

# Danzer Group's Commitment to Your Safety, to Our Health, and the Habitat We Share.

The environmental and safety commitment of Danzer Group is consistent with our motivation to be acknowledged as a leader in the wood products industry. Our Environmental and Safety Management System (ESMS) seeks to protect all employees, the general public, and our ecosystem by establishing its foundation on the principles of: Continual improvement, Management through teamwork, Leadership by involvement, Prevention through planning, Compliance with regulations and standards.

**Continual improvement** is achieved through an ongoing impact analysis. Danzer Group evaluates all operational activities, from the selection of our raw materials to the distribution of our end products, in order to identify positive and negative impacts on employee safety, community health and our natural resources. In establishing our objectives and targets, we make a point to carefully identify our stakeholders and those principles they hold paramount.

**Management through teamwork** is best defined by our belief that understanding one's individual and collective responsibilities under the ESMS is critical to our success. We manage the ESMS in teams to ensure meaningful involvement and to promote a sense of duty – at all levels – to self, co-workers, and community. Our successes and shortcomings are not only published in our annual report to our Boards of Directors but are communicated to employees regularly. We are committed to responding to employee and community concerns factually and expeditiously.

**Leadership by involvement** is demonstrated by this dynamic Statement of Commitment, which is developed and reviewed by cross-functional teams. At Danzer Group, we take our role as a corporate citizen seriously. We conduct business so as to advance natural resource conservation and prevent pollution at the source. Where we play a role but do not have an opportunity to take direct

action we actively support and participate in a variety of educational initiatives designed to promote these fundamental principles among the community, our employees, our customers, and our suppliers.

**Prevention through planning**, or addressing impacts throughout the lifecycle of our product, is no less significant than any other business responsibility. Impact analysis is incorporated into all strategic and operational decision-making: planning, construction, development, operation, use and disposal. Conservation – the trademark of the wood products industry – is our first consideration: whether conservation of our natural resources (timber, water, clean air) or preservation of employee health. Next, we consider actions to reduce or eliminate factors that create unacceptable risks – we eliminate barriers to safe behavior and environmental stewardship. Should a safety or environmental emergency occur, we are prepared for the contingency and will notify all concerned parties.

**Compliance with regulations and standards** that are intended to protect workers and the environment is achieved as a natural by-product of continual improvement. We maintain dynamic policies and procedures that clearly define everyone's duties. By establishing simple methods we promote compliance with regulatory and internal standards throughout the organization, and prove this through internal and external audits of all of our operations and activities. We are actively involved in regulatory development and legislative efforts affecting our industry and carefully monitor voluntary initiatives affecting our industry and periodically evaluate our decision to incorporate these efforts into our own ESMS.

Operating within the law is our imperative.

Operating in concert with our community is our ethical responsibility.