

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Borneo Wood Marketing Sdn. Bhd. (72546-X)	<b>Reference #</b>	GFSSBH 004-576
<b>Contact Person</b>	David Tan Chuan Cheng (Director) Robert Wong (R.M Services)	<b>Audit Date</b>	16/11/2023
<b>Office Address</b>	Borneo Wood Marketing: Suite 409, 4 <sup>th</sup> Floor, Central Building, 88000 Kota Kinabalu, Sabah, Malaysia. R.M Services: Lot 3.28, 3 <sup>rd</sup> Floor, Asia City Complex, Phase III, 88000, Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Audit Statement #	GFS 248 WTP		
Issuance Date	20 November 2023	Expiration Date	19 November 2024

### Assessment Details

Company Type	Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(E)003/2019
Product Group	Sawn timber
Source of Material	Sabah, Malaysia
Species	<i>Tectona grandis</i> (Teak)
Lead Assessor	Sandra George
Assessor(s)	Aleeza Ho, Tommy Olui, Vanessa Abin
FDS Staff	-

### Terms of Assessment

The scope of the evaluation is to verify compliance of Borneo Wood Marketing 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:**

Borneo Wood Marketing Sdn. Bhd. (Borneo Wood Marketing) is registered in Kuala Lumpur, Malaysia, with registration # 72546-X. Borneo Wood Marketing purchases sawn timber from Serba Potensi. The sawn timber is directly shipped from Serba Potensi to Taiwan and India.

The previous assessment was conducted in November 2022 that resulted in 2 gap(s) and 0 observation(s) (Report #: GFSSBH 004-396a).

**Associated Organizations & Subcontractors:**

Borneo Wood Marketing engages R.M Services as its agent to handle documentation for export activities.

**Description of the Supply Chain:**

From November 2022 to October 2023, Borneo Wood Marketing 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)	Sawn timber	Kota Kinabalu	Non-Compliance	High

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

**Summary Results:**

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

GAPs: Year 2023					
GAP #	Type	Checklist	Status	Description	
002/2021	Raised to Major	5.2.4	Closed	<p><b>September 2022:</b> The company did not take action to revise the CoC procedure to identify sales of Sabah TLAS products.</p> <p><b>November 2022:</b> No evidence of revision of the COC procedure to identify sales of Sabah TLAS products.</p> <p><b>November 2023:</b> Borneo Wood Marketing has revised the COC procedure to include the identification of Sabah TLAS export sales.</p>	
001/2022	minor	6.1.2	Closed	<p><b>September 2022:</b> Copies of removal passes for export consignments were unavailable during the assessment.</p> <p><b>November 2023:</b> Borneo Wood Marketing has maintained the removal passes for export consignments.</p>	

\*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
-	-	-

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

**Recommendations**

**Borneo Wood Marketing 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.

The next surveillance visit is scheduled for November 2024.

**End of Summary Report**