

## ENVIRONMENTALLY RESPONSIBLE WOOD AND WOOD FIBRE PROCUREMENT POLICY FOR NEW ZEALAND

Carter Holt Harvey (CHH) is committed to managing our businesses in a responsible manner including environmentally responsible procurement of wood and the adoption and implementation of the Forest Stewardship Council® (FSC®) core labour requirements in its own businesses and that of its fibre suppliers.

Procuring wood from environmentally sustainable sources is one of the actions CHH can take to promote sustainable environmental management for the benefit of current and future generations. This policy will be adhered to by the manufacturing sites in New Zealand owned and managed by CHH and shall apply to all wood and wood fibre procurement activities.

Wood and wood fibre purchased for processing, remanufacture and on-sale will originate from 'Sustainable Sources'. Sustainable sources of wood and wood fibre include those meeting the following criteria:

- CHH sources logs from sustainably managed plantation forests and other controlled sources, and has the Forest Stewardship Council® (FSC®) Chain of Custody certification. This measure provides a formal assurance that gives CHH's customers confidence about its sustainability credentials. (Certificates: CHH Timber Kawerau, **FSC® C021357**, CHH Timber, Nelson **FSC® C011498**, Futurebuild LVL, Marsden Point **FSC® C007103**, CHH Plywood, Tokoroa **FSC® C012019**)
- All wood fibre that is sourced from sustainable plantation forests that are managed in compliance with applicable law and regulations, as confirmed by CHH's assessment against the criteria given in FSC-STD-40-005 V3-1 EN

Sustainable and controlled sources exclude sources of wood and wood fibre derived from

- Illegal logging or the trade in illegal wood or forest products;
- Violation of traditional and human rights in forestry operations;
- Destruction of high conservation value areas in forestry operations;
- Significant conversion of natural forests to plantations or non-forest use;
- Introduction of genetically modified organisms, being organisms originating from recombinant transgenic techniques, in forestry operations;

- The violation of any of the International Labour Organisation (ILO) core conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work -1998, namely
  - o Eliminating all forms of forced or compulsory labour
  - o The abolition of child labour
  - o The elimination of discrimination in respect of employment
  - o Freedom of association and the right to collective bargaining
  - o Note: These ILO core conventions form the basis of the FSC core labour requirements.

CHH's sourcing policy requires CHH to verify and monitor its sources. Any exceptions to this policy must be escalated to and approved at CEO level or higher to ensure an optimal commercial and environmentally sustainable outcome is reached.



Clayton Harris – CE Woodproducts New Zealand