

Forest Enterprises Estate Monitoring Report

For FSC® Certified Forests (FSC® C168647)

March 2026

Monitoring Strategy

Forest Enterprises' monitoring strategy is aligned with Forest Stewardship Council® Certification. It covers the criteria outlined in the FSC New Zealand Standard.

As of March 2026, Forest Enterprises is FSC certified for most of the forest estate it manages on behalf of 6,500 retail investors who proportionally own the forests. Forest Enterprises Limited (FEL) is a licensed manager of forestry Managed Investment Schemes under New Zealand's Financial Markets Conduct Act 2013. Forest Enterprises Growth Limited is the Forest Manager for the forestry investments.

Forest Enterprises aims to follow the mentioned principles for other forest land under its management.

Forest Enterprises staff, contractors and their employees follow sound environmental practices for all operations, so that the value of the forest asset continues to be enhanced.

Below is Forest Enterprises' Monitoring Plan, from which a public summary will be published annually.

Note: Commercially sensitive or personal details are not publicised.

Table 1. Forest Enterprises monitoring plan

Element	Indicators	Rationale	Procedures	Frequency
Crop Yields/ Reconciliation	Tonnes/ha	Efficiency and effectiveness of harvest Accuracy of planning	Volumes from FLITS Compare volumes and grades against inventory predictions	Monthly Full reconciliation at completion of the block
Growth Rates	Increment in tonnes or productivity m3/ha	Productivity of the forest	Permanent Sample Plots (PSP)	Annual Bi-annual Tri-annual
Changes to Flora & Fauna	Species presence/absence Regen present Rare, Threatened & Endangered species (RTE)	Biodiversity monitoring	As per agreed forest monitoring plan Contractor and staff reporting	5-yearly Before and after harvest Summarised annually
Forest Health	New forest pests or diseases	Crop health	Routine forest inspections	As required
Environmental Impacts Assessment	See EIA procedure			As required
Social Impacts	Employee numbers H&S statistics – Loss Time Injury Rate (LTIR)			
Post-Harvest	Waste Soil disturbance	Contract management	Staff visits Post-harvest inspection	Monthly
High Conservation Areas	Weed and pest control Photo points Ecological consultant analysis	Protect and monitor sensitive ecological areas	Weed and pest control visits and monitoring Photo points Ecological consultant analysis	Annually and pest control as required Bi-annually
Water Quality	As required by Resource Consent	Ensure operations maintain water quality	SHMAK testing in specific catchments of operational forests	March/April and October/November



Efficacy of Pest Control	Possum Residual Trap Catch (RTC) Hunter returns Compliance reports (weeds)	Maintain forests in good condition Comply with Regional Pest Management Strategy	Cooperate with AHB	As required and annually
Wildings	Removal	Good management practice Comply with RPMS	Spray or fell	As required
Pesticide Use	See chemical requirements			Annual report

Native Flora and Fauna

Rare, Threatened and Endangered (RTE) Species:

In 2025, 12 RTE notifications were recorded, all of which were for falcons.

Table 2. FEL's RTE Notifications for 2025

Forest	Esk Valley	Ngahape	Te Puhi	Cleland	Millwood	Lowlands	Woodfield
Notifications	3	4	1	1	1	1	1

High Conservation Value Sites:

There are four HCV sites in the FEL Estate (Lowlands, Millwood/Glenwood, Clearview and Bloomfield Forest). These are all forest remnants and are in healthy condition.

Pest control:

During 2025, 30 small mammal pests were trapped. They were all possums and rats as shown below:

Table 3. FEL's Trapping Results for 2025

Species	Possum	Rat
Quantity	22	8

Additionally, mammal pests have been controlled through the permit hunting system. The table below shows the kills of deer, goats, pigs, and possums in 2025:

Table 4. FEL Deer, Goat, Pig, and Possum Kills for 2025

Species	Deer	Goat	Pig	Possum
Quantity	492	1,714	93	3,264

Water Monitoring

- In 2025 SHMAK (Stream Health Monitoring and Assessment Kit) monitoring sites were tested for Autumn and Spring. The results are below:



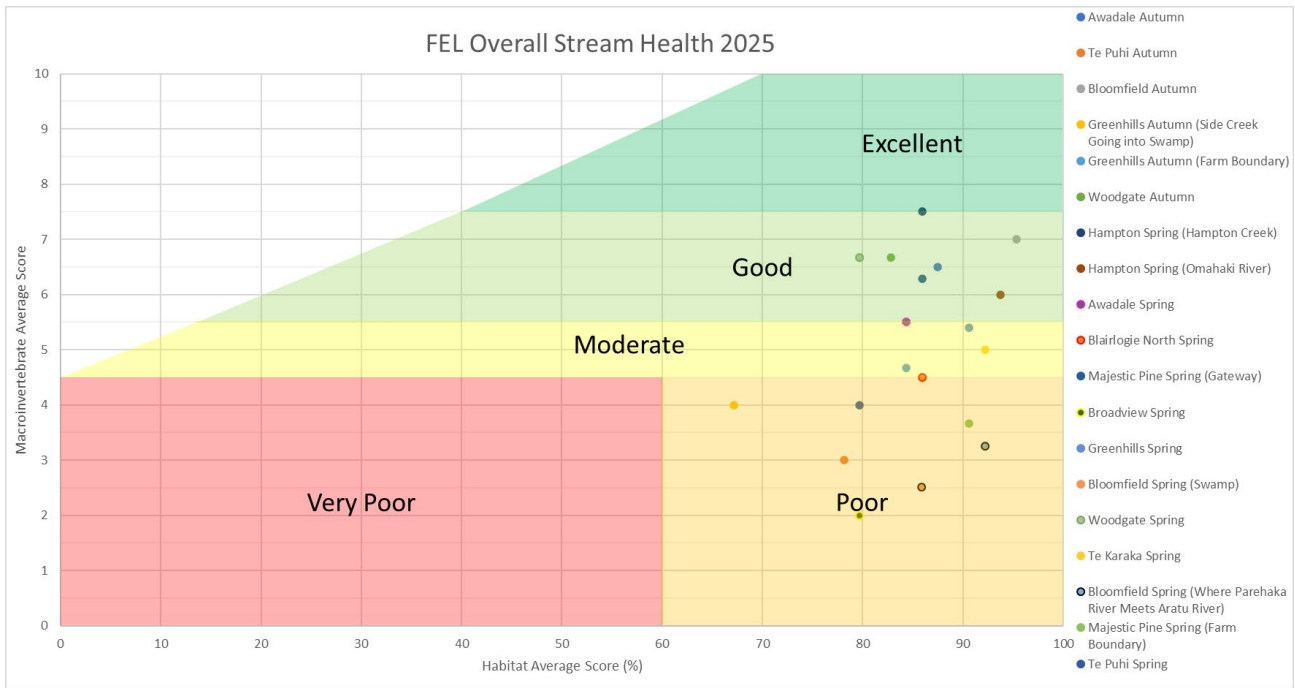


Figure 1. FEL's Overall Stream Health for 2025

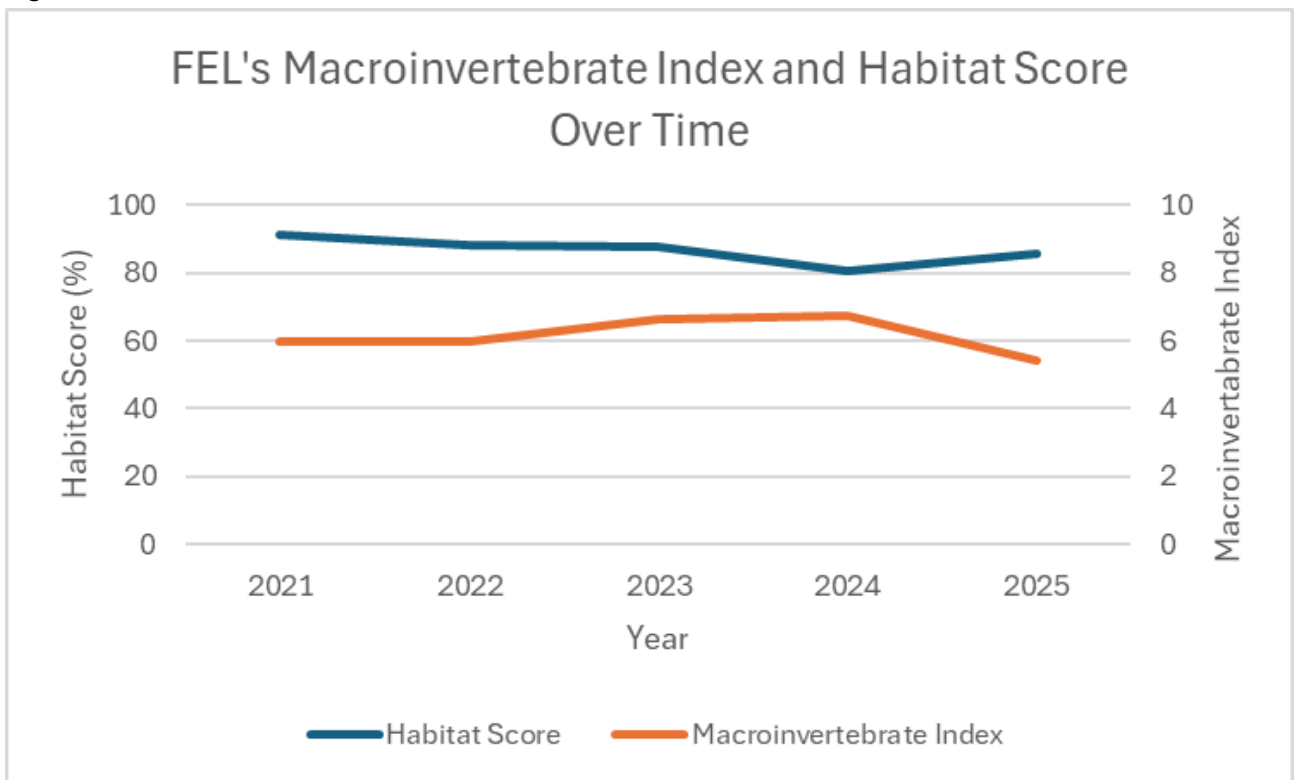


Figure 2. FEL's Macroinvertebrate Index and Habitat Score Over Time

When reviewing the results of the SHMAK testing over the year it was noticed that the macroinvertebrate score was low for some sites despite habitat being good as shown in the above graphs. An improvement in average habitat score in 2025 has unexpectedly been met with a dip in the macroinvertebrate index. We have made the decision to retest sites that have been categorised as poor to determine if this is an issue worth further action. Retesting is currently in progress.

Overall, while there has been some variation over time, average habitat score has been consistently high and average macroinvertebrate index has stayed in the moderate to good range.



Forest Health Monitoring

Forest health monitoring was undertaken by SPS Biota in October 2025, we are awaiting the report. Further monitoring is due to take place in the Hawkes Bay.

Waahi Tapu and Archaeological Sites

- Waahi Tapu and archaeological sites are mapped, and identification/notification booklets and posters have been issued to contractors.

Health and Safety

Forest Enterprises uses the IRIS (Incident Recording Information System) through the New Zealand Forest Owners Association (FOA) to input all accident and incidents data which includes:

- Hours worked
- Near misses
- Medical injuries
- Lost time injuries

The system is used to monitor improvements in Health and Safety and to compare data against industry.

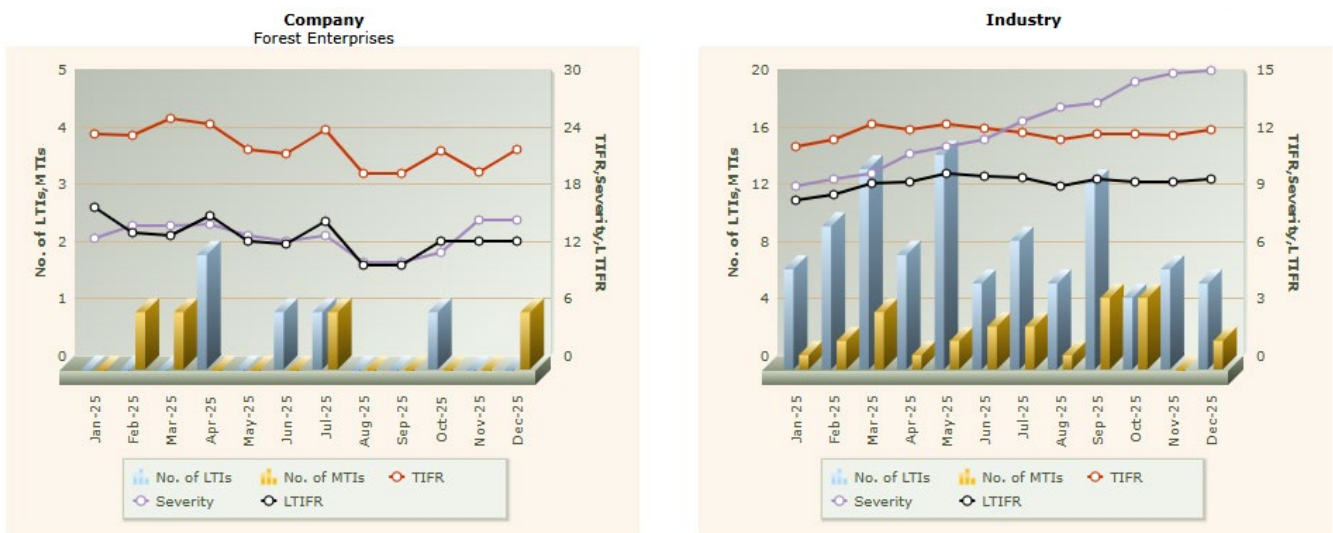


Figure 3. Health and Safety Statistics – Forest Enterprises and Industry, January 2025 to December 2025.

Figure 3 shows FEL’s health and safety statistics for; Total Injury Frequency Rate (TIFR), Lost Time Injury Frequency Rate (LTIFR), and Injury Severity Rate.

- TIFR is calculated using lost time injuries and medical treatment injuries per 1,000,000 labour-hours worked.
- LTIFR calculates the number of lost time injuries per 1,000,000 labour-hours worked. For example, an LTIFR of 1 shows that 1 lost time injury occurs on a jobsite every 1 million labour-hours worked.
- The Injury Severity Rate is the number of lost workdays experienced per 100 workers. The injury severity rate shows the extent of the safety anomalies by revealing how critical the injuries and illnesses are. The theory is that an employee who takes time to return to work after injury had a more severe problem than one who can return immediately.

Pesticides and Chemical Use

- Forest Enterprises has 17 approved ESRA’s.
- Forest Enterprises continues to be a part of an FSC cluster group and follow industry best practices (ECoP).



- Forest Enterprises continues to provide funding into industry cooperative research programmes in order to develop alternatives to highly hazardous chemicals.
- Forest Enterprises monitors the use of pesticides and chemicals (active ingredient and rate applied) within the FEL Estate. Below is the list of pesticides and chemicals used during this year:

Table 5. List of Pesticides and Herbicides Used During 2025

Type of Pesticide	Commercial name of pesticide / herbicide	Active ingredient	Reason for use
Herbicide	Glyphosate 510	510g/L of glyphosate as the isopropylamine salt	Pre plant spray
Herbicide	Meturon	600g/kg metsulfuron-methyl	Pre plant spray
Other	Organosilicone	Polyether-modified trisiloxane	Pre plant spray
Herbicide	Steed	520g/L Haloxyfop-p	Post plant release spray
Herbicide	Terbuthylazine	500g/L Terbuthylazine	Post plant release spray
Herbicide	Valzine	75g/L Hexzinone + 425g/L Terbuthylazine	Post plant release spray

