

THE DANZER GROUP'S COMMITMENT to Your Safety, to Our Health, and the Habitat We Share

The environmental and safety commitment of the Danzer Group is consistent with our motivation to be acknowledged as a leader in the wood products industry. Our Environmental and Safety Management (ESMS) system seeks to protect all employees, the general public, and our ecosystem by establishing its foundation on the principles of:

- Continual Improvement
- Management through Teamwork
- Leadership by Involvement
- Prevention through Planning
- Compliance with Regulations and Standards

Continual Improvement is achieved through ongoing impact analysis. The Danzer Group evaluates all operational activities; from selection of our raw materials to distribution of our final products in order to identify positive and negative impacts on employee safety, community health, and our natural resources. In establishing our objectives and targets, we make a point to carefully identify our stakeholders and those principles they hold paramount.

Management through Teamwork is best defined by our belief that understanding one's individual and collective responsibilities under the ESM system is critical to our success. We manage the ESMS system by teams to ensure the meaningful involvement and to promote a sense of duty – at all levels – to self, co-workers, and community. Our successes and shortcomings are not only published in our annual report to our Boards of Directors but are communicated to employees regularly. We are committed to responding to employee and community concerns factually and expeditiously.

Leadership by Involvement is demonstrated by this dynamic Statement of Commitment, which is developed and reviewed by cross-functional teams. At the Danzer Group, we take our role as a corporate citizen seriously. We conduct business in such a way that natural resource conservation is advanced and pollution is prevented at the source. Where we play a role but do not have an opportunity to take direct action, we actively support and participate in a variety of educational initiatives designed to promote these fundamental principles among the community, our employees, our customers, and our suppliers.

Prevention through Planning, or addressing impacts throughout the lifecycle of our product, is no less significant than any other business responsibility. Impact analysis is incorporated into all strategic and operational decision making: planning, construction, development, operation, use and disposal. Conservation – the trademark of the wood products industry – is our first consideration: whether conservation of our natural resources (timber, water, clean air) or preservation of employee health. Next, we consider actions to reduce or eliminate factors that drive unacceptable risks – we eliminate barriers to safe behavior and environmental stewardship. Should a safety or environmental emergency occur, we are prepared for the contingency and the notification of all concerned parties.

Compliance with Regulations and Standards that are intended to protect workers and the environment is achieved as a natural by-product of continual improvement. We maintain dynamic policies and procedures that clearly define everyone's duties. By establishing simple methods we promote compliance with regulatory & internal standards throughout the organization and prove it through internal and external audits of all of our operations and activities. We are actively involved in regulatory development and legislative efforts affecting our industry and carefully monitor voluntary initiatives affecting our industry and periodically evaluate our decision to incorporate these efforts into our own ESMS.

Operating within the law is our imperative.

Operating in concert with our community is our ethical responsibility.

The Danzer Group Commitment applies for this ESMS as environmental policy. It needs to be communicated to all persons working for or on behalf of the organization (Employees & Contractors) and to be available to the public (on the Internet). Decided by the Executive Board to be valid as of 5 May 05. Maintenance is done if applicable by Group Environmental Coordination