Dear Stakeholder,

SPF Resources Pty Ltd (SPF) has identified you as an affected or interested stakeholder and is writing to seek your input into SPF’s due diligence system for minimising the risk of procuring and harvesting plantations from areas where high conservation values may be threatened by SPF’s management activities. It is relevant to procurement and harvesting of plantations of *Eucalyptus globulus*, *Pinus radiata*, and *Pinus pinaster* from the Esperance region, Western Australia.

SPF is a woodchip export facility located in Esperance, WA. SPF procure non-FSC certified private plantations and arrange for the harvesting, in-field chipping, haulage to the SPF facility, and export of woodchips from softwood and hardwood plantations. SPF is currently certified under FSC chain of custody and controlled wood standards. The standards can be found here [https://au.fsc.org/en-au/standards/controlled-wood](https://au.fsc.org/en-au/standards/controlled-wood)

To qualify as controlled wood, material must be verified as avoiding the five categories of unacceptable sources, namely:

1. Illegally harvested wood;
2. Wood harvested in violation of traditional and civil rights;
3. Wood harvested in forests in which high conservation values are threatened by management activities;
4. Wood harvested in forests being converted from natural and semi natural forest to plantations or non-forest use;
5. Wood from forests in which genetically modified trees are planted.

FSC uses national risk assessments (NRA) to assess the likelihood of material originating from any of the five categories across all areas of Australia. The FSC Australia risk assessment established low risk for Western Australia for all categories except category 3- where high conservation values may be threatened by management activities. In addition, there is high risk for category 1 for Australian Sandalwood since there is evidence of illegal harvesting of this species. Since SPF DOES NOT procure Australia Sandalwood, this is not relevant to the company. However, if SPF which to procure non-certified material, control measures must be implemented to mitigate the risk that material being procured has originated from areas where high conservation values are threatened by management activities.

Potential impacts may be direct or indirect. Direct impacts may include clearing of a HCV, damage or disturbance to a HCV, or felling trees into a HCV area. Indirect threats may include spreading of weeds and disease, windthrow of a HCV area from harvesting adjacent trees, increasing risk of fire to HCVs, and changes to significant waterways.

Stakeholder consultation is a mandatory control measure used to confirm that high conservation values are being identified by forest managers and there is a strong system of control to protect identified values. As SPF are responsible for overseeing harvesting and haulage operations, they are also responsible for identifying potential values, implementing measures to protect identified values and monitoring contractors to ensure compliance.

SPF has put together an on-line survey which goes through each HCV category and how these values are identified and protected in the field. We are now asking interested and affected stakeholders whether SPF is doing enough to identify and protect high conservation values during harvesting operations.

A link to this survey is located here https://www.surveymonkey.com/r/HY9RK3H

The survey relates to planned supplies of plantation material from Western Australia for the period of July 2019-July 2020.

SPF would appreciate you taking the time to complete this survey. It should take 8-15 minutes depending on the level of detail in your responses.

Please complete the survey by 10th August 2019. Or, if you prefer, you can contact the auditor directly via the email judy.alexander@global-mark.com.au.

Kind regards

Sean Hazelden