

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Borimex Sdn. Bhd. (156612-W)	Reference #	GFSSBH 004-331
Contact Person	Young Liu Ty@Liu Tze Young (Director)	Assessment Date	01/04/2022
Office Address	Room 404, 4 th Floor, Central Building, Jalan Segunting, Kota Kinabalu, P.O. Box 20838, 88765 Kota Kinabalu, Sabah, Malaysia.	Date close out	-
Mill Address	Not applicable	Telephone	+6016 831 0066 +6088 273 974
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		Approved By	Dr. Kevin Grace

Statements			
Audit Statement #	GFS 275 WTP		
Issuance Date	04 April 2022	Expiration Date	03 April 2023

Assessment Details	
Company Type	Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(E)018/2019
Product Group	Sawn timber, moulding (finger joint) & lumber core
Source of Material	Sabah, Malaysia.
Species	Mixed tropical hardwood, <i>Shorea sp.</i> (Red Seraya, Yellow Seraya), <i>Shorea inappendiculata</i> (Selangan Batu), <i>Tristaniopsis merguensis</i> (Pelawan)
Lead Assessor	Dr. Kevin Grace
Assessor(s)	Glory Linggou, Anne Gimbir
SFD Staff	Abu Bakar (PPD KK)

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

Borimex Sdn. Bhd. (Borimex) is located in Kota Kinabalu, Sabah, Malaysia, with registration # 156612-W, and was established on 08 October 1986. The company purchases finished goods (sawn timber & mouldings) from local mills and exports mainly to China, Hong Kong and Australia.

Associated Organizations & Subcontractors:

Borimex is not associated with other companies and does not use subcontractors.

Description of the Supply Chain:

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

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Lusera Sdn. Bhd.	JP(K)KK 001/09 (X39) JP(K)KK 002/09 (X22) JP(K)KK 001/02 (X26)	Sawn timber & Moulding	Kota Kinabalu	GFS 114 WTP (09/01/2023)	Low

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

Summary Results:

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

GAPs: 2022				
GAP #	Type	Checklist	Status	Description
001/2022	Minor	5.2.7	New	April 2022: The company does not adequately implement the CoC procedures for purchasing Sabah TLAS products.

*Major = Non-Compliance

Observations: 2022		
Obs #	Checklist	Description
001-2022	6.1.2	April 2022: Inconsistency in maintaining the removal passes for export consignments.

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

Recommendations
<p>Borimex 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 002/2022 (Minor) – Checklist 5.2.7: The company needs to adequately implement the CoC procedures for purchasing and export of Sabah TLAS products.</p> <p>Observation 001-2022 – Checklist 6.1.2: Keep and maintain removal passes for the export consignment.</p> <p>The next surveillance visit is scheduled for March 2023.</p>

End of Summary Report