

Vienna, 2 December 2019

## **Holzindustrie Schweighofer Group to be renamed the HS Timber Group**

- The holding company in Vienna will now be called HS Timber Group
- Production sites will operate under the names HS Timber Productions and HS Baco Panels
- The Group's ownership structure, independence and organizational structure will not change
- The change in name and soft relaunch of the brand appearance reflect the internationality of operations: [www.hs.at](http://www.hs.at)
- The claim "Perfection in Timber" will remain a core element
- Continuation of the principle of open, transparent communication – dialogue with the public remains a priority

**The Holzindustrie Schweighofer Group, one of Europe's leading wood processing companies which exports to over 70 countries, is getting a new name and look with a soft relaunch of its brand appearance: the Holzindustrie Schweighofer Group will become the HS Timber Group. Going forward, the Group's production units – its three sawmills and one solid wood panels factory in Romania (Sebeș, Rădăuți, Reci, Siret) plus the German sawmill (Kodersdorf) – will be operated under the name HS Timber Productions. The Romanian blockboard factory in Comănești will go by the name HS Baco Panels.**

There is a clear logic behind the new name – the name of the Group should be easy for people of other nationalities to understand and pronounce. "HS Timber Group" satisfies this requirement and is intended to promote the companies international operations. "Timber" is the raw material from which the Group's high-quality products are made, while "HS" keeps the figurative mark of the original name "Holzindustrie Schweighofer" and serves as a bridge linking the old and new names. The claim "Perfection in Timber" remains part of the brand appearance, representing the Group's continuous endeavours to give its best for its customers, suppliers and employees and to get better every day.

The change in name will not affect the Group's ownership structure, independence or organizational structure: the HS Timber Group and hence its subsidiaries, HS Timber Productions and HS Baco Panels, will remain under the umbrella of the Evergreen Private Foundation (formerly the Schweighofer Private Foundation). Gerald Schweighofer will continue to bring his know-how, management expertise and passion for wood to the Group. The Group's commitment to open, transparent communication and dialogue with the public remains a top priority and has become one of its guiding principles.

The corresponding changes will now be implemented in the coming weeks. The HS Timber Group firmly believes that the strong values of a long-established company combined with an attractive new corporate design and a name that is easy for people of different nationalities to understand and pronounce will provide a solid platform for international operations.

## HS Timber Group's measures for a sustainable and secure supply chain in Romania

- **GPS-tracking – transparency for the supply chain**  
 HS Timber Group 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 sawmills is equipped with a GPS device, which proves the logs' exact loading place. The results are public on [www.timflow.com](http://www.timflow.com).
- **HS Timber Group does not accept timber from national parks**  
 HS Timber Group implemented a "Zero Timber from National Parks"-Policy in Romania, although the legislation would allow for logging in so-called national park buffer zones.
- **Open doors policy for NGOs**  
 In line with its commitment towards transparent communication, HS Timber Group has implemented an open door policy for NGOs. After registering with the company's Compliance Department and signing a standard non-disclosure agreement regarding the technologies used, representatives of recognized NGOs can visit our mills unannounced. Our goal is to transparently demonstrate our efforts to ensure a secure supply chain.
- **Regular EUTR controls confirm HS Timber Group's Due Diligence system**  
 Between March 2015 and May 2019 HS Timber Group's Romanian sawmills and panel production sites were subject to 17 controls under the European Timber Regulation (EUTR). All confirmed that HS Timber Group's Due Diligence system complied with the standards laid down by the European Timber Regulation (EUTR). The EUTR is the legal framework ensuring that only legally harvested timber enters the European Union's market. The core of the Due Diligence notion is that operators apply a risk management procedure appropriate to minimize the risk of placing illegally harvested timber, or timber products containing illegally harvested timber, on the EU market.
- **Improved stakeholder consultation**  
 During the past two years, HS Timber Group improved and intensified its dialogue with all stakeholders. HS Timber Group is committed to an open and transparent dialogue with NGOs and the civil society. We share the aim of securing sustainability in timber processing.
- **Strict controls**  
 HS Timber Group has developed a Due Diligence system strictly based on risk analyses depending on purchase areas, with a close verification of all documents and on-site checks for all the material that it purchases. We use all available maps and information to ensure that we do not receive timber from National Parks in Romania, while also considering Virgin Forests and UNESCO-listed areas for strict verification. If HS Timber Group receives transports from these areas or from logyards located in the vicinity of national parks or virgin forests, our employees check in the field, or the documents necessary for the legal harvesting of timber (APV, harvesting authorization, maps) to ensure that the wood does not come from such areas. Otherwise, transports are rejected. All these maps, containing the boundaries of National Parks, UNESCO, Virgin Forests, or possible Virgin Forests (PIN-MATRA), are also integrated into the Timflow system.
- **Compliance and anti-corruption training**  
 For its Romanian employees, especially for those working in the area of purchasing, HS Timber Group organizes anti-corruption and compliance trainings on a regular basis.
- **Strengthened compliance team**  
 A rigorous Due Diligence process requires an adequate number of trained experts. HS Timber Group doubled its team for compliance and certification to 16 employees.
- **Exclusion of suppliers who do not comply with HS Timber Group's purchasing policy**  
 If suppliers don't follow the company's purchasing policy, they are excluded from the supply chain.
- **Afforestation projects**  
 HS Timber Group and the Tomorrow's Forest Foundation concluded a strategic partnership in order to jointly work on the implementation of environmental and social projects promoting responsible development of Romanian forests and benefiting forest-based communities in Romania. The Tomorrow's Forest Foundation was set up in 2019 with the strategic help of HS Timber Group. The Foundation's mission is to contribute to the protection and the responsible management of forests and the development of a sustainable forest economy in Romania. With this strategic partnership, HS Timber Group seeks to get a more targeted and better implementation of the company's CSR engagement. In September 2017, together with the Association of Forest Administrators and with scientific support from the University of Suceava, a multi-year reforestation project, Tomorrow's Forest, was initiated. Focusing on degraded forest land of small private owners and local communities, the project wants to bring added value and security to forests in Romania.

- **Information on our website [www.hs.at](http://www.hs.at)**  
HS Timber Group is committed to a transparent and open public dialogue. The website [www.hs.at/en/responsibility.html](http://www.hs.at/en/responsibility.html) is part of the company's contribution towards this discourse and showcases its efforts to improve sustainability.

**About HS Timber Group**

The HS Timber Group has its roots in a traditional Austrian family-owned company with more than 400 years of experience in wood processing. Today, the Group primarily operates in the timber industry, but is also involved in lumber trading and bioenergy production. It operates three sawmills and two wooden panel production units in Romania, as well as one sawmill in Germany. Employing around 3,200 people, the HS Timber Group is one of Europe's leading wood processing companies. The Group's products are sold in around 70 countries across the world.

HS Timber Group GmbH is a company of the Evergreen Private Foundation.

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