



Operational Policies
PROCESSING & EXPORT DIVISION

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1. RESOURCE REQUIREMENTS

Hansol PI has established an integrated woodchip processing and ship loading facility at the Bunbury Port.

- The facility chipping capacity is nominally 500,000 tonnes per annum.
- The stockpile capacity is approximately 100,000 tonnes.
- The ship loading capacity is approximately 600 tonnes/hour.

Any processing and export operation will be managed by Hansol PI under a four-tiered system, with increasing level of operational detail:

1. Corporate levels documents (company-wide application).
 - a. Policies and Principles (Mission, Vision, objectives and policies).
 - b. Administration Guidelines (procedures).
2. Specific operational policies (i.e. this document).
3. Operational Manuals and Procedures (i.e. HOD, Chipmill Work Procedures).
4. Shipping Schedules.

2. KEY PROCESSING & EXPORT OPERATIONAL PRINCIPLES

- Compliance with State and Commonwealth legislation.
- Meet all access and infrastructure use requirements of the Bunbury Port Authority lease.
- Operations will be undertaken on the basis of “Industry Best Practice”.
- Across all operational areas, “risk analysis” and “continuous improvement” approaches will be applied to all new and ongoing activities incorporating proven principles, procedures and communications.
- High standards of product quality control will apply to all processing and ship loading stages.
- Communication and cooperation with Bunbury Port Authority and other key agencies regarding approvals, operations and port infrastructure usage.
- Close communication and cooperation with other Bunbury Port users particularly those with adjacent permanent facilities and those sharing Berth # 8.

3. PROCESSING & EXPORT OPERATIONAL POLICIES

3.1 Standards Policy

All Hansol PI processing and ship loading operations will be undertaken to recognised standards to achieve all chipwood buyer specifications.

Standards will be achieved by taking into account the following recognised levels:

- Follow procedures as detailed in the “Chipmill Work Procedures”.
- Commitment to FSC Principles and Standards.
- The application of a “continuous improvement” approach to all operational procedures and systems (See Administration Guidelines).
- Customer-based international export eucalypt woodchip specifications.
- All delivered products will be monitored for compliance against export specifications during all production stages.
- The maintenance of the strict Chain of Custody approach during processing, stockpiling and ship-loading phases.
- Any compliance issue is to be progressed through the Processing Divisional Manager then the Management Committee.
- Manage all activities to ensure compliance to Bunbury Port security and safety procedures.

3.2 Environmental Policy

Hansol PI is committed to manage the processing and ship loading operations with sensitivity to environmental protection. Operations will be designed, planned and managed through recognised standards and systems with an over-riding objective of minimising on and off-site environmental impacts.

The key features of the policy are embodied in the following environmental strategic intentions:

- Full awareness of and compliance to all applicable environmental legislation and regulations that apply to processing and ship loading operations in the Port of Bunbury.
- The processing and export facility will operate within the environmental principles of the FSC, specifically the following:
 - Compliance to Chain of Custody system.
 - Comprehensive resource supply planning.

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- The maintenance of necessary communications to relevant authorities.
- The capacity to respond immediately to any complaint or grievance.
- Close and regular supervision of operations and the monitoring of documentation.
- All personnel will be trained to the appropriate levels of environmental awareness and procedures to ensure the achievement of the Company's objectives, operational standards and commitments to FSC.
- The Company has established the following environmental objectives specific to the processing facility and port area.
 - Maintain the integrity of drainage lines and channels leading off-site
 - Immediately isolate, contain and remove any oil, diesel or fuel spills for appropriate disposal.
 - All fuel and oil storage will be contained within required bunds.
 - Contain, recover and return to storage areas any inadvertent product discharge.
 - Minimise noise levels and dust dispersal from the woodchipping facility.

3.3 Consultation Policy

Hansol PI processing and loading facilities are undertaken at a single location within the Port of Bunbury. It is important that open and regular communication is applied to the relevant authorities, agencies and the community.

This policy will be enhanced by specific communication strategies:

- Hansol PI will apply a “good neighbour” approach in communicating to adjoining or nearby port users.
- Hansol PI will be an active member of the Bunbury Port Users Group.
- Hansol PI will apply a “risk analysis” approach for any activities that has the potential to, or perception of influencing or impacting areas away from the facility and loading site.
- Any formal complaint or grievance received will be reviewed on a high priority basis with action responses authorised through the Manager Woodchip Operations and the Management Committee.

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3.4 Product Chain of Custody

Hansol PI will maintain the strict application of product chain of custody for all products irrespective of original wood resource ownership.

Chain of custody will be achieved through the following:

- Procure only Bluegum resource.
- Procure wood that only conforms to the FSC standard for non-FSC-certified controlled wood (FSC-STD-40-005):
 - Traditional rights not violated by plantation management
 - High conservation values are not threatened
 - No use of Genetically Modified material
 - No illegal harvesting
 - Plantation not developed by clearing native forests
- Maintain the linkage between wood delivery recording systems and the weighbridge – HOD documentation system (see below).
- Sale of waste wood material (fines, bark) emphasises re-cycling or organic use
- Shipping records and invoicing documents will be endorsed with a qualifying environmental standard statement (i.e. These products supplied comply with Hansol PI's strict resource Chain of Custody Policy and environmental evaluation system) and when provided with FSC accreditation, will apply FSC Trademark logo to all sales documentation.

Chain of Custody Documentation – Processing Facility

Stage	Document	Payments
Timber evaluation	<ul style="list-style-type: none"> • Controlled Wood compliance 	
Purchase of Timber	<ul style="list-style-type: none"> • Order No (Grower & contractor) 	
Delivery of Timber	<ul style="list-style-type: none"> • Delivery Note • HOD Entry (weighbridge) 	<ul style="list-style-type: none"> • Grower – wood payment • Contractor – payment rates
Chipmill production	<ul style="list-style-type: none"> • HOD Recording System • Mill Production Records 	
Resource Accumulation	<ul style="list-style-type: none"> • Running Production Record 	
Sales	<ul style="list-style-type: none"> • Shipping Schedule 	<ul style="list-style-type: none"> • Export sale