

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Borneo Greenwood Sdn. Bhd. 200901041310 (884460-H)	Reference #	GFSSBH 004-804
Contact Person	Madam Rosemary Chong	Audit Date	18/03/2025
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		Approved By	Dr. Kevin Grace

Statements

Statement of Compliance	GFS 211 WTP		
Issuance Date	24 March 2025	Expiration Date	23 March 2026

Assessment Details

Company Type	Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(E)007/2019, SFD(BEP)005/2025
Product Group	Sawn timber
Source of Material	Sabah, Malaysia.
Species	Dialium indum (KerANJI), Vatica (Resak), Koompassia malaccensis (Kempas), Shorea inappendiculata (Selangan Batu), Dryobalanops sp. (Kapur), Shorea sp. (Red Seraya, Yellow Seraya)
Lead Assessor	Anne G. Grace
Assessor(s)	Sheanna Kehong, Auther Itin
SFD Staff	-

Terms of Assessment

The scope of the evaluation is to verify compliance with Borneo Greenwood 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:

Borneo Greenwood Sdn. Bhd. (Borneo Greenwood) is, on and from 31/12/2009, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Malaysia, with registration #: 200901041310 (884460-H). Borneo Greenwood purchases sawn timber from the local suppliers and exports them to Singapore and China.

Associated Organizations & Subcontractors:

Borneo Greenwood does not engage any subcontractor to produce or manufacture products.

Description of the Supply Chain:

From January 2024 to January 2025, Borneo Greenwood purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Semulajadi Enterprise	Not stated	Sawn timber	Keningau	-	High

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

Summary Results:

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

GAPs: Year 2025

GAP #	Type	Checklist	Status	Description
001/2025	minor	6.3.3	New	March 2205: No sales contract for the export consignments.

*Major = Non-Compliance

Observations: Year 2025

Obs #	Checklist	Description
001-2025	5.2.2, 5.2.3, 5.2.4, 5.2.5, 6.1.2, 6.1.6	March 2025: Removal Passes were not maintained according to the CoC procedures.
002-2025 Addressed	5.3.1	18 March 2025: No employment agreement for workers. 21 March 2025: Borneo Greenwood has established employment agreements for workers.

Highlights of Close-Out Visit (if applicable)

Date: -

Not applicable

Recommendations

Borneo Greenwood 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 001/2025 (minor) – Checklist 6.3.3: Borneo Greenwood should have a sales contract for export consignments.

Observation 001-2025 – Checklist 5.2.2, 5.2.3, 5.2.4, 5.2.5, 6.1.2, 6.1.6: Borneo Greenwood should maintain Removal Pass as per the CoC procedure.

The next surveillance visit is scheduled for March 2026.

End of Summary Report