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Associated Hardwoods, Inc. Statement Regarding FSC® Core Labor Requirements Revised Date: December 15, 2022

Consistent with its FSC® licensing agreement¹, Policy of Association (POA) and chain of Custody certification agreements with FSC and Scientific Certification Systems, respectively, Associated Hardwoods, Inc. (Associated) voluntarily strives to adhere to the principles promoted by the Forest Stewardship Council® (FSC). This includes environmentally appropriate, socially beneficial, and economically viable management of forests as scoped to FSC standard indicators audited annually by an independent, third-party certification body in good standing with Assurance Services International (ASI).

FSC STD 40-004 V3.1 includes core labor requirements as set forth below. Associated gives due consideration to and follows the "laws of the land" including the applicable requirements of local, regional, state, and federal employment laws for entities based in the United States. Associated maintains records of its due diligence activity with regard to its employment practices and retains those records in compliance with the minimum five-year record retention requirement of FSC. These records are made available annually to the audit staff of Associated's certification bodies for review.

The FSC STD 40-004 V3-1 core labor standard indicators are summarized below with Associated's statement of legal compliance:

- 7.2 The organization shall not use child labor.
 - 7.2.1 The organization shall not employ workers below the age of 15, or below the minimum age as stated under national, or local laws or regulations, whichever age is higher, except as specified in 7.2.2.
 - 7.2.2 In countries where the national law or regulations permit the employment of persons between the ages of 13 to 15 in light work, such employment should not interfere with schooling nor be harmful to their health or development. Notably, where children are subject to compulsory education laws, they shall work only outside of school hours during normal daytime working hours.
 - 7.2.3 No person under the age of 18 is employed in hazardous or heavy work except for the purpose of training within approved national laws and regulations.
 - 7.2.4 The organization shall prohibit the worst forms of child labor.

There are laws which prohibit child labor in the United States where Associated has business operations. Associated fully complies with said laws.

- 7.3 The organization shall not use forced and compulsory labor.
 - 7.3.1 Employment relationships are voluntary and based on mutual consent, without the threat of a penalty.
 - 7.3.2 There is no evidence of any practices indicative of forced or compulsory labor, including, but not limited to, the following:
 - physical and sexual violence
 - bonded labor
 - withholding of wages/including payment of employment fees and or payment of deposit to commence employment
 - restriction of mobility/movement
 - retention of passport and identity documents
 - threats of denunciation to the authorities.

Associated Hardwoods, Inc. Statement Regarding FSC® Core Labor Requirements - Continued

Associated complies with laws in the United States which address the indicator 7.3 regarding compulsory labor.

- 7.4 The organization shall ensure that there is no discrimination in employment and occupation.
 - 7.4.1 Employment and occupation practices are non-discriminatory.

By law, Associated is an equal opportunity employer, and no person is discriminated against because of protected classification or protected activities, including, but not limited to, race, religion, color, sex, age, national origin, ancestry, marital status, sexual orientation, military status, citizenship status, or physical or mental handicap in the United States.

- 7.5 The organization shall respect freedom of association and the effective right to collective bargaining.
 - 7.5.1 Workers are able to establish or join worker organizations of their own choosing.
 - 7.5.2 The organization respects the full freedom of workers' organizations to draw up their constitutions and rules.
 - 7.5.3 The organization respects the rights of workers to engage in lawful activities related to forming, joining or assisting a workers' organization, or to refrain from doing the same, and will not discriminate against or punish workers for exercising these rights.
 - 7.5.4 The organization negotiates with lawfully established workers' organizations and/or duly selected representatives in good faith and with the best efforts to reach a collective bargaining agreement.
 - 7.5.5 Collective bargaining agreements are implemented where they exist.

The United States has extensive legislation protecting the social rights of individuals and workers, including the rights to form, join or assist labor organizations or to refrain from doing so. The FSC core labor requirements are contained in US Federal legislation, and Associated complies with all requirements of those laws.

Associated is committed to a work environment in which all individuals are treated with respect and dignity. Everyone has the right to work in a professional atmosphere that promotes equal employment opportunities and prohibits discriminatory practices, including harassment.

Sincerely,

John R. Jordan, III

President

Footnote 1 – Forest Stewardship Council® and FSC® Registered Trademarks [Associated license code: FSC-C014978].

This statement was developed to demonstrate our organizational commitment to the FSC core labor requirements described in the "FSC report on generic criteria and indicators based on ILO Core Conventions principles (2017)" and as detailed in FSC-STD-40-004 v3-1, section 7.1-7.5 (2021). Copies of this statement are publicly available to stakeholders and other interested parties via the Associated Hardwoods, Inc. website: Legal – Associated Hardwoods, Inc.