

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Billion Solaris Sdn. Bhd. (1191199-M)	Reference #	GFSSBH 004-301a
Contact Person	Mohd Ali @ Lee Shan Wee (Director)	Assessment Date	26/01/2022
Office Address	Jalan Sin San, Kampung Pasir Putih, C/O Sabah Softwoods Berhad, 91000 Tawau, Sabah.	Date close out	25/03/2022
Mill Address	Same as office address	Telephone	+6089 749 119
Email	billionsolaris16@gmail.com	Fax	-
		Approved By	Dr. Kevin Grace

Statements			
Audit Statement #	GFS 268 WTP		
Issuance Date	28 March 2022	Expiration Date	30 January 2023

Assessment Details	
Company Type	Exporter
Scope of Assessment	TLAS P5-6: FDS(TW)(E)054/2019
Product Group	Veneer
Source of Material	Sabah, Malaysia.
Species	Mixed Seraya species (Shorea spp.)
Lead Assessor	Priera Bagang
Assessor(s)	Ivy Justin
SFD Staff	Redly Mohd Noor (PPW Tawau), Abd Hamid (SFD Tawau), Mohd Azhar Ismail (SFD Tawau)

Terms of Assessment
The scope of the evaluation is to verify compliance of the Billion Solaris 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:

Billion Solaris Sdn. Bhd. (Billion Solaris) is registered in Kota Kinabalu, Sabah, with registration # 1191199-M. The company only exports veneer to China and Vietnam.

Associated Organizations & Subcontractors:

Billion Solaris engages Arus Borneo Sdn. Bhd. as a subcontractor to provide export documentation and transportation services.

Description of the Supply Chain:

In 2021, Billion Solaris purchased raw materials from the supplier as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk
YSG Timber Processing Sdn. Bhd.	JP(T)TW001/16(X59)	Veneer	Tawau	-	High

Summary Results:

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

March 2022: (Major gap = 0, Minor gap = 0, Observation = 1)

GAPs: 2022

GAP #	Type	Checklist	Status	Description
001/2022	Major	5.2.4	Closed	January 2022: No evidence of a COC procedure developed by the company for purchasing and exporting products. March 2022: The company has established a Chain of Custody procedure for their production system.

*Major = Non-Compliance

Observations: 2022

Obs #	Checklist	Description
001-2022	5.2.4	March 2022: Identification of Sabah TLAS is not clearly defined in the current COC procedure for sales, export and delivery.

Highlights of Close-Out Visit (if applicable)

Date: 25 March 2022

The Major Gap **001/2022** is now closed following the submission of documents on 25/03/2022. The company has established a Chain of Custody procedure for the current production system.

Recommendations

Billion Solaris Sdn. Bhd. has now demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody as non-compliance was addressed in criterion 5.2 and is eligible 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:

Observation 001-2022 – Checklist 5.2.4: Revise the COC to include the identification of Sabah TLAS for sales, export and delivery of products.

The next surveillance visit is scheduled for January 2023.

End of Summary Report