

SUSTAINABLE TIMBER PROCUREMENT POLICY

ESS Modular recognise that:

- Forests are essential for human survival and well-being. They are among the most biodiverse and valuable terrestrial ecosystems on the planet. They provide us with food, oxygen, shelter, recreation, and spiritual sustenance; and they contribute to the livelihoods of 1.6 billion people worldwide. The biodiversity of forests—the variety of genes, species, and forest ecosystems—underpins these goods and services, and is the basis for long-term forest health and stability.
- Promoting ways to use forest biodiversity in a sustainable way, and with clear social and economic benefits for the poor, is important.
- Forest certification provides evidence of sustainable forest management, yet at present, less than 10% of the world's forests are certified. Mainstreaming forest certification systems (such as PEFC and FSC) will assist in promoting sustainable forest management.

As a user of timber and wood-based products, **ESS Modular** recognises that it has a responsibility to current and future generations and will therefore strive to promote sustainable forest management. By demanding products from sustainably managed forests, we aim to stimulate the improvement of forest management and discourage unsustainable management practices.

ESS Modular will give preference to suppliers who can demonstrate that their products originate from sustainably managed forests.

We consider it important that the origin of our wood-based products can be demonstrated through credible, independent Chain of Custody certification based on international standards and norms.

In this context, we recognise credible third-party certification systems accepted by government procurement policies and guidelines, such as the UK Central Point of Expertise of Timber or the EU Green Public Procurement criteria, as evidence of responsible and sustainable sourcing. This includes the Programme for the Endorsement of Forest Certification (PEFC) and the Forest Stewardship Council (FSC), the two largest forest certification systems globally.

This policy is endorsed by the Company's Directors, who recognise that implementation of this policy is paramount to the success of the business and take responsibility for implementation of the policy.

A handwritten signature in black ink, appearing to read "Paul Tierney".

Paul Tierney, Managing Director

Date: 7th January 2020