

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Mill Licensee: Kotabox Packaging Sdn. Bhd. 200001009683 (512289-M) Mill Contractor: Mr Loi Teck Yew	<b>Reference #</b>	GFSSBH 004-845
<b>Contact Person</b>	Mr. Loi Teck Yew	<b>Audit Date</b>	16/06/2025
<b>Office Address</b>	Lot 2, Jalan 3, KKIP Timur Industrial Zone 13 (IZ13), Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Lot 2, Jalan 3, KKIP Timur Industrial Zone 13 (IZ13), Kota Kinabalu, Sabah, Malaysia.	<b>Telephone</b>	+6018 962 6899 +6017 833 4583
<b>Email</b>	admin@kotabox.com DFO KK: Aglsmail.AgTuah@sabah.gov.my PPW KK: MohdNasir.AgSuman@sabah.gov.my	<b>Fax</b>	-
		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 313 WTP		
Issuance Date	23 June 2025	Expiration Date	22 June 2026

### Assessment Details

Company Type	Sawmill
Scope of Assessment	Sabah TLAS P5-6: JP(K)KK001/2021(B04), KON(KKK)004/2022(KK)
Product Group	Not Applicable: All waste material internal use only
Source of Material	Sabah, Malaysia.
Species	Other Timber (OT)
Lead Assessor	Auther Itin (Acting Lead Auditor)
Assessor(s)	Sam Shamsul
SFD Staff	De – Almeida, Abu Bakar Dullah (PPD KK)

### Terms of Assessment

The scope of the evaluation is to verify compliance with Kotabox Packaging 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:**

Kotabox Packaging Sdn. Bhd. (Kotabox Packaging is, on and from 24/04/2000, incorporated under Companies Act 2016, and is registered in Kota Kinabalu, Sabah, Malaysia, with registration #: 200001009683 (512289-M). Kotabox Packaging is a wholesale and trading company for corrugated boxes, mainly for Sabah, Sarawak, and Brunei market which is not in the scope for Sabah TLAS.

Mt Loi is subcontracted to maintain boilers and produce pallets for Kotabox Packaging using waste wood as firewood for the boiler and wood pallets for internal use only.

**Associated Organizations & Subcontractors:**

Kotabox Packaging engages Mr Loi as a subcontractor to produce, pallets and maintain the boiler.

**Description of the Supply Chain:**

From March 2024 to May 2025, Mr Loi purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Apeca Sdn. Bhd. (R & N Timber Ind	JP(N)KG019/00(X04)R	Waste wood	Nabawan	GFS 118 WTP (19/05/2025)	Low
Dm Cergas Sdn. Bhd. (Bumi Timber Sdn. Bhd.)	JP(N)SO001/16(X17)	Waste wood	Nabawan	GFS 244 WTP (18/05/2026)	Low

\*GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) materials & products. Materials received before the expiry date are considered low risk.

**Summary Results:**

(Major gap = 0, Minor gap = 5, Observation = 2)

GAPs: Year 2025				
GAP #	Type	Checklist	Status	Description
001/2025	minor	5.1.2	New	<b>June 2025:</b> Sawmill and mill contractor licenses are expired.
002/2025	minor	5.2.1, 5.2.3, 6.1.1, 6.1.2, 6.1.3, 6.1.4	New	<b>June 2025:</b> The current purchasing system is not according to CoC procedure.
003/2025	minor	5.3.1, 5.3.2, 5.3.5	New	<b>June 2025:</b> Subcontractor (Mr Loi) does not maintain adequate records for employment and COI registration, monthly EPF/SOCSO contribution documents and registration.
004/2025	minor	5.3.6	New	<b>June 2025:</b> No fire and work safety training conducted for workers.
005/2025	minor	6.4.1	New	<b>June 2025:</b> No summary raw material received, and pallets produced.

\*Major = Non-Compliance

Observations: Year 2025		
Obs #	Checklist	Description
001-2025	5.1.3, 5.2.8	<b>June 2025:</b> Kotabox Packaging did not submit Appendix 1 manual to SFD as required.
002-2025	5.2.9	<b>June 2025:</b> Sub-contractor agreement was not established between Kotabox Packaging & Mr Loi and not registered as a mill contractor with the SFD.

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

### Recommendations

**Kotabox Packaging 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.

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 5.1.2:** Kotabox Packaging shall renew sawmill and mill contractor annually.

**Gap 002/2025 (minor) – Checklist 5.2.1, 5.2.3, 6.1.1, 6.1.2, 6.1.3, 6.1.4:** Kotabox Packaging shall use a purchase order/receipt to record material received in accordance to the COC procedure.

**Gap 003/2025 (minor) – Checklist 5.3.1, 5.3.2, 5.3.5:** Subcontractor (Mr Loi) must maintain adequate records for employment and COI registration, monthly EPF/SOCSO contribution documents and registration as required by SFD and Malaysian Government.

**Gap 004/2025 (minor) – Checklist 5.3.6:** Mr Loi shall conduct fire training and work safety training for workers annually.

**Gap 005/2025 (minor) – Checklist 6.4.1:** Mr Loi shall establish the monthly summary raw material purchased and products produced.

**Observation 001-2025 – Checklist 5.1.3, 5.2.8:** Kotabox Packaging shall submit Appendix 1 manual to SFD as required.

**Observation 002-2025 – Checklist 5.2.9:** Sub-contractor agreement should be established, and Mr Loi should register as a mill contractor to operate mill facilities.

The next surveillance visit is scheduled for June 2026.

**End of Summary Report**