

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Iras Suci Sdn. Bhd. (720550-X)	<b>Reference #</b>	GFSSBH 004-327
<b>Contact Person</b>	Mohammad Samat	<b>Assessment Date</b>	24/03/2022
<b>Office Address</b>	Wisma Pelabuhan Tawau, Tingkat 2, P.O. Box 335, 91007 Tawau, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	-	<b>Telephone</b>	+6019 853 9127
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		<b>Approved By</b>	Dr. Kevin Grace

Statements			
Audit Statement #	GFS 271 WTP		
Issuance Date	28 March 2022	Expiration Date	27 March 2023

Assessment Details	
Company Type	Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(TW)(E)034/2019
Product Group	Sawn timber
Source of Material	Sabah, Malaysia.
Species	Acacia (Acacia spp.), <i>Cotylelobium</i> spp. (Resak batu)
Lead Assessor	Glory B. Y. Linggou
Assessor(s)	Ivy Justin
SFD Staff	-

Terms of Assessment
The scope of the evaluation is to verify compliance of the Iras Suci 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:

Iras Suci Sdn. Bhd. (Iras Suci) is registered in Sabah, Malaysia, with registration # 720550-X. The company currently providing export services for their clients mainly to China and Peninsular Malaysia.

### Associated Organizations & Subcontractors:

Iras Suci does not engage any subcontractors to provide sawmilling services.

## Description of the Supply Chain:

From January 2021 to February 2022, Iras Suci purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk*
Mastergroup Enterprise Sdn. Bhd. (Lotus Region Sdn. Bhd.)	JP(T)TW001/00(X37)R	Sawn timber	Tawau	Non-compliance	High
Ikut maju Sdn. Bhd.	JP(T)TW001/00(X45)R	Sawn timber	Tawau	GFS 121 WTP (31/10/2022)	Low

Note: \*GFS risk evaluation is based on the risk matrix.

## Summary Results:

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

GAPs: 2022				
GAP #	Type	Checklist	Status	Description
001/2022	Minor	5.2.4	New	<b>March 2022:</b> There is no evidence that a documented COC system has been established regarding compliance with Sabah TLAS requirements for its trading and export activities.
002/2022	Minor	5.3.1 5.3.5	New	<b>March 2022:</b> There is no evidence of contributions or approved deferral from PERKESO on SOCSO contribution for 2021.

\*Major = Non-Compliance

Observations: 2022		
Obs #	Checklist	Description
-	-	-

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

Recommendations
<p><b>Iras Suci Sdn. Bhd.</b> 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><b>Gap 001/2021 (Minor) – Checklist 5.2.4:</b> The company shall develop a formal COC system to support compliance with Sabah TLAS and export of timber products.</p> <p><b>Gap 002/2021 (Minor) – Checklist 5.3.1, 5.3.5:</b> The company shall maintain documentation for SOCSO contributions for all workers.</p> <p>The next surveillance visit is scheduled for March 2023.</p>

**End of Summary Report**