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## **Holzindustrie Schweighofer works closely with authorities to secure sustainable supply chain**

**Holzindustrie Schweighofer is rolling out its action plan to secure a sustainable timber industry in Romania. Following its commitment to fight illegal logging, the company bases its approach on constructive dialogue with environmental NGOs, transparent communication and an overall enhanced control system for its supply chain. One principle in this regard is to closely cooperate with the relevant authorities and to transparently notify them if information about possible irregularities in connection with timber origin arises. End of February 2017, Holzindustrie Schweighofer's compliance team noticed documents of a truck delivery coming from a log yard that could not answer all questions and notified the Forestry Guard about this incident.**

The company will now fully cooperate with the authorities and provide all available information to clarify the situation. In order to secure a legally sound and fair procedure, Holzindustrie Schweighofer asks for understanding that, at this point in time, the details of the case can only be shared with the authorities.

Holzindustrie Schweighofer is in close cooperation with the authorities. The common goal is to fight illegal logging in the country. The company takes every piece of information about possible irregularities in its supply chain seriously and will soundly research every case. If irregularities or possible irregularities in the supply chain occur, the authorities will be informed. Holzindustrie Schweighofer sticks to a zero tolerance policy in that regard: If a supplier does not follow the principles of the company's purchasing policy he will be excluded from the supply chain. By the end of 2016, Holzindustrie Schweighofer had delisted 79 suppliers for this reason.

Since the company does not harvest any trees itself, it requires its transporters to equip all trucks (delivering to Holzindustrie Schweighofer) with the GPS system "Timflow" by the end of March 2017 to strengthen the security of its supply chain. This system allows tracing of the delivered timber to its exact loading place and reduces the possibility of suppliers bypassing the law to almost zero.

### **Background information:**

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 but also in dissolving pulp production, forest management, bioenergy production and real estate. The industry division of the Schweighofer Group operates three sawmills and two wooden panel productions in Romania, one saw mill in Germany and a dissolving pulp production in Austria. It takes a leading role in the European timber-processing industry, currently employing around 3,700 employees. Holzindustrie Schweighofer exports products to over 70 countries worldwide

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