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1. PURPOSE

To establish the management principles regarding environmental impacts and aspects arising from company's activities in order to reaffirm Duratex's commitment as an environmentally responsible business.

The principles apply to all industrial, administrative and forestry sites and shall guide the management processes ruled by Duratex's values specified in the Mission, Vision and Values of the Somos Assim program, aiming at improving processes and controls.

2. SCOPE

This regulation is applicable to the whole Organization.

3. DESCRIPTION OF EXTERNAL REFERENCES

3.1. NBR ISO 14001 – Environmental Management System

International standard, which specifies the requirements to be adopted in order to create an Environmental Management System. It is a globally recognized model, which provides the grounds to establish actions and controls for processes environmental management through well planned procedures.

3.2. Forest Stewardship Council (FSC) – Principles & Criteria

FSC was established in 1993 in order to define what is an appropriate environmentally forest management, socially beneficial and economically feasible.

FSC certification ensures that products come from responsibly managed forests, enabling customers and companies to make conscious purchasing decisions and providing environmental and social benefits, in addition to adding value to businesses.

Duratex has obtained a Forest Management certification and a Chain-of-Custody Certification for panel manufacturers and distribution center.

Created in 1993 as a response to the international concern about world's forests in early 90s, the concept of the certification arose as way of controlling forest operations through the appreciation of products from well managed forests in the market. Environmental and social organizations and companies around the world have established principles to ensure good forest management. FSC has become the most credible forest certification system in the international scenario.

3.3. Global Report Initiative – Guidelines

Global Reporting Initiative (GRI) is an international non-governmental organization, headquartered in Amsterdam, The Netherlands, whose mission is to globally develop and disseminate sustainability reporting guidelines which are voluntarily adhered to by businesses around the world. Since its creation in 1997, GRI has focused on developing reporting standards that cover economic, social, and environmental sustainability aspects of organizations.

4. DESCRIPTION OF PROCEDURES AND RESPONSIBILITIES

4.1. Scope

While producing reconstituted wood panels, sanitary ware and fixtures, water heating systems, industrial valves and managing forests, Duratex seeks to conduct sustainable business practices by working in the responsible management of the environmental aspects that are inherent to the nature and scale of its units. With its Environmental Policy, Duratex reaffirms its commitment as an environmentally responsible business.
4.2. Principles:

4.2.1. Management

4.2.1.1. To use natural resources, raw materials, and inputs needed in the production process in a rational and sustainable way;

4.2.1.2. To develop and provide products that enable the rational use of natural resources;

4.2.1.3. To prevent pollution and environmental hazards in its operations, from production to distribution of products, through technical and innovative solutions, thus mitigating its impacts;

4.2.1.4. To comply with the regulations that are applicable to its activities, products, and services; to meet the voluntary commitments made by the organization; and to establish procedures to ensure that illegally sourced materials are not used;

4.2.1.5. To protect biodiversity, headwaters, and watercourses, as well as to conserve cultivated lands and maintain forest management measures;

4.2.1.6. To manage waste in order to meet reduction, recycling, and reuse concepts;

4.2.1.7. To assess the environmental performance of companies in case of mergers and acquisitions; and

4.2.1.8. To reduce greenhouse gases emissions and to employ adaptation mechanisms in view of climate change impacts.

4.2.2. Continuous Improvement

4.2.2.1. To seek continuous improvement in environmental performance by monitoring and periodically evaluating results, innovations and technologies;

4.2.2.2. To make sure that practices and process are applied in order to ensure occupational health and safety of the employees while performing their activities in the company;

4.2.2.3. To implement training and qualification programs aimed at encouraging safe, healthy, and environmentally responsible behaviors.

4.2.2.4. To establish management tools specific to the nature and importance of each principle in all business units of the organization.

4.2.3. Communication

4.2.3.1. To maintain a channel of communication with stakeholders to provide information regarding environmental and social aspects, products, and services;

4.2.3.2. To record and disclose scopes and outcomes with respect to the fulfillment of social and environmental commitments voluntarily made by the company.
4.3. Responsibility

The Executive Board, together with the Communication and Sustainability Management, is responsible for enforcing this policy and all the employees must cooperate with it.

The Corporate Communication and Sustainability Management is accountable for updating this document. Every revision must be approved by the Executive Board and validated by the Board of Directors Sustainability Committee.

5. REFERENCE DOCUMENTS

NAD-27 Código de Ética da Duratex S.A.
NAD-12 Política Social
NAD-25 Política de Investimentos Sociais
Política para suprimento com madeira de fontes controladas – FSC (under preparation)
NSC-1 Política de Compras

6. ANNEXES

Not applicable.