

Resource Consents

PF Olsen managed estate including Group Scheme FSC RA-FM/COC-000190

Consents listed are those held for all forests managed by PF Olsen Ltd over the year ending 30 June 2018 as categorised by status at year end. There are 237 active consents in total with 16 due to expire shortly.

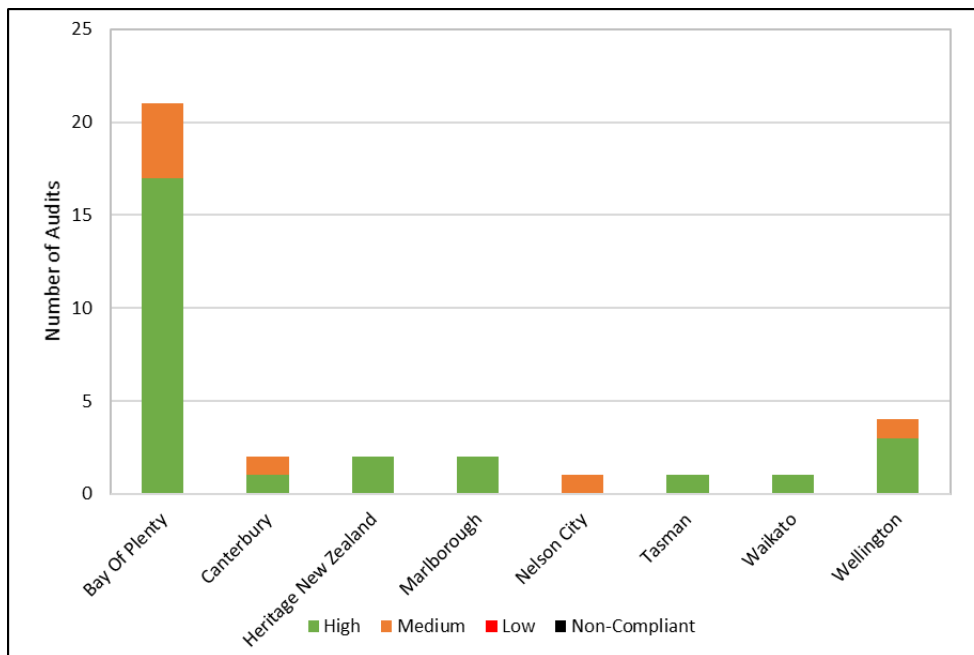
| Authority | Current | Due to Expire | Total |
|----------------------------|------------|---------------|------------|
| Ashburton | 1 | | 1 |
| Auckland | 5 | 1 | 6 |
| Bay of Plenty | 40 | 1 | 41 |
| Canterbury | 5 | | 5 |
| Christchurch City | 1 | | 1 |
| Clutha | 1 | | 1 |
| Department of Conservation | 1 | | 1 |
| Dunedin City | 1 | | 1 |
| Gisborne | 23 | | 23 |
| Hauraki | 2 | | 2 |
| Hawkes Bay | 2 | | 2 |
| Heritage New Zealand | 25 | 11 | 36 |
| Mackenzie | 1 | | 1 |
| Manawatu/Wanganui | 2 | | 2 |
| Marlborough | 20 | 3 | 23 |
| Nelson | 2 | | 2 |
| Nelson City | 2 | | 2 |
| Northland | 8 | | 8 |
| Opotiki | 3 | | 3 |
| Otorohanga | 1 | | 1 |
| Porirua City | 1 | | 1 |
| Soil Conservation Area | 6 | | 6 |
| Southland | 5 | | 5 |
| Taranaki | 4 | | 4 |
| Tasman | 3 | | 3 |
| Upper Hutt City | 2 | | 2 |
| Waikato | 29 | | 29 |
| Waipa | 1 | | 1 |
| Waitomo | 1 | | 1 |
| Wellington | 22 | | 22 |
| Western Bay of Plenty | 1 | | 1 |
| Total | 221 | 16 | 237 |

Consent Compliance

PF Olsen has continued to record consent compliance as determined from Regulatory Authority Consents Officer inspection reports. Authorities report their inspections differently which means that the compliance rating used involves some interpretation. Nevertheless, the data provides some indication of compliance ranking and is monitored over time. Some regulatory authorities undertake relatively little or no compliance monitoring thus are not represented or well represented in these statistics.

The cumulative results for all of PF Olsen Ltd are graphed below for the year through to June 2018, a total of 34 audits. Non-compliance is recognised as an environmental incident. There were no low or non-compliant audits in this reporting period.

Consent performance – YE June 2018



Consent compliance statistics – YE June 2018

| Authority | High | Medium | Low | Non-Compliant | Total |
|----------------------|------|--------|-----|---------------|-------|
| Bay of Plenty | 17 | 4 | | | 21 |
| Canterbury | 1 | 1 | | | 2 |
| Heritage New Zealand | 2 | - | | | 2 |
| Marlborough | 2 | - | | | 2 |
| Nelson City | - | 1 | | | 1 |
| Tasman | 1 | - | | | 1 |
| Waikato | 1 | - | | | 1 |
| Wellington | 3 | 1 | | | 4 |
| Total | 27 | 7 | - | - | 34 |
| | 79% | 21% | - | - | 100% |

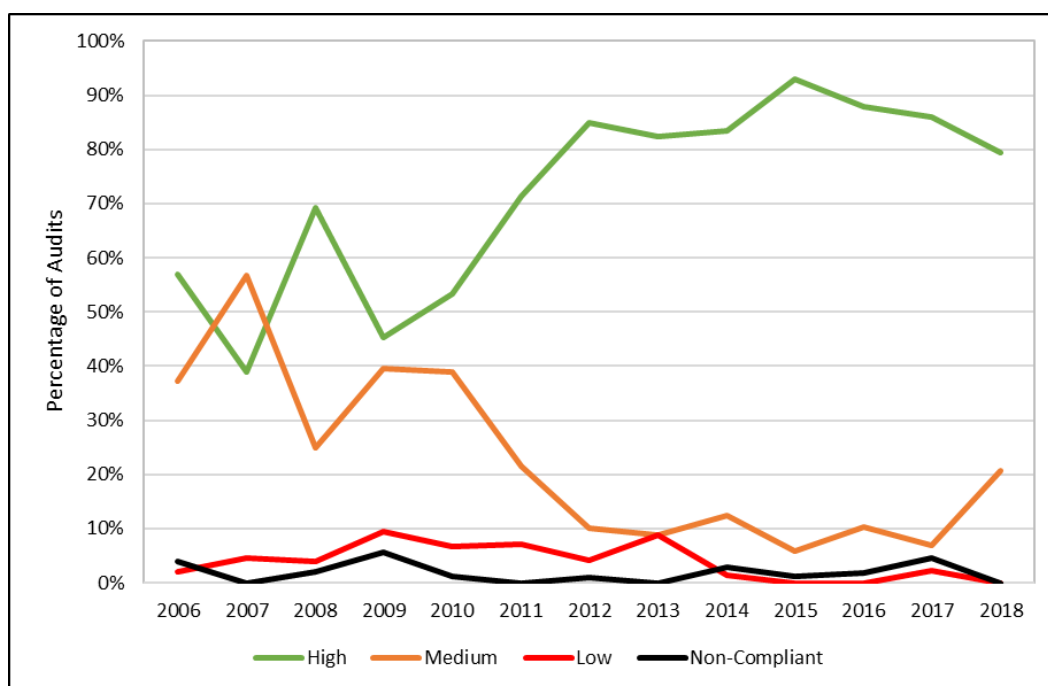
Compliance Trends

The imperative remains to eliminate all non and low compliance and improve high vs. medium ratios. A number of initiatives from planning and systems changes through to training have been or are being initiated and exercised to manage the root contributing factors to lower compliance scores.

Performance over time is monitored and continues to demonstrate steady improvement. The time series and graph of consent monitoring results now covering the period 2006 to June 2018 is illustrated below.

Performance ratios for all PF Olsen audits – YE June 2018

| Year | High (%) | Medium (%) | Low (%) | Non-Compliant (%) | No Audits |
|-------------|------------|------------|-----------|-------------------|-----------|
| 2006 | 57% | 37% | 2% | 4% | 51 |
| 2007 | 39% | 57% | 4% | 0% | 67 |
| 2008 | 69% | 25% | 4% | 2% | 52 |
| 2009 | 45% | 40% | 9% | 6% | 53 |
| 2010 | 53% | 39% | 7% | 1% | 90 |
| 2011 | 71% | 21% | 7% | 0% | 84 |
| 2012 | 85% | 10% | 4% | 1% | 99 |
| 2013 | 82% | 9% | 9% | 0% | 68 |
| 2014 | 83% | 13% | 1% | 3% | 72 |
| 2015 | 93% | 6% | 0% | 1% | 86 |
| 2016 | 88% | 10% | 0% | 2% | 58 |
| 2017 | 86% | 7% | 2% | 5% | 43 |
| 2018 | 79% | 21% | 0% | 0% | 34 |



In the Bay of Plenty, the centre of our largest operational scale and the area most intensively audited due to the large number of high risk erodible steepplands subject to harvest, the change in statistics set the scene for the company totals, reflecting the effort being applied to improved engineering. Those efforts continue to be transferred across the country.

Consent compliance score ratios for the Bay of Plenty region – YE 2018

| Year | High (%) | Medium (%) | Low (%) | Non-Compliant (%) | No Audits |
|-------------|------------|------------|-----------|-------------------|-----------|
| 2006 | 56% | 41% | 3% | 0% | 34 |
| 2007 | 27% | 68% | 5% | 0% | 41 |
| 2008 | 66% | 29% | 6% | 0% | 35 |
| 2009 | 53% | 31% | 14% | 3% | 36 |
| 2010 | 55% | 35% | 9% | 2% | 66 |
| 2011 | 66% | 27% | 7% | 0% | 44 |
| 2012 | 81% | 17% | 2% | 0% | 53 |
| 2013 | 78% | 14% | 8% | 0% | 36 |
| 2014 | 88% | 13% | 0% | 0% | 48 |
| 2015 | 86% | 11% | 0% | 2% | 44 |
| 2016 | 83% | 13% | 0% | 4% | 24 |
| 2017 | 76% | 10% | 5% | 10% | 21 |
| 2018 | 79% | 21% | 0% | 0% | 24 |

