F&W Forestry Fraud Policy

Effective May 2024

F&W Forestry Services, Inc.

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1. PURPOSE

F&W Forestry Services, Inc. ("F&W") has a zero-tolerance principle for wrongdoing, including fraudulent and other proscribed practices, meaning that F&W staff members, non-staff personnel, and any third parties are not to engage in these practices.

F&W is determined to combat any form of fraudulent practices. Fraudulent and other proscribed practices are contrary to the mission of F&W's core values, and harm the organization's ability to meet its strategic objectives. Any act of fraudulence or other proscribed practices related to F&W can seriously damage F&W's reputation and diminish clients' trust in its ability to deliver results in an accountable and transparent manner. Furthermore, it may affect the effectiveness, motivation and morale of F&W personnel, and impact on the organization's ability to attract and retain a principled and professional work force.

2. SCOPE OF APPLICATION

This policy is part of a comprehensive "anti-fraud and other proscribed practices" strategy. It is an integral part of F&W's risk management practices and is operationalized through preventative and detective controls in all key corporate processes.

The policy applies to all F&W operations and in conjunction with F&W's core values, code of ethics, and rules of conduct. It aims to prevent, detect, and address acts of fraudulent and other proscribed practices involving:

i) Staff members, defined as F&W employees on a permanent, continuing, fixed-term or temporary basis ("staff members").

ii) Non-staff personnel, defined as individual independent contractors such as those individual persons engaged as independent consultants ("non-staff personnel").

iii) Third parties with which F&W has a contractual relationship ("third parties") including, but not limited to, actual or potential suppliers of goods and services.

3. DEFINITIONS

Proscribed practice means any of the following practices:

- Corrupt practice: The offering, giving, receiving, or soliciting, directly or indirectly, of anything of value to influence improperly the actions of another party.

- Fraudulent practice: Any act or omission, including misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit, or to avoid an obligation,

- Collusive practice: An arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party,

- Coercive practice: Impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party,

- Obstructive practice: Acts or omissions intended to materially impede the exercise of contractual rights of audit, investigation, and access to information, including destruction, falsification, alteration, or concealment of evidence material to an investigation into allegations of fraud and corruption.

- Unethical practice: The conduct or behavior that is contrary to staff or supplier codes of conduct, such as those relating to conflict of interest, gifts and hospitality, post- employment provisions, abuse of authority and harassment.

The policy further provides:

- Wrongdoing means:
    - Misconduct, i.e., the failure by a staff member to comply with his or her obligations.
    - A failure by non-staff personnel or a third party to comply with its, his or her obligations.

- Investigation means a fact-finding process, *i.e.,* a process by which evidence is sought capable of ascertaining facts to permit a determination whether wrongdoing has occurred. Investigations may range from fraud and corruption to workplace harassment, abuse of authority, retaliation against whistle-blowers, and other violations of applicable rules.

Actions taken to instigate, aid, abet, attempt, conspire or cooperate in fraudulent or other proscribed practices, also constitute wrongdoing.

Examples of fraudulent and other proscribed practices include, but are not limited to, the following actions:

- Deliberately misrepresenting F&W's financial statements, whether through omission or exaggeration, to create a more positive impression of the company's financial position, performance, and cash flow,

- Overstating revenue by prematurely recording future expected sales or uncertain sales,

- Concealing liabilities or obligations by intentionally failing to report or record them,
- Understating revenue in one accounting period by creating a reserve that can be claimed in future, less robust periods,
- Posting fictious revenue and sales by claiming the sale of services that did not occur, such as double-counting sales, creating phantom customer or overstating or otherwise altering the legitimate invoices of existing customers,
- Forging documents, preparing false entries in F&W systems, or making false statements to obtain a financial or other benefit for oneself or another/others,
- Forging the signature of a F&W staff member or forging a document purporting to be from F&W to induce a party outside F&W to act,
- Using the information technology identity or password other than one's own, or creating false identities/passwords, without consent or authority, to manipulate F&W processes or cause the approval or denial of actions,
- Misrepresenting F&W employment status to obtain a benefit,
- Failing to disclose a financial or familial interest in a business or outside party while participating in the award/management of a contract to the benefit of that business or outside party,
- Falsifying documents, making false statements, preparing false entries in F&W systems or other deceptive acts to the detriment of those someone seeks to disfavor, or to discredit a person or the organization,
- Submitting false expense claims
- Using company funds to pay personal bills,
- Using company property without permission, and
- Soliciting or accepting a bribe

4. RESPONSIBILITIES

All F&W staff members have critical roles and responsibilities in ensuring that fraudulent and other proscribed practices are prevented, detected, and managed promptly. They are responsible for safeguarding resources entrusted to F&W and for upholding and protecting its reputation. Similarly, F&W non-staff personnel and third parties shall be held to the highest ethical standards, and should report any acts of fraudulent and other proscribed practices arising in relation to their contract with F&W.

4.1 Staff members

Staff members must understand their roles and responsibilities. This includes understanding how their job functions, how F&W policies and procedures are designed to manage fraud risk, and how non-compliance thereto may create an opportunity for fraudulent and other proscribed practices to occur or go undetected. Staff members have an obligation to keep themselves informed of new policies, and to immediately report any situation that indicates these practices may have occurred, following the procedure outlined in the fraud policy.

Proven fraudulent and other proscribed practices, committed by a staff member, constitute misconduct for which a disciplinary measure may be imposed, including dismissal, in accordance with the.

4.2 Management

Managers at all levels are expected to act as role models for the entire organization. They should foster a culture of zero tolerance for wrongdoing and ensure that any fraudulent practices are reported expeditiously. They shall take proactive steps to prevent and identify potential fraudulent practices. Managers are expected to:

- Raise awareness and knowledge of the risk of fraudulent and other proscribed practices with their personnel,
- Assess the level of risk (and impact thereof) to ascertain if F&W's interests are exposed to potential fraud risk,
- Select the most appropriate risk response option to mitigate risk,
- Monitor and supervise the performance, working methods and outputs of their personnel to ensure that they are conducting themselves in ways that meet the most ethical and professional standards and,
- Seek guidance, where necessary, from an appropriate member of corporate management.

Managers who fail to take appropriate action, or who tolerate or condone fraudulent and other proscribed practices, will be held accountable.

4.3 Non-staff personnel and third parties

Non-staff personnel and third parties must be aware of how F&W policies and procedures are designed to manage fraud risk, and how non-compliance thereto may create an opportunity for fraudulent and other proscribed practices to occur or go undetected.

Non-staff personnel and third parties have a responsibility and obligation to immediately report to F&W management any situation that indicates fraudulent activity or a violation of proscribed practices.

F&W does not tolerate fraudulent and other proscribed practices by non-staff personnel or third parties. When allegations concerning involvement in fraudulent or other proscribed practices are deemed substantiated, F&W shall take any administrative actions available to it, including but not limited to, measures outlined in the relevant contractual agreement(s) and shall seek to fully recover any financial loss. Contracts may be terminated where non-staff personnel or third parties' involvement in these practices is established. Allegations of fraudulent, corrupt, coercive, or collusive practices may be referred to the appropriate authorities for criminal investigation and prosecution of those involved.

5. MEASURES TO PREVENT FRAUDULENT AND OTHER PROSCRIBED PRACTICES

F&W is committed to addressing fraudulent and other proscribed practices through a combination of preventative and detective measures. F&W emphasizes the use of prevention measures as they are more effective and less costly compared to having to detect and subsequently respond to fraudulent and other proscribed practices after they have taken place. Key preventative and detective measures are listed below.

5.1 Awareness

Staff members, non-staff personnel, and third parties must be aware of their responsibility to prevent fraudulent and other proscribed practices. In this regard, managers are to raise awareness of this policy, follow the F&W rules of conduct and code of ethics and inform all staff members under their supervision of their duty to report instances of fraudulent and other proscribed practices.

5.2 Training

F&W provides ethics training on how to identify, address and report a wide range of wrongdoing including fraudulent and other proscribed practices. Participation in such training shall be mandatory for all F&W staff.

5.3 Due diligence in engaging and monitoring staff members, non-staff personnel, and third parties.

F&W's policies and procedures with respect to staff members, non-staff personnel, and third parties, must be followed by F&W staff at the time of recruitment or engagement and subsequently through periodic review and assessment.

F&W hiring managers should ensure that the organization is recruiting/contracting individuals that meet the standards of conduct expected of staff members and non-staff personnel. This can be achieved, for instance, by using specific interview assessment tools for integrity, professional experience, and reference checks.

Similarly rigorous selection procedures should be followed for engagements with all third parties.

6. REPORTING FRAUDULENT AND OTHER PROSCRIBED PRACTICES

6.1 Reporting internally

Staff members, non-staff personnel, and third parties must report all allegations of fraudulent and other proscribed practices to the Chief People Officer (CPO). Staff members may also report to the staff member's manager, who shall forward the report to the CPO without delay.

Allegations of wrongdoing can be reported through different means:

- By mail: send to the Chief People Officer, F&W Forestry Services, with the mention "private and confidential.," 1310 West Oakridge Drive, Albany, GA 31707
- By phone: to the Chief People Officer, 229-883-0505 (main number; ask for CPO)
- By email: to the Chief People Officer's company email address, as per the employee outlook address book

6.2 Reporting externally

F&W will report all known criminal activity to the appropriate authorities for investigation. F&W will seek to prosecute anyone who commits fraud and will seek to recover financial losses through legal means. The timing of police involvement will be at the discretion of the President.

F&W will report all cases to an external auditor if it believes fraud or corruption to be present. The external auditor will be asked to report to F&W any systemic weaknesses in internal controls detected in the course of their work that may allow fraudulent activities to take place.

6.3 Anonymity

Those wishing to protect their identity may report fraudulent and other proscribed practices anonymously.

6.4 Protection against retaliation

F&W does not tolerate any form of retaliation. Staff members who report fraudulent or other proscribed practices violations under this policy, or who cooperate with an authorized investigation, have the right to be protected from retaliation in accordance with the F&W retaliation policy.

7. INVESTIGATING FRAUDULENT AND OTHER PROSCRIBED PRACTICES

7.1 Confidentiality

All investigations are conducted in confidence to safeguard the integrity of the process and protect the rights of those involved. Information concerning investigations is shared on a "need-to-know" basis only. Information regarding an ongoing investigation may be provided to the concerned investigative body to the extent that said provision will not jeopardize the integrity or proper conduct of the investigation, or the due process rights of the persons involved.

7.2 Process

After receiving a complaint, a preliminary assessment will be done to determine whether there are reasonable indications of wrongdoing. Allegations reported will be assessed by F&W's CPO and may be supported by qualified outside third party(s) and/or internal auditors, depending on the circumstances. This includes assessing and investigating all allegations of wrongdoing, including fraudulent and other proscribed practices, committed by F&W staff members, non-staff personnel or by a third party, to the detriment of F&W, in accordance with local, state, and federal law. If the assessment shows the allegation(s) to be credible, a formal investigation will be conducted.

If determined that there are insufficient grounds to merit a full investigation, the matter will be closed and documented. When appropriate, situations are referred to senior management for attention or action, or for informal resolution.

7.3 Resolution

F&W is committed to managing all investigations fairly and to a formal or informal resolution; ensuring the adequacy of resources allocated to the investigation function.

Should the allegations be substantiated, a formal investigation report will be issued by subject (staff member, non-staff personnel or third party) for appropriate administrative or disciplinary action and, where relevant, for recovery of funds or assets. This may result in disciplinary and/or other corrective actions, dependent on the outcome, and may include the following corrective actions:

- For staff members, disciplinary and/or administrative actions,
- For non-staff personnel and third parties, termination or non-renewal of their contract or other action as deemed appropriate, including debarment from doing business with F&W,
- Referral to the appropriate local, state, or national authorities for criminal investigation and prosecution, and
- Recovery of financial loss and/or loss of assets suffered by F&W and return of funds recovered to the

respective funding sources.

If the investigation reveals systemic weaknesses in internal controls, a separate communication for management to address the identified weaknesses will be issued.

In compliance with local, state, and federal law, F&W reserves the right to publish disciplinary measures and related actions taken by F&W following allegations of wrongdoing that have been investigated and substantiated. Staff members, non-staff personnel and third-party names will be redacted. The purpose of this publication is to achieve an increased level of transparency in the administration of issues of conduct, to inform staff members of the practice of F&W in acting on such allegations, and to ensure that members of the staff are informed about common examples of wrongdoing and consequences.