

Sabah TLAS Audit Report Principles 5 & 6

Organisation	Tenant: Borneo Benar Sdn. Bhd. 199901013624 (488524-D) Landlord: Makeson Sdn. Bhd. 198301004190 (99395-V)	Reference #	GFSSBH 004-841
Contact Person	Mr. Lau Swee Cheong (Manager)	Audit Date	11/06/2025
Office Address	KM 25, Off Jalan Tuaran, Makeson Timber Complex, 88452 Telipok, Kota Kinabalu, Sabah, Malaysia.	Date close out	-
Mill Address	KM 25, Off Jalan Tuaran, Makeson Timber Complex, 88452 Telipok, Kota Kinabalu, Sabah, Malaysia.	Telephone	+6088 498 841
Email	bbenar.lau@gmail.com DFO KK: Aglsmail.AgTuah@sabah.gov.my PPW KK: MohdNasir.AgSuman@sabah.gov.my	Fax	+6088 498 841
		Approved By	Dr. Kevin Grace

Statements

Statement of Compliance	GFS 197 WTP		
Issuance Date	16 June 2025	Expiration Date	15 June 2026

Assessment Details

Company Type	Moulding, Exporter
Scope of Assessment	Sabah TLAS P5-6: FDS(KK)(S)009/2022(MT), FDS(KK)(E)040/2019
Product Group	Moulding (S4S, E4E, decking, tongue & groove, panelling), plywood (old stock)
Source of Material	Sabah, Malaysia.
Species	Drybalanops spp. (Kapur), Dipterocarpus spp. (Keruing), Shorea spp. (Selangan batu), Belian
Lead Assessor	Auther Itin
Assessor(s)	Sam Shamsul, Observer: Dr. Kevin Grace
SFD Staff	Jepri Brahim (PPD KK)

Terms of Assessment

The scope of the evaluation is to verify compliance with Borneo Benar 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 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:

Borneo Benar Sdn. Bhd. (Borneo Benar) is, on and from the 14/07/1999, incorporated under the Companies Act 2016 in Kota Kinabalu, Malaysia, with the registration #: 199901013624 (488524-D). Borneo Benar purchases sawn timber and produce moulding and exports them to Maldives and Qatar.

Borneo Benar has a tenancy agreement with Borneo Build & Supply and was given consent by Makeson to rent land & building to Borneo Build & Supply.

The previous assessment was conducted in May 2024 that resulted in 3 gap(s) and 1 observation(s) (Report #: GFSSBH 004-705).

Associated Organizations & Subcontractors:

Borneo Benar does not engage subcontractor to produce, manufacture products or provide manpower. Borneo Benar and Borneo Build & Supply share the same processing facilities.

Description of the Supply Chain:

From May 2024 to May 2025, Borneo Benar purchased raw materials from the suppliers as below:

Supplier	License	Raw Material	Location	GFS WTP # STCC #	Overall Risk *
Lusera Sdn. Bhd.	JP(K)KK001/09(X39)	Sawn timber	Kota Kinabalu	GFS 114 WTP (15/12/2025)	Low
Borneo Build & Supply Sdn. Bhd.	JP(K)KK 001/14 (B05)	Sawn timber	Kota Kinabalu	GFS 047 WTP (12/05/2025)	Low

*GFS risk evaluation is based on the risk matrix for Sabah TLAS (VL) materials & products. Materials received before the expiry date are considered low risk.

Summary Results:

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

GAPs: Year 2025				
GAP #	Type	Checklist	Status	Description
001/2024	minor	5.2.4	Closed	May 2024: Sabah TLAS status was not identified in the arrival book. Removal pass for export materials was not stamped as "Used." June 2025: Sabah TLAS status was identified in the arrival book. Removal pass for export materials was stamped as "Used."
002/2024	minor	5.3.2	Closed	May 2024: Total foreign workers employed exceeded the JTK license quota. June 2025: Total foreign workers employed was within the JTK license quota.
003/2024	minor	6.1.5	Closed	May 2024 Sabah TLAS Compliance Certificate number was not identified on the sales invoice and packing list. June 2025: There are no sales of Sabah TLAS products.

*Major = Non-Compliance

Observations: Year 2025		
Obs #	Checklist	Description
001-2024 Addressed	5.1.2	May 2024: No evidence of SFD approval for the timber supplier license renewal.

Observations: Year 2025		
Obs #	Checklist	Description
		June 2025: The Supplier license was renewed and valid.
001-2025	5.1.3	June 2025: Inconsistent in recording volume in Sawn Timber arrival book and Sawn Timber Supply in Appendix 7.

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

Recommendations
<p>Borneo Benar 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>Observation 001-2025 – Checklist 5.1.3: Borneo Benar shall ensure volume for sawn timber received are recorded in Manual Appendix 7. Borneo Benar shall seek guidance from SFD HQ regarding Appendix.</p> <p>The next surveillance visit is scheduled for June 2026.</p>

End of Summary Report