

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Borimex Sdn. Bhd. (156612-W)	<b>Reference #</b>	GFSSBH 004-472
<b>Contact Person</b>	Liu Tze Young (Borimex Director) Robert Wong (R.M Services)	<b>Audit Date</b>	07/03/2023
<b>Office Address</b>	Lot 3.28, 3 <sup>rd</sup> Floor, Asia City Complex, Phase III, 88000, Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Not applicable	<b>Telephone</b>	+6016 831 0066 +6019 861 6188
<b>Email</b>	borimex.sb@gmail.com	<b>Fax</b>	+6088 273 974
		<b>Approved By</b>	Dr. Kevin Grace

Statements			
<b>Audit Statement #</b>	GFS 275 WTP		
<b>Issuance Date</b>	13 March 2023	<b>Expiration Date</b>	12 March 2024

Assessment Details	
<b>Company Type</b>	Exporter
<b>Scope of Assessment</b>	Sabah TLAS P5-6: FDS(KK)(E)018/2019
<b>Product Group</b>	Sawn timber, moulding (finger joint) & lumber core
<b>Source of Material</b>	Sabah, Malaysia.
<b>Species</b>	<i>Parashorea spp.</i> (White Seraya), <i>Shorea spp.</i> (Red Seraya, Yellow Seraya), <i>Shorea inappendiculata</i> (Selangan Batu), <i>Tristaniopsis merguensis</i> (Pelawan), <i>Dryobalanops aromatica</i> (Kapur), <i>Shorea rubella</i> (Meranti), <i>Parishia spp.</i> (Surian)
<b>Lead Assessor</b>	Brandon James (Acting)
<b>Assessor(s)</b>	Sandra George
<b>FDS Staff</b>	Jasni Rapiee (PPD KK)

Terms of Assessment
The scope of the evaluation is to verify compliance of 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, and was established on 08/10/1986 with registration # 156612-W. Borimex purchases finished goods (sawn timber & mouldings) from local mills and exports mainly to Hong Kong and Australia.

The previous assessment was conducted in April 2022 that resulted in 1 gap(s) and 1 observation(s) (Report #: GFSSBH 004-331).

**Associated Organizations & Subcontractors:**

Borimex engages R.M Services Sdn. Bhd. as its agent to handle documentation for export activities.

**Description of the Supply Chain:**

From January 2022 to January 2023, Borimex purchased raw materials from the supplier as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Lusera Sdn. Bhd.	JP(K)KK 001/09 (X39)	Sawn timber & Moulding	Kota Kinabalu	GFS 114 WTP (11/12/2023)	Low

Note: \*GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) material & products.

**Summary Results:**

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

GAPs: Year 2023				
GAP #	Type	Checklist	Status	Description
001/2022	Minor	5.2.7	Closed	<p><b>April 2022:</b> The company does not adequately implement the CoC procedures for purchasing Sabah TLAS products.</p> <p><b>March 2023:</b> Borimex did not purchase or export Sabah TLAS products.</p>

\*Major = Non-Compliance

Observations: Year 2023		
Obs #	Checklist	Description
001-2022 Outstanding	6.1.2	<p><b>April 2022:</b> Inconsistent in maintaining the removal passes for export consignments.</p> <p><b>March 2023:</b> Inconsistent in maintaining removal passes for the export consignments.</p>

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

Recommendations
<p><b>Borimex 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>Observation 001-2022 (Outstanding) – Checklist 6.1.2:</b> Borimex shall maintain copies of removal passes for export consignments in its office.</p> <p>The next surveillance visit is scheduled for March 2024.</p>

**End of Summary Report**