

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Sinora Sdn. Bhd. (Stumping A) [Sub-mill of Sinora Sdn. Bhd. 197401001920 (19049-H)]	Reference #	GFSSBH 004-754
Contact Person	Liew Tzun Tzet (Manager)	Audit Date	26/11/2024
Office Address	KM 11, Jalan Sinora, Batu Sapi, W.D.T 79, 90009 Sandakan, Sabah, Malaysia.	Date close out	-
Mill Address	Sinora Sdn. Bhd. (Stumping A), Sungai Malung, Tongod, Sabah, Malaysia.	Telephone	+6089 612 622
Email	sinora@snr.com.my DFO Tongod: AbdJamal.Ibrahim@sabah.gov.my PPW SDK: Janius.Ebin@sabah.gov.my	Fax	-
		Approved By	Dr. Kevin Grace

Statements

Statement of Compliance	GFS 252 WTP		
Issuance Date	02 December 2024	Expiration Date	01 December 2025

Assessment Details

Company Type	Sawmill & Veneer
Scope of Assessment	Sabah TLAS P5-6: JP(S)TG 002/06(X21), KON(STG)030/07(KK)
Product Group	Veneer
Source of Material	Sabah, Malaysia
Species	<i>Parashorea spp.</i> (White seraya), <i>Shorea spp.</i> (Red seraya, Yellow seraya), <i>Albizia falcataria</i> (Batai), <i>Neolamarckia cadamba</i> (Laran), <i>Heritiera simplicifolia</i> (Kembang), Lauraceae (Medang), <i>Macaranga spp.</i> (Sedaman), <i>Alstonia spp.</i> (Pulai), Other Timber (OT)
Lead Assessor	Glory Linggou
Assessor(s)	Sheanna Kehong, Awena Jaibin
SFD Staff	James Torimo (ADFO Tongod), Yaacob Beni (PPD Tongod), Ronald S. Ranjah (PPD Tongod)

Terms of Assessment

The scope of the evaluation is to verify compliance with Sinora Sdn. Bhd. (Stumping A) 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:

Sinora Sdn. Bhd. (Stumping A) [Sinora (Stumping A)] is, on and from 13/06/1974, incorporated under Companies Act 2016, and is registered in Sandakan, Malaysia, with registration #: 197401001920 (19049-H). Sinora (Stumping A) is a sub-mill for Sinora Sdn. Bhd. (Sinora), which located in Batu Sapi, Sandakan. Sinora (Stumping A) does not purchase or sell materials; it processes logs from Maxland Sdn. Bhd. (A, B, C) and Rakyat Berjaya Sdn. Bhd. (Maxland Timber Sdn. Bhd.) YS 2/07/(2) to produce veneer, which is then transferred to Sinora for plywood production.

Associated Organizations & Subcontractors:

Priceworth International Berhad changed it's name to Maxland Berhad and has a corporate structure under timber that consists of:

- Sinora Sdn. Bhd.
- Beta Bumi Sdn. Bhd.
- Innora Sdn. Bhd.
- Priceworth Industries Sdn. Bhd. > (Maxland Timber Sdn. Bhd. & Rimbunan Gagah Sdn. Bhd.)

Description of the Supply Chain:

From September 2023 to November 2024, Sinora (Stumping A) did not purchase raw materials from any suppliers; it processes round logs from Maxland Sdn. Bhd. (Areas A, B, and C) and Rakyat Berjaya Sdn. Bhd. (Maxland Timber Sdn. Bhd.) and transfers the veneer to Sinora, Sandakan.

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
-	-	-	-	-	-

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

Summary Results:

(Major gap = 0, Minor gap = 1, Observation = 2)

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.1.2	New	November 2024: The mill contractor license has expired.

*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2024	5.2.3, 5.2.4,5.2.5	November 2024: Removal pass from Maxland (Area A, B, C) was not stamped as Sabah TLAS Compliant.
002-2024	5.3.1, 5.3.2	November 2024: There is no employment agreement for one worker.

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

Recommendations

Sinora Sdn. Bhd. (Stumping A) 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 001/2024 (minor) – Checklist 5.1.2: Sinora (Stumping A) shall renew the licenses 3 months before the expiry date and the SFD shall expedite the renewal process.

Observation 001-2024 – Checklist 5.2.3, 5.2.4, 5.2.5: SFD shall ensure all that removal passes are stamped as Sabah TLAS Compliance for Sabah TLAS compliant supplier.

Observation 002-2024 – Checklist 5.3.1, 5.3.2: Sinora (Stumping A) shall ensure all workers have employment agreement.

The next surveillance visit is scheduled for November 2025.

End of Summary Report