

Sabah TLAS Audit Report Principles 5 & 6

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|-----------------------|--|-----------------------|----------------------------------|
| Organisation | Bidasari Sdn. Bhd. (152366-K) Komill Corporation Sdn. Bhd. (199570-H) | Reference # | GFSSBH 004-489 |
| Contact Person | Sarah Joan Johnidu (Bidasari COC MR) Alfred Yong (Komill Corporation COC MR) | Audit Date | 17/04/2023 |
| Office Address | 40-3, Jalan 28/70A, Desa Sri Hartamas, 50480 Kuala Lumpur, Malaysia. | Date close out | - |
| Mill Address | Lot NT.02312802 Kg. Lanas, Kimanis, Papar, P.O. Box 601, 89608 Papar, Sabah, Malaysia. | Telephone | +6016 718 7129 +6019 853 7129 |
| Email | bidasari@komill.com.my export@komill.com.my alfred@komill.com.my | Fax | - |
| | | Approved By | Dr. Kevin Grace |

Statements

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|--------------------------|---------------|------------------------|---------------|
| Audit Statement # | GFS 035 WTP | | |
| Issuance Date | 24 April 2023 | Expiration Date | 23 April 2024 |

Assessment Details

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|----------------------------|--|
| Company Type | Sawmill, Moulding mill, Wood Preservation Plants, Kiln Dry Plants and Exporter |
| Scope of Assessment | Sabah TLAS P5-6: JP(K)KK001/2021(X31) |
| Product Group | Sawn wood Products (sawn timber, indoors flooring, decking, chair, door, window components, internal architectural components (skirting & architraves), furniture components). |
| Source of Material | Sabah and Sarawak, Malaysia. |
| Species | <i>Acacia spp.</i> (<i>Acacia</i>), <i>Drybalanops spp.</i> (<i>Kapur</i>), <i>Koompassia excelsa</i> (<i>Mengaris</i>), <i>OT</i> (<i>Other timber</i>) |
| Lead Assessor | Glory Linggou |
| Assessor(s) | Asraf Mahmud |
| FDS Staff | Abd. Rahman Mohd Jari (PPM Kota Kinabalu) |

Terms of Assessment

The scope of the evaluation is to verify compliance of Bidasari Sdn. Bhd./Komill Corporation 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:

Komill Corporation Sdn. Bhd. (Komill Corporation) is registered in Kuala Lumpur, Malaysia, with registration # 199570-H. Komill Corporation maintains the GFS WTP to export Verified Legal (VL) timber products to Europe, Japanese and United States of America markets.

Bidasari Sdn. Bhd. (Bidasari) is owned by Komill Corporation Sdn. Bhd. Bidasari is located in Kimanis, Sabah, with registration number 152366-K. Bidasari has an FSC CoC certificate #: BV-COC-115332 to sell FSC certified products which is valid through 15/03/2028.

The previous assessment was conducted in May 2022 that resulted in 0 gap(s) and 0 observation(s) (Report #: GFSSBH 004-338a).

Associated Organizations & Subcontractors:

Komill Corporation engages Bidasari, as a manufacturing plant. Bidasari does not engage other subcontractors to provide or manufacture finished goods.

Description of the Supply Chain:

From April 2022 to March 2023, Bidasari purchased raw materials from the suppliers as below:

| Supplier | License | Raw Material | Location | GFS WTP # STCC # | Overall Risk * |
|---|-----------------------|--------------|---------------|--------------------------|----------------|
| Bumi Timber Sdn. Bhd. (DM Cergas Sdn. Bhd.) | JP(N)SO001/16(X17) | Sawn timber | Sook | GFS 224 WTP (16/04/2024) | Low |
| Irama Ramai Sdn. Bhd. | JP (N)KG001/12(X04) | Sawn timber | Keningau | GFS 110 WTP (18/09/2023) | Low |
| Biomass Majujaya Sdn. Bhd. | JP(N)KG003/18(X62) | Sawn timber | Keningau | GFS 241 WTP (07/08/2023) | Low |
| Sogoraya Sdn. Bhd. | JP(K)KK001/18(M01) | Sawn timber | Kota Kinabalu | GFS 104 WTP (29/05/2023) | Low |
| Lamitech International Sdn. Bhd. | JP(KK)001/19(X68) | Sawn timber | Kota Kinabalu | GFS 236 WTP (10/07/2023) | Low |
| Seguntor Sdn. Bhd. | JP(S)SS018/00(B01) R | Sawn timber | Sandakan | GFS 138 WTP (26/06/2023) | Low |
| Cargo Timber Sdn. Bhd. | JP(N)KG031/00/(X04) R | Sawn timber | Keningau | GFS 090 WTP (16/10/2023) | Low |
| Inspiration Furniture Sdn. Bhd. | FDS(KK)(E)076/2019 | Sawn Timber | Kota Kinabalu | GFS 198 WTP (01/05/2023) | Low |
| Waygood Enterprise Sdn. Bhd. (Taman Sawmill Sawmill Enterprise) | JP(N)NN002/19(B01) | Sawn Timber | Keningau | Non-Compliance | High |
| Rimbunan Gagah Sdn. Bhd. (Dyna Wawasan Sdn. Bhd.) | JP(S)TD004/19(B01) | Sawn Timber | Telupid | Non-Compliance | High |
| Akil Jutamas Sdn. Bhd. | JP(K)BT001/19/(X04) | Sawn Timber | Beaufort | GFS 125 WTP (08/01/2024) | Low |
| NWP Industries Sdn. Bhd. | JP(K)KK001/07(B01) | Sawn timber | Kota Kinabalu | GFS 092 WTP (19/06/2023) | Low |
| Sharikat Sri Arjuna Sdn. Bhd. | JP(K)SG021/01(B01) | Sawn Timber | Sipitang | GFS 267 WTP (08/01/2024) | Low |
| Lawas Lumber Wood Processing Sdn. Bhd. | STIDC0005375 | Sawn timber | Lawas | - | High** |
| Sing Kie Mee Carpentry Sdn. Bhd. | STIDC0001407 | Sawn timber | Lawas | - | High** |

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

**The materials were transported by road through ICQS Merapok/Sindumin.

Summary Results:

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

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

*Major = Non-Compliance

| Observations: Year 2023 | | |
|-------------------------|-----------|-------------|
| Obs # | Checklist | Description |
| - | - | - |

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

| Recommendations |
|---|
| <p>Bidasari Sdn. Bhd. (Komill Corporation 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.</p> <p>The next surveillance visit is scheduled for April 2024.</p> |

End of Summary Report