

Dear Mr von Bismarck,

Following our exchange, 3A Composites Core Materials (3A) would like to assure and certify that all balsa wood procured by our customers is sourced from sustainable, fully traceable sources.

3A manages several thousand hectares of FSC-certified plantations for forestry management in both Ecuador and Papua New Guinea. In addition to this, Chain of Custody certification (CoC) which is used to guarantee the traceability from wood to finished product. Moreover audits and due diligence processes have been performed by customers.

Legal Source and FSC CoC certifications are granted after careful audits on-site on a yearly basis to ensure our due diligence system is robust to prevent the use of wood from untraceable origin or deforestation. The audit reports are public information which can be found on the appropriate official channels of these accredited, well-reputed organizations.

The certifications held by 3A, proudly upheld over the years, adhere to the rigorous standards set by both the European Union Timber Regulation (EUTR) and the Lacey Act in the United States. Moreover, we are proactively aligning our operations to meet the stringent requirements of the forthcoming European Union Deforestation Regulation (EUDR), and we have consistently passed all FSC audits, reinforcing our commitment to sustainable forestry practices and traceability.

Plantaciones de Balsa Plantabal SA belongs to the 3A and is subject the Group's global Code of Conduct which you may find on the website.

As part of our corporate governance, each legal entity belonging to the holding is subject to controlling and internal audit not just for financials but also for compliance to the Code of Conduct and to perform due diligence that local and applicable laws are being followed and our business is carried in an ethical manner. This is on top of any checks that authorities perform on us on a regular basis, being a large sized company in Ecuador and besides any external and voluntary certifications schemes.

Finally, balsa wood is natural, sustainable material with minimal impact on the environment and its value chain supports rural employment, climate change action and circular economies.

Due to confidentiality concerns, 3A will not comment on specific details of our contracts and relationships with our customers and suppliers.

We would be happy to receive your report and to discuss the content with you. In the meantime, please find the link of our latest Sustainability Report.
(<https://www.3accorematerials.com/uploads/pdf/ESG-Report-2023.pdf>).

Kind regards,

Eric Gauthier

CEO

3A Composites CORE MATERIALS