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STATEMENT

Statement of Danzer Group to the Greenpeace Report of 7th November 2011

Baar (Switzerland), 09.11.2011 – The event in Yalisika which Greenpeace is picking up in their current report was discussed and commented in detail by Danzer Group already some months ago. Meanwhile several third party investigations took place, but none of them could completely clarify the facts of what really happened during the intervention of public forces in Yalisika

Fact is: Danzer and SIFORCO never intended nor facilitated any violence against the people of the village Yalisika. These incidents happened beyond the control and responsibility of SIFORCO, still we were concerned in helping the people of Yalisika in the best possible way, e.g. by giving medical care.

SIFORCO – as other companies in DRC – often have to support local administration by providing logistics such as vehicles or meeting rooms without being informed regarding the purpose. Nobody at SIFORCO knew the issue being discussed at the security commission meeting on 30 April 2011 in the SIFORCO office building. No company representative attended the meeting, neither were we informed about the decision made there.

As in many cases before, the local administration insisted to get a vehicle including driver from SIFORCO, when their truck broke down. SIFORCO would have clearly refused the request if they knew the intended purpose with its consequences.

Danzer and all its subsidiaries explicitly stand up for and live up to a dialogue oriented and peaceful cooperation with the residents in and around its forest concessions. In case of a conflict SIFORCO follows an internal two-step strategy: First, and with absolute priority, we try to find a mutual, peaceful agreement with our partners. However, in cases of offences against law, SIFORCO, as a company that needs to live up to local legislation, has to involve the local administration in a second step. When SIFORCO company equipment was stolen and workers were under direct threat of life by violent and armed people, we had to involve the local authorities.

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We cannot be hold accountable for the unacceptable way this issue was handled by the local police and public forces. Therefore we welcome and support all independent efforts to investigate thoroughly the Yalisika event and actively support further investigation.

Notwithstanding, we are continuously working to improve our communication with the local communities. In particular we want to reach out to the basis of the communities, including young people and women, in order to prevent conflicts and to reach a peaceful resolution of conflicts.

We are actively cooperating in a transparent way with the Civil Society in DRC (Bumba) and international NGOs in order to reach good forest management and to improve the conditions that benefit all. The support of all stakeholders – including the DCR government, local authorities and NGOs – is needed to find lasting solutions and improve governance. We are open to all constructive participation.

The implementation of social projects in Yalisika is in line with the updated time schedule, which has been jointly agreed with and was approved by the local community representatives. We are convinced that our long-term activities will also contribute to the development of a better functioning government and sound social frameworks for the residents in the region.

Danzer Group is committed to continue its efforts in implementing forest management plans and further improve systematic communication with local communities. Staying in line with its policy to have all forest concession FSC certified progressively, Danzer Group will fully and transparently cooperate to verify our certifications by an independent audit.

For additional information please see the attached document "Siforco Statement about the conflict of Yalisika" dated June 28th, 2011.

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