

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Sherwood Timber Processing Sdn. Bhd. (177322-D)	<b>Reference #</b>	GFSSBH 004-502
<b>Contact Person</b>	Hsiao Yu Sheng (Director)	<b>Audit Date</b>	16/05/2023
<b>Office Address</b>	Mile 4.5, Jalan Apas, P.O. Box 61001, 91020 Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Mile 4.5, Jalan Apas, P.O. Box 61001, 91020 Tawau, Sabah, Malaysia.	<b>Telephone</b>	+6013 837 5006 +6013 820 5008
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

<b>Audit Statement #</b>	GFS 042 WTP		
<b>Issuance Date</b>	22 May 2023	<b>Expiration Date</b>	21 May 2024

### Assessment Details

<b>Company Type</b>	Plywood mill, Importer, Exporter
<b>Scope of Assessment</b>	Sabah TLAS P5-6: JP(T)TW 004/00(X02)R
<b>Product Group</b>	Veneer, plywood, laminated board
<b>Source of Material</b>	Sabah - Malaysia and New Zealand
<b>Species</b>	<i>Drybalanops</i> spp. (Kapur), <i>Dipterocarp</i> spp. (Keruing), <i>Koompassia malaccensis</i> (Impas), <i>Parashorea</i> spp. (White seraya), <i>Shorea</i> spp. (Red seraya, Yellow seraya, Melapi), <i>Heritiera simplicifolia</i> (Kembang), <i>Sapotaceae</i> spp. (Nyatoh), <i>Neolamarckia cadamba</i> (Laran), <i>Duabanga moluccana</i> (Magas), <i>Octomeles sumatrana</i> (Binuang), <i>Alstonia</i> spp. (Pulai), <i>Annonaceae</i> spp. (Karai), <i>Eugenia</i> spp. (Obah), <i>Sindora beccariana</i> (Sepetir), Lauraceae (Medang), <i>Planchonia valida</i> (Putat), <i>Terminalia subspathulata</i> (Talisai), Myristicaceae (Darah-darah), <i>Dillenia</i> spp. (Simpur), <i>Cotylelobium</i> spp. (Resak batu), <i>Cratoxylum arborescens</i> (Serungan), <i>Pentace</i> spp. (Takalis), <i>Hopea sangal</i> (Gagil), <i>Calophyllum obliquinervium</i> (Bintangor), <i>Macaranga</i> spp. (Sedaman), Prerospermum (Bayor), <i>Dyera</i> spp. (Jelutong), <i>Dialium indum</i> (KerANJI), <i>Paraserianthes falcataria</i> (Batai), Annonaceae (Pisang-pisang), <i>Azadirachta excels</i> (Bawang-bawang), <i>Camposperma auriculatum</i> (Terentang), <i>Anisoptera</i> spp. (Pengiran), <i>Magnolia candollii</i> (Chempaka), Assam, <i>Pinus radiata</i> (Pine)
<b>Lead Assessor</b>	Brandon James
<b>Assessor(s)</b>	Glory Linggou, Sandra George
<b>FDS Staff</b>	Mazlan Embun (PPD Tawau)

### Terms of Assessment

The scope of the evaluation is to verify compliance of Sherwood Timber Processing 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 are 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 of knowledge of GFS.

**Background Information:**

Sherwood Timber Processing Sdn. Bhd. (Sherwood Timber Processing) is registered in Kuala Lumpur, Malaysia, with registration # 177322-D. Sherwood Timber Processing produces veneer, plywood and laminated board for the local market and exports to South Korea, Japan, Peninsular Malaysia and Sarawak.

The previous assessment was conducted in June 2022 that resulted in 0 gap(s) and 0 observation(s) (Report #: GFSSBH 004-353).

**Associated Organizations & Subcontractors:**

Sherwood Timber Processing does not engage other companies as their subcontractors to provide or manufacture products.

**Description of the Supply Chain:**

From April 2022 to April 2023, Sherwood Timber Processing purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Ikutmaju Sdn. Bhd.	JP(T)TW 001/00(X45)R	Veneer	Tawau	GFS 121 WTP (02/10/2023)	Low
Fu Yee Corporation Sdn. Bhd.	JP(T)KA001/00 (X52)R	Veneer	Kalabakan	GFS 079 WTP (06/11/2023)	Low
First Greenworld Sdn. Bhd.	SFMLA 02/2009	Round logs	Serudong	GFS 074 LVS (19/06/2023)	Low
Top Quantum Sdn. Bhd.	SFMLA 01/2009	Round logs	Serudong	GFS 071 LVS (19/06/2023)	Low
Sapulut Forest Development Sdn. Bhd.	SFMLA 04/97	Round logs	Tibow	GFS 025 LVS (10/07/2023)	Low
Billion Solaris Sdn. Bhd.	JP(T)TW001/2022(X59)	Veneer	Tawau	GFS 268 WTP (22/01/2024)	Low
Pesona Majukaya Sdn. Bhd.	SFMLA 01/2018	Round logs	Serudong	GFS 163 LVS (25/12/2023)	Low
Southsea Gold Sdn. Bhd.	JPHTN/FRM 700-2/0/1/15(a)/JLD.4/10	Round logs	Kunak	Non-Compliance	High
Juken New Zealand Ltd.	Not stated	Veneer	New Zealand	FSC-C009303	Low
Ruslan Bin Hamits	2B970264	Round logs	Tawau	-	High
Ashraf Bin Yacob Khan	2B930035	Round logs	Tawau	-	High

Note: \*GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) material & products.

**Summary Results:**

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

GAPs: Year 2023				
GAP #	Type	Checklist	Status	Description
-	-	-	-	-

\*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2023	5.2.2	<b>May 2023:</b> Inconsistency stamping removal passes as "Sabah TLAS CC" by SFD for TLAS certified sources.

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

**Recommendations**

**Sherwood Timber Processing 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:

**Observation 001-2023 – Checklist 5.2.2:** SFD shall stamp removal passes from the licensees compliant under Sabah TLAS P1-4 with the “Sabah TLAS CC” stamp.

The next surveillance visit is scheduled for May 2024.

**End of Summary Report**