

# Important Customer Notice

## European Deforestation Regulation (EUDR) Compliance

As part of our commitment to environmental sustainability and legal compliance, we at Danzer are proactively addressing the requirements of the European Deforestation Regulation (EUDR), effective June 2023. Here's a brief outline of what the EUDR entails and how Danzer is meeting its requirements.



## EUDR COMPLIANCE TIMELINES

- The EUDR affects all wood harvested from 29 June 2023.
- It applies to wood imported to, placed on, or exported from the EU market after 30 December 2024.
- Wood harvested before 29 June 2023 but delivered to the EU before 30 December 2027, must comply with the existing EU Timber Regulation (EUTR).

# DANZER'S PROACTIVE MEASURES

## Involving our suppliers to ensure information gathering and to prepare collaboratively

1. **Description of product** including trade name and scientific name of species.
2. **Country of origin** was already a requirement of Danzer.
3. **Geo-Localization Data Collection:** Since 1 July 2023, we've begun requesting geo-localization data from our suppliers. This effort extends to all logs and products purchased, enhancing traceability.
4. **Date or time range of production Data Collection:** Since 1 July 2023, we've begun requesting the time of production or harvest from our suppliers.
5. **Comprehensive Legal Compliance:** Our procurement policy is strict regarding land use, environment, human rights, forest-related rules, third party rights, the principle of free, prior and informed consent (FPIC), labor rights, tax, anti-corruption, and trade. We employ a robust Due Diligence system to mitigate risks in these areas.
6. **Retroactive Data Assignment:** We're working to assign geo-localization and range of production data retroactively to products procured from 1 July 2023, as we receive this information.

## Adapting our internal processes: from EUTR towards EUDR

7. **Enhanced Traceability:** We trace every log through our production process. Our products that come with sustainability certification are linked to the specific product or batch. For traded products, specific protocols are in place.
8. **Integrate sustainability certification to complement other evidences:** We evaluate how the newly adapted EUDR standards will help us evidence compliance.
9. **Product Marking:** We're developing a document to indicate "harvested before 29 June 2023" for relevant products still under EUTR, ensuring clear compliance tracking for semi-finished products (logs, veneer, lamellas, and other batch products).
10. **Making the most of technological tools to help evidence compliance:** We use GIS and other tools to process and integrate this geo-localization data.
11. **Internal Systems Upgrade:** Our internal information systems are being upgraded to link all collected data to the corresponding product or batch, from forest to sale.
12. **Preparation for Due Diligence Statements:** We're preparing to emit Due Diligence Statements from all our supply countries and regions, ensuring comprehensive compliance.

*Information as of April 18, 2024*  
*Responsible: Elodie Alberny*

## Monitoring new requirements to tailor our response

**13. Permanent dialogue** with our customers to continue catering to their needs.

**14. Continuous Data Improvement:** Our commitment to data accuracy is unwavering.

We are continuously refining our data collection methods.

**15. Follow certification standard evolutions** in regards to EUDR alignment, for FSC and PEFC

**16. Risk Assessment Adaptation:** Upon EU's issuance of EUDR guidance, Danzer will categorize its own supply countries or regions as Low, Standard or High risk accordingly, and conduct thorough risk assessments and mitigation as necessary, using the information already gathered. We're thus prepared to adapt swiftly to these guidelines.

In case of questions or if you require further details, please do not hesitate to reach out to your Danzer representative.

*Information as of April 18, 2024*

*Responsible: Elodie Alberny*