

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Tenant: Borneo Build & Supply Sdn. Bhd. 200501033840 (715981-W) Landlord: Makeson Sdn. Bhd. 198301004190 (99395-V)	Reference #	GFSSBH 004-704
Contact Person	Mr. Lau Swee Cheong (Manager)	Audit Date	08/05/2024
Office Address	KM 25, Off Jalan Tuaran, Makeson Timber Complex, 88452 Telipok, Kota Kinabalu, Sabah, Malaysia.	Date close out	-
Mill Address	KM 25, Off Jalan Tuaran, Makeson Timber Complex, 88452 Telipok, Kota Kinabalu, Sabah, Malaysia.	Telephone	+6088 498 841
Email	bbenar.lau@gmail.com DFO KK: Aglsmail.AgTuah@sabah.gov.my PPW KK: MohdNasir.AgSuman@sabah.gov.my	Fax	+6088 498 841
		Approved By	Dr. Kevin Grace

Statements			
Statement of Compliance	GFS 047 WTP		
Issuance Date	13 May 2024	Expiration Date	12 May 2025

Assessment Details	
Company Type	Moulding
Scope of Assessment	Sabah TLAS P5-6: KON(KKK)008/2021(KK)
Product Group	Sawn timber & Moulding (S4S, E4E, tongue & groove, panelling)
Source of Material	Sabah, Malaysia.
Species	Drybalanops spp. (Kapur), Dipterocarpus spp. (Keruing), Koompassia malaccensis (Impas), Parashorea spp. (White seraya), Shorea spp. (Red seraya, Yellow seraya, Melapi, Selangan batu), Sapotaceae (Nyatoh), Eugenia spp. (Obah), Lauraceae (Medang), Lithocarpus & Quercus (Mempening), Planchonia valida (Putat), Hopea sangal (Gagil), Koompassia excelsa (Mengaris), Tristaniopsis merguensis (Pelawan-pelawan), Cotylelobium spp. (Resak batu), Dialium indum (KerANJI), Castanopsis motleyana (Berangan), Magnolia candollii (Chempaka)
Lead Assessor	Anne Gimbir
Assessor(s)	Glory Linggou, Tommy Olui
SFD Staff	Jepri Brahim (PPD KK)

Terms of Assessment
The scope of the evaluation is to verify compliance with Borneo Build & Supply 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 Build & Supply Sdn. Bhd. (Borneo Build & Supply) is, on and from the 25/11/2005, incorporated under the Companies Act 2016 in Sabah, Malaysia, with the registration #: 200501033840 (715981-W). Borneo Build & Supply only sells sawn timber (back-to-back sales) with Borneo Benar Sdn. Bhd. (Borneo Benar).

Borneo Build & Supply Sdn. Bhd. has a tenancy agreement with Borneo Benar and was given consent by Makeson to rent land & building through Borneo Benar.

Associated Organizations & Subcontractors:

Borneo Build & Supply does not engage subcontractor to produce, manufacture products or provide manpower.

Borneo Benar and Borneo Build & Supply share the same processing facilities.

Description of the Supply Chain:

From March 2023 to March 2024, Borneo Build & Supply has not purchase sawn timber and has no operation since April 2019. The company keeps old stocks in the mill.

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
-	-	-	-	-	-

*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 2024				
GAP #	Type	Checklist	SNatus	Description
001/2024	minor	6.1.5	New	May 2024: Sabah TLAS Compliance Certificate number was not identified on the sales invoice and packing list.

*Major = Non-Compliance

Observations: Year 2024		
Obs #	Checklist	Description
001-2024	5.1.2, 5.2.8	May 2024: Borneo Build & Supply did not complete and submit Appendix 7 (online & manual submission) to Makeson.

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

Recommendations
<p>Borneo Build & Supply 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 – Checklist 6.1.5 (minor): Borneo Build & Supply should state the Sabah TLAS Compliance Certificate number on the sales invoice and packing list since the company is selling Sabah TLAS products.</p> <p>Observation 001-2024 – Checklist 5.1.2, 5.2.8: Borneo Build & Supply should submit Appendix 7 (manual & online) monthly to the SFD.</p> <p>The next surveillance visit is scheduled for May 2025.</p>

End of Summary Report