

Sabah TLAS Audit Report Principles 5 & 6

| | | | |
|-----------------------|--|-----------------------|-----------------|
| Organisation | Maju Mapan Trading Sdn. Bhd.(922989-A) | Reference # | GFSSBH 004-537 |
| Contact Person | Mohammad Ali bin Landu (Director) | Audit Date | 16/08/2023 |
| Office Address | MMB Timber Complex, Shed No. 6/7 A, Mile 3-1/2, Jalan Tanjung Batu Laut, 91000 Tawau, Sabah, Malaysia. | Date close out | - |
| Mill Address | MMB Timber Complex, Shed No. 6/7 A, Mile 3-1/2, Jalan Tanjung Batu Laut, 91000 Tawau, Sabah, Malaysia. | Telephone | +6089 757 621 |
| Email | majumapan2009@yahoo.com | Fax | - |
| | | Approved By | Dr. Kevin Grace |

Statements

| | | | |
|--------------------------|----------------|------------------------|----------------|
| Audit Statement # | GFS 130 WTP | | |
| Issuance Date | 21 August 2023 | Expiration Date | 20 August 2024 |

Assessment Details

| | |
|----------------------------|--|
| Company Type | Sawmill, Moulding Plant |
| Scope of Assessment | Sabah TLAS P5-6: JP(T)TW005/10(X04) |
| Product Group | Sawn timber |
| Source of Material | Sabah, Malaysia. |
| Species | <i>Eusideroxylon zwageri</i> (Belian), <i>Tectona grandis</i> (Jati), <i>Khaya ivorensis</i> (Mahogany), <i>Syzygium spp.</i> (Jambu-jambu), OT (Other Timber) |
| Lead Assessor | Brandon James |
| Assessor(s) | Sandra George |
| FDS Staff | Mazlan Embun (PPD Tawau) |

Terms of Assessment

The scope of the evaluation is to verify compliance of Maju Mapan Trading 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:

Maju Mapan Trading Sdn. Bhd. (Maju Mapan Trading) is registered in Tawau, Malaysia, with registration # 922989-A. Maju Mapan Trading only provides sawmilling and moulding services to clients.

The previous assessment was conducted in August 2022 that resulted in 1 gap(s) and 1 observation(s) (Report #: GFSSBH 004-390).

Associated Organizations & Subcontractors:

Maju Mapan Trading does not engage other companies as their subcontractors to provide sawmilling services or manpower and manufacture products.

Description of the Supply Chain:

Maju Mapan did not purchase raw materials. From August 2022 to July 2023, Maju Mapan Trading's clients 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 logs | Serudong | GFS 071 LVS (18/06/2024) | Low |
| Rakyat Berjaya Sdn. Bhd. (Usahawan Borneo Greenwood Sdn. Bhd.) | SFMLA 09/97 | Round logs | Tawau | GFS 096 LVS (23/07/2024) | Low |
| Sapulut Forest Development Sdn. Bhd. | SFMLA 04/97 | Round logs | Tibow | GFS 025 LVS (09/07/2024) | Low |
| Pesona Majukaya Sdn. Bhd. | SFMLA 01/2018 | Round logs | Serudong | GFS 163 LVS (02/07/2024) | Low |
| Benta Wawasan Sdn. Bhd. (Golden Borneo Palm Sdn. Bhd.) | JP(TKA)122/96(CON) | Round logs | Kalabakan | Non-Compliance | High |
| Parsan Bin Dahlan | 2B930029 | Round logs | Semporna | - | High |
| Junaidi Awang & 45 Peserta | 2B308350 | Round logs | Tongod | - | High |
| Benta Wawasan Sdn. Bhd. (Kingwood Timber) | JPHTN/FRM700- 21/15/JLD.2/17 | Round logs | Kalabakan | - | High |
| Hap Seng Property Investment Sdn. Bhd. (Ameron Wood Sdn. Bhd.) | JP(T)TW002/05(B01) | Sawn timber | Tawau | GFS 246 WTP (04/09/2023) | Low |
| Sandiwara Indah Sdn. Bhd. | JP(T)TW008/08(X04) | Sawn timber | Tawau | GFS 064 WTP (28/08/2023) | Low |

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 = 0)

| GAPs: Year 2023 | | | | |
|-----------------|-------|----------------|--------|---|
| GAP # | Type | Checklist | Status | Description |
| 001/2022 | minor | 5.3.2 5.3.7 | Closed | <p>August 2022: Training was limited to fire with no evidence of general safety training & PPE.</p> <p>August 2023: Maju Mapan Trading has conducted safety and fire training and records are maintained.</p> |

*Major = Non-Compliance

| Observations: Year 2023 | | |
|-------------------------|-----------|--|
| Obs # | Checklist | Description |
| 001-2022 Addressed | 5.2.4 | <p>August 2022: The COC procedure does not clearly define responsibility of the COC system, mill operations, staff training and compliance nor identification of Sabah TLAS status on raw material through production of finished goods and sales.</p> <p>August 2023: Maju Mapan Trading has revised the COC procedure, which includes a clear administration structure and identification of Sabah TLAS from purchasing through sales.</p> |

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

| Recommendations |
|---|
| <p>Maju Mapan Trading 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 August 2024.</p> |

End of Summary Report