

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Primumi Sdn. Bhd. (737011-X)	<b>Reference #</b>	GFSSBH 004-518
<b>Contact Person</b>	Mak Dune Cherng (Manager)	<b>Audit Date</b>	26/06/2023
<b>Office Address</b>	Unit 9-10, Lot 25, IZ13, Taman Industri Perabot Sabah, Kota Kinabalu Industrial Park, 88450 Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Unit 9-10, Lot 25, IZ13, Taman Industri Perabot Sabah, Kota Kinabalu Industrial Park, 88450 Sabah, Malaysia.	<b>Telephone</b>	+6016 832 9827
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

<b>Audit Statement #</b>	GFS 179 WTP		
<b>Issuance Date</b>	03 July 2023	<b>Expiration Date</b>	02 July 2024

### Assessment Details

<b>Company Type</b>	Moulding mill, Exporter, Importer
<b>Scope of Assessment</b>	Sabah TLAS P5-6: JP(K)KK003/15 (M01)
<b>Product Group</b>	Sawn timber, Moulding (Finger Joint / S4S / Lamination)
<b>Source of Material</b>	Sabah, Malaysia.
<b>Species</b>	<i>Parashorea spp.</i> (White Seraya), <i>Shorea spp.</i> (Red Seraya, Yellow Seraya, Melapi), and Other Timber (OT)
<b>Lead Assessor</b>	Sandra George
<b>Assessor(s)</b>	Asraf Mahmud
<b>FDS Staff</b>	Sharif Affendy (SFD Kota Kinabalu)

### Terms of Assessment

The scope of the evaluation is to verify compliance of Primumi 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:**

Primbumi Sdn. Bhd. (Primbumi) is registered in Sabah, Malaysia, with registration # 737011-X. Sawn timber and moulding (S4S and Finger joint) are sold locally and exported to Hong Kong and South Korea.

The previous assessment was conducted in July 2022 that resulted in 0 gap(s) and 0 observation(s) (Report #: GFSSBH 004-373).

**Associated Organizations & Subcontractors:**

Primbumi engages Fungsi Hebat Sdn. Bhd. (located in Kota Kinabalu), as its agent to handle foreign workers' documentation and RM Services (located in Kota Kinabalu) for export documentation.

**Description of the Supply Chain:**

From June 2022 to May 2023, Primbumi purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Biomass Majujaya Sdn. Bhd.	JP(N)KG003/18(X62)	Sawn timber	Keningau	GFS 241 WTP (07/08/2023)	Low
Kalabakan Plywood Sdn. Bhd. (Integrated Wood Processing Sdn. Bhd.)	JP(T)TW003/00(X13)R	Sawn timber	Tawau	GFS 238 WTP (03/07/2023)	Low
Irama Ramai Sdn. Bhd.	JP(N)KG001/12(X04)	Sawn timber	Keningau	GFS 110 WTP (18/09/2023)	Low
Waygood Enterprise Sdn. Bhd. (Taman Sawmill Enterprise)	JP(N)NN002/19(B01)	Sawn timber	Nabawan	Non-Compliance	High
Sogoraya Sdn. Bhd.	JP(K)KK001/18(M01)	Sawn timber	Kota Kinabalu	GFS 104 WTP (14/05/2024)	Low

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

**Summary Results:**

(Major gap = 0, Minor gap = 2, Observation = 1)

GAPs: Year 2023				
GAP #	Type	Checklist	Status	Description
001/2023	minor	5.2.7	New	<b>June 2023:</b> Records of monthly production for Sabah TLAS raw material input and finished good output were not adequately maintained.
002/2023	minor	5.3.1	New	<b>June 2023:</b> No evidence that Primbumi has renewed the COI for workers.

\*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2023	5.1.2 5.2.6	<b>June 2023:</b> Primbumi submitted Appendix 7 online only but did not submit the manual version as required.

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

**Recommendations**

**Primumi 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.

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:

**Gap 001/2023 (minor) – Checklist 5.2.7:** Primumi shall maintain records of monthly Sabah TLAS input and finished goods output in relation to CoC procedures as a subset of total production recorded in Appendix 7.

**Gap 002/2023 (minor) – Checklist 5.3.1:** Primumi shall ensure that all workers have a valid COI as required.

**Observation 001-2023 – Checklist 5.1.2, 5.2.6:** Primumi shall submit the manual version of Appendix 7 as required.

The next surveillance visit is scheduled for June 2024.

**End of Summary Report**