

# Responsible timber procurement policy

*This statement sets out Obtala's alignment with responsible timber procurement.*

**Obtala is seeking to reduce the risks of illegally harvested or traded forest products entering the supply chain.** The present policy covers Obtala's timber subsidiary Argento Ltd, with forest management, primary and secondary milling units in Sub-Saharan Africa and trading of forest products worldwide.

## Own supply and suppliers' approach

Directly from our own concessions or indirectly through suppliers, Obtala aims to source all forest products from forests that have successfully passed the due diligence process shaped by the EU Timber Regulation guidelines.

For a source to be considered acceptable, the legality and the traceability criteria of the due diligence assessment have to be met.

Obtala is determined to verify that all products acquired comply with national regulations, by addressing:

**Legal rights to harvest:** Forest Management Enterprise (FME) legal status and legal right to operate and to harvest timber from within the defined Forest Management Unit.

**Taxes and fees:** FME obligatory taxes, fees and/or royalty payments for the legal right to harvest permitted harvesting volumes.

**Timber harvesting activities:** FME management plans and annual operating plans as required by law.

**Third parties' rights.** Legally recognized customary rights are taken into account in the management of the forest resources.

**Trade and transport, including CITES listed species.** FME conformity to applicable transport, trade, import or export regulations, procedures and restrictions.

In order to assist procurement personnel and suppliers, Obtala has put together a database of evidences required from suppliers in order to ensure compliance with the current Policy.

## Policy delivered by

Heads of Forestry divisions are responsible for the overall delivery of this policy. The Board of Directors is responsible for the communication of the policy to internal and external stakeholders and its progress in annual reports. Business Units are responsible for the collating of data.

## Policy review

This policy has immediate effect. This policy will be reviewed periodically and amended as necessary.

**Paul Dolan**  
CEO

**Miles Pelham**  
Chairman

