



Middle Rd & Kennedy St
Kaingaroa Village
Bay of Plenty
New Zealand

KLC Ltd statement for implementation FSC core labour requirements.

KLC Ltd is committed to complying with the FSC core labour standards, as published in FSC-STD-40-004 V3-1 under point 7. The FSC core labour requirements are already specified by New Zealand Basic Employment law and the following statutes for social affairs, labour offices and companies. As citizens and as a company, we are committed to these laws.

In the company, compliance with these laws is additionally prescribed by internal guidelines (for example, quality policy, employment contracts, vocational training contracts, job descriptions, risk assessments). We control compliance with the requirements through internal (briefing interviews, employee interviews, staff interviews, staff meetings, internal audits, internal communication) and external examinations (company audits, wage audits, tax audits, external audits, inspection of the employer's liability insurance association). We work closely with state and non-state agencies (offices, authorities, professional associations, health, pension and social insurance funds, employment agency, etc) and fulfil their requirements. WE comply with our control and information obligations at all times.

The core labour standards, as they have been declared by the FSC, are the basis of our work from a legal point of view. For us, from an ethical and moral point of view, they represent the minimum requirements for work. Through gainful employment, no employee should be subject to constraints and restrictions that prevent him or her from freely forming and exercising opinions and from free development. Nobody should be impaired in their personal development. Entrepreneurial activity should be based on mutual respect and appreciation. In our opinion, this leads to the greatest success for all parties.

KLC Ltd declares:

1. We do not use child labour.
 - 1.1. We do not employ workers below the age of 15, or below the minimum age as stated under national, or local laws or regulations, whichever age is higher, except as specified in 1.2
 - 1.2. In countries where the national law or regulations permit the employment of persons between the ages of 13 to 15 years in light work, such employment should not interfere with schooling nor be harmful to their health or development, notably, where children are subject to compulsory education

laws, they shall work only outside of school hours during normal daytime working hours.

- 1.3. No person under the age of 18 is employed in hazardous or heavy work, except for the purpose of training, within approved national laws and regulations.
- 1.4. We damn and prohibit, the worst forms of child labour. These activities are endangering to the safety, health, integrity and morality of children, such as all forms of slavery, child trafficking, debt bondage, serfdom, use in armed conflicts, procurement of drugs, child prostitution, child pornography.
2. We eliminate all forms of forced and compulsory labour, and do not use them.
 - 2.1. Our employment relationships are voluntary and based on mutual consent, without the threat of a penalty.
 - 2.2. There is no evidence of any practice indicative of forced or compulsory labour, including but not limited to, the following:
 - Physical and sexual violence
 - Bonded labour
 - Withholding of wages
 - Payment of employment fees and or payment of deposit to commence employment
 - Restriction of mobility / movement
 - Retention of passport and identity documents
 - Threats of denunciation to the authorities
3. We ensure there is no discrimination in employment and occupation.
 - 3.1. Our employment and occupation practices are non-discriminatory.
4. We respect freedom of association and the effective right to collective bargaining.
 - 4.1. Workers can join union organisation of their own choosing.
 - 4.2. We respect the full freedom of union organisations of their own choosing,
 - 4.3. We respect the rights of workers to engage in lawful activities related to forming, joining, or assisting a union organisation, or to refrain from doing the same, and will not discriminate or punish workers for exercising their rights.
 - 4.4. We negotiate with lawfully established union organisations and / or selected union delegates in good faith and with the best efforts to reach a collective bargaining agreement.
 - 4.5. Collective bargaining agreements are implemented where they exist.

KLC Ltd – CEO

Andrew Tuhi