



Australian Paper

a member of the Nippon Paper Group

Paper Australia Pty Ltd (the *Company*) Chain of Custody Commitments

The Company will implement a Chain of Custody (*CoC*) system for wood and forest based products that is certified to both the Responsible Wood (*RW*) and Forest Stewardship Council® (*FSC*®) certification schemes, and will:

- a. preferentially procure wood and fibre products from forestry companies, processors, manufacturers and suppliers who can demonstrate CoC management systems to RW, FSC and/or PEFC™ or to equivalent compliance requirements;
- b. demonstrate our commitment to legal and regulatory compliance, including by not sourcing wood or forest products harvested from:
 - i. unauthorised, illegally harvested or illegally traded wood or forest products;
 - ii. forest operations where traditional or civil rights are violated;
 - iii. the destruction of high conservation values in forest operations;
 - iv. areas where there has been significant conversion of forests to plantations or which have been identified for non-forest use; and
 - v. genetically modified (*GM*) forestry operations;
- c. recognise and comply with the rights of workers and the Company's social, health and safety obligations in accordance with its existing policies and procedures, and the International Labour Organisation's 'Declaration on Fundamental Principles and Rights at Work'; and
- d. maintain, provide assurance with respect to and continually improve our CoC systems, including by undertaking internal audits and independent third party certification to the CoC standards (namely, AS 4707; FSC-STD-40-004).

Yasu Murakami
Chief Executive Officer
16 August 2018