

Statement of Intent

Errigal Contracts Ltd. ('the company'), in line with our Environmental / ISO 14001 and Sustainability policies, has developed the following chain of custody policy in relation to timber raw material sustainability and the requirements of the FSC (Forest Stewardship Council UK) Chain of Custody certification scheme.

This policy sets out, clarifies and publicises our policy and action plan for recognising the need for compliance with international, national and industry recognised best practice in the control and encouragement of continuing and improving renewability of those raw timber resources required for the manufacture of the timber products that we use and install as a necessary aspect of our services.

Responsibilities

Responsibility for this policy ultimately lies with the Errigal Board of Directors. This includes the responsibility to ensure the provision of adequate resources for its implementation and regular assessment. Day to day implementation of the policy is the responsibility of operational management and functional heads with specialist support being provided by the Safety, Sustainability, Risk and Assurance function under the direction of its Directors. All employees have a responsibility to comply with this policy and its associated arrangements.

Arrangements

As a general statement of principle, our Company will never knowingly purchase timber based products manufactured from timber that is at a high low risk of being:

- Illegally Logged
- Harvested from areas where there is violation of traditional or civil rights
- Harvested from forests in which high conservation values are threatened by management activities
- Harvested from areas being converted from forests and other wooded ecosystems to plantations or non-forest uses
- Harvested from forests in which genetically modified (GM) trees are planted

Our policy is currently split into two parts:

Part one

It is our company's policy to recognise and to comply with the relevant parts of the FSC UK Chain of Custody Certification scheme or with our customers' preferred chain of custody or equivalent scheme, if different to the FSC UK scheme. Our level of involvement and associated compliance with each such scheme will therefore ultimately be as necessary or required by our Customers. We will therefore develop and implement systems, procedures, documents and records insofar as necessary by this policy, to provide the appropriate level of verifiable compliance as required by specified scheme.

We recognise that the FSC UK Chain of Custody scheme requires, if certification of the chain of custody is required, the involvement of a certification body to conduct audits to verify compliance with the scheme requirements. Our business is classified a small one under accepted UK categorisation and as such, the quantities of timber products used in combination with the lean margins imposed by our customer contacts would not generate the income necessary to support our own company's certification under any Chain of Custody scheme. We would, however, be able to provide confirmation that the relevant products provided by the relevant suppliers were appropriately certified or covered by an appropriate supplier certification at the point that we purchased them.

We also recognise that project-specific Chain of Custody certification is available through the FSC if required and where so, we would participate in such a scheme subject to contractual requirements.

It is also important to understand that sometimes, there are exceptions to Chain of Custody requirements, one of which in particular is likely to apply to our own business and projects, as follows (extracted from the FSC fact sheet entitled 'Chain of Custody Certification' currently available on the FSC web site):

"Companies who are doing work for an FSC certified company under that company's Outsourcing Policy and who do not take ownership of the products"

Part two

Irrespective of our customers' requirements, we will in any event, as a minimum, only purchase and install FSC certificated materials at our Customers' sites.

Stream 1:

As a first choice, we will always select FSC endorsed timber products, these normally only being currently offered by national, reputable 'brand name' timber wholesale / retail suppliers that may or may not be based locally to our work and thus our customer locations, unless the specific product required is simply not available in FSC endorsed form, from any known and reasonably local UK supplier or supplier branch.

Stream 2:

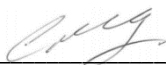
As a second choice, i.e. where FSC endorsed products of the type required are simply not available from any known and reasonably local UK supplier, we will source equivalent non-FSC endorsed products offered by reputable timber wholesale / retail suppliers that are where reasonably practicable, based locally to our work and thus our customer locations. We will, however, obtain from such suppliers, as much documentary verification as can reasonably be supplied, as to the product's raw timber source in terms of country of origin, region of origin, manufacturing company's name and address and any certifications or accreditations available as to the sustainability of the particular type of timber used.

We recognise that our customers generally prefer our suppliers to be local to the work sites so as to generate as much local business and thus employment as is reasonably practicable. As a business with a vested interest in our own local community, we too, recognise the need for placing purchases locally whenever we can.

Performance Management, Monitoring and Review

Compliance with this policy and associated BMS arrangements will be assessed as part of the Errigal active monitoring regime, including Annual Management Review and Safety Culture Surveys if appropriate. Implementation of this policy will be monitored on a monthly basis through the monitoring and reporting of health and safety performance statistics. The effectiveness of management arrangements together with our performance against stated objectives is routinely monitored and reported to the Errigal Board on a regular basis. This policy and its associated arrangements will be reviewed at least annually.

Authorisation

 20/01/2017

Cormac McCloskey (*Construction Director*)

 20/01/2017

Damien Treanor (*Financial Director*)