

HS Timber Group

Environmental Policy

Version October 2022

This policy applies to all timber processing and trading companies of HS Timber Group.

Our economic success depends on our supply base, a sustainably managed forest, and a healthy environment. Through responsible use of our resource – wood – we aim to become an integral part of a circular economy. For us, respecting the environment also entails full compliance with environmental laws and regulations, as a minimum level of performance.

Wood from sustainably managed forests is the most sustainable material. Using wood can prevent excessive use of plastic or other non-renewable materials. The use of wood is therefore essential for tackling the challenges of climate change.

We care about health, safety, and the environment, which means not only providing a safe, healthy workplace, but also ensuring that our employees are properly trained, competent and aware of environmental aspects and the impact of their activities on the environment.

We therefore commit to:

- promoting a corporate culture in which responsible use of our resource and effective environmental management are an integral part of our economic activities, supporting innovation and success;
- a target of buying exclusively material originating from certified forests by 2025 and publicly reporting progress against this target annually (sourcing policy);
- full compliance with national and international environmental requirements with the objective of exceeding the requirements, thus moving towards a higher level of environmental protection;
- contributing to protecting biodiversity and actively engaging in forest restoration actions;

- a target of a 30% reduction in electrical and thermal energy by 2025ⁱ;
- a target of a 25% reduction in CO₂ emissions by 2025ⁱⁱ;
- minimising the volume of waste generated by our operations;
- maximising the re-use of waste;
- ensuring the most environmentally friendly treatment and disposal of each type of waste;
- establishing, maintaining, and intensifying dialogue with stakeholders and employees, to ensure and achieve our environmental objectives and goals through continuous improvement.

ⁱ per final product unit or an equivalent calculated unit
ⁱⁱ detto

Implementation

In order to achieve the principles and goals presented and to ensure continuous improvement, we apply the methodology of the environmental management system in accordance with ISO 14001:2015, covering the flow of the raw materials from acquisition up until delivery of the product to customers. That we take the expectations of interested parties into account goes without saying. We are striving for a unified environmental management system across all our mills by 2022 at the latest. The decision on whether to seek ISO 14001:2015 certification is at the discretion of the respective mill management.

Implementation of this policy is a shared responsibility between the mill management, which is accountable for its implementation on the ground, and Group management, which regularly reviews the policy. This will ensure consistency of the policy, appropriateness and effectiveness in relation to the environmental impacts and the risks associated with our economic activities.

This policy will be reviewed and a public statement on its status of implementation will be issued annually, in the context of the Sustainability Report.

