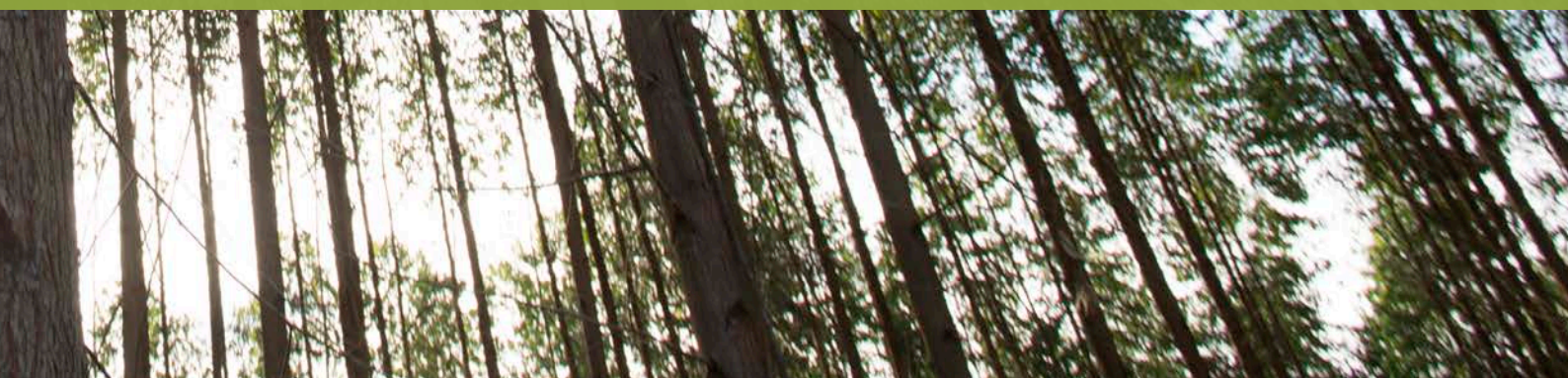




SUSTAINABILITY SUMMARY

COTTONSOFT NEW ZEALAND



WELCOME TO COTTONSOFT LTD

Cottonsoft Limited is a New Zealand operated and managed company, marketing, distributing and manufacturing a range of quality tissue & hygiene products. Asia Pulp and Paper (APP) is our preferred supplier for both product supply and technology guidance. APP supplies most of our raw material (paper) for local manufacture.

APP is the largest vertically integrated pulp and paper company in the world. Integration means we own & manufacture our own brands, can trace our paper to the machine it was made on, and fibre to the trees it was grown from, plus is PEFC and ECNZ certified and sustainably sourced.



Your partner in
paper solutions

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For more information please visit: www.livi.co.nz

An aerial photograph showing a vast, dense forest of green trees covering a hilly landscape. The trees are arranged in a regular, grid-like pattern, suggesting a plantation. The forest extends across the entire frame, with a dirt road visible in the bottom right corner.

**OUR GLOBAL GOAL...
ZERO DEFORESTATION**

APP SUSTAINABILITY

APP's environmental responsibility policies are multi-layered, ensuring that the natural resources, the people and the climate we rely on are being protected in the best way possible.

Our use of water, wood fibre, and energy adhere to strict environmentally responsible procedures.

FOREST CONSERVATION POLICY (FCP)

THE FCP IS OUR COMMITMENT TO THE ENVIRONMENT

To reach our goal of zero deforestation we focus on five main commitments:

1. Development of 'non-forested' land only
2. Reduction of man made greenhouse gas emissions
3. Consultation, education and the resolution of social conflicts
4. Reforestation
5. Peatland management

We are constantly working to ensure all our sources of fibre support responsible forest management.

REDUCTION OF GREENHOUSE GAS (GHG) EMISSIONS AND IMPROVED WATER MANAGEMENT

We support global goals to reduce GHG emissions and improve water management. We are committed to the UN's Global Compact Water Mandate Programme. APP is implementing robust environmental management systems in accordance with international standards, including ISO 14000.

UN CLIMATE CHANGE ACCORD

To further our commitment to the UN Climate Change Accord, we initiated the Asia Pacific Rainforest Partnership at COP 21 The Paris Agreement, plus the Private Sector Roundtable to seek collaborative initiatives between communities and selected corporates to minimise rainforest destruction within the Asia Pacific region.

APP was a significant participant and signatory at COP 21 and 23, and provide ongoing support of these accords.

To see the full policy and learn more please visit:

www.asiapulp.com/sustainability/vision-2020/forest-conservation-policy



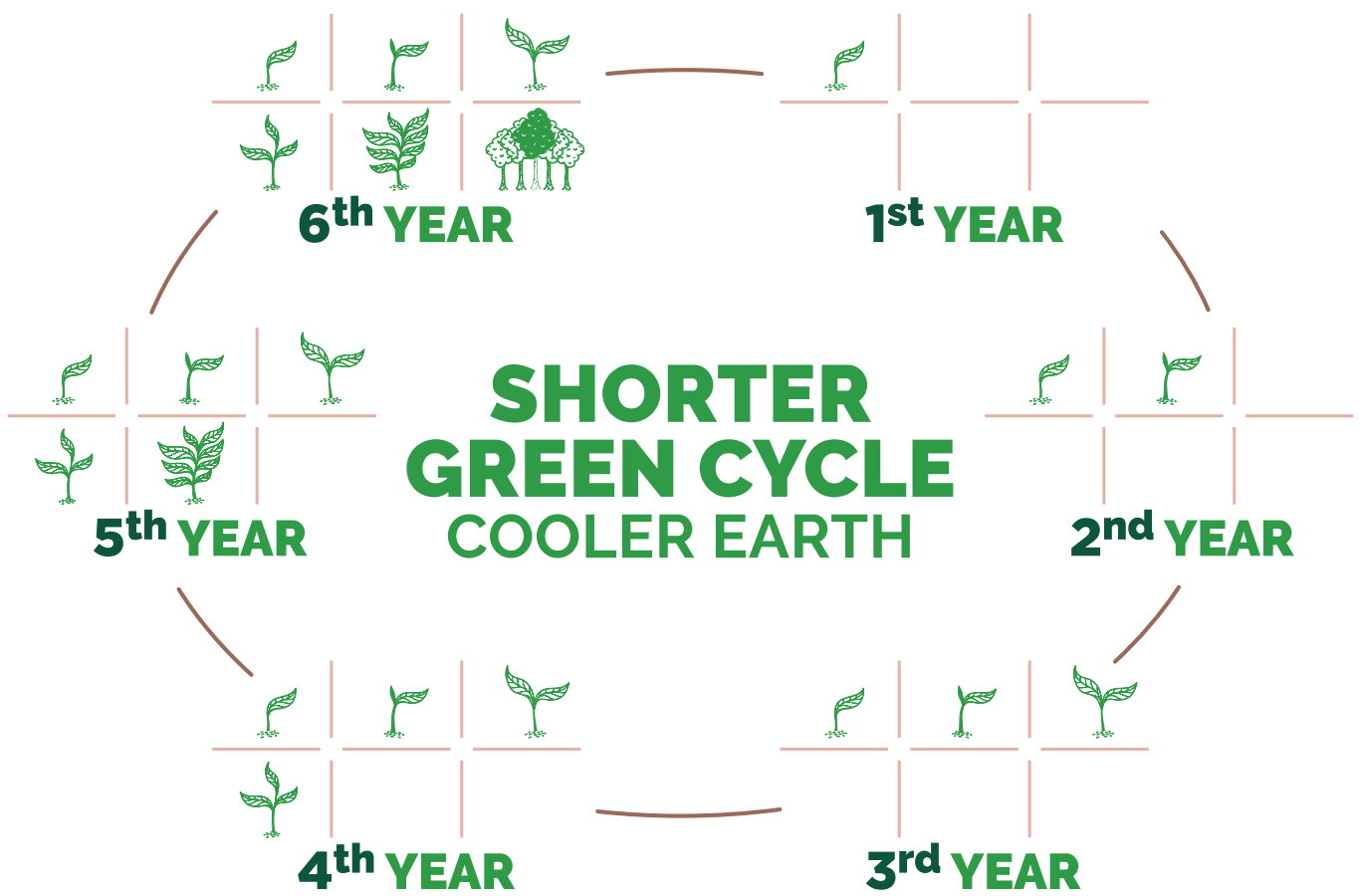
THE FOREST CYCLE

Soft and strong tissue requires a mix of long and short tree fibres. These fibres come from hardwood (long fibre) and softwood (short fibre) trees. In the temperate Indonesian climate trees have a 5-6 year planting and harvesting cycle, whereas NZ trees take up to 25 years.

Our products use rapidly renewable fibres from trees such as Eucalyptus and Acacia, from our **responsibly-managed plantations**. These fast growing trees allow us to use less land to meet our customers growing demands for 100% pure pulp tissue.

For more information please visit:

www.asiapulppaper.com/sustainability/vision-2020/forest-conservation-policy



We harvest **every 6 years** and replant within a year



NATURAL RESOURCES

Alongside wood fibre, APP uses natural resources such as water and energy to create our products. We adhere to strict policies to ensure use of these resources are sustainably managed.

We responsibly source our raw materials by only using wood that is traceable and legal.

- Chain of Custody systems – ensures illegal wood is prevented from entering our supply chain
- High Conservation Value Forest (HCVF) maps and protects areas of significant cultural and biological diversity
- Sustainable Forest Management certification such as PEFC and ECNZ

RAPIDLY RENEWABLE FIBRE

We use a reduce, reuse, recycle, renew approach across all of our operations. This ensures effective use of our production materials, and demonstrates our commitment to using rapidly renewable fibre.

Our products use rapidly renewable fibres from trees such as Eucalyptus and Acacia, from our **responsibly-managed plantations**. These fast growing trees allow us to use less land to meet our customers growing demands for 100% pure pulp tissue.

We continuously review and implement innovative systems and technology into our operations to reduce the quantity and increase the quality of our effluent and air emissions.



For more information please visit www.asiapulppaper.com/sustainability/environmental-responsibility/emissions-reduction-water-and-energy

**REDUCE,
REUSE,
RECYCLE...
RENEW**



APP CONSERVATION PROJECTS

APP FLAGSHIP CONSERVATION PROJECTS

APP and our fibre suppliers have worked to establish many significant Flagship Conservation Projects to protect and manage natural habitats of biological, social and cultural significance. This allows these areas to be protected, grow and thrive.

THE 60,000 HECTARE KUTAI ORANGUTAN PROGRAM

Orangutans remain a critically endangered species. The original Kutai Sanctuary in Borneo was destroyed by natural wildfires in 2007.

APP helped to rebuild and improve the sanctuary to protect and support the at risk Orangutan population.



For more information please visit: www.asiapulppaper.com/sustainability/environmental-responsibility/apps-flagship-conservation-programs

THE 106,000 HECTARE SENEPIS SUMATRAN TIGER SANCTUARY

In a pioneering initiative, APP have set aside 106,000 hectares of production forest as a sanctuary to create a safe environment for the critically endangered Sumatran Tiger species. With less than 500 left in the wild, this is a critical initiative for their survival.



THE 1,000,000 HECTARE GSK-BB BIOSPHERE

With a unique habitat of biological diversity, home to endangered species of flora and fauna, this peatland habitat in the Riau Province is a centre for leading research of sustainable, ecological development.





APP COMMUNITY

We recognise our social obligations and role in the welfare of our people and countries where we operate. We ensure that our operations, from the bottom of our supply chain to the top, have a positive impact on the social and economic welfare of surrounding communities.

We do this through:

- Education
- Community engagement
- Economic empowerment
- Free prior and informed consent – which means communities have the right to withhold their consent to projects that may affect the land they customarily own, occupy and use.

APP EMPLOYEE WELFARE

Our employee's are essential to our business. We have a strong focus on health, safety and well-being to ensure employee and community welfare.

We use the "Protect, Respect & Remedy" framework, acting responsibly to avoid infringing on the rights of others.

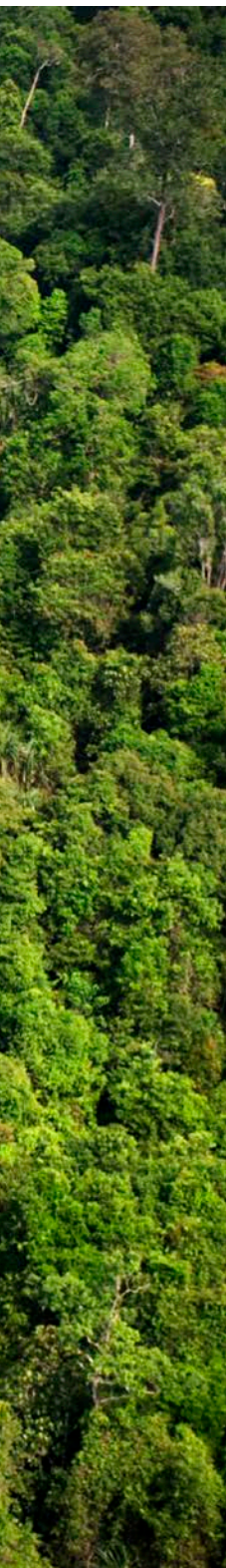
For more information please visit
www.asiapulppaper.com/sustainability/social-responsibility



**LEADERS IN...
EMPLOYEE WELFARE
AND
SOCIAL OBLIGATIONS**

An aerial photograph of a dense, lush tropical forest. The trees are a vibrant green, with some taller, thinner trees standing out against the canopy. The text is centered in the middle of the image.

**OUR LOCAL GOAL...
SUSTAINABLE GROWTH**



COTTONSOFT SUSTAINABILITY

Sustainability is critical to our business. Our customers and consumers can have complete confidence in the products they buy from us. We can trace the origin of the materials used and the method of manufacture. We do this to ensure our products are sustainable at every step of the way.

Cottonsoft products use paper certified through the largest global, not-for-profit programme – the Programme for Endorsement of Forest Certification (PEFC).

This guarantees that all of our paper comes from sustainable sources and has done since 2009.

The PEFC is dedicated to promoting Sustainable Forest Management (SFM) through Forest and Chain of Custody independent third-party certification.

A number of Cottonsoft products including Tuffy, and CottonSofts brands also carry the ECNZ certification.



NZ MANUFACTURING

We are continuously working to reduce our environmental impact. Almost all our waste product is recycled, including our tissue, cardboard and plastic wrap. Cottonsoft Ltd has successfully doubled its New Zealand business over the last five years while reducing waste per metric tonne of sales by over 50%. We continue to implement new strategies to reduce our environmental footprint.

For more information please visit:
www.cottonsoft.co.nz





SANITARY PAPER PRODUCTS
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PEFC & ECNZ CERTIFICATION

PEFC'S SUSTAINABILITY BENCHMARK REQUIREMENTS INCLUDE:

- Safeguard ecologically important forest areas
- Protect and enhance biological diversity
- Prohibit forest conversions
- Prohibit most hazardous chemicals
- Prohibit genetically modified trees
- Respect the rights of workers and indigenous peoples
- Encourage local employment
- Comply with fundamental ILO conventions
- Provide consultation with local people and stakeholders
- Respect traditional land rights and local customs

ECNZ

A significant number of our retail tissue products are licensed to proudly display the Environmental Choice New Zealand (ECNZ) ecolabel, giving our customers complete peace of mind and reassurance that we operate sustainably and responsibly.

Our production plants aim to run as efficiently as possible to reduce the energy used per metric tonne.

Energy use per metric tonne has reduced over 50% in the last 5 years.

As most waste is recyclable, there is less than 5 grams of waste per carton of product made.

We are actively working to reduce our emissions per metric tonne and have successfully minimised emissions in our Dunedin plant by around 40% and our Auckland plant by 30% since 2009.

To learn more about the PEFC please visit:
www.pefc.org

To learn more about the ECNZ please visit:
www.environmentalchoice.org.nz





COTTONSOFT CULTURE

At Cottonsoft we're a proud bunch of Kiwi's and you will feel that in the products we make and the care with which we make them.

Cottonsoft is a New Zealand operated and managed tissue converting company, marketing, manufacturing and distributing leading brands of high quality toilet and tissue paper products throughout New Zealand since 1986.

Cottonsoft is lead by our next generation team, with sites in both Auckland and Dunedin. We remember where we have come from but continue to seek opportunities to enhance our reputation as a supplier of quality tissue based products to the New Zealand market.

As well as our strict Environmental measures, at Cottonsoft we have strong social and economic policies to protect our people.

We stand by our values of Teamwork, Integrity, Continuous Improvement and Customer Focus to bring consumers the best products possible.

Our Values Team work hard to encourage these are being demonstrated in the workplace through fun events such as:

- Team Tuf-a-thon challenge
- International food day
- Charity events
- Family fun day

For more information please visit:
www.cottonsoft.co.nz



impressa



Essentials



BASICS

COTTONSOFT COMMUNITY

Bowel Cancer NZ

Cottonsoft have been a major sponsor of Bowel Cancer NZ (BCNZ) since 2013.

Bowel Cancer is NZ's most common cancer and a number of our employees and their families are directly affected by it.

Bowel Cancer kills 4x as many people as the road toll each year and 75% of cases are curable if detected early.

The first symptoms are usually blood in the stool and unusual bowel habits, so naturally toilet tissue is a great partnership.

For more information please visit: www.beatbowelcancer.org.nz



Cottonsoft Ltd - Founding supporter of Soft Plastics Recycling in NZ

Only 2 years since launch, this program collects 8 tonnes of plastic each week, from special bins in New World, Pak 'n' Save, Countdown & The Warehouse stores, recycling it into items like decking, bollards & park benches. 55% of the recycled plastic is shopping bags, 21% bread bags, **18% paper goods packaging** and 14% frozen food.

For more information please visit: www.recycling.kiwi.nz



Charitable Community Support

Cottonsoft continue to support Kiwi's in need with product and donations. Recent examples of the great people, animals and habitats we have helped are listed below;

- Kaikoura Earthquake
- Bird Rescue Charitable Trust
- Parihauhau Station Ecological Restoration
- City Mission
- Salvation Army
- School Fundraisers
- AIESEC Conference

For more information please visit: www.cottonsoft.co.nz



GLOBAL CONNECTIONS

Livi is a globally recognised brand currently sold in over 37 countries. Our specialist pulp, paper and dispenser products are sourced from various countries bringing New Zealand the best paper solutions available.



For more information please visit: www.livi.co.nz

NATIONWIDE DISTRIBUTORS

The full Livi range is available **from distribution partners nationwide.**



Selected Livi products are proudly made in Auckland & Dunedin





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