

Wood, naturally

For a responsible and sustainable wood industry... Naturally

 This issue: Responsible forests Chain of Custody Customer documentation Green Building

Carter Holt Harvey launches environmental program to meet Australia's low carbon targets

Carter Holt Harvey this month outlined its environmental program, titled Wood Naturally, with a new video and brochure explaining the assessment program and actions the company is taking to achieve national targets for a sustainable built environment.

As Australia's leading timber and engineered wood products supplier, Carter Holt Harvey is leading the way in the wood industry to support Australia's commitment to a low carbon future.

Federal and state governments are introducing systems to ensure industries across the country are working to reduce levels of greenhouse emissions.

The wood industry is collaborating to ensure that all components of the supply chain are adhering to standards that are sustainable, legal and ethical.

In-line with government targets the Australian wood industry is developing standards. By 2011, the Building Code of Australia (BCA) will implement national targets for a more sustainable built environment covering water, materials and energy.

Environmental assessment tools are being used by Carter Holt Harvey to ensure its practices and products are sourced and produced responsibly. The company aims to have wood products recognised for their contribution towards sustainable construction.

Carter Holt Harvey has been working across a number of fronts to achieve this goal:

- Working with the CSIRO to contribute baseline data on the manufacture and processing of timber products such as plywood, particle board and MDF, which will then be used to compare the qualities of wood products with other building materials
- Sourcing Chain of Custody (CoC) certification of all its mills in Australia and New Zealand to independently demonstrate that wood being used is sourced from sustainably managed forests
- Communicating its environmental credentials and goals through online updates on procurement policy, mill certification and benefits of wood as a building product



welcome

Welcome to the brand new **Wood, Naturally** newsletter from Carter Holt Harvey. This is a regular update, which will provide you with the latest news regarding our Wood, Naturally environmental program and updates on the work being done by the wood industry in general to promote responsible, sustainable practices.

As a green, renewable building product, timber is an important resource for the Australian building industry and Carter Holt Harvey takes its responsibility to the environment seriously.

I hope you enjoy reading this first issue and look forward to hearing any feedback you might have.

Best wishes,
Jim Snelson,
Chief Executive,
Carter Holt Harvey
Wood Products Australia

 To view a video on Carter Holt Harvey's environmental initiatives, go to:
<http://www.chhwoodproducts.com.au/index.cfm/PageID/136/ViewPage/Environment>

Independent certification ensures forests are managed properly

The Australian wood industry has two existing standards for verifying the responsible and sustainable management of forests that ensures the nation's forest resources are managed and maintained for the future. Members of the industry can voluntarily undertake forestry management certification which is conducted by external, independent auditors.

The auditors check a range of criteria for forest management to ensure that certified timber products are produced in a responsible and ecologically sustainable manner.

The two forestry assessment bodies in Australia are the Australian Forest Certification Scheme (AFCS) and the Forest Stewardship Council (FSC), which both provide the wood industry with an independent standard of measurement for the responsible management of forests.

The Australian Forest Certification Scheme has certified 8.7 million hectares of forest in Australia. The Forest Stewardship Council is a relatively new body and has so far certified 0.5 million hectares of forest.



Used with permission of Australian Forestry Standards Ltd



©1996 Forest Stewardship Council A.C

State Government pine plantations in New South Wales, Victoria, Queensland and South Australia are AFCS certified. In Victoria, Hancock Victorian Plantations has certification from both AFCS and FSC. New Zealand is also working towards FSC forest certification. Carter Holt Harvey only sources its wood from forests that meet either of these certification standards.

Customer quality guaranteed by documentation

Carter Holt Harvey is adopting new rigorous internal documentation standards to ensure its Chain of Custody verification is extremely transparent and verifiable, giving its customers certainty in the purchase of products that are produced sustainably, ethically and responsibly.

As a supplier of products for further processing, it is essential to produce clear evidence and to ensure external audits can support Carter Holt Harvey's claims of the highest forestry management standards.

The Carter Holt Harvey documentation for Chain of Custody certification now includes:

- Description of Certified material sold
- Type of Certified Products (FSC Pure, Mixed, AFCS % of Certified materials)

- Quantity of Certified Materials sold
- Chain Of Custody Certification Number

Sales records are maintained to record the quantity of certified products sold and the name of the buyer.

*** (COPY) ***

Sold To **142037**

Deliver To **142037**

Manufactured by Carter Holt Harvey AT&P

Delivery Note

Delivery Number 3533857875
 Delivery Date 16 May 2008
 Carrier Uplift Date 07 May 2008
 Carrier Linfox Transport (Aust)
 Ltd
 Load Number 9800486220
 Truck Number G/f

Page 1 of 2

Driver Name <small>(Please print in CAPITALS)</small>	Driver Signature	Receiver Name <small>(Please print in CAPITALS)</small>	Receiver Signature	Date	/	/																																																																						
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ABN: 93 002 993 106 Please refer to terms of sale on reverse 07 May 2008, 15:29:19
Carter Holt Harvey Wood Products Australia Pty Ltd

Carter Holt Harvey ensures chain of custody is certified

As the Australian wood industry gears up to audit all Australian timber mills and relevant suppliers of timber, Carter Holt Harvey has engaged Ensis, the local agent for Scientific Certification Schemes (SCS) to provide certification of its mills.

SCS is recognised by the Forest Stewardship Council (FSC) standard. SCS has so far audited Yarram, Morwell and Myrtleford sawmills, Mytleford, Tokoroa and Mt Maunganui ply mills and Marsden Point LVL mill.

The Australian wood industry, through AFCS and working with the Engineered Wood Products Association, is in the process of certifying all remaining Australian mills from June this year.

Carter Holt Harvey uses Chain of Custody (CoC) certification to ensure that all wood in its products is legally sourced from sustainably managed forests. The future of the timber industry is dependent on the protection and expansion of

forest resources, and Carter Holt Harvey only sources wood from non-genetically modified trees in plantation, young growth pine forests.

Chain of Custody Certification creates the essential link between certified forests and timber processors, providing accreditation for responsible timber production across manufacture, wholesale and retail.

Both the Australian Forest Certification Scheme (AFCS) and Forest Certification Scheme (FCS) provide Chain of Custody certification to timber producers and manufacturers, however neither scheme recognises certified material from the other.

Both schemes have the following components:

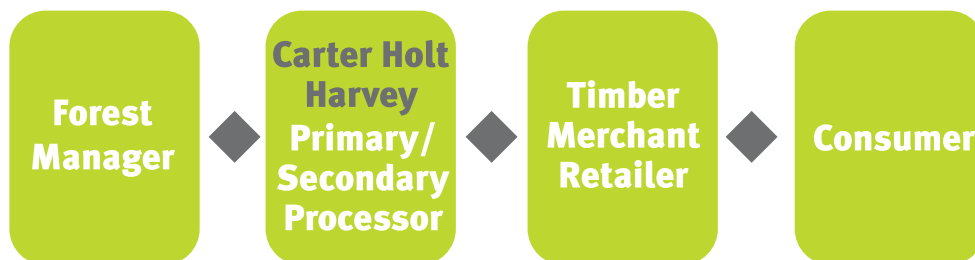
- Quality Systems
- Material Sourcing
- Production Controls
- Transaction Documentation
- Labeling

In the case where Carter Holt Harvey purchases products from New Zealand mills CoC certification of key warehouses will also be required.

FSC Chain of Custody certification lasts for five years and AFCS Chain of Custody certification lasts for three years.

Timber: Chain of Custody Certification

Source: Modified from Forest and Wood Products Australia



Local wood industry sets up environmental program

Forest and Wood Products Australia (FWPA) is developing a program to promote the environmental benefits of using wood in the built environment, including a promotional campaign that will target industry stakeholders as well as consumers.



FWPA is an organisation funded in equal parts by the Federal Government and members of the Australian wood industry, including Carter Holt Harvey. The environmental program is being developed by organisations including Carter Holt Harvey, Boral, PSA, NAFI, A3P and TDA.

The overall campaign will be modelled on similar programs already underway in New Zealand and Europe, promoting the environmental credentials of wood, supporting growth in the industry and demonstrating the contribution wood makes to removing greenhouse gases from the atmosphere.

Green Building Council challenges addressed

The Green Building Council of Australia (GBCA) was launched in 2002 as a national, not-for-profit organisation, committed to developing a sustainable property industry for Australia by encouraging the adoption of green building practices.

The GBCA uses rating tools to evaluate building designs, built and fit-out projects and applies a star rating based on the number of points accumulated against a range of criteria covering materials, indoor air quality, land use, etc. Increasingly architects and developers are seeking to use the ratings tools to establish GBCA credits for projects and customers.



Carter Holt Harvey is not a member of the GBCA, however the company has an interest in the rating tools and credits that deal with the forestry sector and timber products.

These are;

- The Mat 8 Sustainable Timber credit
- The IEQ 12 Formaldehyde rating

Carter Holt Harvey has supported an industry wide call for a Review of the Mat 8 Sustainable Timber guideline by the GBCA, which was undertaken in the first quarter of 2008. The existing guidelines only offered credit points to FSC certified timber and did not recognise AFCS certified forests.

The Mat 8 Review proposed GBCA give recognition to wood sourced from certification schemes including FSC and AFCS. The results are yet to be announced after a Public Review process in February this year.

With FSC certified wood products only available in limited supply and with no substitute for MDF and Particle Board, the industry is struggling to apply and support the current GBCA Rating Tools.

Architects and developers also appear to be frustrated by the lack of FSC certified product availability. Those targeting GBCA points cannot specify certain products from Carter Holt Harvey such as panels and some LVL that is AFCS, not FSC certified.

GBCA does not currently recognise the application of pre-consumer waste wood used in MDF or Particle Board and this has not been addressed to date, however Carter Holt Harvey has called for a review.

The IEQ 12 rating guideline pertains to indoor air quality in office fit-out by encouraging the use of low formaldehyde materials.

The GBCA has updated its original ratings as they could not be applied for Australian made products. The newly published IEQ 12 now refers to Australian Standards AS 4266.16 for formaldehyde testing, however current published details in the ratings tools have reversed the E1 levels for MDF and Particle Board which require correction.

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