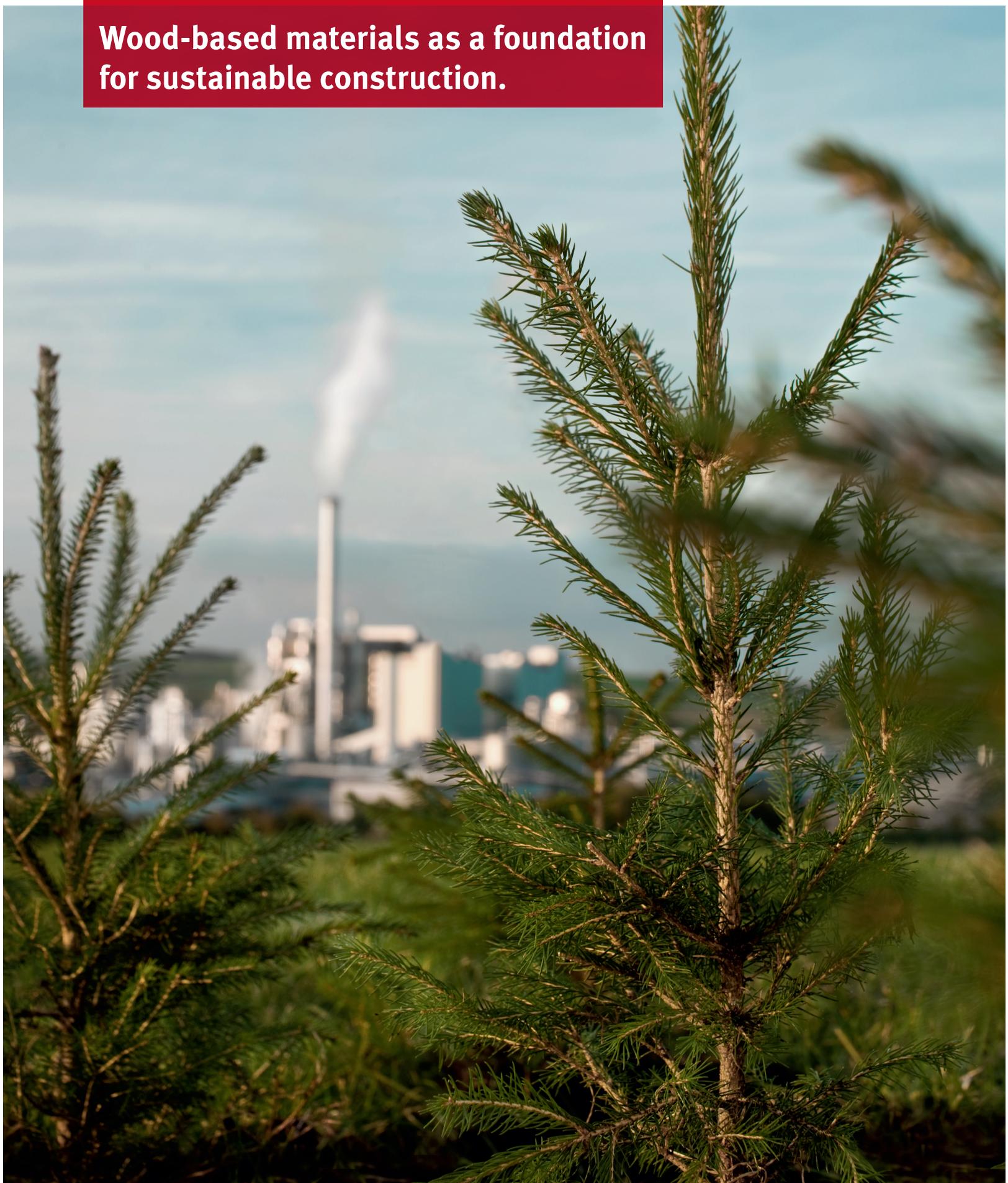


MORE FROM WOOD.



Environment & Sustainability at Egger

**Wood-based materials as a foundation
for sustainable construction.**





EGGER & the environment

EGGER pursues a far reaching environmental policy and adheres to the strict ecological regulations laid down by the wood processing industry. Starting with the collection of timber from renewable forests and wood residues from saw mills, to the generation of energy through environmentally friendly production techniques and finally, through to the continual monitoring of emissions.

From the tree to the product - a closed cycle

Wood materials production

To continually improve our environmental performance in the production process, we are opting for internationally certified energy and environmental management systems in accordance with ISO 50001, ISO 14001 and EMAS.

Consumer

We provide full transparency through Environmental Product Declarations (EPDs). They give end consumers important information about environmental and health aspects for each of our basic products.

Sawmill

Sawmill co-products (sawdust and chips) are processed further in the wood-based materials production.



Recycling

Recycled wood, consisting of waste wood from disposed goods and those not fit for sale, is prepared and used for chipboard production.

Renewable energy

Biogenic fuels, which can no longer be used materially, are turned into heat and green electricity by us in our own biomass power plants.

Sustainable forestry

We act responsibly with regard to forests and the environment and are certified according to PEFC and FSC®, depending on the availability of the wood. In accordance with the EU Timber Regulation, EUTR, we only buy timber in a region from monitored suppliers.

Tackling climate change

A significant proportion of climate change can be attributed to CO₂ emissions resulting from human activities (mostly burning of fossil fuels).

There are 2 ways to reduce CO₂:
 1.Reduce emissions
 2.Remove CO₂ and store it.
 Wood can do both.

There is no other commonly used building material that requires so little energy to produce as wood. For example, concrete (derived from limestone quarries) takes considerably more energy to produce, is not a renewable resource, and is 15 times poorer at insulating buildings. Thanks to photosynthesis, trees capture CO₂ and produce oxygen.

EGGER (UK) Ltd complies with a chain of custody process through the independently accredited FSC® scheme (Forest Stewardship Council®), which promotes and ensures the use of timber from managed forests.

- Managed forests absorb more CO₂ than mature trees which eventually die and rot, returning their store of CO₂ to the environment.

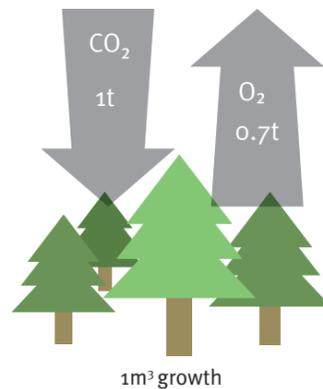
- Most of the CO₂ of the trees harvested from a managed forest continue to be stored throughout the life of the resulting wood product.

- Increasing the use of wood (sourced from managed resources) makes a positive contribution to maintaining and increasing forests. For example, all the timber EGGER (UK) Ltd uses comes from managed forests.

These forests are re-planted after use, so that not only is the amount of trees replenished so that there is no loss in the amount of trees, but 7% of the replanting includes native broadleaves which contribute to habitat provision, such as public recreation and species maintenance which can never be felled.

The FSC scheme includes economic, social and environmental guidelines and benefits as laid down by the World Wildlife Fund.

The photosynthesis effect of tree growth



Environmental protection starts with sustainable forestry

Responsible and sustainable forestry has the highest priority at EGGER.

For the production of wood based product solutions EGGER exclusively uses wood from forest thinning and residual wood in selected quality from sawmills, as well as suitable recycled wood.

We act responsibly with regard to the forests and the environment and within the scope of the Chain of Custody procedures are certified according to FSC and PEFC™.



1m³ (or respectively 450 kg) of spruce wood stores approx. 825 kg CO₂

1m³ (or respectively 600 kg) of chipboard or OSB boards stores 1,100 kg CO₂

1m³ (or respectively 880 kg) of MDF boards stores 1,615kg CO₂

Recycling

EGGER (UK) Ltd has its own wood recycling company 'Timberpak' and continues to invest in the growth of this business. There are now four recycling centres at Leeds (Yorkshire), Washington (Tyne & Wear), Bellshill (North Lanarkshire) and St. Albans (Hertfordshire).

Timberpak has a processing capacity in excess of 375,000 tonnes of waste wood per annum and the capacity to provide up to 95% of the recycled wood used across both EGGER (UK) Ltd production facilities.

With timber recycling plants at both our Hexham and Barony sites we are able to utilise recycled wood that may otherwise be burnt for energy or sent to landfill. We are the **biggest consumer of recycled wood in the wood panel industry** and our highly advanced bespoke recycling machinery ensures our recycled wood is processed into a high quality re-usable wood fibre for use in our boards. We use up to 40% recycled fibre in our board production across both UK production facilities (Hexham and Barony).

As recycled wood is drier than virgin fibre it requires less energy to dry and process and thus reduces CO₂ emissions and by using recycling wood in our production processes we extend the life cycle of this valuable resource.

Through our **waste programme** we also significantly reduce the amount of contaminants that go to landfill. All of the contaminants (including glass, metal, stones, fabric and plastic) that are extracted from the recycled timber are segregated into their separate groups, so no secondary separation processes are required. By working with our waste management partners we achieve a 98% recycling figure.



The Hexham timber recycling plant



Timberpak wagons



A selection of waste wood awaiting further processing

Biomass energy

The Hexham Energy Plant produces 36 MW hot gas, which drives our driers, and 12 MW heated thermal oil which is used for the Rawboard, Lamination and Impregnation departments as well as heating the majority of the administration buildings.

Wood residues (wood dust, pre-cleaned residue from the recycling plant and recovered broken chipboard) are burnt in the energy plant to produce heat for the factory processes. The Hexham heat plant burns 7 tonnes per hour and annually we save the equivalent of 34,000 tonnes of CO2 by burning biomass instead of natural gas in the heat

plant. Currently the energy plant supplies 90% of all our requirements. This is compared to an electricity only wood burning facility which would only be 35% efficient.

We do occasionally require some natural gas as the energy plant needs to close down for cleaning and maintenance.

At the energy plant in Barony we have a 15 MW biomass combustion chamber, which reduces Barony's emissions by 8,700 CO2 tonnes per year.



The Hexham Energy Plant

Emissions



WESP

With our 'Wet Electrostatic Precipitator' (WESP) technology we ensure that our emissions continue to fall well within the statutory limits which are among the most stringent in Europe.

The chimney vents steam which is produced when we dry the delivered wood (where the weight of the wood is often equal to the water content of the wood), before further processing it into chipboard.

This is the most environmentally efficient way of removing the moisture as condensing it would involve a huge use of energy and would create the problem of where to get rid of tonnes and tonnes of hot water.

A leading biological exhaust air cleaning system in the Impregnation department also reduces our energy consumption and has seen a 10% reduction in emission levels.

Drainage

We have a 'Sustainable Urban Drainage System' (SUDS) which ensures that rainwater is channelled through grass planted swales (trapping any dust particles) and is cleansed by a reed bed which ensures that the water passed through to the river has been properly cleansed.

The log-yard where we store our timber has a deliberate gentle slope to ensure

that the water is channelled into the swales. We have used a system (SUDS) endorsed by the Environment Agency.

Even roof water does not go to waste: It is fed into underground storage units and a water pumping station which is used for process water and for the sprinkler system.



Reed beds

Certification

FSC® Certification

EGGER (UK)'s commitment to the environment can be gauged by our support of the Forest Stewardship Council® (FSC). The FSC sets standards for forest management and promotes "environmentally appropriate, socially beneficial and economically viable management of the world's forests".

EGGER (UK) Ltd has fully embraced these beliefs achieving FSC accreditation thus ensuring that all products manufactured by EGGER UK are fully certified FSC products showing chain of custody.

This provides independent accreditation that the wood used in our plants is sourced from well managed, sustainable forests.

To help secure timber supplies that are required for the production processes, EGGER has its own timber harvesting company. The company, EGGER Forestry, harvests timber within the catchment areas of both the Scottish and English production plants. Sharing the same philosophy as its parent, EGGER Forestry is strongly committed to protecting and improving the environment.

ISO 14001 Certification

The Forestry company and the two EGGER (UK) Limited sites hold the ISO 14001 environmental accreditation.

ISO 50001 Certification

The EGGER Hexham site and EGGER Barony site hold the ISO 50001 energy management accreditation.

PEFC™ Certification

The Programme for the Endorsement of Forest Certification Schemes (PEFC) is an international forest certification system. It is the world-wide largest independent organization for the securing and continuous improvement of sustainable forestry under the maintenance of ecological, social and economic standards. Our UK plants, as well as Austria, Germany & France are covered by PEFC Certification.



ISO 14001 certification
EGGER (UK) Limited Hexham



ISO 14001 certification
EGGER (UK) Limited Barony



ISO 14001 certification
EGGER Forestry Products



ISO 50001 certification
EGGER (UK) Limited Hexham



ISO 50001 certification
EGGER (UK) Limited Barony

Environmental statement 2019

EGGER (UK) Limited is committed to protecting the environment through investing in the latest manufacturing technology and processes to help meet our legislative requirements. It is our aim to continually improve our environmental performance through the implementation of ISO 14001 and its integration into our other management policies and practices.

Management Responsibility

It is the duty of every Manager within the company to recognise and communicate to the people under their control the importance of environmental quality at both local and global levels and to incorporate Environmental factors into all business decisions.

Emissions

EGGER (UK) Limited are committed to keep emissions to air, land and water not just in line with, but below statutory levels and to adhere to the stringent Integrated Pollution Prevention Control regulations laid down by the Government.

Sustainable Products

The products we manufacture under the Quality Management System ISO 9001: 2008 are environmentally friendly alternatives to imported hardwoods. Our main raw material is roundwood timber and co-products purchased and primarily sourced from renewable UK forests and managed on a sustainable yield basis. A considerable amount of our roundwood material is harvested from woodland within the catchment areas of our UK plants through our subsidiary EGGER Forestry Products Limited.

EGGER Forestry Products has been certified to ISO 14001 since August 2000 and has as one of its main objectives to source all timber from Forest Stewardship Council® (FSC®) Certified Forests.

Both EGGER (UK) Limited sites are certified to ISO 14001:2015 and ISO 50001:2011 Energy Management System certification.

Responsible Forest Management

The Forest Stewardship Council sets standards for forest management and promotes 'environmentally appropriate, socially beneficially and economically viable management of the world's forests'.

EGGER (UK) Limited has fully embraced these beliefs and manufactures its products under the FSC chain of custody certified scheme. This provides independent accreditation that the wood used in the EGGER (UK) plants is sourced from well-managed, sustainable forests.

The Management of the UK forest resource is well documented and

stringently regulated by the appropriate government body – the Forestry Commission, by either licence or full management plan. This includes environmental assessment, landscape considerations and water management guidelines.

Plans and licenses are only granted after full consultation procedure with local planning authorities. UK law under the Forestry Acts controls the replanting of felled woodland and management operations

Sustainable use of resources

Our production process ensures the maximum use of wood co-products

from UK sawmills and recycled wood fibre. To this end EGGER (UK) Limited is committed to developing new ways of reclaiming and recycling the materials used in the production of our products. To help achieve this, the company has established a subsidiary company Timberpak Limited, responsible for sourcing and managing our recycled timber material.

We believe that Timberpak is making a valuable contribution to improving the environment through its recycling processes and service to best utilise all timber waste material as the recycling of timber waste creates a market for what otherwise would be burnt or sent to landfill.

Chemicals

The resins used in our products have low free formaldehyde properties and are produced and developed primarily through our sister company Campact Limited. Campact Limited is a top-tier COMAH and Integrated Pollution Control site. They currently operate under the Quality Management System ISO 9001: 2008 and a Safety Management System based on OH SAS 18001.

Company philosophy

It is the company philosophy that we develop all our products, co-operating and developing with our subsidiaries and customers without detriment to the environment.

Our Environmental Policy and objectives are freely distributed to our Customers on request and is made public through the regular EGGER Liaison Meetings we hold with elected councillors and Council Officers of Tynedale, Northumberland.

A small team of qualified environmental auditors carries out internal audits of our system. Once we have full certification the certifying body will carry out external audits annually. Our environmental objective is and has always been to produce quality products that are fit for our customers purpose on a sustainable basis with as little impact as possible on the Environment, especially in terms of waste, pollution and energy usage.

Primary Objectives 2019

During 2019, whilst we strive for continual improvement, we plan to continue, maintain and where possible enhance our levels of competence rather than create new objectives. However, below are the specific targets identified to ensure this continual improvement is achieved.

1. Continued compliance to the BS EN ISO 14001:2015 Environmental Management Accreditation and to ensure the commitment initiated by the EGGER Group is not only achieved but surpassed towards its Environmental Sustainability.

2. Pursue a dedicated commitment to reduce all waste material generated across the site by a further 5% and to maintain our UK commitment for zero landfill as well as the systematic increase and maximization of our recycling percentages through sustainable RDF (refuse-derived fuel) and SRF (solid recovered fuel) schemes.

3. Maintain and where possible further reduce emissions to air from all site operations in line with our statutory requirements and to maintain compliance with the conditional objectives as identified within the Site Environmental Permit under the Pollution Prevention Control Act 1999 and The Environmental Permitting (England and Wales) Regulations 2010.

4. Manage the site continual improvement program and all associated clearly defined KPIs (Key Performance Indicators) regarding the companies accident prevention performance and to ensure that improvements are introduced in line with Group Management commitment.

5. Maintain ongoing compliance towards the accreditation for BS EN ISO 50001, Energy Management Systems and improve even further ways to reduce energy consumption across both UK sites.

6. Enhance all objectives currently identified within the site NMP (Noise Management Plan) to reassure the site regulatory authority and our neighbours that all actions identified will be addressed and to maintain company commitment regarding such existing and new initiatives.

7. Complete the statutory five year review for the Site Environmental Permit with the current regulatory authorities to establish the "most up to date" compliance document in line with all legislative requirements as per, The Pollution Prevention and Control Act and The Environmental Permitting (England and Wales) Regulations.



www.egger.com/environment

EGGER (UK) Limited
Anick Grange Road
Hexham, Northumberland
NE46 4JS
United Kingdom
T +44 1434 602191
F +44 1434 605103
info.uk@egger.com