



GLOBAL FORESTRY SERVICES

Registered Office: 2446 N. San Gabriel Blvd., Suite #C, Rosemead, CA 91770, USA.
 Contact Address: 33-19-01, Sri Penaga, Jalan Medang Serai, 59100 Kuala Lumpur, Malaysia
 Tel: +6012 310 6007 Fax: +603 5635 7564
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Sarawak Audit Checklist / Report STLVS Principles 5 & 6

Company	Forescom Plywood Sdn. Bhd. (023406-P)	Reference #	GFSS 021-034
Contact Person	Alvin Yii / Wee Ing Kiong (MR)	Audit Date	15 March 2019
Office Address	Lot 515, Piasau Industrial Estate, Jalan Datuk Edward Jeli, P.O. Box 1599, 98008 Miri, Sarawak, Malaysia.	Report Date	16 March 2019
Mill Address	Lot 430 Block 38 Kemena Industrial Estate, 97000 Bintulu, Sarawak, Malaysia.	Telephone	+6085 604 599
Email	alvinyii@shinyang.com.my ikwee@shinyang.com.my	Fax	+6019 877 5104 +6086 314 199
		Telephone	+6085 605 339
		Fax	+6086 314 299
		Approved By	Dr. Kevin Grace

Statements

GFS Statement of Compliance #	GFS 077 WTP		
Issuance Date	01 April 2019	Expiration Date	31 March 2020

Assessment Details

Company Type	Manufacturing
Scope of Assessment	Forescom Plywood Sdn. Bhd.
Product Group	Plywood & Veneer
Source of Material	Verified Legal: Shin Yang Forestry Sdn. Bhd. LPF No. 0018, LPF No. 0019 and LPF No. 0017 PEFC certified planted <i>Acacia spp.</i> & <i>Albizia spp.</i> logs; PEFC certified natural forest species from Zedtee Sdn. Bhd. (Anap Muput LPF0039), Eucalyptus logs from OJI Forest & Products Co. Ltd., Radiata Pine logs from Yuasa Trading Co. Ltd., Eucalyptus logs from Pentarch Forest Products Pty Ltd., Aushang International Pty. Ltd., and Wood Based Products Pty. Ltd., veneer from Palm Trade Chile Limitada and Konei Comercial Importacao E Exportacao LTDA
Species	<u>Natural Forest Species:</u> <i>Octomeles sumatrana</i> (Binuang), <i>Shorea spp.</i> (Meranti), <i>Artocarpus spp.</i> (Terap), <i>Buchanania spp.</i> (Terentang), <i>Mezzettia spp.</i> (Kepayang babi), <i>Mangifera spp.</i> (Asam) <u>Planted Species:</u> <i>Albizia spp.</i> , <i>Eucalyptus spp.</i>
Close Out Date	Not Applicable
GFS Lead Assessor	Franklin Emang
GFS Assessor(s)	Cynthia D. John
Others	Mr. Wee Ing Kiong (COC MR), Mr. Peter Wong (Logpond In-charge), Mr. Dounal Eju (Safety), Ms. Patricia Zamry (Safety), Ms. Jessica Lea (PPC Supervisor), Mr. Ahmad Tafdilul (HR Dept.)

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Terms of Assessment

The scope of the evaluation is to verify compliance of the Company and subcontractors to the criteria within the Sarawak Timber Legality Verification System (STLVS) 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. Any non-compliance must be formally addressed in accordance to the STLVS auditing manual and prior to issuance of a GFS Audit Statement.

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 site verification under the scope of assessment. GFS 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:

Shin Yang Group of Companies is registered in Sarawak, Malaysia with both forestry concessions (Forest Timber Licenses [FTL] and License For Planted Forests [LPF]) and several associated production mills in Miri and Bintulu, Sarawak.

This exercise involves Forescom Plywood Sdn Bhd (023406-P) based in Bintulu, Sarawak. The mill produces plywood that mainly sold to Japan and South Korea. Forescom Plywood has obtained PEFC Chain of Custody certificate, certificate #: SIRIM-COC-0096 for their products (plywood) with expiry on 06th November 2019; and FSC Chain of Custody certificate, certificate #: SCS-COC-005759 for their products (plywood) with expiry date on 24th October 2021.

Associated Organizations & Subcontractors:

Shin Yang Group of Companies is associated with Forescom Plywood Sdn. Bhd., which is involved in processing plywood and veneer in Bintulu. The list of Shin Yang Group of Companies in Miri & Bintulu, Sarawak:

- Shin Yang Plywood Sdn. Bhd. – Mill in Miri, Sarawak.
- Shin Yang Laminated Board Sdn. Bhd. - Mill in Miri, Sarawak.
- Zedtee Plywood Sdn. Bhd. – Mill in Bintulu, Sarawak.
- Shin Yang Plywood (Bintulu) Sdn. Bhd. – Mill in Bintulu, Sarawak.

Description of the Supply Chain:

Forescom Plywood Sdn. Bhd. (Forescom Plywood) purchases low risk raw material (logs / veneer) from Shin Yang Timber License and LPF areas in Sarawak. Forescom Plywood also imports veneer and logs through Shin Yang Head Office. The suppliers are evaluated under a formal Risk Assessment and Matrix to document risk. Only Low Risk material is considered for use in the STLVS production.

Supplier	License #	Material type	Species	Risk Assessment
Shin Yang Trading (Anap Muput)	FTL No. T/4317	Logs	Natural forest spp	PEFC/MTCS Certified Cert. #: FMC 0006 (Natural Forest) Expiry date on 24 July 2019 Risk assessment: Medium risk Country & Low Risk Operational
Shin Yang Forestry Sdn. Bhd.	LPF 0017	Logs	<i>Acacia spp.</i> <i>Albizia spp.</i>	PEFC/MTCS Certified Cert. #: FMC 00114 (Forest Plantation) Expiry date on 02 February 2020

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Shin Yang Forestry Sdn. Bhd.	LPF 0018	Logs	<i>Acacia spp.</i> <i>Albizia spp.</i>	Risk assessment: Low risk Species & Operational PEFC/MTCS Certified Cert. #: FPMC 0004 (Forest Plantation) Expiry date on 20 October 2019 Risk assessment: Low risk Species & Operational
Shin Yang Forestry Sdn. Bhd.	LPF 0019	Logs	<i>Acacia spp.</i> <i>Albizia spp.</i>	PEFC/MTCS Certified Cert. #: FPMC 0003 (Forest Plantation) Expiry date on 11 August 2019 Risk assessment: Low risk Species & Operational
OJI Forest & Products Co. Ltd.	New Zealand / Australia	Logs	<i>Eucalyptus spp.</i>	Risk assessment: Low risk Country & Species
Yuasa Trading Co. Ltd.	New Zealand	Logs	Radiata pine	Risk assessment: Low risk Country & Species
Pentarch Forest Products Pty Ltd	Australia	Logs	<i>Eucalyptus spp.</i>	Risk assessment: Low risk Country & Species
Aushang International Pty. Ltd.	Australia	Logs	<i>Eucalyptus spp.</i>	Risk assessment: Low risk Country & Species
Wood Based Products Pty. Ltd.	Australia	Logs	<i>Eucalyptus spp.</i>	Risk assessment: Low risk Country & Species
Palm Trade Chile Limitada	Chile / Brazil	Veneer	<i>Eucalyptus spp.</i>	FSC Certified: SKH-COC-000521 with expiry date on 31 March 2022. Risk assessment: Medium risk Country & Low Risk Species (veneer – Eucalyptus)
Konei Commercial Importacao E Exportacao	Brazil	Veneer	Pine, <i>Eucalyptus spp.</i>	Risk assessment: Medium risk Country & Low Risk Species (veneer – planted Pine & Eucalyptus)

Itinerary of Assessment

Date	Activity	GFS Auditors	Mandays
11 March 2019 Monday	STLVS P5-6 surveillance audit to Shin Yang Plywood Sdn. Bhd. & Shin Yang Laminate Board Sdn Bhd in Miri	Franklin Emang Cynthia D. John	2
12 March 2019 Tuesday	Travel to Bintulu from Miri	Franklin Emang Cynthia D. John	0
13 March 2019 Wednesday	STLVS P5-6 surveillance audit to Zedtee Plywood Sdn. Bhd. in Bintulu	Franklin Emang Cynthia D. John	2
14 March 2019 Thursday	STLVS P5-6 surveillance audit to Shin Yang Plywood (Bintulu) Sdn. Bhd. in Bintulu	Franklin Emang Cynthia D. John	2
15 March 2019 Friday	STLVS P5-6 surveillance audit to Forescom Plywood Sdn. Bhd. in Bintulu	Franklin Emang Cynthia D. John	2
16 March 2019 Saturday	Reporting: GFSS 021-031 Shin Yang Plywood Sdn. Bhd. & Shin Yang Laminate Board Sdn Bhd GFSS 021-032 Zedtee Plywood Sdn. Bhd. GFSS 021-033 Shin Yang Plywood (Bintulu) GFSS 021-034 Forescom Plywood Sdn. Bhd.	Dr. Kevin Grace Franklin Emang Cynthia D. John	4
		Total	12

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Summary results:

(Major Gap = 0 / Minor Gap = 0 / Observations = 0)

GAPs :				
GAP #	Type	Checklist	Status	Description
-	-	-	-	-

**Note: Major Gap = Non-Compliance / Minor Gap = Minor Gap raised can be upgraded to a Major Gap if not adequately addressed by the date of the next surveillance visit.*

Observations		
Obs #	Checklist	Description
-	-	-

**Note: Observation raised can be upgraded to a Minor Gap if not adequately addressed by the date of the next surveillance visit.*

Highlights of Close out visit (if applicable)	Dates
Not applicable	

Recommendations
Forescom Plywood Sdn. Bhd. has demonstrated compliance to the Sarawak Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Audit Statement and STLVS Certificate of Compliance by STIDC. The next surveillance visit will be scheduled in March 2020.

End of Summary Report

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