



**ADITYA BIRLA GROUP**

## **WOOD FIBRE SOURCING POLICY**

Aditya Birla Group, shall maintain at each primary conversion site a Fibre Procurement Policy and, where applicable, a Forest Management Policy tailored to the jurisdictional requirements of its business operations. The Group shall implement its best efforts to avoid trading and sourcing wood or wood fibre (herein referred to as wood) from the following categories:

- a. Illegally harvested wood;
- b. Wood harvested in violation of traditional and civil rights;
- c. Wood derived from uncertified High Conservation Value Forest<sup>1</sup> (a Forest Stewardship Council designation);
- d. Wood harvested from plantations established after 1994 through conversion of natural forests or converted to non-forest use<sup>1</sup>;
- e. Wood from forests in which genetically modified trees are planted;
- f. Wood harvested in ancient and endangered forests, or endangered species habitat<sup>1</sup>

When suppliers contravene these criteria, the Company shall engage with them to develop appropriate practices and/or re-evaluate the relationship with them in a timely manner.

The Aditya Birla Group Company shall endeavour to:

- Maintain positive compliance to all applicable legal requirements, ABG Sustainable Business Framework and adopted international forestry scheme;
- Ensure conformance to the existing forest management programs, while procuring wood from other appropriate, approved sources;
- Ensure internal mechanisms are in place to track the origin of its fibre sources, increase the amount of certified wood in its supply chain and develop practices to ensure chain of custody within the value chain;
- Maintain a Sustainable Forest Management System for land it owns or directly manages. The system shall be regionally appropriate and meet the requirements of internationally recognized certification standards and good environmental and safety industry practice as defined in the ABG Sustainable Business Framework;
- Explore research and development opportunities for alternative fibre sources, circular economy and new technologies that reduce the environmental and social impacts; and
- Promote Sustainable Forest Management practices publicly.

The Group Company shall work towards identifying opportunities to support existing conservation solutions, agreements and further new initiatives to advance sustainable sourcing and forest protection.

The Group Company shall sign up to this policy or develop an equivalent that shall be implemented throughout its operations.

This policy shall be reviewed periodically for its suitability and updated as necessary.

**Date: 30<sup>th</sup> September 2020**

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<sup>1</sup> For c), d) and f) The ABG Company shall verify that meaningful conservation plans are in place to ensure that the health and ecological integrity of these forests are maintained and/or enhanced with large-scale protection. With this in place, dispensation from c), d) and f) may be granted from such restrictions, where the wood derives from harvesting operations conducted as part of a biotype conservation program and or sustainable forest management system, in compliance with the official recommendations of the appropriate forest authority.