

OUR WORLD DESERVES OUR BEST APPROCH

RECYCLING & REPLACEMENT SERVICE

INNOWOOD material is ecofriendly, 100% recyclable, and aims to protect the environment by reusing wood that would otherwise be destined for the landfill. We are protecting forests, using a low energy consumption manufacturing methods to further reduce our already carbon neutral footprint.

Innowood's Material Recycling Service is in line with our commitment to the environment and our product stewardship. Our goal of this service is to make it simple for our customers to dispose of our products in an environmentally conscious manner.

INNOWOOD'S PRODUCT STEWARDSHIP

Preface

In Australia from 2006 - 2016, 240 tonnes of timber has been supplied into the Australian market. The vast majority of Australia's product supplied has yet to reach end-of-life. Small proportion of end-of-life are recycled or used in Australia.

When end-of-life product are put to environmentally sound use they: reduce the demand for virgin materials in the production of goods and energy; reduce pressure on landfill space and improve the amenity of the land.

Definition

Product stewardship means a voluntary policy approach that recognises that companies like Innowood, suppliers, retailers, governments and other related members of society have a shared responsibility for the environmental impacts of a product throughout its full life cycle. The scheme establishes a means for relevant

parties in the product chain to share responsibility for the products they produce, handle, purchase, use and discard.

The scheme is designed to increase resource recovery and recycling and to minimise the environmental, health and safety impacts of all end-of-life product generated in Australia; and develop Australia's recycling industry and markets for Innowood derived products.

The Innowood stewardship scheme is an arrangement between the parties in the supply chain to share responsibility for the long term management of end-of-life products in Australia.

Scope

The scheme will be national in scope and is relevant to all Innowood products entering the Australian market for the first time.

Guiding Principles

In this scheme, Innowood:

- acknowledges the inherent value of all end-of-life product across Australia
- recognises that there is a cost associated with ensuring the environmentally sound use of end-of-life product
- is committed to market based solutions for environmentally sound end-of-life management
- is committed to achieving the highest value end use possible for end-of-life in accordance with the waste management hierarchy
- complements relevant policies and legislation and supports compliance with relevant laws and practices, including those that apply to the environment and occupational health and safety, and
- is appropriately resourced and empowered to deliver its objectives according to agreed timeframes and
- Committed to environmentally sound use.

Commitment to sound use

Innowood's commitment to environmentally sound use includes:

- (i) recycling into crumbs, shred, chips, granules components;
- (ii) use as a fuel (other than in direct incineration without effective energy recovery and unsustainable burning for energy recovery) or other means to generate energy;
- (iii) production derived products, including for ground cover;
- (iv) Civil engineering.

Innowood may change this list from time to time.

INNOWOOD Material Recycling Policy

Innowood is an innovative composite sustainable timber alternative material. Innowood material is nontoxic and safe. Any waste material or off cuts can be disposed of in the same manner that you would typically dispose of general building materials in accordance with your local regulations.

However, we offer to our consumers any Innowood life cycle material such like product end of the life or customer prefer replace used Innowood material to other new Innowood profile or others, INNOWOOD offer recycling & replacement rules are as follows:

1. The Applicant should complete an Innowood Recycling Form and send it to INNOWOOD's Head Office or to any Local Innowood collector along with a copy of the Applicant's invoice.
2. INNOWOOD will review the recycling form and invoice and send a confirmation of the outcome to the Applicant within 3 months.
3. After the Applicant receives confirmation from INNOWOOD that their application complies with Innowood Material Recycling Policy, the Applicant will need to deliver the waste material to INNOWOOD's appointed collector.
4. The Applicant must:
 - Ensure the Innowood waste material is clean and free from impurities. We only accept pure Innowood waste material that does not have leave any screws, nails, concrete residue, dirt/ sand/ stones/ rocks or any other plastic or metal components
 - Innowood material must be neatly packed and tied to aid us in handling the waste.
5. INNOWOOD or INNOWOOD's Collector will:
 - Check and confirm to Applicant the total weight. If the Applicant agrees with the weight then INNOWOOD or INNOWOOD's Collector will inform the Applicant of the recycled material's value.
 - The Applicant will decide whether to exchange the waste material for equivalent Innowood products (delivery cost is the responsibility of the Applicant) or to exchange the waste material for money. After confirmation of the method of exchange, INNOWOOD or INNOWOOD's Collector will ready the equivalent Innowood products to be exchanged or remit money according to the waste material value to Applicant.
 - If INNOWOOD or INNOWOOD's Collector has a dispute for reasons such as finding mixed materials or screws or nails in the waste Innowood material, INNOWOOD or INNOWOOD's

collector will inform Applicant about the cost for cleaning. If INNOWOOD or INNOWOOD's distributor and the Applicant cannot reach a mutual consensus, the Applicant can decide for INNOWOOD or INNOWOOD's collector to send the material back to the Applicant at the applicant's cost or INNOWOOD or INNOWOOD's collector can dispose of the material but will not provide any money to the Applicant for the waste material.

6. Innowood waste material value

- Waste material price will vary from time to time depending on the market price of the raw material.
- The value of waste material is only based on weight.

For example, if 1 kg is valued at \$0.50, if the customer returns the waste material to INNOWOOD or INNOWOOD's collector, 1000 kg's of waste material is valued at \$500.00. The Applicant can purchase any new Innowood material up to \$ 500.00 at no additional cost. If the Applicant wishes to purchase more than \$500.00 of material, we will provide a 5% discount to encourage our customers to be conscious of the environment.