**EGGER receives the certificate: wood purchasing is compliant with the EUTR**

**Independent monitoring institute confirms proper and responsible action when purchasing wood from Ukraine.**

**The EGGER Group is known as an outspoken promoter of sustainable forestry and the responsible handling of resources. When it comes to sustainable procurement, it goes without saying that EGGER complies with national and European laws, in particular the EU Timber Regulation (EUTR). In order to fulfil its responsibilities, EGGER subjected its applied Due Diligence System (DDS) and the supply chains from risk countries (Russia, Belorussia, Ukraine) to an additional inspection through an independent monitoring organisation. This independent audit now clearly confirms: The due diligence system of EGGER is compliant with EUTR and the legality of the wood used is ensured beyond doubt.**

In order to minimise to the greatest extent possible any risk of illegal wood, EGGER has always placed great importance on strict rules and standards for the selection and control of its suppliers, which include, in addition to complete documentation and checking the origins, also close collaboration with national and European authorities. EGGER developed this DDS (Due Diligence System) with its top efficient control measures in collaboration with external consultants upon entry into force of EU Regulation 995/2010 and communicated it voluntarily to the authorities in charge. Furthermore, EGGER aims to continuously improve its own DDS, and to this end concluded already in April 2018 an external EUTR monitoring agreement with the Swiss SGS Société Générale de Surveillance SA (SGS) in compliance with art. 8 of EU Regulation 995/2010.

**The supply chain checked all the way to the forest**

As part of this audit at the EGGER plant in Radauti, Romania, all EUTR-relevant “market participant” cases where EGGER is the first dealer of the wood in the EU were subjected to a detailed review. Imports from Ukraine and Belorussia were checked in particular. It is important to underline that, given the critical reports, close attention was paid to the state forestry agencies in Ukraine, and they were subjected to a strict inspection by the Ukrainian forestry experts of the SGS all the way to the forest.

**Audit passed successfully**

The audit result is clearly positive: EGGER has taken suitable risk minimisation measures, is able to present all required certificates and documents, and thus prove compliance with legal requirements. “The certificate is an additional confirmation that EGGER complies with its due diligence duties fully and in all respects. No irregularities were identified during the audit - this proves the qualification and diligence of our employees, the quality of our Due Diligence System, and the efficiency of the implemented management systems”, says Walter Schiegl, from the EGGER Group Management in charge of technology, production, and purchasing. He also underlines: “As such, we have taken all necessary measures to exclude wood from sources that are not sustainable and minimised the risk to the greatest extent possible. We have thus used all possibilities at our disposal.”

**Promoting sustainable forestry**

As a company that always follows the law, the EGGER Group values the actions of NGOs such as Earthsight, whose July 2008 report brought the issue of illegal wood in Ukraine on the public agenda, because they contribute to sustainable forest management, just like EGGER’s actions. EGGER also supports the demand for strict legislation and all regulatory measures needed to create legal certainty and transparency.

Over and above compliance with all legal requirements, EGGER will continue to strictly adhere to its Code of Conduct when it comes to the sustainable procurement of wood, and take efficient measures that further promote the transparency and safety of the wood it uses.

* Third Party Verification: Monitoring risky supply chains through independent third parties
* Direct procurement of wood from forest owners, to the extent possible
* Backward integration (own sawmill, own forestry activities, own forest)
* Regional wood procurement to the extent possible in the proximity of the plants with long-term suppliers that have sustainable processes in place
* Diminishing the use of roundwood by compensating with suitable scrap wood and by-products from the sawmill industry (cascading use)

The EGGER Group reports annually about progress towards reaching the set goals at [www.egger.com/sustainability](http://www.egger.com/sustainability)

**About EGGER**

The family company, founded in 1961, employs approximately 9,600 people. In 18 plants across the world, they produce an extensive product range of wood-based materials (chipboard, OSB and MDF board) as well as timber. The company generated a turnover of EUR 2.68 billion in the 2017/2018 financial year. EGGER has global customers in the furniture industry, wood construction and flooring retailers, as well as DIY markets. EGGER products are found in countless areas of private and public life, including kitchens, bathrooms, offices, living rooms and bedrooms. EGGER is a full-range supplier for the furniture and interior design industry, for wood construction, as well as wood-based flooring (laminate, cork and design flooring) industries.

**About the EUTR**

The EU Timber Regulation (EUTR) regulates the marketing of legally harvested wood and resulting products on the European market. It establishes the due diligence to be applied by market participants, the tasks of monitoring organisations, and the relevant national authorities in the Member States. The Regulation divides companies into “market participants”, which put timber and timber products into circulation within the EU for the first time, and “dealers”, which buy timber that has already been put into circulation by another party. In line with this definition, the EGGER Group is a “market participant” and “dealer”. EGGER applies a relevant Due Diligence System (risk assessment procedure) and fully complies with EUTR stipulations.

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