

Environmental and Social Action Plan

Kronospan Serbia Project,

Lapovo, Serbia

IFC Reference: 28503

Date: February 25, 2010

Item	Description	Implementation Due Date
1	Certification systems to ensure sustainable forestry operations are under implementation in Serbia, and the first FSC certified wood supplies will be delivered to Kronospan Serbia from January 1, 2010. Kronospan will hereafter progressively increase the purchase of FSC or equivalent certified sustainably managed round wood. Based on the implementation schedule for these systems among the suppliers, it is expected that the following levels of certified supplies, expressed as a percentage of round wood purchases can be achieved: 25% 50% 75%	December 2010 December 2012 December 2014
2	Kronospan has developed a contract commitment and monitoring systems to ensure harvest and transportation contractors and subcontractors follow all occupational health and safety requirements, and are excluded from the supply chain if repeated violations are experienced. As the Kronospan Serbia operation is still new the outcome of this system needs to be verified over a reasonable harvest period.	Kronospan will check the systems efficiency by end of 2010, and updates to be made for next season if deficiencies are revealed.