

Fair Wood Timber Selection Criteria:

Transparency and clarity around the timber we buy and sell is the foundation of our business. Our ethos in selecting timber is clear and simple. It is guided by two principles: We provide a market for timber that promotes well managed land, forests and trees. We provide a market for timber that would otherwise go to waste.

Farm Forestry, agroforestry and trees from other mixed land use:

A primary aim of Fair Wood is to provide a market for trees purposefully planted on farms for timber production. Through this we can foster reafforestation of previously cleared farm land. We therefore enthusiastically accept timber from these sources. In doing so, we are careful not to accept timber harvested from farm clearing operations.

Salvaged Timber:

Salvaged timber is from trees that have fallen down or are otherwise going to be cut down for reasons that are not environmentally irresponsible. We accept salvaged timber that is milled from:

- A tree that has by accident fallen across a road, yard, fence and/or other crucial assets and therefore must be removed.
- A tree that has fallen distant from any watercourse or wildlife corridor and is not part of a functioning forest ecosystem.
- · A tree that is hazardous and must be removed.
- A tree that is seriously diseased or dying, unless it would otherwise provide ecosystem services once dead.
- A tree removed for the construction of roads, housing and other development.
- Wood that would otherwise be disposed of or used for low value product.

This is assessed cautiously on a case by case basis and we are very careful to verify that our acceptance of timber does not provide incentive for unsustainable practices. We will not accept timber where doing so helps support particularly unsustainable development or industry, even if the wood will then otherwise go to waste.

We will not, for example, accept timber milled from trees cleared to make way for a new coal mine. While we believe that it is possible to manage Australian native forest resources sustainably and to produce timber from them at the same time, there is significant evidence 123 that this is not occurring currently in many areas.

As the context and provenance of logs from these forests can be difficult to confirm when provided to sawmillers, we do not generally accept timber from these sources. We may in the future accept timber from specific state managed forests when we can verify both the sustainable management of the forest and the provenance of the logs delivered to the sawmill.