: The current purchasing system is not according to the CoC procedure. 18 December 2024: Kilang Kayu Lohan provided Purchase Orders for purchasing logs as per the CoC procedure.
002/2024	minor	5.2.3, 5.2.4, 5.2.5	New	December 2024: Removal Passes from KTS Plantation were stamped as Sabah TLAS Compliant.

*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
-	-	-

Highlights of Close-Out Visit (if applicable)	Date: -
Not applicable	

Recommendations

Kilang Kayu Lohan Sdn. Bhd. has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Statement of Compliance and Sabah Timber Legality Assurance System Compliance Certificate (TLAS-CC) from SFD.

Gap(s)/Observation(s) identified in this assessment should be addressed before the next surveillance visit. Action required to close the gap(s)/observation(s) include:

Gap 002/2024 (minor) – Checklist 5.2.3, 5.2.4, 5.2.5: SFD shall ensure the Removal Pass is correctly stamped as Sabah TLAS CC for suppliers that compliant under Sabah TLAS P1-4.

The next surveillance visit is scheduled for December 2025.

End of Summary Report