

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Fu Yee Corporation Sdn. Bhd.(158135-K)	<b>Reference #</b>	GFSSBH 004-560
<b>Contact Person</b>	Lee Boon Chee (Asst. General Manager)	<b>Audit Date</b>	05/10/2023
<b>Office Address</b>	TB 270, 2 <sup>nd</sup> Floor, Block 28, Fajar Complex, 91000 Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

<b>Audit Statement #</b>	GFS 079 WTP		
<b>Issuance Date</b>	09 October 2023	<b>Expiration Date</b>	08 October 2024

### Assessment Details

<b>Company Type</b>	Sawmill, Veneer, Plywood, Moulding, Blockboard, Finger joint, Laminated board, Fancy Plywood, Kiln Dry Plant, Exporter
<b>Scope of Assessment</b>	Sabah TLAS P5-6: JP(T)KA001/00(X52)R, JP(T)KA009/00(X22)R, FDS(KA)(S)039/2019(M), FDS(KA)(E)047/2019(M)
<b>Product Group</b>	Veneer and Plywood
<b>Source of Material</b>	Sabah, Malaysia.
<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), Lithocarpus & Quercus (Mempening), 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), Gluta/Semecarpus/Melanochyla & Swintonia (Rengas), Annonaceae (Pisang-pisang), <i>Azadirachta excels</i> (Bawang-bawang), <i>Castanopsis motleyana</i> (Berangan), <i>Campnosperma auriculatum</i> (Terentang), <i>Anisoptera</i> spp. (Pengiran), Other Timber (OT)
<b>Lead Assessor</b>	Sandra George
<b>Assessor(s)</b>	Tommy Olui
<b>FDS Staff</b>	Saharuddin Jumil (PPD Kalabakan), Robin Charles (PPD Kalabakan)

### Terms of Assessment

The scope of the evaluation is to verify compliance of Fu Yee 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:**

Fu Yee Corporation Sdn. Bhd. (Fu Yee Corporation) is registered in Kuala Lumpur, Malaysia, with registration # 158135-K. Fu Yee Corporation produces veneer and plywood and exports them to South Korea and Peninsular Malaysia.

The previous assessment was conducted in November 2022 that resulted in 0 gap(s) and 0 observation(s) (Report #: GFSSBH 004-422).

**Associated Organizations & Subcontractors:**

Fu Yee Corporation does not use other companies as subcontractors to provide manpower or manufacturing products.

**Description of the Supply Chain:**

From October 2022 to September 2023, Fu Yee Corporation purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Top Quantum Sdn. Bhd.	SFMLA 01/2009	Round log	Serudong	GFS 071 LVS (18/06/2024)	Low
Sapulut Forest Development Sdn. Bhd.	SFMLA 04/97	Round log	Tibow	GFS 025 LVS (09/07/2024)	Low
Pesona Majukaya Sdn. Bhd.	SFMLA 01/2018	Round log	Serudong	GFS 163 LVS (02/07/2024)	Low
Sabah Softwood Berhad (Midas Esteem Sdn. Bhd.)	JPHTN/FRM700-2/4/5/JILID.9/3	Round log	Kalabakan	-	High
Rakyat Berjaya Sdn. Bhd. (FMU 25)	SFMLA 09/97	Round log	Kalabakan	Non-Compliance	High

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

**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><b>Fu Yee Corporation Sdn. Bhd.</b> 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 October 2024.</p>

**End of Summary Report**