

# Vandecasteele Timber Responsible Sourcing Policy<sup>i</sup>

## 1. Commitment by the Management

Vandecasteele Timber is committed to procuring products and services that ensure that materials are sourced from legal and well-managed forests. As a cornerstone of that commitment, we will pursue a Responsible Sourcing Programme to promote the use and marketing of legal and environmentally responsible forest products.

Vandecasteele commits itself not be involved in the following activities:

- illegal logging or trade in illegal wood and wood products;
- violation of traditional and human rights in forestry operations;
- destruction of High Conservation Values in forestry operations;
- significant conversion of forests to plantations or non-forest use;
- introduction of genetically modified organisms in forestry operations;
- violation of any of the ILO Core conventions, as defined in the ILO declaration on Fundamental Principles and Rights at work. \*ILO (International Labour Organization).

## 2. Legality

We are committed to sourcing only wood material that has been produced, processed, and traded in compliance with applicable legislation in the country where the trees were originally harvested, as well as along the entire supply chain.

By applicable legislation, we refer to the following types of legislation applicable to harvest and trade of forest products. This definition is intended to meet the EU Timber Regulation:

### 1. Legal rights to harvest

- 1.1 Land tenure and management rights
- 1.2 Concession licenses
- 1.3 Management and harvesting planning
- 1.4 Harvesting permits

### 2. Taxes and fees

- 2.1 Payment of taxes, royalties and harvesting fees
- 2.2 Value-added taxes and other sales taxes
- 2.3 Income and profit taxes

### 3. Timber harvesting activities

- 3.1 Timber harvesting regulations
- 3.2 Protected Sites and species
- 3.3 Environmental requirements
- 3.4 Health and safety
- 3.5 Legal employment

### 4. Third parties' rights

- 4.1 Customary rights
- 4.2 Free, Prior and Informed Consent (FPIC)
- 4.3 Indigenous and traditional peoples' rights

### 5. Trade and transport

- 5.1 Classification of species, quantities and qualities
- 5.2 Trade and transport
- 5.2 Offshore trading and transfer pricing
- 5.4 Customs regulations
- 5.5 CITES

Additionally, we are committed to taking all measures to avoid wood material obtained from the following sources:

- Countries with sanctions imposed on timber imports or exports by the UN Security Council or the EU Council.
- Countries or areas with prevalence of armed conflicts, for which 'conflict timber' may be a concern. The term conflict timber is used to describe the harvesting or trade of forest products used to fund parties engaged in armed conflicts resulting in serious violations of human rights, violations of international humanitarian law or violations amounting to crimes under international law<sup>1</sup>.

#### **Supply chain management and information**

We will ensure that information about suppliers and sources of material is collected and evaluated to enable effective risk assessment.

#### **Risk assessment and mitigation**

We will carry out risk assessment of all 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.

### **3. Environmental responsibility**

We are committed to promoting responsible stewardship toward 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 and sub-suppliers.

Since the year 2000 we manage this through the Corporate Sustainability Charter by signing up to environmental objectives exceeding applicable environmental legislation. Companies who have participated over 3 years and who have incorporated the 17 Sustainability Goals of the United Nations will receive from CIFAL FLANDERS an UNITAR certificate (United Nations Institute for Training and Research). This year the Charter brings Vandecasteele Houtimport a step closer to obtaining the Unitar Cifal Certificate.

#### **Certification**

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

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<sup>1</sup> Alexandra Pardal, Campaign Leader, Global Witness. 'Conflict timber and the EU's FLEGT programme: the case of Central African Republic.' (Presentation given at EU FLEGT week conference, Brussels 18 March 2015)

### Continuous improvement

We hereby commit to continuously improve the sustainability level of our sourcing by:

- Accurately assessing the countries of origin and if necessary each single supplier.
- Continually improve our products and systems that ensure traceability and performance adopted to the situation of our suppliers.
- Favouring stricter and more credible certification and verification standards and sourcing requirements, and by avoiding sourcing from unknown or unsustainable sources.

## 4. Social responsibility

We are committed to avoid engaging in or benefitting from controversial business practices, such as, but not limited to:

- Any form of forced labour.
- The use of child labour.
- Respect fundamental human rights.
- Adopt ethical business practices.

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.

## 5. Review and adaptation of this policy

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

## 6. Communications and stakeholders

This policy shall be available publicly and will be communicated to suppliers and interested parties.

Each supplier must adhere to our commitment by:

- Assure compliance with national and international legal requirements.
- Respect fundamental human rights.
- Avoid adverse impact on communities.
- Adopt ethical business practices.

Signed by:



VANDECASTEELE  
HOUTIMPORT

Stefaan Vandecasteele

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