

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Carl Ronnow (Malaysia) Sdn. Bhd. 198901006765 (184068-W)	<b>Reference #</b>	GFSSBH 004-753
<b>Contact Person</b>	Dick Anning (Environmental Manager)	<b>Audit Date</b>	20/11/2024
<b>Office Address</b>	Kg. Melawa, 14.5 KM, Jalan Sepangar Bay, 88450 Menggatal, Locked Bag 20, 88990 Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Kg. Melawa, 14.5 KM, Jalan Sepangar Bay, 88450 Menggatal, Locked Bag 20, 88990 Kota Kinabalu, Sabah, Malaysia.	<b>Telephone</b>	+6088 483 888
<b>Email</b>	rja@carlronnow.com anp@carlronnow.com DFO KK: Aglsmail.AgTuah@sabah.gov.my PPW KK: MohdNasir.AgSuman@sabah.gov.my	<b>Fax</b>	+6088 483 801
		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 177 WTP		
Issuance Date	25 November 2024	Expiration Date	24 November 2025

### Assessment Details

Company Type	Exporter, Importer
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(E)123/2019, FDS(KK)(I)033/2019
Product Group	Sawn timber
Source of Material	Sabah, Malaysia.
Species	<i>Shorea inappendiculate</i> (Selangan batu), <i>Shorea pauciflora</i> (Oba Suluk), <i>Shorea johoreensis</i> (Seraya Majau), <i>Parashorea spp.</i> (White seraya), <i>Shorea spp.</i> (Red seraya, Yellow seraya), <i>Sapotaceae spp.</i> (Nyatoh), <i>Drybalanops spp.</i> (Kapur), <i>Meliaceae spp.</i> (Surian), Other Timber (OT), <i>Dysoxylum parasiticum</i> (Jarum-Jarum)
Lead Assessor	Glory Linggou
Assessor(s)	Evelyn Chong
SFD Staff	Jepri Bin Brahim (PPD Kota Kinabalu)

### Terms of Assessment

The scope of the evaluation is to verify compliance with Carl Ronnow (Malaysia) 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:

Carl Ronnow (Malaysia) Sdn. Bhd. [Carl Ronnow (Malaysia)] is, on and from 08/07/1989, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Sabah, Malaysia, with registration #: 198901006765 (184068-W). Carl Ronnow (Malaysia) purchases sawn timber and exports them mainly to India, Iraq, Saudi Arabia, South Africa and China.

Carl Ronnow (Malaysia) is an FSC-certified, FSC #: FSC-C008960 (NC-COC-000864), with an expiry date of 19/02/2028, and a PEFC-certified, PEFC #: SGSMTCS/PEFC-COC-0048 (SGS-MTCS/COC-0048), with an expiry date of 26/04/2027.

### Associated Organizations & Subcontractors:

Carl Ronnow (Malaysia) does not engage subcontractor to produce, manufacture products or provide manpower.

### Description of the Supply Chain:

From September 2023 to October 2024, Carl Ronnow (Malaysia) purchased products from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Pantas Wijaya Sdn. Bhd.	-	Sawn timber	Kota Kinabalu	-	High
Usaha Sensasi Sdn. Bhd. (Piramid Bumimas Sdn. Bhd.)	JP(K)RN002/12(B01)	Sawn timber	Kota Kinabalu	GFS 068 WTP (10/12/2024)	Low
Sogoraya Sdn. Bhd.	JP(K)KK001/18(M01) JP(K)KK001/2022(X22)	Sawn timber	Kota Kinabalu	GFS 104 WTP (29/09/2025)	Low
Pin Liong Wood Panel Sdn. Bhd.	-	Sawn timber	Sarawak	-	High
Borneo Greenwood Sdn. Bhd.	FDS(KK)(E)007/2019	Sawn timber	Kota Kinabalu	GFS 211 WTP (04/02/2025)	Low
Tropical Wood Plantation Sdn. Bhd.	-	Sawn timber	Ranau	-	High
Suria Dimaju Sdn. Bhd.	-	Sawn timber	Keningau	-	High
Kilang Kayu Lohan Sdn. Bhd.	JP(K)RN005/00(X04)R	Sawn timber	Ranau	GFS 032 WTP (10/12/2024)	Low
Tropical Wood Plantation Sdn. Bhd.	JP(D)PS001/19(B01)	Sawn timber	Pitas	GFS 135 WTP (05/11/2024)	High
SD Timber Sdn. Bhd.	-	Sawn timber	Sarawak	-	High
Seguntor Sdn. Bhd.	JP(S)SS0018/00(B01)R	Sawn timber	Sandakan	GFS 138 WTP (06/10/2025)	Low
Gold Rank Sdn. Bhd.	JP(T)TW001/10(X04)	Sawn timber	Tawau	GFS 010 WTP (25/06/2024)	High
Setara Bangun Sdn. Bhd.	-	Sawn timber	Kota Kinabalu	-	High
Megah Jadi Sdn. Bhd.	FDS(SCS)057/2023	Sawn timber	Tawau	GFS 209 WTP (26/05/2025)	Low
Selera Indah Sdn. Bhd.	JP(T)TW001/00(X50)R	Sawn timber	Tawau	GFS 096 WTP (29/10/2024)	High
Rimbunan Gagah Sdn. Bhd. (Dyna Wawasan Sdn. Bhd.)	JP(S)TD004/19(B01)	Sawn timber	Telupid	Non-Compliance	High
Biomass Majujaya Sdn. Bhd.	JP(N)KG003/18(X62)	Sawn timber	Keningau	GFS 241 WTP (30/07/2024)	High
Sri Jomatsu Sdn. Bhd.	JP(N)NN014/07(B01)	Sawn timber	Nabawan	-	High
Gmelina Jaya Sdn. Bhd.	JP(T)TW700-2/34/JLD.2/12	Sawn timber	Tawau	-	High

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

**Summary Results:**

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

GAPs: Year 2024				
GAP #	Type	Checklist	Status	Description
-	-	-	-	-

\*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2024	5.3.1 5.3.2	<b>November 2024:</b> Employment agreement for workers lacks job information in relation to the Sabah Labor Ordinance.

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

Recommendations
<p><b>Carl Ronnow (Malaysia) 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>Observation 001-2024 – Checklist 5.3.1, 5.3.2:</b> Employment agreement for all workers shall include all relevant information related to the job &amp; Labour regulations.</p> <p>The next surveillance visit is scheduled for November 2025.</p>

**End of Summary Report**