

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Ivory Bay Sdn. Bhd. 199101004485 (214795-T)	Reference #	GFSSBH 004-889
Contact Person	Ms. Latifah Musrin (MR)	Audit Date	12/11/2025
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		Approved By	Dr. Kevin Grace

Statements

Statement of Compliance	GFS 250 WTP		
Issuance Date	17 November 2025	Expiration Date	16 November 2026

Assessment Details

Company Type	Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(SS)(E)004/2019
Product Group	Sawn timber and Plywood
Source of Material	Sabah, Malaysia.
Species	<i>Shorea spp.</i> (Red Seraya, Yellow Seraya, Selangan Batu), Other Timber (OT)
Lead Assessor	Ennald Chin
Assessor(s)	Ng Cai Ling
SFD Staff	Zaini Bin Jainab (ADFO Sandakan), Asri Bin Anaf (PPD Sandakan)

Terms of Assessment

The scope of the evaluation is to verify compliance with Ivory Bay 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:

Ivory Bay Sdn. Bhd. (Ivory Bay) is, on and from 29/03/1991, incorporated under Companies Act 2016, and is registered in Sandakan, Sabah, Malaysia, with registration #: 199101004485 (214795-T). Ivory Bay purchases and sells sawn timber and plywood only for local markets.

The previous assessment was conducted in November 2024 that resulted in 2 gap(s) and 1 observation(s) (Report #: GFSSBH 004-756).

Associated Organizations & Subcontractors:

Ivory Bay does not engage subcontractor to produce, manufacture products or provide manpower.

Description of the Supply Chain:

From November 2024 to October 2025, Ivory Bay purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Innora Sdn. Bhd.	JP(S)SS003/06(X04)	Sawn timber	Sandakan	GFS 175 WTP (27/04/2026)	Low
Rimbunan Gagah Sdn. Bhd. (Suria Dimaju Sdn. Bhd.)	JP(S)TD004/19(B01)	Sawn timber	Telupid	Non-Compliance	High
Kim Guan Impex Sdn. Bhd.	FDS(KK)(I)021/2019	Plywood	Kota Kinabalu	GFS 258 WTP (02/03/2026)	Low
Soonlinmas Sdn. Bhd,	FDS(KK)(I)043/2019	Plywood	Kota Kinabalu	GFS 261 WTP (16/03/2026)	Low
SL Wood Products Sdn. (Rajang Plywood (Sabah) Sdn. Bhd.	FDS(TW)(E)002/2023(MT)	Plywood	Tawau	GFS 297 WTP (09/03/2026)	Low
Veisheng Timber Sdn Bhd	JP(S)SS001/00(X08)R	Plywood	Sandakan	Non-Compliance	Low
Sinora Sdn. Bhd.	JP(S)SS001/00(X06)R	Plywood	Sandakan	GFS 212 WTP (27/08/2026)	Low
Sherwood Timber Processing Sdn. Bhd.	JP(T)TW004/00(X02)R	Plywood	Tawau	GFS 042 WTP (08/06/2026)	Low
Le Viano Sdn. Bhd.	FDS(KK)(I)007/2020	Plywood	Kota Kinabalu	GFS 276 WTP (25/05/2026)	Low
Lee Tat Lee Enterprise Sdn. Bhd.	FDS(KK)(I)002/2021	Plywood	Kota Kinabalu	GFS 290 WTP (25/05/2026)	Low

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

Summary Results:

(Major gap = 0, Minor gap = 3, Observation = 2)

GAPs: Year 2025				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.2.1, 6.1.1, 6.1.2, 6.1.3, 6.1.4	Outstanding	November 2024: The current purchasing system is not according to the COC system. November 2025: Inconsistent use of Purchase Orders in accordance with the COC procedures.
002/2024	minor	5.3.6	Outstanding	November 2024: Ivory Bay has not conducted work safety training and incomplete training records. No records of PPE distribution. November 2025: Ivory Bay has not conducted work safety training for workers at the warehouse.
001/2025	minor	5.3.2	New	November 2025: Hiring of foreign workers exceeded the JTK quota.

*Major = Non-Compliance

Observations: Year 2025		
Obs #	Checklist	Description
001-2024 Addressed	5.2.3, 5.2.4, 5.2.5	November 2024: Incorrect identification of Sabah TLAS status for Rimbunan Gagah (Dyna Wawasan). November 2025: The Sabah TLAS status was consistently identified based on the GFS website.
001-2025	5.2.4	November 2025: Removal Passes were not stamped as "Used" by the SFD.
002-2025	5.2.12	November 2025: Inconsistent in identifying Sabah TLAS status on the Finished Goods.

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

Recommendations
<p>Ivory Bay 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.</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>Gap 001/2024 (minor) Outstanding – Checklist 5.2.1, 6.1.1, 6.1.2, 6.1.3, 6.1.4: Ivory Bay shall ensure the current purchasing system is according to the CoC procedure.</p> <p>Gap 002/2024 (minor) Outstanding – Checklist 5.3.6: Ivory Bay shall conduct work safety training annually for workers at the warehouse.</p> <p>Gap 001/2025 (minor) – Checklist 5.3.2: Hiring of foreign workers shall not exceed the JTK quota.</p> <p>Observation 001-2025 – Checklist 5.2.4: SFD and Ivory Bay shall ensure Removal Pass is stamped as "Used."</p> <p>Observation 002-2025 - Checklist 5.2.12: Ivory Bay shall identify Sabah TLAS status on the Finished Goods.</p> <p>The next surveillance visit is scheduled for November 2026.</p>

End of Summary Report