

EU TIMBER REGULATION

July 2017

LECTA complies with the EU Timber Regulation

Pulp and paper products fall within the scope of the European Regulation No 995/2010 of 20 October 2010 aimed at ensuring that only timber and timber products which have been produced in accordance with the relevant national legislation of the timber-producing country enter the European market.

The EU Timber Regulation entered into application on 3rd March 2013 and prohibits trade of illegally harvested timber or products derived from such timber in the European market.

To that end, the Regulation requires operators who place timber products on the EU market for the first time to exercise 'due diligence', providing detailed information on the supply chain of timber products and evidence of compliance with applicable legislation. Moreover, to facilitate the traceability of timber products once on the market, traders of the supply chain have an obligation to keep records of their suppliers and customers.

LECTA buys wood, pulp and paper products mainly within the European Union but also a small quantity beyond its borders. In order to comply with the EU Timber Regulation, we have requested our suppliers provide all the relevant information for the implementation of the 'due diligence' system and to comply with the traceability obligation. After carrying out a risk assessment of our suppliers from outside the EU and the purchase of standing timber in Spain we can conclude the risk identified is negligible. In terms of traceability, LECTA is able to identify and keeps records of its suppliers and customers for at least 5 years and shall provide this information to competent authorities if requested. Therefore, we can conclude that LECTA is complying with all the requirements set out by the EU Timber Regulation.

In addition, LECTA holds PEFC™ and FSC® Chain of Custody certifications and all its wood and pulp purchases are either certified or controlled. The legality of timber products is an essential part of Chain of Custody standards and both PEFC and FSC certifications include a risk assessment to guarantee forest products are not derived from any illegal logging activity.

More information about Lecta's commitment to sustainability at www.lecta.com