

Bucharest, December 15, 2017

New Timflow website makes saw log deliveries even more transparent

- **New website online featuring an English language version**
- **Data availability is extended to one year**
- **Romanian National Parks displayed as “exclusion zones”**

Today the Timflow website (www.timflow.com), received a facelift with added functions. It is now available in English, it shows Romanian national parks as “exclusion zones” and the availability of the data is increased from one month to one year back. The site displays dataset which are collected in the GPS-based system that helps to transparently monitor saw log.

Everybody can register to and review pictures, documents and routes from loading point to the destination of all trucks that deliver saw logs to Holzindustrie Schweighofer. Such transparency is unique in the European timber industry. It is the core measure of Holzindustrie Schweighofer’s action plan to fight illegal logging in Romania.

New Timflow website with enhanced features

Timflow’s strongest feature is its unmatched level of transparency: all collected GPS datasets are publicly available on the Timflow portal, allowing interested parties to review the Holzindustrie Schweighofer’s saw log deliveries. At first, Timflow was offered in Romania to engage with the local stakeholders. With the new English version, the audience becomes much bigger. Timflow.com also received a redesign in order to increase accessibility on mobile devices.

Effective today, the published data will be available for a longer time span. The availability of the datasets is extended from one month to a full year (starting from October 1st 2017).

The new Timflow website not only shows the origin and routes of the trucks delivering logs to Holzindustrie Schweighofer. It now also shows Romania’s national parks. Herewith the company aims to transparently prove its commitment to the voluntary “Zero Timber from National Parks” policy. Even though logging is legal in national parks’ buffer zones, Holzindustrie Schweighofer excluded such harvesting areas in its action plan for a sustainable timber industry.

“We started Timflow in April, asked our stakeholders what they think of the system and how we can improve it. The update we published today follows those recommendations. Timflow is a unique traceability system, unparalleled in the entire European wood industry, and thanks to interaction with stakeholders it’s getting better every day,” Hannes Plackner, Timflow project manager for Holzindustrie Schweighofer explains.

Further information

About Timflow

Currently, the Timflow GPS devices are installed on a fleet of 700 trucks delivering saw logs to the Holzindustrie Schweighofer mills in Romania. Since it was first implemented, 23,000 transports have been recorded and the datasets

offered to the public on www.timflow.com. The platform currently has about 250 registered users, who have checked almost 4,000 transports since the website went live in April 2017. Timflow also has a dedicated Facebook page, www.facebook.com/TimflowWoodtracking to improve stakeholder dialogue and public engagement.

About the Schweighofer Group

The Schweighofer Group has its roots in a traditional Austrian family company with over 400 years of experience in wood processing. Today, the Group is primarily active in the wood processing industry, forest management, bioenergy production and real estate. The industry division of the Schweighofer Group operates three saw mills and two wooden panel productions in Romania and one saw mill in Germany. It takes a leading role in the European timber-processing industry, currently employing around 3,500 employees. Holzindustrie Schweighofer exports products to over 70 countries worldwide

Holzindustrie Schweighofer's measures for a sustainable forestry industry in Romania

- **Holzindustrie Schweighofer supports the introduction of the FSC standard in Romania by paying a bonus of 10 RON/m³ (2 €) for FSC-certified saw logs**

To ensure a sustainable supply chain in Romania that meets the high FSC standards, Holzindustrie Schweighofer pays its suppliers a bonus for FSC-certified logs. Since 2012, HS has paid a total of 5.65m RON (€1.25m) for this FSC-bonus.
- **GPS-tracking – transparency for the supply chain**

Holzindustrie Schweighofer has implemented a GPS tracking system in Romania (Timflow). This system surpasses all legal requirements by far. Every truck delivering Romanian saw logs to the company's saw mills is equipped with a GPS device, which proves the logs' exact loading place. The results are publicly accessible at www.timflow.com.
- **Improved stakeholder consultation**

During the past two years, Holzindustrie Schweighofer improved and intensified its dialogue with all stakeholders. Holzindustrie Schweighofer is committed to an open and transparent dialogue with NGOs and civil society. We share the aim of securing sustainability in timber processing.
- **Comprehensive audit by the renowned Indufor group**

In January 2016, Holzindustrie Schweighofer subjected its purchasing processes to an in-depth analysis. The independent Finish consulting firm Indufor examined all processes as well as the supply chain and the mills in Romania. Their conclusion: Holzindustrie Schweighofer's due diligence system surpasses the regulatory requirements by far and complies with the standards laid down by the European Timber Regulation (EUTR) for placing legal wood on the European Single Market.
- **Strict controls for sensitive forest areas**

Holzindustrie Schweighofer has developed a system for risk minimization based on geographical maps issued by the Romanian Association for Forest Certification which identify regions that are susceptible to unlawful logging. If Holzindustrie Schweighofer buys timber from these regions or from sites that are located in close vicinity to national parks or virgin forests, our employees act with the highest degree of sensitivity by inspecting the most important documents necessary for legal timber harvesting (the authorized document proving the harvested amount "APV", the waybill (Aviz) and the forest management plan) with maximum attention.
- **Strengthened compliance team**

A rigorous due diligence process requires an adequate number of trained experts. Holzindustrie Schweighofer doubled its team for compliance and certification during the past months to 16 employees.
- **Exclusion of suppliers who do not comply with Holzindustrie Schweighofer's purchasing policy**

If suppliers don't follow the company's purchasing policy, they are excluded from the supply chain.
- **Holzindustrie Schweighofer does not accept timber shipments from national parks**

Holzindustrie Schweighofer implemented a "Zero Timber from National Parks"-Policy in Romania, although the legislation would allow for logging in so called national park buffer zones and in case of sanitary cuttings.
- **Compliance and anti-corruption training**

For its Romanian employees, especially those working in the area of purchasing, Holzindustrie Schweighofer organizes anti-corruption and compliance trainings on a regular basis.



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