

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Innovatory Furniture Sdn. Bhd. 200401036089 (674600-D)	<b>Reference #</b>	GFSSBH 004-725
<b>Contact Person</b>	Mr. Johny A. Justin	<b>Audit Date</b>	25/09/2024
<b>Office Address</b>	P.O. Box A-495, 89357 Inanam, Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	No.8 (Lot 15), Jalan 3 KKIP Timur, Industrial Zone 13 (IZ13), Kota Kinabalu Industrial Park, Telipok, 88460 Kota Kinabalu, Sabah, Malaysia.	<b>Telephone</b>	+6016 832 9175
<b>Email</b>	innovatoryfurniture_qc@yahoo.com DFO KK: Aglsmail.AgTuah@sabah.gov.my PPW KK: MohdNasir.AgSuman@sabah.gov.my	<b>Fax</b>	-
		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 084 WTP		
Issuance Date	30 September 2024	Expiration Date	29 September 2025

### Assessment Details

Company Type	Moulding, Kiln Dry Plant, Exporter
Scope of Assessment	Sabah TLAS P5-6: JP(K)KK001/08(X26), JP(K)KK005/17(X22), FDS(KK)(S)091/2019(M), FDS(KK)(E)039/2019(M)
Product Group	Moulding (S4S, E2E), Finger joint
Source of Material	Sabah, Malaysia.
Species	<i>Acacia mangium</i> (Acacia)
Lead Assessor	Brandon James
Assessor(s)	Anne G. Grace
SFD Staff	Jepri Brahim (PPD)

### Terms of Assessment

The scope of the evaluation is to verify compliance with Innovatory Furniture 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:**

Innovatory Furniture Sdn. Bhd. (Innovatory Furniture) is, on and from 09/12/2024, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Malaysia, with registration #: 200401036089 (674600-D). Innovatory Furniture produces moulding/finger joint and exports them mainly to Japan.

**Associated Organizations & Subcontractors:**

Innovatory Furniture does not engage any sub-contractor to produce or manufacture products. R.M Services Sdn. Bhd. as its agent, handles documentation for export activities.

**Description of the Supply Chain:**

From April 2023 to August 2024, Innovatory Furniture purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Serba Potensi Sdn. Bhd.	JP(K)KK001/17(X04)	Acacia Sawn Timber	Kota Kinabalu	Non-Compliance	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 = 1)

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.2.5, 5.2.7, 6.1.4	New	<b>September 2024:</b> Inconsistent in identifying the batch number according to the CoC procedure.

\*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2024	5.3.1, 5.3.2	<b>September 2024:</b> Senior employees have no employment agreement.

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

Recommendations
<p><b>Innovatory Furniture 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>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:</p> <p><b>Gap 001/2024 (minor) – Checklist 5.2.5, 5.2.7, 6.1.4:</b> Innovatory Furniture should ensure the traceability of WIP/FG is according to the CoC procedure.</p> <p><b>Observation 001-2024 – Checklist 5.3.1, 5.3.2:</b> Workers should have employment agreement.</p> <p>The next surveillance visit is scheduled for September 2025.</p>

**End of Summary Report**