

to our partners

Vienna, 16.09.2025

Dear Partners,

thank you so much for our strong partnership and for showing such interest in how HS Timber Group is going to apply its systems to the new European Regulation (EU) 2023/1115 (EUDR)<sup>1</sup>.

HS Timber Group developed its own Management System for timber procurement that is designed to meet or exceed the definitions of “due diligence” under the EU Timber Regulation (as defined in Commission Implementing Regulation (EU) No 607/2012 and explained in the EUTR Guidance Document 12.2.16), the legislation in place for the time being.

Sourcing materials from sustainably managed forests has been at the core of our work for many years. Maintaining the integrity of our products and the trust of our customers remains a top priority. We recognize that the implementation of the EUDR marks a significant step forward for the entire wood processing industry, and we are fully prepared to align with the upcoming requirements. Our Supply Chain Management has always been designed to exclude controversial materials. To ensure this, we have established a robust and continuously updated Due Diligence System<sup>2</sup>.

Here are some of the key measures we’ve taken:

- We’ve started collecting all the necessary information about the origin of materials from our suppliers, especially in Romania, including detailed geolocation data for all plots in our supply chain.
- Since 2019, we’ve been running a Supplier Management platform, which was updated to meet EUDR requirements, like checking validity of Due Diligence Statements or submit them through API connection.
- More information can be accessed via <https://public.hsdds.at/eudr>
- This ensures that all critical elements are in place for full EUDR compliance, particularly in regions where deforestation risks or legal compliance are major concerns.

We recognize that the EUDR introduces new complexities. However, we can assure you that we will provide the **reference number and verification code** for all our products by the due date of 31 December 2025, together with any other relevant information needed to demonstrate that our due diligence system is functioning properly. In the coming weeks, we will publish our Sustainability Report 2024, which will already include relevant information on our due diligence system. Should

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<sup>1</sup> [Regulation on Deforestation-free products - European Commission \(europa.eu\)](https://eur-lex.europa.eu/eli/reg/2023/1115/oj)

you require further details, we will be pleased to address your needs as far as possible, in line with the practices outlined in the European Commission's Guidance and FAQ documents.

We're confident that the steps we're taking will not only ensure compliance with Regulation (EU) 2023/1115 but also enhance the overall sustainability and integrity of our operations.

Sincerely,

Your HS Timber Group Team