

## Sabah TLAS Audit Report Principles 5 & 6

<b>Organisation</b>	Tenant: Borneo Benar Sdn. Bhd. 199901013624 (488524-D) Landlord: Makeson Sdn. Bhd. 198301004190 (99395-V)	<b>Reference #</b>	GFSSBH 004-974
<b>Contact Person</b>	Ms. Suekin Bt. Bangkulat @ Martha (Clerk)	<b>Audit Date</b>	10/06/2026
<b>Office Address</b>	KM 25, Off Jalan Tuaran, Makeson Timber Complex, 88452 Telipok, Kota Kinabalu, Sabah, Malaysia.	<b>Date close out</b>	-
<b>Mill Address</b>	KM 25, Off Jalan Tuaran, Makeson Timber Complex, 88452 Telipok, Kota Kinabalu, Sabah, Malaysia.	<b>Telephone</b>	+6088 498 841 +6013 545 8303
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		<b>Approved By</b>	Dr. Kevin Grace

### Statements

Statement of Compliance	GFS 197 WTP		
Issuance Date	15 June 2026	Expiration Date	14 June 2027

### 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	<i>Drybalanops spp.</i> (Kapur), <i>Dipterocarpus spp.</i> (Keruing), <i>Shorea spp.</i> (Selangan batu, Meranti)
Lead Assessor	Ng Cai Ling
Assessor(s)	Ennald Chin, (Observer) Anne Gimbir
SFD Staff	De-Almeida G.Y (PPD KK), 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) changed its name on 24/06/2000 from See For Miles Sdn. Bhd. which was incorporated on 14/07/1999 in Kota Kinabalu under Companies Act 2016, with registration #: 199901013624 (488524-D). Borneo Benar purchases sawn timber from Sabah and produces moulding and exports them to Maldives, Qatar and United States.

Borneo Benar has a tenancy agreement with Makeson (Landlord) to rent land that expired in Mar 2026.

The previous assessment was conducted in June 2025 that resulted in 0 gap(s) and 1 observation(s) (Report #: GFSSBH 004-841).

**Associated Organizations & Subcontractors:**

Borneo Benar does not engage subcontractor to produce, manufacture products or provide manpower.

**Description of the Supply Chain:**

From May 2025 to May 2026, 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 (30/11/2026) FDS(SCS)110/2025 (30/11/2026)	Low
Kilang Papan Hiong Tiong Sdn. Bhd.	JP(K)KK003/00(X04)R	Sawn timber	Kota Kinabalu	GFS 071 WTP (26/10/2026) FDS(SCS)097/2025 (26/10/2026)	Low

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

**Summary Results:**

(Major gap = 0, Minor gap = 1, Observation = 3)

GAPs: Year 2026				
GAP #	Type	Checklist	Status	Description
001/2026	minor	6.4.1	New	<b>June 2026:</b> No monthly summary of finished goods and sales record were established.

\*Major = Non-Compliance

Observations: Year 2026		
Obs #	Checklist	Description
001-2025 Outstanding	5.1.3	<b>June 2025:</b> Inconsistent in recording volume in Sawn Timber arrival book and Sawn Timber Supply in Appendix 7. <b>June 2026:</b> Inconsistent in recording quantity and volumes in the arrival book based on Delivery Orders and Stock CF was not recorded in the online submission for Appendix 1 & 7.
001-2026	5.2.12	<b>June 2026:</b> Sabah TLAS monthly production and batch number records were not established.
002-2026	6.1.3	<b>June 2026:</b> Purchase Order number was not recorded in the Arrival Book.

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

**Recommendations**

**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.

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 6.4.1:** Borneo Benar should record monthly summary for Finished Goods and sales record.

**Observation 001/2025 (Outstanding) – Checklist 5.1.3:** Borneo Benar should record bundle and volumes in the arrival book based on Delivery Order and Stock CF should be recorded in Appendix 1 & 7 online submission.

**Observation 001-2026 – Checklist 5.2.12:** Borneo Benar should record Sabah TLAS monthly production batch number for Sabah TLAS production.

**Observation 002-2026 - Checklist 6.1.3:** Borneo Benar should record Purchase Order number in the Arrival book.

The next surveillance visit is scheduled for June 2027.

**End of Summary Report**