



JAN SMULDERS TRIPLEX bv

COMPLIANCE POLICY

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Introduction of the Organization

Jan Smulders Triplex B.V. (hereinafter: "Organization") is an internationally oriented full-service importer and distributor of construction and decorative wood panels with an intrinsic motivation to contribute to a better world for current and future generations. Its goal is to ensure that it trades only deforestation-free and legally bought raw materials and/or products (according to the laws and regulations in the country of origin and place of production) on the market of the European Union (EU)/European Economic Area (EEA.)

With goods originating from certified or second-life supply chains, it contributes to;

- avoiding deforestation and/or structural forest degradation;
- reducing biodiversity loss and greenhouse gas emissions;
- avoiding violations of environmental, human, and labour rights.

Commitment

The Organization strongly believes in the power of transparent and traceable supply chains that respect local and international laws and regulations about social and ethical performance, including human, environmental and labour rights. It is committed to contributing to a sustainable future for all parties involved. Within its supply chains, it follows, monitors, and promotes the;

- Universal Declaration of Human Rights (UDHR- A/RES/217 (III));
- Rights of Indigenous Peoples and Local Communities (UNDRIP - IP/LC);
- International Labour Organization (ILO) core conventions;
- Voluntary, prior, and informed consent (FPIC)

Environmental statement

The Organization considers environmental awareness as the foundation of its business operations and does not accept forest-based commodities and woody products that may originate from sources:

- related to deforestation and/or forest degradation after 31-12-2020;
- illegal, untraceable, unacceptable, controversial, or questionable sources;
- where harvest levels exceed long-term availability;
- where *compliant* and *non-compliant* goods are mixed or interchanged;
- where conversion of regenerative or primeval forests to plantations or non-forest use occurs;
- within Intact Forest Landscapes (IFL) and High Conservation Values Forests (HCVF);
- regenerative or primeval forests where genetically modified trees have been planted or where genetically modified organisms or invasive species have been introduced.

Social statement

The Organization realizes that liable behaviour is intricately linked to the welfare of everyone. In its supply chains, children under 15 are not allowed and minors are restricted from working. It pays attention to diversity, inclusion and equality and monitors compliance with international health and safety standards. It avoids involvement in:

- impairment of social justice or human dignity;
- child-, forced- or involuntary labour, slavery, enslavement, or human trafficking;
- discrimination, harassment, or exclusion based on race, colour, sex, language, religion, pregnancy, political opinion, caste, national or social origin, property, birth, union membership, sexual orientation, health status, responsibilities, family, age, disability, or other distinguishing individual characteristics;
- physical, mental, sexual, or verbal abuse, excessive intimidation and/or aggressive expressions including privacy restrictions;
- exclusion of migrants, guest workers, seasonal workers and other employed;
- unsafe, unhealthy, and/or unhygienic living and working conditions with increased risk of fire, accidents and stressful persistent noise, careless storage of goods, toxic substances or life-threatening machinery and/or dangerous tools;
- deprive Freedom of Unification or Collective Labour Agreement (CLA);
- no or insufficient rest, respectable working hours, and forced overtime without consent;

- no or insufficient access to first aid and health and safety measures;
- no presence of public escape plans or adequate health assistance (services);
- retention, stripping or confiscation of official identity documents;
- deprivation of right to education, payment below living wage or withholding of wages as a disciplinary measure;

Board statement

The Organization considers strong and predictable governance essential for long-term success. Clear frameworks like its purchase policy and constant skill building ensure that employees experience ownership and understand responsibilities. It avoids involvement in:

- trading in violation of applicable laws and regulations, terrorist financing, money laundering or evasion of legal obligations;
- sanctions imposed by government agencies and/or bodies of the United Nations, the European Union, or the State of the Netherlands;
- material sourcing from tax havens, countries with reduced oversight or sources under the threat or influence of armed conflict from which 'conflict material' may enter the supply chain. The term conflict material is used to describe the harvesting or trading of "conflict materials" used to finance parties involved in armed conflicts that result in serious human rights violations, violations of international humanitarian law or violations that amount to crimes under international law;
- sources where corruption, fraud, bribery, conflict of interest, money and timber laundering, tax evasion, document forgery or deliberate product misclassification cannot be ruled out;
- support political activities, both financial and material, in favour of political parties and/or candidates.

Code of conduct

The Organization recognizes that no success makes sense if it has not been achieved ethically, with integrity and respect. It realizes that its involvement in trade in forest-related goods is 'only' a small part of a bigger picture in climate, biodiversity, and forest protection. However, its words and actions, on the other hand, have major implications for those directly involved in its supply chains. Every trading partner must adopt a **Declaration of Conformity** by which they agree to act ethically, with integrity, honesty, and reliability. Employees, directors, and management are obliged to read, understand, propagate, and follow the company regulations, this includes:

- working safely, hygienically, healthily, and responsibly;
- report incorrect practices, abuses, risks, and threats;
- avoid personal, family, and friendly conflicts of interest;
- Do not offer gifts to business partners, intermediaries, law enforcement officers, auditors, service providers and/or officials employed by government or political parties for the purpose of (potentially) obtaining benefits, contracts, or other improper favours;
- reporting theft, fraud, and undesirable behaviour within an open culture where 'whistleblowers' feel protected.

To encourage and monitor internally responsible behaviour, the Organization has:

- health and safety policy and health service;
- personal protective equipment (PPE.);
- sector-specific risk inventory and evaluation (RI&E) incl. action plan;
- trained company first responders;
- certified prevention officers;
- emergency plan including escape routes;
- external confidant.

Capacity building and knowledge transfer

The Organization is well informed about Corporate Social Responsibility at the highest level (owner, directors, and management) and has appointed a capable compliance manager who accredits its trading partners and suppliers including its goods and monitors the control system. He/she has broad experience

in auditing, sufficient knowledge, time, and equipment to represent the company and to meet the compliance requirements of laws and regulations in the country of origin, place of production, the requirements of certification schemes and its own principles and criteria.

Level playing field

The Organization believes that a level playing field in terms of price, service and quality is necessary to maintain a fair market and complies with competition and competition laws. It will not indulge in market distortions arising e.g., but not exclusively, from illegal practices, cartels, concerted behaviour, price-fixing, undermining criminal activities or the abuse of economic power that continuously and substantially affect the sector.

Certification

The organization is certified according to an internationally recognized forest management system and has incorporated the relevant principles and criteria into its internal processes, procedures, and practices. To demonstrate conformity with the compliance requirements, the organization undergoes annual audits by accredited bodies with which the 'chain of control' is established.

Forest Stewardship Council (FSC®)

- Chain of Custody (COC) Certification
- Certificate code: CU-COC-810655
- License code: FSC-Co20015

Programme of Endorsement for Forest Certification Schemes (PEFC)

- Chain of Custody (COC) Certification
- Certificate code: CU-PEFC-COC-810655
- License code: PEFC/30-32-025

Development goals

The Organisation recognises that major challenges such as preventing global deforestation, global climate change, the loss of fragile ecosystems and fostering diverse biodiversity require concerted efforts. Its operations aim to contribute positively to building a fairer world in which they protect forests and natural habitats and in which progress is attainable for all. Through its activities, it contributes (in)directly to the Sustainable Development Goals (SDGs), with in particular:

- 15 - Life on land;
- 13 - Climate action;
- 12 - Responsible consumption and production.

Due diligence system (DDS)

The Organization has, operates, and maintains an adequate, sufficient, and verifiable due diligence system. The objectives of this DDS are:

- Ensuring legal and responsible business processes, procedures and practices;
- Respecting human and labour rights in its supply chains;
- Protecting nature and the environment within its activities;
- Reducing its impact on the climate.

It requires the same effort from its trading partners and suppliers with the understanding that the organisation retains the right to conduct, or have conducted, site audits. Its internal DDS is based on the relevant laws and regulations in the country of origin, place of production, relevant European regulations and Dutch laws and requirements of certification schemes. This combined with its years of experience and the following principles and criteria confirm the traceability of its supply chains.

P1. Land use and management rights

c 11	Land rights;
c 12	Land use rights;
c 13	Forest management rights;
c 14	Geo-referenced data;
c 15	Concession licenses;
c 16	Multi-annual management and harvesting plans;

P2. Harvest activities

c 2.1	Deforestation and structural forest degradation;
c 2.2	Air, water and soil pollution;
c 2.3	Laws and regulations governing harvesting activities;
c 2.4	Protected areas and endangered species;
c 2.5	Available volume;
c 2.6	Harvest regulations
c 2.7	Environmental requirements

P3. Working conditions

c 3.1	safeguarding universal human rights;
c 3.2	International labour rights according to ILO core provisions;
c 3.3	Sector-related risk inventory and evaluation (RI&E)
c 3.4	Healthy and safe living, living and working environments;
c 3.5	Employment relationships, working hours and living wage;

4. Indigenous people and social environment

c 4.1	Property, use and cultural rights;
c 4.2	Interaction with Indigenous and traditional people;
c 4.3	Free, prior and informed consent (FPIC)
c 4.4	Adequate housing, clean water and sanitation.

5. Taxes and payments

c 5.1	Taxes, royalties and cap license fees
c 5.2	VAT and/or other trade taxes;
c 5.3	Income, profit taxes;
c 5.4	Trade, import and export taxes;
c 5.5	Corruption, fraud and conflicts of interest;
c 5.6	Document forgery.

P6. Trade and transport

c 6.1	Legal name family and species;
c 6.2	Export bans, quotas and restrictions;
c 6.3	Quantities and qualities;
c 6.4	Trade and transport obligations;
c 6.5	Offshore trading and transfer pricing;
c 6.6	Customs regulations;
c 6.7	CITES and IUCN licenses/restrictions;
c 6.8	Misuse of preference countries/control circumvention;
c 6.9	Money laundering (timber and cash).

Supply chain management and information collection

The Organization maintains long-term partnerships with progressive producers and carefully manages its supply chains to have an (even) greater impact on people and the environment. It gathers consistent and verifiable information through trading partners, intermediaries, industry associations, NGOs, media reports and international expert groups. To collect information, trading partners are required to commit to:

- excluding illegal activities in their supply chains;
- demonstrate deforestation- and forest degradation-free sourcing after 31-12-2020;
- providing adequate and verifiable compliance information in a timely and sufficient manner;
- compliance with laws and regulations in country of origin and/or place of production;
- communicate the principles of this compliance policy to their trading partners;
- making efforts to become and/or remain certified against recognized scheme's;
- ensuring the consistent traceability of the goods they supply to the Organization;
- avoid mixing or interchanging *compliant* and *non-compliant* goods;
- respect for general human rights and fundamental working conditions;
- avoiding activities that harm nature -, climate - or communities;
- participate in transaction verifications and scientific fibre testing;
- proactively report changes in laws and regulations in country of origin/home;
- proactively report discrepancies between definitions in the country of origin/place of production and European regulations or deviations to this compliance policy.

Risk screening, mapping, and mitigation

The Organisation assesses the collected data based on its principles and criteria with an initial risk assessment. If this initial risk assessment does not result in no or 'just' negligible risk, it will conduct a comprehensive risk assessment. Should the comprehensive risk assessment find gaps, deviations and/or shortcomings that cannot be adequately mitigated, the supply chain will be replaced or abandoned.

In assessing the risks, the Organisation bases itself on the country risk profile established by the European Commission and follows the corresponding guidelines. It assesses the supply chain for complexity, traceability, and transparency, including well-founded doubts or substantiated reports in its conclusion. In doing so, it leans on the exported by legal entities, licensing authorities, certifying bodies, underwriters, licensors, and other recognised entities in its supply chains. As risk mitigation measures, the Organisation employs, among others, but not exclusively the:

- require approved supplier and traceability statement;
- drafting, implementing, and communicating clear policy guidelines;
- provide capacity building within relevant supply chains;
- switch from uncertified to certified sources;
- performing (or having performed) transaction verification or scientific commodity identification;
- have certified end products labelled with the organisation's licence code;
- performing (or having performed) second- or third-party audits in the country of harvest.

Within this framework, it also assesses the scale, scope and impact of the risks on the environment and people.

Due Diligence Statement

By submitting a mandatory due diligence declaration to the Deforestation Due Diligence Registry of the European Union, the Organization provides in-depth information on the product, the producer including its due diligence efforts. It thereby obtains full responsibility for the introduction of the goods on the free market of the EU/EEA. It will provide the associated reference code to the subsequent financial owner including the retention of the relevant geolocations and the DDS used for a period of 5 years for possible inspection by the Competent Authority.

Auditing, monitoring, and progress control

The Organization continuously reviews its procedures, processes, and practices with a review period of 1 year (12 months) ultimately. This includes any observations and inspections by external auditors and Competent Authority, the Dutch Food and Consumer Product Safety Authority (NVWA) - Ministry of Agriculture, Fisheries, Food Safety and Nature. This is to demonstrate compliance with the following:

European regulations

- European Regulation of certain commodities and products related to deforestation and structural forest degradation (2023/1115 (EUDR));
- European Timber Regulation (995/2010 (EUTR));
- European Regulation 2658/87 (custom), 2173/2005 (FLEGT) 2017/106 (CITES);
- European Blue Guide to product safety (2016/272);
- European REACH Regulation (1907/2006);
- European RoHS guidelines (2011/65).

Laws and regulations

- Dutch Working Conditions Act (ARBO);
- Core Conventions of the International Labour Organization (ILO);
- Environmental legislation (environmental plan/environmental permit);
- Dutch environmental legislation.

Guidelines

- Free, prior, and informed consent (FPIC).

Certification standards

- Forest Stewardship Council (FSC®);
- Programme of Endorsement for Forest Certification Schemes (PEFC);

Legality standards

- FLEGT Voluntary Partnership Agreement (VPA).

Verification standards

- Timber Legality Verification (TLV);
- Sistem Verifikasi Legalitas Kayu (SVLK);
- Origine et Légalité des Bois (OLB).

Improvement management

The Organisation systematically implements improvements according to the Plan-Do-Check-Act principle to motivate itself and its participants in international supply chains by:

- reduce its environmental impact wherever possible;
- combat the production of single-use waste;
- prioritise recycling when developing new products;
- make its own energy supplies and resource needs more sustainable;
- promote energy, environmental and sustainability aspects in its supply chains;
- contribute to the development of life cycle assessments (LCAs);

- provision of performance and product declarations (DOPs/EPDs);
- avoid the use of toxic gases and dangerous chemicals.

Commitment

When the Organisation realises or receives suspicion or is informed that one or more principles of the above compliance policy guidelines have been or may be violated, they will take immediate and effective action to mitigate the cause, remedy the situation and prevent the likelihood of recurrence.

Compliance

When it appears that structural compliance with this compliance policy cannot be demonstrated or is even ignored or violated within its supply chains, the Organisation engages in written or verbal discussions with the chain participant. They are then expected to investigate the cause, adjust processes, procedures, and practices, and take actions to prevent recurrence. If this does not lead to the desired result, the Organisation retains the right to take sanctions which may ultimately lead to the dissolution of contracts.

Communication and stakeholders

This compliance policy is the foundation of the Organisation's business operations, the code of conduct the Organisation pursues and the Organisation's purchasing and sales guidelines, terms, and conditions.

The relevant version is publicly available on the website of the Organization: [Jan Smulders Triplex B.V.](#)

Signed for and on behalf of :

Name, position and date :

Authorized signature :

Any concerns about non-compliance with this compliance policy can be submitted via the website.