

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Sun Up Wood Products Sdn. Bhd. 200501016965 (694008-P)	<b>Reference #</b>	GFSSBH 004-600
<b>Contact Person</b>	Hasnawati Suardi (Administrative)	<b>Audit Date</b>	11/01/2024
<b>Office Address</b>	TB 4208, Lot 30, TKT 3, Block C, Bandaran Baru, P.O. Box 62137, 91031 Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Mile 7, Apas Road, Tawau, Sabah, Malaysia.	<b>Telephone</b>	+6089 770 019
<b>Email</b>	sunup05@yahoo.com DFO Tawau: Nooridayu.MohdAyub@sabah.gov.my	<b>Fax</b>	-
		<b>Approved By</b>	Dr. Kevin Grace

Statements			
<b>Audit Statement #</b>	GFS 132 WTP		
<b>Issuance Date</b>	15 January 2024	<b>Expiration Date</b>	14 January 2025

Assessment Details	
<b>Company Type</b>	Sawmill, Moulding, Exporter, Importer
<b>Scope of Assessment</b>	Sabah TLAS P5-6: JP(T)TW005/08(X04), FDS(TW)(E)003/2021(M), FDS(TW)(S)005/2021(M), FDS(TW)(I)016/2019(M)
<b>Product Group</b>	Sawn timber
<b>Source of Material</b>	Sabah, Malaysia.
<b>Species</b>	Tectona grandis (Teak), Shorea spp. (Selangan Batu)
<b>Lead Assessor</b>	Sandra George
<b>Assessor(s)</b>	Tommy Olui, Vanessa Abin
<b>FDS Staff</b>	Abd Suhaimi Bin Abd Manap (PPD Tawau)

Terms of Assessment
The scope of the evaluation is to verify compliance of Sun Up Wood Products 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:**

Sun Up Wood Products Sdn. Bhd. (Sun Up Wood Products) is registered in Kota Kinabalu, Malaysia, with registration #: 200501016965 (694008-P). Sun Up Wood Products purchases plantation logs locally and exports the logs to China. Sun Up Wood Products also produces sawn timber for the local market and exports it to Peninsular Malaysia.

The previous assessment was conducted in January 2023 that resulted in 0 gap(s) and 1 observation(s) (Report #: GFSSBH 004-451).

**Associated Organizations & Subcontractors:**

Sun Up Wood Products does not engage other companies as their subcontractors to provide or manufacture products.

**Description of the Supply Chain:**

From December 2022 to December 2023, Sun Up Wood Products purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Foo Nyuk Fung	JPHTN/KNK 700-2/4 JILID 6 (183)	Teak Plantation	Kunak	-	High
Makmur Contractor Jaya	JPHTN/TWU 700- 2/4/31/JILID.2/31	Round logs	Tawau	-	High
Hutan Lungmanis Simpan	Not stated	Teak Plantation	Sandakan	-	High

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

**Summary Results:**

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

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.1.2	New	<b>January 2024:</b> Sun Up Wood Products incorrectly calculated the log carry forward stock for Appendix 1.

\*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2023 Addressed	5.3.2	<b>January 2023:</b> One worker did not wear shoes while working. <b>January 2024:</b> All workers were observed wearing shoes.

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

Recommendations
<p><b>Sun Up Wood Products 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:  <b>Gap 001/2024 (minor) – Checklist 5.1.2:</b> Sun Up Wood Products shall calculate the log carry forward stock correctly.</p> <p>The next surveillance visit is scheduled for January 2025.</p>

**End of Summary Report**