

What is PEFC certification?
Do forests matter to CarboAR?

Just as a taxi driver takes care of their vehicle because it is their work tool, or as a farmer looks after their land for the fruits it provides, just as a pilot ensures their aircraft is in top condition, or as a mother cares for her children, at CarboAR, we care for our forests in the same way.

For this reason, we go even further and request the international organization PEFC to oversee and certify us in the chain of custody.

Brief Explanation

Regarding PEFC certification and its control in forestry matters, there are two types of certification:
The first originates from forest certification.



The second certification, called CONTROLLED SOURCES, begins with the legality of the forest and then certifies its chain of custody up to the sale of the product.

When we say it begins with the legality of the forest, we are referring to:
Monitoring the governmental permit for the controlled pruning of logs that will later be transformed into charcoal.



The governmental permit, before being issued, verifies if the applicant is the registered owner of the forest. Additionally, it checks if the applicant is managing the forest with proper planning. In fact, the permit will grant authorization for the extraction of xxx cubic meters of wood, which must be obtained through pruning and thinning. However, under no circumstances does the governmental permit allow the cutting down of a tree. On the contrary, it prohibits tree felling and only permits the cutting of branches as a result of growth.

This is intended to ensure sunlight reaches the ground, thereby promoting forage growth for livestock. In other words, it helps oxygenate the forest.





Such a permit, issued by the government office, will also check if the producer has had any violations in recent times. If any violations are found, no pruning permits will be granted until the situation is resolved.

The charcoal producer must declare to the government office the number of pyrolytic kilns used for charcoal production. These kilns need to be registered with the government office and subsequently authorized for production.

Here's the translation: In the kiln declaration, the number and production capacity are detailed, which provides an important control mechanism. For instance, if permits are granted for 300 m³ of wood, it is known that this will be processed in a specific number of kilns.



At the same time, another important requirement for obtaining the governmental permit is to present a certificate of FREE UNIONIZATION OF THE PRODUCER'S EMPLOYEES. In this regard, the government office ensures the protection of workers.

It is well known that charcoal is often produced in remote areas far from Argentina's most populated centers, and as a result, cases of labor abuse can sometimes be found.

Once the charcoal is produced, before leaving the production zone for shipment, the producer must issue the sales invoice, delivery note, and print the FOREST GUIDE issued by the government office. Without these three documents, the charcoal cannot be transported by truck, as it will be seized by the government during a police inspection.



Thus, returning to the explanation of the PEFC chain of custody, CarboAR starts with governmental permits, which provide us with the guarantee of legal production.

We safeguard biodiversity, ecosystems, and contribute to combating climate change, while also supporting the development of local communities.
This ensures responsible sourcing.

PEFC CONTROLLED SOURCES guarantee that Carbo-Ar works with forest material of NON-CONTROVERSIAL ORIGIN, systematically verified.

Why is it non-controversial?

- ✓ Carbo-Ar charcoal does not come from illegal sources.
- ✓ Carbo-Ar charcoal does not harm biodiversity.
- ✓ Carbo-Ar charcoal is not obtained by degrading ecologically important forest areas.
- ✓ Carbo-Ar charcoal does not come from the conversion of native forests.
- ✓ Carbo-Ar charcoal is produced respecting the PRINCIPLES and RIGHTS of workers.
- ✓ Carbo-Ar charcoal is produced respecting the rights of INDIGENOUS peoples.
- ✓ Carbo-Ar charcoal is not produced using conflict wood.
- ✓ Carbo-Ar charcoal does not come from GENETICALLY MODIFIED ORGANISMS.



Cadena de custodia PEFC



Certificación que le permite a las organizaciones **proporcionar información** precisa y verificable de que los productos forestales que elaboran **proviene de bosques con gestión forestal sostenible certificada PEFC, material reciclado y fuentes controladas PEFC.**



All this work is embodied in an integrated management system that EXPAR SA (CarboAr) has certified with PEFC.

Due diligence is a process that EXPAR SA (CarboAr) performs and audits to...

- ✓ Identify,
- ✓ Prevent,
- ✓ Mitigate, and
- ✓ Respond to the negative consequences of its operations with the product Carbo-Ar Charcoal.

In the context of PEFC certification, due diligence is addressed through the PEFC Due Diligence System (DDS) for EUDR. This system is a voluntary tool that helps chain of custody-certified organizations comply with their EUDR obligations.



According to the European Commission under the Deforestation Regulation (EUDR), deforestation is defined as:

"The conversion of forests for agricultural use, whether caused by human intervention or not, including situations resulting from natural disasters."

The assessment of whether a product has contributed to deforestation involves looking back in time to determine if the land was classified as "forest"

at any point since the date specified in the Regulation (December 31, 2020).



For example:

If a forest suffers a fire and is subsequently converted into agricultural land after the cut-off date, it would be considered deforestation under the Regulation.

In such a case, an operator would be prohibited from sourcing products within the scope of the Regulation from that area (although not due to the forest fire itself).

On the other hand, if the affected forest is allowed to regenerate, it would not be considered deforestation, and an operator could source timber from that forest once it has regrown.

Due diligence is both a document and the associated actions that enable operators to:

- ✓ Gather information on the origin and legality of the wood or products
- ✓ Assess the risks of illegality
- ✓ Establish mechanisms to mitigate those risks

The due diligence system must be adapted and maintained according to the operator's activity and regulatory changes.

PEFC certification addresses...

- ✓ Sustainability,
- ✓ Legality
- ✓ Due diligence

Here's the translation:

The PEFC label indicates that a product comes from a forest managed in compliance with:

The strictest environmental, social, and economic requirements.



SCS Global Services does hereby certify that an independent audit has been completed and conformity to the applicable standard(s) has been confirmed for:

EXPAR SA

27 de abril 351 4 "A", Barrio Centro, 5000 Capital, Cordoba, Argentina

This single-site certificate covers the production and sale of charcoal using the physical separation system. It also covers a DDS for the control of wood from the Province of Chaco, Argentina, as well as the sale of PEFC controlled sources.

The facilities and products listed above have been certified as

PEFC Chain of Custody Certified

This certificate cannot be presented as evidence that certified wood products have been supplied. In all cases, such evidence must be conveyed on the corresponding sales documentation.

Certified against PEFC ST 2002-2020 (Chain of Custody), PEFC ST 2001-2020 (Trademark Use)


SCS Certification Registration Number: SCS-PEFC-COC-100156

Valid from: 25 November 2024

Expiry date: 24 November 2029

A list or description of the products or services that are included in the scope of this certificate are included in the certificate addendum attached and may be obtained from SCS on request. This certificate shall remain the property of SCS, and this certificate and all copies or reproductions of this certificate shall be returned to SCS immediately upon request. The PEFC Logo on the certificate only refers to the certificate holder's performance with the PEFC certification scheme and does not provide the client organization with the right to use the PEFC Logo.




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Printed: 25 November, 2024
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PEFC
PEFC/37-31-38

Al adquirir productos certificados PEFC, EXPAR SA apoya la gestión forestal sostenible globalmente.

www.pefc.org.ar



