

Responsible **Sourcing Policy** ■

1. **Commitment** **by the Management**

At **TIMBRA Tech** we are committed to procuring products and services that ensure materials are sourced from legal and well-managed forests which have been certified to credible certification standards.

As a cornerstone of that commitment, we will pursue a Responsible Sourcing Program to promote the use of legal and environmentally responsible and sustainable forest products.

We will ensure that this policy, procedures and related documents, are periodically reviewed and appropriately revised.

2. **Environmental Responsibility**

TIMBRA Tech promotes responsible stewardship towards the environment and its natural resources. We are committed to reducing the impact on the environment caused by our own activities or those activities carried out by our suppliers.

We are committed to procuring wood products that have been certified against an internationally recognized and sustained standard for responsible forest management, to ensure that the material originates from a well-managed and sustainable forest.

We will carry out risk assessment of all suppliers and supplies of wood to evaluate the risk that the materials or products being sourced originate from an illegal source or have been illegally traded. In case risks are identified and cannot be classified as negligible we will carry out appropriate risk mitigating actions to avoid any potential risk.

We hereby commit to continuously improve the sustainability level of our sourcing by favouring stricter and more credible certification and verification standards and sourcing requirements, and by avoiding sourcing from unknown or unsustainable sources.

3.

Social Responsibility

TIMBRA Tech will not engage in or benefit from any form of forced labour, including the use of child labour, bonded labour, forced prison labour, slavery, servitude or human trafficking.

If we become aware that any of these issues are relevant in our organisation or any of our suppliers, we are committed to taking relevant steps to mitigate any such situation.

4.

Legality

TIMBRA Tech is committed to sourcing only wood material that has been produced, processed and traded in compliance with applicable legislation in the country of origin.

The following are intended to meet international requirements such as those adopted in the EU Timber Regulation, the US Lacey Act and the Australian Illegal Logging Prohibition Act:

A. Legal right to Harvest

1. Land tenure and management rights
2. Concession licenses
3. Management and sustainable harvesting planning
4. Harvesting/Exploration permits

B. Taxes and Fees

1. Payments of taxes, royalties and harvesting fees
2. Value-added taxes and other sales taxes
3. Income and profit taxes

C. Timber Harvesting Activities

1. Timber harvesting regulations
2. Protected Sites and species
3. Environmental requirements
4. Health and safety
5. Legal employment

D. Third Party Rights

1. Free, Prior and Informed Consent (FPIC)
2. Indigenous and traditional peoples and communities' rights

E. Trade and Transport

1. Classification of species, quantities, and qualities
2. Trade and transport
3. Offshore trading and transfer pricing
4. Customs regulations
5. CITES

6. Countries with sanctions imposed on timber imports or exports by the UN Security Council or the EU Council.
7. Countries or areas with prevalence of armed conflicts, for which 'conflict timber's may be a concern.

5.

Supply Chain Management Controls

Risk assessment and mitigation

We will carry out risk assessment of all the chain of suppliers and supplies of wood to evaluate the risk that the material or products being sourced originate from an illegal source or have been illegally traded. In case risks are identified and cannot be classified as negligible we will carry out appropriate risk mitigating actions to avoid any potential risk.

Monitoring and verification

We will carry out applicable monitoring of internal systems and procedures. As necessary and applicable, access will also be made for external audits to allow verification that the relevant systems are in place and implemented as required.

6.

Communications and stakeholders

This policy shall be available publicly and will be communicated to suppliers and interested parties or provided upon request.