



FSC Controlled Wood Due Diligence System Public Summary

1. General information

Organisation name:	Mondi Stambolijski EAD
FSC certificate code:	NC-COC-074145/NC-CW-074145
Organisation's DDS contact person:	Smilyana Toskova, HR specialist and FSC management representative at Mondi Stambolijski EAD
DDS prepared/assisted by:	The DDS was developed by Mondi staff with the assistance of PDM Services Ltd. – an external company which provided expert support for DDS development, risk assessment, design and implementation of control measures.
Date last reviewed/updated (by the organisation):	01.12.2023 (Ver 2023-7)

2. Suppliers

Participating site	Non-certified material type sourced	Exact number of suppliers	Supplier type(s)	Average no. of tiers in the supply chains	Approximate or exact number of sub-suppliers
Mondi Stambolijski EAD, Zavodska Str.1, 4210 Stambolijski, Bulgaria	Technological wood Wood in chips or particles	29	Logging companies; Traders without physical possession of material; Traders with physical possession of material; Secondary processors; Forest owners – Mondi's own harvesting.	2	363

3. Supply areas

Supply area	Controlled wood category	Reference to risk assessment used	Risk designation
Mondi Stambolijski EAD supplies timber only from one geographical region of supply (origin) - Republic of Bulgaria - for which FSC has approved a Centralized National Risk Assessment with homogeneous risk for each controlled wood category. Within Bulgaria, Mondi Stambolijski EAD supplies timber from state-owned forests (state forestry units and state hunting units), municipality-owned forests and private forests.	1	FSC-CNRA-BG V1-0	Specified risk
	2	FSC-CNRA-BG V1-0	Specified risk
	3	FSC-CNRA-BG V1-0	Specified risk
	4	FSC-CNRA-BG V1-0	Low risk
	5	FSC-CNRA-BG V1-0	Low risk

4. Risk assessment and mitigation

4.a Risk mitigation for origin of material

Supply area (origin): Bulgaria – summary		
Indicator	Control Measures	Summarized results from the implementation of control measures and field verification
Controlled wood category 1. Illegally harvested wood	<p>When specified risk is identified Mondi Stambolijski EAD applies 2 types of control measures which are applicable for controlled wood categories 1-3:</p> <p>A) For risk elimination – by excluding from the supply chain the timber for which the risk cannot be fully mitigated. Within the supply area Mondi Stambolijski EAD eliminated the risk for origin by excluding the material harvested in areas with confirmed systematic non-compliances with DDS requirements, forest areas for which there are open ongoing disputes, and timber with not identified or not documented origin.</p> <p>B) For risk mitigation – by the following control measures:</p> <ul style="list-style-type: none"> - Review of documents including: planning documents, timber harvesting and sale contracts, invoices for purchase and sale of timber, timber transportation documents, harvesting permits, acceptance protocols for harvesting sites, protocols from conducted checks by state authorities, health & safety related documents, etc.; - Check of publicly available information on the online registers of state authorities (Commercial Register, National Revenue Agency, Executive Forestry Agency, etc.); - Stakeholder consultation through: sending out letters and questionnaires, telephone calls, face to face meetings and interviews; - Field verification in forest enterprises/units as an element of the evaluation of the whole supply chain. The overall purpose of the on-site inspection is to trace the entire supply chain of a selected sample of suppliers back to the forest where the wood purchased by Mondi was harvested. In selecting supply chains and forestry units for annual on-site inspection, Mondi strives to cover all major timber supply chains during the 5-year period of validity of its FSC certificate. The number of suppliers selected for onsite evaluation annually shall be at least 0.8 times the square root of the number of all suppliers of Mondi (y) 	<p>The results from the implementation of control measures and field verification can be summarized as follows:</p> <ul style="list-style-type: none"> - FSC certified forests – for all supply chains (both FSC certified and non-certified suppliers) – the risk for origin of material is considered low and no control measures are deemed necessary; - Non-certified state-owned, municipality-owned and private forests – during the field verification no non-compliances with the requirements of Mondi’s DDS and the applicable FSC standards were identified based on which the risk for origin was confirmed as mitigated. Within the sampled forestry units for which field verification was conducted during DDS implementation so far there were no private forests which can be explained by the low share of timber supplied by Mondi from private forests. <p>During the process of control measures implementation and field verification, no cases were identified for the supply of material harvested in areas with confirmed systematic non-compliances with DDS requirements,</p>
Controlled wood category 2. Wood harvested in violation of traditional and human rights		
Controlled wood category 3. Wood from forests in which high conservation values are threatened by management activities		

	<p>for the respective year (i.e. $x = 0.8vy$), rounded to the upper whole number. The same formula is used to determine the verified annual sample of sub-suppliers within each evaluated supply chain.</p> <p>For our supply chain Mondi Stambolijski EAD mitigates the risk for origin of the material by implementing the control measures described above only for non-certified timber, harvested from state-owned, municipality-owned and private forests in Bulgaria.</p>	forest areas for which there are open ongoing disputes, and timber with not identified or not documented origin.
Controlled wood category 4. Wood from forests being converted to plantations or non-forest use	N/A – low risk	N/A
Controlled wood category 5. Wood from forests in which genetically modified trees are planted	N/A – low risk	N/A

Supply area: Bulgaria – information broken down per indicators

Indicator	Control Measures	Results from the implementation of the control measures and field verification
Controlled wood category 1. Illegally harvested wood		
1.1 Land tenure and management rights	<ul style="list-style-type: none"> Review of documents and official registers related to: ownership, tax registration, business registration and legal status of operations; management rights; court cases or decisions related to ownership, tenure and management rights; Stakeholder consultation related to ownership, tenure, legality and management rights in the units of origin of timber; Field visit to harvesting sites to confirm that harvesting is conducted by authorized operations and takes place within property boundaries. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Ownership and validity of property deed are clear; Tax registration is valid; Business registration and licenses to operate within the jurisdiction are valid; Land tenure and management rights are clear; Harvesting takes place within property boundaries; The legal status of operations and rights for conducting management activities are not subject to court orders or other legally established decisions to cease operations; Contracts for usage of wood (incl. logging) for non-state forests are legalized by a notary (when applicable).
1.2 Concession licenses	<ul style="list-style-type: none"> Review of documents and official registers related to the existence of: legal logging (concession) licenses, court decisions, running court cases, running prosecutor's or internal investigations, issued administrative acts; Stakeholder consultation related to the legality of harvesting (concession) licences and transparency of the process for obtaining of such licenses. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Legal procedures for obtaining (concession) logging licenses are followed.; Valid logging license agreements exist; The process of obtaining logging (concession) license is open, transparent and based on clear criteria.
1.3 Management and harvesting planning	<ul style="list-style-type: none"> Review of documents and official registers related to all FMUs where harvesting is taking place including: Forest Management Plans containing all legally required information and procedures, maps of harvesting areas and sites, annual operating and harvesting plans; Stakeholder consultation to verify that Forest Management Plans have been approved according to legally prescribed process; 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Forest Management Plans exist for all FMUs in which the harvesting is taking place and are approved according to legally prescribed process; Forest Management Plans contain all legally required information and procedures; Maps exist which show harvesting areas (in compliance with the harvesting plan);

	<ul style="list-style-type: none"> Field verification to confirm that the contents of the harvesting plans are adhered to in the field. 	<ul style="list-style-type: none"> Harvesting and management planning documents are legally approved and are subject to public review; Annual operating or harvesting plans are in place and are approved by the legally competent authorities; Annual operating or harvesting plans contain information and procedures in accordance with all legal requirements; The contents of operating and harvesting plans is consistent with approved Forest Management Plans; Plans for carrying out harvesting operations are subject to public disclosure and objections prior to commencement, when legally required; Harvesting restrictions are identified in management plans and maps when legally required; Harvesting inventories are conducted according to legal requirements; The contents of the harvesting plans are adhered to in the field.
1.4 Harvesting permits	<ul style="list-style-type: none"> Review of documents and official registers to confirm that: harvesting permits exist, are valid and issued by the competent authorities, and include all legally required information; Stakeholder consultation to confirm that harvesting permits have been issued in accordance with relevant laws and regulations by the legally designated competent authority; Field verification to confirm that: maps comply with reality, information in the harvesting permit is correct and harvesting takes place within the limits defined in harvesting permits. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Maps comply with reality; Harvesting permits exist and have been issued in accordance with relevant laws and regulations by the competent authority; Harvesting limits are clearly defined based on maps and quantities; Validity of harvesting permits is confirmed by authorities; Harvesting takes place within the limits defined in harvesting permits; Information regarding area, species, volumes, etc. given in the harvesting permit is correct and within the limits prescribed in the legislation. Harvesting permits comply with the provisions of Forest Management Plans/programs.
1.5 Payment of royalties and harvesting fees	<ul style="list-style-type: none"> Review of documents and official registers to confirm that: all required receipts and sales documents exist, match the reality and include all legally required information; Stakeholder consultation to confirm that: operations are up to date in payment of applicable sales taxes and required income and profit taxes have been paid; Field verification to confirm that: there is no illegal logging and the classification of timber during sale and transport is correct. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Sales documents include all applicable sales taxes; Receipts for payment of harvesting - related royalties, taxes, harvesting fees and other charges exist; Volumes, species and qualities given in sales and transport documents match the fees paid; Sales prices are in line with market prices; Harvested species, volume and qualities match the sales documents; Operations are up to date in payment of applicable sales taxes and all required income and profit taxes have been paid. Classification of species, volumes and qualities matches the royalties and fees paid; There is no evidence for illegal logging; The classification of timber during sale and transport is correct.
1.6 Value added taxes and other sales taxes	<ul style="list-style-type: none"> Review of documents and official registers to confirm that: all required receipts and sales documents exist, match the reality and include all legally required information; 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Sales documents include all applicable sales taxes; Receipts for payment of sales taxes exist;

	<ul style="list-style-type: none"> Stakeholder consultation to confirm that: operations are up to date in payment of applicable sales taxes and required income and profit taxes have been paid; Field verification to confirm that: harvested species, volume and qualities shall match the sales documents. 	<ul style="list-style-type: none"> Volumes, species and qualities given in sales and transport documents match the fees paid; Sales prices are in line with market prices; Harvested species, volume and qualities match the sales documents; Operations are up to date in payment of applicable sales and all required income and profit taxes have been paid.
1.7 Income and profit taxes	<ul style="list-style-type: none"> Review of documents (accounting balances, payment sheets, references for lack of debt etc.) and/or consultation with financial/tax authorities to verify that all required income and profit taxes have been paid. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> All required income and profit taxes have been paid.
1.8 Timber harvesting regulations	<ul style="list-style-type: none"> Review of documents, stakeholder consultation and field verification to confirm that: harvesting is conducted according to all legal requirements; felling types and logging technologies are selected based on the condition of forest stands. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Harvesting is conducted within the authorized boundaries of the FMU; Harvesting does not take place in areas where harvesting is legally prohibited; Harvesting restrictions are observed in the field; Used felling type and logging technology comply with the condition of the forest stands.
1.9 Protected sites and species	<ul style="list-style-type: none"> Review of documents, stakeholder consultation and field verification to confirm that: information regarding protected areas and biodiversity is included in forest management plans, and nature protection regulations are followed in the implementation of forest management activities. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> All legally protected areas (including species and habitats) are included in management plans or related documentation as required by legislation; Legally established procedures for surveying, managing and protecting endangered or threatened species within FMUs are followed; Nature protection regulations, such as protected areas, set-aside areas, protected species and hunting, are established and followed; The felling type and the logging technology shall comply with the requirements for protection of nature and protected species.
1.10 Environmental requirements	<ul style="list-style-type: none"> Review of documents, stakeholder consultation and field verification to confirm that: legally required Environmental and/or Social Impact Assessments are in place, environmental monitoring regulations are observed, and environmental restrictions are followed. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Environmental and/or Social Impact Assessments are in place and approved by the legally competent authority, when legally required; Environmental monitoring procedures are followed, when legally required; Environmental restrictions are followed in the field, such as requirements related to soil damage, buffer zones, retention trees, seasonal restrictions, etc.; The felling type and the logging technology is in compliance with the condition of the forest stands.
1.11 Health and safety	<ul style="list-style-type: none"> Review of documents, stakeholder consultation and field verification to confirm that: all health and safety are followed, required safety equipment is provided and used, actual records with all required information for staff and workers exist. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> All safety and health regulations are followed, and all required safety equipment is used; Occupational health and safety requirements are observed by all personnel involved in harvesting activities; All legally required protection equipment is provided, and its use is mandated by organizations; All applicable legal requirements are met and there are no major violations; Records of all staff and workers involved in forestry activities exist, including information about their qualifications, training, insurances, provided and used personal protection equipment.

1.12 Legal employment	<ul style="list-style-type: none"> Review of documents and stakeholder consultation to confirm that: all workers are employed, trained, insured and paid in accordance with legal requirements, for which documented evidence exist. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> All workers are employed in accordance with the regulations, and required contracts are in place; Persons involved in harvesting activities are covered by all obligatory forms of insurance; Persons involved in harvesting activities hold required certificates of competence for the function/s they carry out; At least the legally established minimum salaries are paid for personnel involved in harvesting activities; Salaries are paid officially and declared by the employer according to requirements for personnel involved in harvesting activities; Minimum age is observed for all personnel involved in harvesting activities and hazardous work; Organization maintains a list of (permanent and temporary) workers as well as their contracts and salary payment records; There is no evidence for illegality in terms of social security, insurance, contract or other statutorily-required working terms and conditions.
1.13 Customary rights	<ul style="list-style-type: none"> Stakeholder consultation and document review to confirm that: customary rights are observed during harvesting activities and all complaints for infringements are checked by the competent authorities. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> customary rights are observed during harvesting activities stakeholder complaints for infringed customary rights are dully checked by the competent authorities.
1.14	N/A	N/A
1.15	N/A	N/A
1.16 Classification of species, quantities, qualities	<ul style="list-style-type: none"> Review of documents, stakeholder consultation and field verification to confirm that: timber products are classified on sales documents, customs declarations and other legally required documents which is controlled by the FMUs. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Products are correctly classified (species, quantities, qualities etc.) on sales documents, waybills and other legally required documents; Physical controls exist in FMUs to verify that the present material is as invoiced and marked.
1.17 Trade and transport	<ul style="list-style-type: none"> Review of documents, stakeholder consultation and field verification to confirm that: legal requirements related to transport and trade are always followed which is supported by legally required documents. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Requirements related to transport means (e.g. trucks) are always followed; Species and product types are traded legally; Required trade permits exist and are recorded; All required transport documents exist and are recorded; Volume, species and quality are classified according to legal requirements; Documents related to transportation and trade are clearly linked to the specific material in question.
1.18 Offshore trading and transfer pricing	N/A for Mondi as the only supply area is Bulgaria	N/A
1.19 Custom regulations	N/A for Mondi as the only supply area is Bulgaria	N/A
1.20 CITES	N/A – Low risk	N/A
1.21 Legislation requiring due diligence/due care procedures	<ul style="list-style-type: none"> Stakeholder consultation and document review to confirm that: Due Diligence System are developed and implemented in place when legally required. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Due Diligence System are in place if legally required;

		<ul style="list-style-type: none"> Under the Due Diligence System records of risks identified are presented as well as how these has been mitigated within the forest entity; Mitigated actions are verified through field inspections.
Controlled wood category 2. Wood harvested in violation of traditional and human rights		
2.1 The forest sector is not associated with violent armed conflict, including that which threatens national or regional security and/or linked to military control.	N/A – Low risk	N/A
2.2 Labour rights are respected including rights as specified in ILO Fundamental Principles and Rights at work.	<ul style="list-style-type: none"> Review of documents, stakeholder consultation and field verification to confirm that: the FMUs respect labour rights as specified in ILO Fundamental Principles and Rights at work and respective labour legislation. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> there is clear evidence that the FMUs have policies in place that guarantee core labour rights.
2.3 The rights of Indigenous and Traditional Peoples are upheld.	N/A for Mondi as the only supply area is Bulgaria	N/A
Controlled wood category 3. Wood from forests in which high conservation values are threatened by management activities		
3.1 Forest areas containing globally, regionally or nationally significant concentrations of biodiversity values (e.g. endemism, endangered species, refugia).	<ul style="list-style-type: none"> Review of documents, web-available information (i.e. through web- and GIS-based applications), stakeholder consultation and field verification to confirm that: inventory data of HCV 1 is available in the FMUs, necessary protection measures are identified, forest management activities are planned and implemented in line with legal protection requirements and do not contradict protection measures specified in the National HCVF Toolkit. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Inventory data for rare, threatened and endangered species (RTE) is available in the FMUs; Planned forest management activities comply with the protection measures included in the forest management plans and/or management plans for protected areas and sites; Forest management activities have been adapted to incorporate the requirements for protection of identified HCV 1 based on the best available information; Specific measures are applied to protect the HCV values as required by applicable legislation and these do not contradict protection measures specified in the National HCVF Toolkit.
3.2 Forest areas containing globally, regionally or nationally significant large landscape level forests, contained within, or containing the management unit, where viable populations of most if not all naturally occurring species exist in natural patterns of distribution and abundance.	<ul style="list-style-type: none"> Review of Annex 3 to the National HCVF Toolkit to confirm that respective FMU contains areas classified as category HCVF 2. If “not” – automatically “low risk” if “yes” see below: Review of documents, web-available information (i.e. through web- and GIS-based applications), stakeholder consultation and field verification to confirm that: reduced impact harvesting operations have been included in forest management plans to minimise forest fragmentation; when necessary restoration activities are planned and implemented to reduce forest fragmentation. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> reduced impact harvesting operations (e.g. reduced impact logging techniques or continuous forest cover) have been included in forest management plans to minimise forest fragmentation; restoration activities and plans to reduce forest fragmentation are developed and implemented when considered necessary.

3.3 Forest areas that are in or contain rare, threatened or endangered ecosystems.	<ul style="list-style-type: none"> Review of documents, web-available information (i.e. through web- and GIS-based applications), stakeholder consultation and field verification to confirm that: information on HCV 3 is available in FMUs and taken in consideration in the planning and implementation of forest management activities. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Information on HCVs 3 is available in FMUs and is integrated in forest planning documents; Planned forest management activities are in line with the legal requirements for the protection of HCV 3 and do not contradict protection measures specified in the National HCVF Toolkit; Material does not originate from areas where HCVs 3 are present and protected by legal requirements.
3.4 Forest areas that provide basic services of nature in critical situations (e.g. watershed protection, erosion control).	<ul style="list-style-type: none"> Review of documents, web-available information (i.e. through web- and GIS-based applications), stakeholder consultation and field verification to confirm that: data about HCV 4 forests is available in FMUs and forest management activities comply with applicable legislation. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Data about watershed protection forests is available in FMUs and forest management activities comply with applicable legislation and do not contradict protection measures specified in the National HCVF Toolkit.; Material does not originate from officially designated water supply zones; Data about forests of crucial importance for erosion control is available in FMUs and forest management activities comply with applicable legislation.
3.5 Forest areas fundamental to meeting basic needs of local communities (e.g. subsistence, health).	N/A	N/A
3.6 Forest areas critical to local communities' traditional cultural identity (areas of cultural, ecological, economic or religious significance identified in cooperation with such local communities).	<ul style="list-style-type: none"> Review of documents, web-available information (i.e. through web- and GIS-based applications), stakeholder consultation and field verification to confirm that: data about HCV 6 forests is available in FMUs and forest management activities comply with applicable legislation and/or the requirements of local communities. 	<p>The implementation of control measures has confirmed that:</p> <ul style="list-style-type: none"> Data about HCV 6 forests is available in FMUs and forest management activities comply with applicable legislation and do not contradict protection measures specified in the National HCVF Toolkit; Material does not originate from areas where HCV 6 are present, unless there is evidence to confirm that local communities are engaged, and their requirements are met.
Controlled wood category 4. Wood from forests being converted to plantations or non-forest use		
4.1	N/A – Low risk	N/A
Controlled wood category 5. Wood from forests in which genetically modified trees are planted		
5.1	N/A – Low risk	N/A

4.b Risk assessment and mitigation for mixing in the supply chain

Participating site	Supply chain type	No. of tiers	Risk of mixing	Control measures	Findings from field verification if undertaken as a control measure
Mondi Stambolijski EAD, Zavodska Str.1, 4210	Our supply chain features 5 supply options: 1. Timber is purchased directly from supplier who has either	2	For all the supply options the risk of mixing is identified as follows:	When specified risk is identified Mondi Stambolijski EAD applies 2 types of control measures:	During the process of DDS implementation annually are evaluated the supply chains of randomly selected timber suppliers of

<p>Stambolijski, Bulgaria</p>	<p>harvested the standing timber or purchased already harvested material from temporary log-yard in the forest;</p> <ol style="list-style-type: none"> 2. Timber is purchased from supplier who has purchased the material from sub-supplier. The sub-supplier has either harvested the standing timber or purchased already harvested material from temporary log-yard in the forest. 3. Timber is purchased directly from forest owner as standing logs, harvesting is organized by Mondi, and timber is delivered from temporary forest log-yard to Mondi's factory. 4. Wood in chips or particles is purchased directly from supplier who has generated/produced the material as a secondary processor. 5. Wood in chips or particles is purchased from supplier who has purchased already processed material from a sub-supplier. <p>In all cases the following scenarios for material supply are applicable:</p> <ol style="list-style-type: none"> A) Delivery of timber directly from the temporary forest log-yard with waybill in which Mondi Stambolijski EAD is indicated as final destination for the material. B) Delivery of timber from centralized log-yard of 	<ol style="list-style-type: none"> A) Delivery of timber directly from the temporary forest log-yard with waybill in which Mondi Stambolijski EAD is indicated as final destination for the material. As in this scenario the timber travels directly from the forest to the facilities of Mondi with no intermediate unloading, re-loading or storage of material the risk of mixing is identified as Low. B) Delivery of timber from centralized timber log-yard of respective supplier to Mondi Stambolijski EAD. As in this scenario the timber does not travel directly from the forest to the facilities of Mondi and there is intermediate unloading, re-loading and storage of material the risk of mixing is identified as Specified. C) Delivery of wood in chips or particles from centralized production/storage facilities of supplier to Mondi Stambolijski EAD. As in this scenario the material does not travel directly to the facilities of Mondi and there is intermediate unloading, processing, re-loading and storage of material the risk of mixing is identified as Specified. <p>For all above scenarios Mondi Stambolijski EAD applies control measures for mitigating</p>	<ol style="list-style-type: none"> A) For risk elimination – by excluding from the supply chain the timber for which the risk cannot be fully mitigated. B) For risk mitigation: <ul style="list-style-type: none"> - Review of documents including: planning documents, timber harvesting and sale contracts, invoices for purchase and sale of timber, timber transportation documents, harvesting permits, acceptance protocols for harvesting sites, protocols from conducted checks by state authorities, health & safety related documents, etc.; - Check of publicly available information on the online registers of state authorities (Commercial Register, National Revenue Agency, Executive Forestry Agency, etc.); - Stakeholder consultation through: sending out letters and questionnaires, telephone calls, face to face meetings and interviews; - Field verification in forest enterprises/units as an element of the evaluation of the whole supply chain. The overall purpose of the on-site inspection is to trace the entire supply chain of a selected sample of suppliers back to the forest where the wood purchased by Mondi was harvested. In selecting supply chains and forestry units for annual on-site inspection, Mondi strives to cover all major timber supply chains during the 5-year period of validity of its FSC certificate. The number of suppliers selected for onsite evaluation annually shall be at least 0.8 times the square root of the number of all suppliers of Mondi (y) for the respective year (i.e. $x = 0.8\sqrt{y}$), 	<p>Mondi Stambolijski EAD based on approved sampling approach.</p> <p>Following the timber supply chain based on the randomly selected invoices, field verification audits were conducted in the applicable number of forest management units where timber is harvested.</p> <p>For each field verification all identified control measures were fully applied, including: review of documents, cross-check of publicly available information, conducting interviews with stakeholders and state authorities, field visits in respective forest management units.</p> <p>During the field verification no systematic or re-occurring non-compliances with the requirements of Mondi's DDS and the applicable FSC standards were identified, based on which the risk for mixing is confirmed as mitigated.</p>
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	<p>respective supplier to Mondi Stambolijski EAD.</p> <p>C) Delivery of wood in chips or particles from centralized production/storage facilities of respective supplier to Mondi Stambolijski EAD.</p> <p>Mondi Stambolijski EAD supplies materials from both FSC-certified and non-certified forests in Bulgaria. When supplying from FSC certified forests through FSC-certified suppliers and sub-suppliers the timber is sourced as FSC certified and no control measures are applied. In case the timber originates from FSC certified area and is shipped directly from the forest to Mondi, but respective supplier and/or sub-supplier is non-certified, the timber is classified as low risk - both for origin and mixing. In all other cases control measures are identified and implemented for mitigating the risk of mixing and contamination the supply chain with unacceptable material.</p>		<p>or eliminating the risk of mixing with unacceptable material.</p>	<p>rounded to the upper whole number. The same formula is used to determine the verified annual sample of sub-suppliers within each evaluated supply chain.</p> <p>For our supply chain Mondi Stambolijski EAD mitigates the risk for mixing by implementing the control measures described above only for non-certified timber, harvested from state-owned, municipality-owned and private forests in Bulgaria.</p>	
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5. Technical experts used in the development of control measures

Name	License/Registration #	Qualification	Scope of service	Source of information
Alexander Bardarov	<p>MSc, forest engineer – Diploma No 044646/2000 from Forestry University in Sofia</p> <p>Qualified FSC FM and CoC auditor - Certificates for completing auditor</p>	<p>Knowledge and experience with the forestry sector in Bulgaria</p> <p>Experience with the completion of FM and CoC certification audits in Bulgaria, Romania, Turkey, Greece, Hungary and Russia</p>	<p>Development of a documented DDS and accompanying templates.</p> <p>Based on the CNRA for Bulgaria, assessment of the risk related to origin and risk related to mixing</p> <p>Based on the recommended control measures in the CNRA for Bulgaria, selection and formulation of control measures suitable for the Mondi case and formulation of</p>	<p>National FSC Standard for Bulgaria FSC-STD-BGR-01-2016 from 16 August 2017</p> <p>Centralized National Risk Assessment for Bulgaria - FSC-CNRA-BG V1-0 EN</p> <p>Bulgarian National High Conservation Value Forest Toolkit</p>

	<p>transition exams from 7th and 8th Nov 2017</p> <p>Licensed forester - License No 3456/29.06.2011</p>	<p>Participation as a Technical expert in the development of the National FSC Standard for Bulgaria</p> <p>Experience with the assessment of social Impacts from the activities of Forest Management Units in Bulgaria based on stakeholder consultation</p> <p>Experience with the identification of High Conservation Value Forests</p>	<p>the expected results from the implementation of these control measures.</p> <p>Identification of stakeholders related to Mondi activities and development of questionnaire for obtaining feedback as part of the stakeholder consultation process.</p> <p>Participation in the implementation of control measures through: documentation review related to timber delivery, field verification and interviews with stakeholders.</p>	<p>Public information on the web-sites of the Forest Management Units identified as supply units for Mondi Stambolijski EAD</p> <p>Public information on the web-sites of contractors and sub-contractors of timber for Mondi Stambolijski EAD</p> <p>Public information on the web-sites of contacts for relevant stakeholders for Mondi Stambolijski EAD</p>
Teodor Todorov	<p>MSc, forest engineer – Diploma No 007060 from Forestry University in Sofia</p> <p>Master of Environmental Protection and Sustainable Development - Diploma №135341 from the ChTMU – Sofia</p> <p>Qualified FSC FM and CoC auditor - Certificates for completing auditor transition exams</p> <p>Licensed forester - License No 3710 / 20.07.2011</p>	<p>Knowledge and experience with the forestry sector in Bulgaria</p> <p>Experience with the completion of FM and CoC certification audits in Bulgaria</p> <p>Experience with the assessment of social Impacts from the activities of Forest Management Units in Bulgaria based on stakeholder consultation</p> <p>Experience with the identification of High Conservation Value Forests</p>	<p>Development of a documented DDS and accompanying templates.</p> <p>Based on the CNRA for Bulgaria, assessment of the risk related to origin and risk related to mixing</p> <p>Based on the recommended control measures in the CNRA for Bulgaria, selection and formulation of control measures suitable for the Mondi case and formulation of the expected results from the implementation of these control measures.</p> <p>Identification of stakeholders related to Mondi activities and development of questionnaire for obtaining feedback as part of the stakeholder consultation process.</p> <p>Participation in the implementation of control measures through: documentation review related to timber delivery, field verification and interviews with stakeholders.</p> <p>Participation in audits of DDS implementation conducted by external organizations – such as FSC Certification bodies and FSC ASI.</p>	

6. Stakeholder consultation processes

Supply area	Relevant controlled	List of stakeholder groups invited to participate	Summary of comments received from stakeholders	Description of how stakeholder comments were considered	Justification for concluding that the material sourced from the area was low risk
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	wood category				
Bulgaria	1, 2 ,3	<p>Stakeholder consultation process for Mondi Stambolijski EAD during DDS development and implementation was completed simultaneously for controlled wood categories 1,2, and 3 and respective results are presented jointly for the 3 categories.</p> <p>Stakeholder consultation process included several main stages:</p> <ol style="list-style-type: none"> 1. Stakeholder identification – 3 major stakeholder groups were identified: a) economic – forest owners and managers (forest management enterprises), timber harvesting and processing companies and branch associations, state institutions & authorities; b) social – municipality administrations, state institutions & authorities, NGOs; and c) environmental - state institutions & authorities, NGOs. 2. Stakeholder consultation through: sending out letters and questionnaires, telephone calls, face to face meetings and interviews. 3. Analysis of received stakeholder feedback from the consultation process, planning and implementation of follow-up actions for examining received information and implementing additional control measures. <p>Detailed information and documented evidence for the completed consultation process are included in DDS annexes and the full documentation package related to</p>	<p>Apart from consulting stakeholders via email - by sending out information and formal questionnaires, consultation process is incorporated within the conducted field verification checks/visits as part of DDS implementation.</p> <p>As part of the conducted field verifications during the process of DDS implementation, Mondi also completed consultations at local level in visited forest management enterprises through face to face meetings and telephone interviews with local stakeholders.</p> <p>Received stakeholder feedback was positive in relation to the operations of evaluated forest management enterprises for which no risks were identified for sourcing unacceptable timber.</p>	<p>After review of stakeholder feedback received in the process of DDS implementation no further actions related to potential risk mitigation or elimination were considered necessary.</p>	<p>As a result of the stakeholder consultation process conducted and the feedback received during DDS implementation, it was concluded that the material supplied from the regions of origin covered by the DDS is low risk.</p>

		DDS implementation by Mondi Stambolijski EAD.			
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7. Complaints procedure

The procedure for handling complaints from stakeholders as described in chapter 1.4 of Mondi's DDS is presented below.

All comments and complaints submitted shall be subject to compulsory consideration (review) and registration in Mondi's "Complaints Register" as per the template provided in Annex 2. Refusal to accept, temporary restrict acceptance of comments/ complaints or unjustifiably do not consider/ review such is not allowed.

Comments/ complaints are accepted in writing at the following address: Mondi Stambolijski EAD, Zavodska Str.1, 4210 Stambolijski, Bulgaria or via email at: Smilyana.Toskova@mondigroup.com

Immediately (within three days after a complaint is received), a documented record of the complaints will be registered. The complainee shall be acknowledged with the receipt of the complaint and informed about the complaint procedure.

The evaluation of the facts stated in the complaint shall be conducted within two (2) weeks after its receipt in the following sequence:

- analysis of the complaint;
- collection of information and additional data (if needed) from credible sources (incl. competent authorities if needed) to more thoroughly assess the situation;
- determine whether evidence provided in the complaint is or is not substantial;
- dialogue with complainants that aims to solve complaints assessed as substantial before further actions are taken;
- if the allegation is not substantiated, a response is made in writing, explaining the refusal to carry out control measures;
- if the complaint is considered "substantial", it will be assessed (through field verification and/or desk verification) within two (2) months of its receipt;
- determining the corrective action to be taken by suppliers and the means to enforce its implementation by a supplier if a complaint has been assessed and verified as substantial.
- the complainee is notified of the procedure for considering the complaint, the decision taken, and the corrective / preventive measures planned in connection with this particular case.

After the necessary corrective measures have been taken, the complainee is sent a report on the results, corrected shortcomings and conclusion on the closure of the complaint. Results are recorded in the "Complaints Register".

Complaints related to risk designations in the FSC Risk Assessment for Bulgaria will be forwarded to the responsible body (National FSC working group coordinated by WWF-DCP).

If necessary, Mondi will forward complaints found as substantial to the certification body and (National FSC working group coordinated by WWF-DCP) within two (2) weeks of receipt of the complaint. Information on the steps to be taken by Mondi in order to resolve the complaint, as well as how a precautionary approach will be used, will be included with the complaint.

If a corrective action on a substantial complaint cannot be determined and/or enforced, Mondi will exclude the relevant material and/or suppliers.

In case of frequent deviations from the FSC controlled wood requirements on areas determined as "low" risk, Mondi will revise its risk assessment for these areas.

Overall responsibility for compliance with the requirements related to the implementation of the "complaints procedure" is delegated to Mrs. Smilyana Toskova, HR Specialist, having also the role of FSC Management Representative at Mondi Stambolijski EAD.