

# **Sustainable Forestry and Fiber Procurement Policy**

### **Sustainable Forestry Commitment**

Cosmo is committed to sustainable forestry practices and the responsible procurement of wood fiber through practices which promote healthy and productive forests for future generations. Sustainable forestry means managing forests today in a way that ensures there will be abundant, healthy and diverse forests in the future.

Our commitment to sustainable forestry and responsible wood fiber procurement is a natural extension of our overarching social and environmental stewardship ethic. That stewardship ethic starts at our facility, where water and air quality are of paramount importance. Our commitment extends much farther—to our community, to the forests that produce our wood fiber, and beyond to the broader environment.

Cosmo takes steps to assure our customers and communities that we are responsibly sourcing fiber for our products. To provide that assurance, we are committed to obtaining and maintaining certifications to the Programme for the Endorsement of Forest Certification™ (PEFC) and the Forest Stewardship Council™ (FSC).

Cosmo supports and promotes sustainable land stewardship practices that integrate the growing and harvesting of trees with the protection and conservation of: air and water quality, soil, biological diversity, wildlife and aquatic habitats, recreational and aesthetic properties, and forests with high conservation value. We operate under the premise that responsible environmental behavior and sound business decisions can co-exist to the benefit of communities, landowners, logging professionals, business owners, customers, and the environment, today and for future generations.

#### **Fiber Supply Certification**

Our PEFC Chain of Custody and FSC Chain of Custody and Controlled Wood Certification provide third-party verification of Cosmo's commitment to sustainable forestry and responsible wood fiber procurement. We require that each of our wood fiber suppliers cooperate with our certification verification and monitoring efforts, which facilitates tracking certified wood deliveries to our facility.

Our wood fiber suppliers use trained loggers in all harvesting operations and follow forestry best management practices. Cosmo supports logger training and education programs including the Washington Master Logger program and the Oregon Professional Logging Program.

An important step to ensure avoidance of unacceptable wood fiber sources is our Controlled Wood Risk Assessment, an independent and auditable analysis of our wood procurement basin.

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The Controlled Wood Risk Assessment demonstrates the low risk for "controversial" or "uncontrolled" sources of wood, including:

- Illegally harvested wood,
- Wood harvested in violation of traditional and civil rights,
- Wood harvested from forests where high conservation values are threatened by management activities,
- Wood harvested from forest being converted to plantations or non-forest use that would result in unacceptable levels of deforestation on an eco-region scale, and
- Wood from forests in which genetically modified trees are planted.

## **Promoting Responsible Forestry**

One unique aspect of Cosmo's approach to environmental stewardship is our expanded partnership with our largest wood fiber supplier, Willis Enterprises. Unlike other whole log chip producers in the Pacific Northwest, every load of logs purchased by Willis Enterprises, to be chipped for Cosmo, is painstakingly researched and documented as to whether it originated from a certified forest.

Over 70% of the forests producing wood fiber for Cosmo are certified to either the Sustainable Forestry Initiative®, American Tree Farm System®, PEFC, or FSC. The extraordinary research and documentation performed by Willis Enterprises positions them to share Cosmo's wood fiber certification. Regular communications and feedback between Willis Enterprises, forest landowners, and loggers promotes awareness across our communities of Cosmo's commitment to healthy forests.

#### **Wood Fiber Suppliers**

The forests producing wood fiber for Cosmo products are among the most productive in the world. As a result, we enjoy one of the highest concentrations of industrial forest properties in the US, with 7 million acres privately owned and expertly managed for timber production.

In addition to an extensive network of contract whole log chippers, including our fiber-related certification partner Willis Enterprises, our wood fiber suppliers include some of the largest and most advanced lumber producers in the US. We are proud to be part of the Pacific Northwest forest products industry, where professionalism and environmental stewardship abound.