TIMBER PURCHASING POLICY

The timber purchasing policy is based on our Principles of Conduct and Action, the Group's core values that define our vision of a responsible company, and on the Group's Responsible Purchasing policy.

We are an important player in the timber industry. That is why we are committed to acting ethically and responsibly along the value chain to preserve forests, the local populations living there and biodiversity. Through these actions, we are committed to fighting deforestation.

OUR APPROACH

We wish to make a positive contribution with all the people involved in the supply chain to develop ethically, environmentally and socially secure supply chains.

The Timber Purchasing policy is based on a method of due diligence. The analysis of risks linked to the degree of vulnerability of species and/or countries of origin enables us to adapt our purchasing procedures, which may even lead to the exclusion of species or countries from our supplies.

We rely on international conventions, good practices in forest management and the advice of certifying organizations for responsible production.

We are attentive to non-governmental organizations involved in the fight against deforestation and are engaged in dialogue as part of a process of continuous improvement.

OUR ACTIONS TO PRESERVE THE FOREST

To preserve forest areas and their biodiversity, it is imperative to identify the risks of deforestation and control them by ensuring the traceability of our purchases.

- Comply with local, regional, national and international regulatory frameworks including EUTR and FLEGT in Europe and LACEY ACT in the United States;
- Follow the purchasing procedures implemented according to the risks related to human rights and biodiversity:
  - The list of species prohibited for purchase and sale is distributed to all buyers and sellers. This list is available on request to our stakeholders and is updated annually based on the IUCN (International Union for Conservation of Nature) Red List of Threatened Species and the CITES (Convention on
International Trade in Endangered Species of Wild Fauna and Flora) lists. Among the species we ban are Burmese Teak, Wenge, Kempas, Merbau and Moabi.

- The list of prohibited countries of origin is circulated to all buyers and sellers on an annual basis.
- Purchases must come from responsible production. Specific procedure sheets, depending on the species and the area of origin, define the purchasing approach to be followed and the minimum level of certification for the sector (verified local certificate, PEFC™, FSC® or other, subject to validation by the Group's Timber expert).
- For identified high-risk areas, certification is mandatory for all purchases with priority given to FSC® certification and the possibility of other certification subject to validation by the Group's Timber expert (other than wood for packaging (pallet, box, etc.)).

To ensure the long-term security of our purchases, responsible channels and the offer of certified wood must be developed. We promote this development by involving stakeholders and by:

- Constant dialogue with suppliers throughout the supply chain and on the basis of specifications that integrate environmental, social and ethical requirements to encourage and participate in securing supply chains in high-risk areas.
- The training of our buyers and the sales teams of the distribution subsidiaries as a priority.
- Transparency of information (species, country of harvest, certification) at the point of sale and in our brochures, catalogues or any other means of communication to customers right up to the end consumer.

GOVERNANCE AND STAKEHOLDER DIALOGUE

The Timber Policy is monitored annually and presented to the Responsible Purchasing Steering Committee chaired by the Group's Chief Operating Officer in the presence of the General Secretary in charge of the Corporate Social Responsibility (CSR).

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1 PEFC™: Program for the Endorsement of Forest Certification schemes™. The PEFC™ trademark means that the wood used in the manufacture of the product comes from sustainably managed forests and controlled sources www.pefc.org

2 FSC®: Forest Stewardship Council®, the trademark for responsible forest management. The FSC® trademark means that the wood used in the manufacture of the product comes from a properly managed forest that meets rigorous environmental, social and economic standards. www.fsc.org © 1996 Forest Stewardship Council A.C.
The Director of Purchasing and Marketing Partnership and Development Europe oversees the compliance with the policy.

A Timber expert is in charge of ensuring that the purchasing procedures of the different Business Units are in line with the Timber Purchasing Policy and are updated according to the evolution of risks and the development of secure supply chains. He also updates and monitors training for buyers and sales teams and adapts commercial communication elements related to the application of the Timber Purchasing Policy to ensure transparency of information to consumers.

Each country CEO is responsible for the respect and promotion of this policy in the countries under his or her responsibility. When a distribution subsidiary is present in the territory, a local Timber correspondent is appointed to ensure compliance with the Timber Purchasing Policy, traceability of timber purchases and transparency of information.

Our timber suppliers are our first partners in the development of responsible supply chains. It is imperative that they commit themselves to following this policy alongside us. A professional alert system is open to suppliers in order to collect incident reports. Information related to this system is available on the Group's website.

We are committed to open dialogue with stakeholders potentially impacted by our timber purchases.

We are committed to communicating our progress and challenges in a regular and transparent manner.