Sabah TLAS+ Assessment Report
Principles 5 & 6 (P7 & 8 optional)

Organisation	HNK Timber (Sabah) Sdn. Bhd. 198501010272 (142724-T)	**Reference #**	GFSSBH 004-1009
Contact Person	Ms. Ong Huey Chi (Manager)	**Audit Date** **Date close out**	20/10/2026 -
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Statements			
Statement of Compliance	GFS 196 WTP		
Issuance Date	26 October 2026	Expiration Date	25 October 2027

Assessment Details	
Company Type	Exporter, Supplier
Scope of Assessment	Sabah TLAS+ P5-6: FDS(KK)(E)022/2019 (Remote Assessment)
Product Group	Sawn timber
Source of Material	Sabah, Malaysia
Species	*Shorea spp.* (Red seraya, Selangan batu)
Lead Assessor	Ng Cai Ling
Assessor(s)	(Trainera) Anne Gimbir
SFD Staff	-

Objectives

- The objective of this checklist is to verify compliance with the Criteria listed in the Sabah Legality Standard as defined by Principles 5&6 including Principle 7 for Deforestation Free (DF) where applicable and Optional Principle 8 for CS3D dated 1 July 2026.
- Compliance is defined when all applicable criteria are observed to be compliant. A Minor Gap to any indicator does not constitute non-compliance to a criterion. A Major Gap to any applicable indicator reflects non-compliance to the criterion which shall be addressed within 2 months.
- All issues identified under this standard shall be considered appropriate to the scale and degree of forestry operations undertaken by the parties under the license agreement.

Scope of Assessment

- The scope of the evaluation is to verify compliance with the organisation to the criteria within the Sabah Timber Legality Assurance System (Sabah TLAS+) Principle 5 - Mill Operations and Principle 6 - Trade and Customs standards.
- Principle 7 Deforestation Free: ☐ Applicable ☒ Not Applicable
- Principle 8 (CS3D): ☐ Included ☒ Not Included
- Site evaluation to verify and report the level of compliance by HNK Timber (Sabah) Sdn. Bhd. and contractors to the standard in respect to each of the criteria within this report.

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:

HNK Timber (Sabah) Sdn. Bhd. [HNK Timber (Sabah)] is, on and from 26/07/1985, incorporated under Companies Act 2016, and is registered in Johor, Malaysia, with registration #: 198501010272 (142724-T). HNK Timber (Sabah) purchases sawn timber from the local market and sawn timber is directly shipped from the supplier to Thailand.

The previous assessment was conducted in October 2025 that resulted in 0 gap(s) and 0 observation(s) (Report #: GFSSBH 004-884).

Associated Organizations & Subcontractors:

HNK Timber (Sabah) does not engage subcontractor to produce, manufacture products or provide manpower.

Description of the Supply Chain:

From September 2025 to September 2026, HNK Timber (Sabah) purchased (raw materials / products) from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Dyna Istimewa Sdn. Bhd. (Tropical Wood Plantation Sdn. Bhd.)	JP(T)KA001/11(X04)	Sawn timber	Kalabakan	-	High

**GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) for materials & products.*

Summary Results:

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

GAPs: Year 2026				
GAP #	**Type**	**Checklist**	**Status**	**Description**
001/2026	minor	5.1.2, 6.3.1	New	**October 2026:** HNK Timber (Sabah) has yet to register as a Supplier with the SFD as per the SFD requirement.
002/2026	minor	5.2.1, 5.2.3, 5.2.4, 5.2.5, 6.1.1, 6.1.2	New	**October 2026:** Purchase Orders do not reference the status for material being purchased.

*Major = Non-Compliance

Observations: Year 2026		
Obs #	**Checklist**	**Description**
-	-	-

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

Recommendations
HNK Timber (Sabah) Sdn. Bhd. has demonstrated compliance with the Sabah TLAS+ 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 (Sabah 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 001/2026 (minor) – Checklist 5.1.2, 6.3.1:** HNK Timber (Sabah) to register as a Supplier with the SFD as required by SFD. **Gap 002/2026 (minor) – Checklist 5.2.1, 5.2.3, 5.2.4, 5.2.5, 6.1.1, 6.1.2:** Purchase Orders shall reference the status for material being purchased as per the CoC procedure. The next surveillance visit is scheduled for October 2027.

End of Summary Report