

Pinewells Management is committed to ensure that its wood supply practices and pellet operations are carried out in accordance with the following principles:

- The raw material is not harvested from forests or soils with high carbon storage;
- The production of woody biomass does not negatively interfere with biodiversity in the forest of origin;
- The production of woody biomass maintains or improves soil quality;
- The production of woody biomass does not deplete groundwater and surface water and significantly avoids or limits negative impacts on water resources;
- Pellet production significantly avoids or limits the negative impact on air quality;
- The production of wood pellets does not endanger the local communities' food supply, water supply or livelihood;
- The production of wood pellets respects property rights and contributes to local prosperity and the well-being of local officials and the local population;
- Ethical principles related to health and safety, human rights, freedom of association, forced labor, child labor, discrimination, environmental liability, business integrity and corruption in all its forms are fully respected;
- The raw material supply is fully compatible with the EU Timber Regulation (EUTR) and EU legislation.

Pinewells Management will make this commitment public. Management also agrees that it will assist the inspection body in verifying that these principles are being followed, as part of the ENplus certification is responsible for the control of production.

*Arganil, 5th July 2019*

A handwritten signature in blue ink, appearing to read "José Casimiro", written over a horizontal line.

José Casimiro (Production Director)