

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Cymasun Trading Sdn. Bhd. (88490-W)	<b>Reference #</b>	GFSSBH 004-093
<b>Contact Person</b>	Michael Tiong (Director)	<b>Assessment Date</b>	27/08/2019
<b>Office Address</b>	Mile 6.5, Jalan Tuaran, Inanam 88430 Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	Mile 6.5, Jalan Tuaran, Inanam 88430 Kota Kinabalu, Sabah, Malaysia.	<b>Telephone</b>	+6088 421 226
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

<b>Audit Statement #</b>	GFS 091 WTP		
<b>Issuance Date</b>	01 September 2019	<b>Expiration Date</b>	31 August 2020

### Assessment Details

<b>Company Type</b>	Sawmill and moulding mill
<b>Scope of Assessment</b>	Sabah TLAS P5-6: JP(K)KK 002/18 (X04)
<b>Product Group</b>	Sawn timber and moulding (finger-joint)
<b>Source of Material</b>	Sabah, Malaysia.
<b>Species</b>	<i>Acacia</i> spp. (Acacia), <i>Pinus</i> spp. (Pine) and mixed species from sawn timber
<b>Lead Assessor</b>	Priera Bagang
<b>Assessor(s)</b>	Christoph Muziol, Cynthia D. John
<b>FDS Staff</b>	RH Jasni bin Rafiee (PPM Kota Kinabalu)

### Terms of Assessment

The scope of the evaluation is to verify compliance of the Cymasun Trading 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:**

Cymasun Trading Sdn. Bhd. (Cymasun Trading) was established in 1982, and is registered in Sarawak, Malaysia with registration # 88490-W. The company is currently conducting sawn timber and logs services for its sister company – Bonusoon Wood Sdn. Bhd., which is responsible for purchasing raw materials and sales of finished goods. Both companies are operating under the holding company Tropical Timber and Trading (Sabah) Sdn. Bhd.

The previous assessment was conducted in June 2018 and resulted in 1 gap(s) and 0 observation(s) (report #: G162-439).

**Associated Organizations & Subcontractors:**

Cymasun Trading is owned by Tropical Timber and Trading, and associated with several sister companies, namely; East Asia Agencies (Sabah) Sdn. Bhd., Tropical Pulpwood (Sabah) Sdn. Bhd., Tropical Pulpwood Sdn. Bhd., Uniqueland Development Sdn. Bhd., East Asia Aluminum (Sabah) Sdn. Bhd., Mega Uni-Consortium Sdn. Bhd., and Nuri Harapan Sdn. Bhd.

Cymasun Trading did not engage other subcontractor to provide or manufacture products.

**Description of the Supply Chain:**

From May 2018 to July 2019, Cymasun Trading received raw materials from the supplier as below:

Supplier	License	Raw Material	Location	FDS TLAS-CC (Validity)	GFS Audit Statement # (Validity)
Bonusoon Wood Sdn. Bhd.	FDS(KK)(I)007/2019	Plantation Logs	Kota Kinabalu	-	-

**Summary Results:**

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

GAPs:					
GAP #	Type	Checklist	Status	Description	
003/2018	Minor	5.2.5 5.2.7	Closed	<p><b>June 2018:</b> WIP and finished goods lacked identification to batch unit # and Sabah TLAS status. The company is not operating the CoC system in accordance to its procedures for production of Sabah TLAS material and Cymasun does not claim production as Sabah TLAS as they are using old stock.</p> <p><b>August 2019:</b> The company had revised and implemented their CoC manual in August 2019. WIP &amp; Finished Goods were observed with production batch number for traceability and Sabah TLAS Status.</p>	
004/2019	Minor	5.1.2	New	<p><b>August 2019:</b> Logs received based on Removal Passes differed from logs supply recorded in Appendix 1 in Dec 2018 Jan &amp; July 2019. Also, carry-forward stock records were not recorded in Appendix 1 in relation to log receipt and log input records.</p>	

\*Major = Non-Compliance

Obs #	Checklist	Description
-	-	-

<b>Highlights of Close-Out Visit (if applicable)</b>	<b>Date -</b>
Not applicable	

<b>Recommendations</b>
<p><b>Cymasun Trading Sdn. Bhd.</b> has demonstrated compliance with the Sabah Standard Principles 5-6 for Chain of Custody and is recommended to receive a GFS Audit Statement and STCC from FDS.</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 004/2019 (Minor) – Checklist 5.1.2:</b> The company shall record the correct monthly volumes of carry-forward stock in Appendix 1. Records of arrival of raw material based on Removal passes shall be correct in both the log arrival sawn timber arrival book books and in Appendix 1.</p> <p>The next surveillance visit is scheduled for June 2020.</p>

**End of Summary Report**