

Revised: August 2023

SUSTAINABLE FOREST MANAGEMENT POLICY

1. Sustainable Forest Management Objectives:

Southwood Export Limited is a chip mill owner/operator, plantation forest owner and forest manager based out of the mill office at Awarua.

Southwood Export Ltd is committed to sustainable forest management practices in alignment with the PEFC (Programme for the Endorsement of Forest Certification) standard AS/NZS 4708:2021. This policy outlines our approach to responsible forest management, ensuring the conservation of natural resources, biodiversity, and social welfare while maintaining the economic viability of our operations.

2. Compliance with PEFC Standard AS/NZS 4708:2021:

Southwood Export Ltd acknowledges and adheres to the guidelines set forth in the PEFC standard AS/NZS 4708:2021, including but not limited to principles and criteria related to forest management, ecological values, social aspects, and economic viability.

3. Sustainable Forest Management Objectives:

Our objectives under this policy are to:

- Sustainably manage forest ecosystems to ensure their long-term health, productivity, and resilience.
- Conserve biodiversity by protecting and enhancing native species and ecosystems.
- Maintain water quality, soil health, and other ecological functions of forest ecosystems.
- Respect the rights and interests of Indigenous peoples and local communities.
- Provide safe and supportive working conditions for our employees and contractors.
- Promote responsible and transparent business practices throughout our supply chain.
- Contribute to the well-being of the local economy by generating employment and supporting local businesses.

4. Forest Management Practices:

- Develop and implement comprehensive forest management plans that consider ecological, economic, and social factors.
- Prioritize the protection of high conservation value forests, including critical habitats and rare species.
- Adopt sustainable harvesting techniques that minimize environmental impact.
- Monitor and mitigate the risk of forest fires, pests, and diseases to maintain ecosystem health.
- Replant harvested areas with to ensure reforestation.

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5. Biodiversity Conservation:

- Identify and protect areas of high biodiversity value, including native forests and sensitive habitats.
- Implement measures to safeguard threatened and endangered species within our
- Conduct regular biodiversity assessments to monitor the health and diversity of ecosystems.

6. Indigenous and Local Community Engagement:

- Respect and acknowledge the rights, traditions, and knowledge of Indigenous peoples and local communities in our forest management activities.
- Engage in meaningful consultation and collaboration with Indigenous communities to ensure their perspectives are incorporated into decision-making processes.

7. Transparent Reporting and Certification:

- Maintain accurate records of forest management activities, including harvesting, reforestation, and environmental monitoring.
- Seek independent third-party certification of our forest management practices verifying compliance with PEFC standards and enhance transparency.

8. Continuous Improvement:

- · Regularly review and update our forest management practices to incorporate the latest scientific knowledge and best practices.
- Encourage research and innovation to improve the sustainability of our operations and contribute to the advancement of responsible forest management.

9. Stakeholder Engagement:

- Communicate openly with stakeholders, including customers, local communities, NGOs, and government agencies, about our forest management practices and sustainability initiatives.
- Welcome feedback and input from stakeholders to enhance the effectiveness of our policies and practices.

10. Conclusion:

Southwood Export Ltd is committed to the principles of responsible and sustainable forest management as outlined in the PEFC standard AS/NZS 4708:2021. Through collaboration, transparency, and continuous improvement, we aim to maintain the ecological integrity of forest ecosystems, support local communities, and contribute to the long-term well-being of the environment and society.

Signed:

Steve Hindley (General Manager)

Date: 6 SEP 2-23