

## Kronospan Schweiz AG Corporate Policy

### People and the world around are extremely important to us

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We produce high quality wood materials with environmentally sustainable processes. The main source of our business success is our **dedicated staff**. We maintain an open, pleasant working environment, promote the exchange of ideas, thus achieving a positive work climate.

We also endeavour to treat people who are not directly contacted with our Factory with the highest esteem. We try our best to respond to our contemporary world, and seek **solutions based on partnership** to develop and improve ourselves as a company.

### Economic and ecological responsibility

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Kronospan Schweiz AG is committed to complying with all relevant laws, regulations and standards, whether environmental, social or in terms of product and service quality. We naturally foster excellent, open partnerships with the authorities. Our company is aware of the importance of **proactive ecological conduct**. All our activities are thus checked for their environmental impact and, if needs be, revised. Particular attention is paid to environmental aspects when planning new products. Energy and resources must be used sparingly from both an economic and ecological perspective. A **solid long-term economic basis** can only be achieved if staff attain the required quality in their daily work and actively help to shape processes. This increases productivity, customer satisfaction and ultimately the company's success.

### Management responsibility

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The management system helps to secure economic, social and ecological success by identifying clear objectives, managing responsibilities, making resources available for implementation and structuring individual activities understandably and transparently to those involved. It is the company's job to guarantee **long-term economic success**. This management task is met using the sustainability strategy. It is also every employee's job to exercise their management responsibility towards other staff. Particular importance is placed here on an open and appropriate communication culture.

The management responsibility serves the implementation of a broad **security concept**:

- A healthy financial basis maintains and/or creates jobs and makes reasonable investments possible that contribute to continuously improving and strengthening the company.
- Guaranteeing high operational/job security protects the environment and employees.

### Customer focus

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Customer loyalty is important to us. We strive for a long-term commitment to our customers. This is why customer requirements are a significant input factor that we focus on. We want to achieve high **customer satisfaction** with top quality services and clearly defined products that we manufacture in accordance with relevant European standards (EN). We regularly check these so that we make constant improvements and always remain focused on the customer.

### Continuous improvement

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We intend to gradually reduce the input required per production unit (material, energy, work). At the same time we want to increase customer satisfaction, i.e. poor quality and downtimes must be eliminated as far as possible. **Controlling** is developed for this that documents the weak points. These weak points are to be successively removed using suitable measures. The aim is the careful use of resources; which is why every single employee contributes to success. All staff are informed, instructed and involved accordingly. **Management constantly evaluates the measures taken** to guarantee continuous improvement. Our suppliers are also involved in continuous improvement as they are the key to high consistent quality. Suppliers are evaluated to create advantageous, long-lasting good relationships for both sides.

## Sustainability

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We think in closed-loops that could not be better expressed by wood. **Wood use in a cascade** defines our strategy. We realise the highest possible value creation that the respective wood type allows by processing industrial and sawmill by-products into innovative products in Swiss quality for furniture and interior design. With a sophisticated recycling concept we take back used furniture to produce energy for production and therefore produce in a CO2-free way.

Our work aims for sustainable conduct at all levels with the **fullest possible use of resources**. This applies to our procurement policy (wood from sustainably managed forests), to production (economical and ecological production with minimum emissions) and to sales (range of ecologically valuable products). We also make every effort to counteract negative effects with the commitment to never be directly or indirectly involved in the following unacceptable activities:

- a. The illegal felling of wood or the trade in illegally felled wood or forest products
- b. A breach of human rights or traditional, fundamental civil rights in forest areas
- c. The destruction of forests, whose specific protection is at risk due to forest management
- d. The transformation of natural forests into plantations or areas with no forestry use
- e. The introduction of genetically modified tree species into forest areas
- f. A breach of the ILO principal agreement, such as it was stipulated in the ILO fundamental principles and employment rights (ILO: International Labour Organisation, regulates basic employment rights)

We are committed to comply with the **EU Timber Regulation (EUTR) No 995/2010** and the standards of **FSC**<sup>®</sup> and **PEFC**<sup>™</sup>.

The Management Board  
Kronospan Schweiz AG

Menzna, 13<sup>th</sup> June 2014  
The signed original can be viewed at our office