METSÄ WOOD FINNISH MILLS
EU TIMBER REGULATION AND PEFC DDS REQUIREMENTS

Metsä Wood mills in Finland have only one wood supplier, Metsä Forest, all belonging to the same Metsä Group.

Metsä Forest has certified PEFC and FSC chain of custody in all its wood supplying countries, and its certified quality (ISO9001) and environmental (ISO14001) management systems include a wood origin tracking system. Thorough documentation and the latest technology, including digital maps, are used to track the wood flow from the forest to the mill. All non-certified wood material is classified as PEFC Controlled Sources or/and FSC Controlled Wood.

EU Timber Regulation

The EU Timber Regulation is a law (EU Regulation No 995/2010) and an important part of FLEGT Action Plan that came into force across all European Union member states on March 3, 2013. The core objective is to prohibit all timber products that have been illegally harvested from being placed on the EU market. It covers a broad range of timber products including round wood, solid wood products, flooring, plywood, pulp, paper and board.

Metsä Forest has the necessary process in place to fulfil the obligations of the EU Timber regulation. EU Timber regulation (EUTR) defines the obligations of “operators”, placing the timber product on the EU market for the first time as well as obligations for “traders”, who are buying or selling products already placed on the EU market. The “Operator” is obliged to prove the legality of raw material to the national EU Timber Regulation authorities and to implement a due diligence system, including three elements: access to information, risk assessment and mitigation of risks. The “Trader” is obliged to keep a record for five years of its suppliers and customers.

In case of products produced by Metsä Wood Finnish mills, Metsä Forest is the one acting as the “Operator” with the obligation to prove legality of the wood to the authorities. Metsä Wood as well as their customers act as a “Trader”.

PEFC standard revised DDS requirements

PEFC’s revised CoC standard (PEFC ST 2002:2013) must be taken into use by all certificate holders by February 24, 2014. The new standard changes the DDS (Due Diligence) requirements. According to the new DDS requirements, certificate holders shall have access to the information on origin and species.

Metsä Wood Kerto LVL mills in Lohja and Punkaharju have the following certificates:

ISO 9001 number: FIHSK95413A
ISO 14001 number: FIHSK95413B
PEFC CoC number: 200662 (majority PEFC certified)
FSC CoC number: BV-COC-897631 (limited amounts FSC certified)
FSC CW number: BV-CW-897631

Wood species and origin of wood:

<table>
<thead>
<tr>
<th>Product</th>
<th>Species</th>
<th>Latin name of species</th>
<th>Origin of wood</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kerto LVL</td>
<td>Spruce</td>
<td>Picea abies</td>
<td>Finland European part of Russia</td>
</tr>
<tr>
<td></td>
<td>Pine</td>
<td>Pinus sylvestris</td>
<td>Finland European part of Russia</td>
</tr>
<tr>
<td></td>
<td>(product may contain small amounts)</td>
<td></td>
<td></td>
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</tbody>
</table>