

Paper Pulp and Timber Policy

We create better experiences together
for a better tomorrow

Background

Timber Legality

The harvesting of timber in violation of national laws (commonly referred to as “illegal logging”) is a persistent global issue, remaining one of the main threats to forests despite the numerous efforts to address it¹.

Illegal logging can take many different forms, including logging inside protected areas, logging protected timber species, extracting volumes beyond permitted amounts, and corruption associated with the issuance of forest licences.

Driven mostly by profit, these illegal activities have substantive negative impacts on forest ecosystems, communities and economies, being linked to organised crime, tax evasion, civil wars, murder, corruption, species extinction and environmental destruction. According to the most recent statistics², as of 2019 illegal logging was worth up to \$240 billion AUD per year, making it the world’s largest environmental crime by value and the third-largest transnational crime overall.

This is why Australia has had laws in place since 2012 to combat illegal logging and promote the trade of legal timber products, with the importation of illegally logged timber into the country being a criminal offence. These laws are set out in the Australian Illegal Logging Prohibition Act 2012 and the Illegal Logging Prohibition Regulation 2012 (**The Law**). New Zealand’s illegal logging legislation, the Forests (Legal Harvest Assurance) Amendment Act 2023, comes into force on 1 August 2027.

Under **The Law**, Woolworths Group has legal responsibilities as an importer of paper, pulp and timber (**PPT**) products into Australia, and must ensure that there is no illegally logged timber contained in these products. For products designated as **regulated timber products**, Woolworths Group business units based in Australia are required to complete a documented risk assessment prior to importation in a process known as Due Diligence as required under **The Law**. These responsibilities apply to all **PPT** products imported into Australia by Woolworths Group, regardless of their brand.

Sustainable Sourcing of Paper, Pulp and Timber

Recognising the importance of protecting our world’s forests, Woolworths Group became a signatory to the Consumer Goods Forum’s Deforestation Resolution of 2010 for achieving net-zero deforestation. In August 2024, we set a No-Deforestation target across our Primary Deforestation-Linked Commodities with effect from 31 December 2025 (this is set out in POL.089). As these commodities are considered to have a material impact on the deforestation of natural ecosystems, and in turn, contribute to the emissions generated by our supply chains, we are aiming to transition to Deforestation free sourcing of high risk commodities. In doing so, Woolworths Group confirms that **PPT** are included in its primary deforestation-linked commodities.

¹<https://openknowledge.fao.org/server/api/core/bitstreams/dfb12960-44ee-4ddc-95f7-bec93fbb141e/content>

² <https://www.interpol.int/en/Crimes/Environmental-crime/Forestry-crime>

Purpose and Scope

Purpose

This policy forms part of Woolworths Group's Illegal Logging Due Diligence System, which both enables us to meet our responsibilities under **The Law**, and ensure the PPT used in our products and packaging has been ethically sourced, combatting the destructive trade of illegally logged timber and protecting our world's forests for future generations.

The minimum sourcing standards set out in this policy are designed to promote transparent and verifiable PPT supply chains that can be traced to sustainable and legal sources at the point of harvest or to recycled content.

Scope

All in-scope products and packaging containing PPT that are imported, distributed, sold or used throughout Woolworths Group must meet the relevant requirements of this Policy as set out in the table below. This is to be substantiated in accordance with this Policy and the relevant Woolworths Group Procedure.

Vendor-branded PPT products and packaging that are NOT imported into Australia by Woolworths Group, are not in scope of this policy however are in scope of POL.089- No-Deforestation Policy.

In-Scope	Requirement
Paper, Pulp and Timber Products	
Own Brand Products Goods Not For Resale (GNFR) Store Construction/Fit-outs sourced and/or imported by an Australian Woolworths Group Business Vendor-Branded Products imported into Australia by Woolworths Group Own and Vendor Branded Packaging imported into Australia by Woolworths Group independent of the product	The PPT product must meet ONE of the following criteria in descending order of preference: <ol style="list-style-type: none"> FSC certified (FSC 100%, FSC Recycled or FSC Mix); PEFC certified with forest based materials sourced and milled in countries identified as having a low timber risk score (above 80) by Preferred By Nature; or 100% Post-Consumer recycled content AND Illegal Logging Questionnaire and Risk Assessment Completed for all own brand products and any vendor branded products imported into Australia by Woolworths Group.
Paper, Pulp and Timber Packaging	
Own Brand Packaging (Primary and Secondary including paper labels)	The PPT packaging must meet ONE of the following criteria and any requirements as set out on the product specification/brief: <ol style="list-style-type: none"> FSC certified (FSC 100%, FSC Recycled or FSC Mix); PEFC certified (PEFC Certified or Recycled); 100% recycled content; or Minimum 70% recycled content with remaining virgin material from no deforestation sources.

Policy

Woolworths Group requires that all timber-based materials used in the manufacture of in-scope products and packaging are able to be verifiably traced to either recycled sources or to timber harvested in a manner that:

- Is legal in the jurisdiction of harvest and complies with **The Law**; and
- Contributes to our no-deforestation ambition with a target date of 31 December 2025 as set out in POL.089 - No-Deforestation Policy.

All **Regulated Timber Products** imported into Australia by Woolworths Group, including vendor branded products must meet the due diligence requirements of **The Law** prior to shipment.

In order to meet these requirements and where relevant, Woolworths Group's responsibilities under **The Law**, Woolworths Group will ensure that all in-scope products and packaging meet the specifications outlined below. Suppliers of Own Brand products and packaging must also meet any specific requirements for **PPT** set out on the product brief or specification.

Product Requirements

The PPT content of In-Scope Products, in addition to packaging that is imported independent of a product must meet ONE of the following requirements in descending order of preference as well as any requirements as set out on the product specification/brief:

- Hold **Forest Stewardship Council (FSC) Chain of Custody certification** (FSC: 100%, Recycled, or Mix) throughout the entire supply chain. All product sales documentation must contain the licence code for the supplier and the claim for each product (e.g. FSC 100%, Recycled, or Mix). Documentation must be validated in line with the relevant Woolworths Group Procedure (PRO.063);
- Hold **Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody certification** (PEFC: Certified or Recycled) throughout the entire supply chain. All product sales documentation must contain the licence code for the supplier and the claim for each product (e.g. PEFC certified or Recycled). Documentation must be validated in line with the relevant Woolworths Group Procedure (PRO.063). Certification to PEFC or a standard recognised by PEFC (e.g. Responsible Wood in Australia) will only be accepted when the forest-based materials have been sourced and milled in countries identified as having a low timber risk score (above 80) by [Preferred By Nature](#). In cases where the country risk score is below 80 as designated by Preferred by Nature, further risk mitigation is to be undertaken; or
- **Be made of 100% post-consumer recycled content*** validated in-line with the relevant Woolworths Group Policy POL.075. Where this is not feasible due to technical or commercial constraints, the balance must be made of independently certified material proven to be derived from legally harvested timber from no-deforestation sources. **Note:** Pre-consumer recycled content is not an option for in-scope products as only post-consumer recycled content is exempt from the requirements of **The Law**.

And:

- Where in-scope of **The Law**; completion of the Illegal Logging Questionnaire by the supplier in accordance with the relevant Woolworths Group Guidance (GUI.038), with the risk of the product containing illegally logged timber being assessed as low risk by Woolworths Group *before* shipment to Australia in accordance with the relevant Woolworths Group Procedure (PRO.038).

Packaging Requirements

In-scope Primary and Secondary Own Brand packaging (including paper labels) must meet ONE of the following requirements as well as any requirements as set out on the product specification/brief:

- Hold **Forest Stewardship Council (FSC) Chain of Custody certification** (FSC 100%, FSC Recycled, FSC Mix) throughout the entire supply chain up until the finished packaging manufacturer. Documentation must be validated in line with the relevant Woolworths Group Procedure (PRO.092); or
- Hold **Programme for the Endorsement of Forest Certification (PEFC) Chain of Custody certification** (PEFC: Certified or Recycled) throughout the entire supply chain up until the finished packaging manufacturer. Documentation must be validated in line with the relevant Woolworths Group Procedure (PRO.092); or

- **Be made of 100% recycled content*** validated in-line with the relevant Woolworths Group Policy POL.075 and Woolworths Group Procedure (PRO.092).
- **Be made of a minimum 70% recycled content with the remaining virgin material from no deforestation sources***. The recycled content is to be validated in-line with the relevant Woolworths Group Policy POL.075 and Woolworths Group Procedure (PRO.092). The supplier will be required to provide supporting evidence (e.g. invoices, supply chain documentation or certification) to show that the remaining virgin material is from no-deforestation sources.

** Periodic compliance checks may be conducted on Own Brand Products or Packaging that meet this Policy using the asterisked (*) options.*

Definitions

Certification Body - The organisation that certifies a Supplier that they have met the CoC Standards of FSC or PEFC.

Certified Content - Paper, pulp or timber components of a product that have been certified in accordance with the CoC Standards of FSC or PEFC.

Chain of Custody (CoC) - The path taken by products from the forest, or in the case of recycled materials from the moment when the material is reclaimed, to the point where the product is sold with a *FSC* or *PEFC* certified claim and/or is finished and the *FSC* or *PEFC* certification logo is applied. The *CoC* includes each stage of sourcing, processing, trading, and distribution where progress to the next stage of the supply chain involves a change of product ownership.

CoC Standard - Standard each supply chain participant must meet under either FSC or PEFC in order to gain certification for the right to sell and/or label certified product. FSC and PEFC each have their own CoC Standards. PEFC also endorse other CoC Standards including that of the Australian Responsible Wood Certification Scheme.

Finished Product Manufacturer - Manufacturer of the finished product, a product that will not undergo further transformation in terms of processing, labelling, or packaging prior to its intended end use or sale to the end-user. Installation of finished products, the filling of packaging, and cutting to size are not considered product transformation, unless these activities involve repackaging, changing of the product composition, or relabelling.

FSC - Forest Stewardship Council.

Goods Not For Resale - Goods that are not sold, but rather purchased to support the operations of the company (e.g. paper towels for cleaning and paper straws provided in cafes).

High Conservation Value - Species, sites, and natural formations that are of considerable biological, ecological, social, or cultural significance.

Illegally Logged - Timber harvested in contravention of laws in force in the place (whether or not in Australia) where the timber was harvested.

Importer of Record - Woolworths Group is the importer of record where its ABN is used to import products, even if by an external broker.

Independently Certified Supplier - Supplier that is certified against the CoC standards of FSC or a CoC standard accepted under the PEFC.

Independently Certified Material - Wood or wood fibre based raw material that is supplied to a Finished Product Manufacturer with a claim that it is FSC 100%, FSC Mix, FSC Recycled or PEFC certified.

Independently Certified/Independent Certification - Products and packaging sold by a certified supplier actively meeting the certification requirements for the Forest Stewardship Council (FSC) or a standard accepted under the Programme for Endorsement of Forestry Certification (PEFC), including requirements for listing the claim on sales documentation.

Low Risk Product - a product that is assessed to be low risk in accordance with the information gathering, identification and assessment of risk requirements at Law.

Own Brand - For the purposes of this policy document, own brand is defined as products where Woolworths Group (or a subsidiary of Woolworths Group):

- is the IP (Intellectual Property) owner of the brand and/or trademark;
- is involved in the design and/or development of the product or packaging;
- has exclusively sourced and have given direction to the product's composition;
- features the Wcon, Countdown/Supermarket NZ or BIG W icon printed on packaging including in store bakery digi labels;
- have purchased the product as a 'good not for resale' (eg. packaging for use in store bakeries and delis) and it is visible to customers

It also includes:

- category brands created by the Woolworths Food Company such as but not limited to Little Ones, Baxters, Highgate, Your Majesty, Smittens, Voeu, Apollo, Shine, Armada, Strike; and
- category brands created by BIG W such as but not limited to Openook, Somersault, Brilliant Basics, Blacksmith, Avella, Circuit, Hinterland, Woofbix, Wave Zone, Silken, Moggybix, Masterclass, which may change from time to time.

Packaging - all packaging products made of any material, or combination of materials, for the containment, protection, marketing or handling of consumer products. This also includes distribution packaging. (National Environment Protection (Used Packaging Materials) Measure, 2011).

Paper, pulp and timber (PPT) product - includes any product (including packaging imported separate from products) containing material derived from timber forest based materials including component parts. This includes solid wood, reconstituted wood such as MDF, wood fibre, timber-sourced cellulose/viscose, pulp and paper products. It excludes products and packaging manufactured from non-timber forest products such as bark, cork, osier (willow), rice, bamboo and rattan.

PEFC - Programme for Endorsement of Forestry Certification.

Post-Consumer Recycled Content - Material generated by households or by commercial, industrial and institutional facilities in their role as end-users of the product which can no longer be used for its intended purpose. This includes returns of material from the distribution chain (AS Standard AS 14021-2018 S7.8.1.1).

Material is not considered post-consumer recycled material if the material is the by-product of a manufacturing process; it is considered post-consumer recycled material if:

- the material has been, or has been part of, another product; and
- at the time the material was removed from another product, that product was no longer used for its intended purpose and is considered to be waste; and
- the material has been used as raw material in the PPT product or packaging.

Pre-Consumer Recycled Content - Material diverted from the waste stream during a manufacturing process. Excluded is reutilization of materials such as rework, regrind or scrap generated in a process and capable of being reclaimed within the same process that generated it. (AS 14021-2018 S7.8.1.1)

Preferred By Nature - Refers to the Preferred by Nature Sourcing Hub available: <https://sourcinghub.preferredbynature.org/>

Primary Packaging - Packaging the consumer takes home with them that contains the individual product.

Recycled sources/content - Recycled fibre, containing either post-consumer recycled content or pre-consumer recycled content, verified in accordance with POL.075 and its associated procedure/s or through FSC/PEFC certification.

Regulated timber products - [Regulated timber products are listed in Schedule 1 of the Illegal Logging Prohibition Regulation 2012](#) in Australia and fall under tariff chapters 44 (Wood and articles of wood), 47 (Pulp of wood or of other fibrous cellulosic material; recovered (waste and scrap) paper or paperboard), 48 (Paper and paperboard; articles of paper pulp, of paper or of paperboard) and 94 (Furniture; prefabricated buildings). Materials such as bark, cork, osier (willow), rice, bamboo and rattan are not considered timber and are also not regulated under The Law. Products manufactured from 100% or greater post consumer recycled fibre are exempt from meeting the requirements for regulated timber products.

Secondary Packaging - Packaging used to contain single or multiple primary packed products such as a shelf-ready tray

Supplier - the product supplier is the entity that had legal ownership (also referred to as independent custodianship) of the finished product prior to Woolworths Group assuming legal ownership. For the purposes of this procedure, chain of custody certification is not required for organisations that do not gain legal ownership of the product or packaging but simply arrange for Woolworths Group and the seller to:

- Make a deal without taking physical possession (i.e. they act as an agent)
- Transport the products (i.e. a customs broker or freight forwarder)

The Law - The *Illegal Logging Prohibition Act (2012)* (Cth) and the *Illegal Logging Prohibition Regulation 2012* (Cth).

Timber Legality Framework - A term used in the *Illegal Logging Prohibition Act 2012* and its associated regulation to refer to a method of risk assessment that involves gathering, verifying and considering the information set out in the applicable Timber Legality Framework (FSC or PEFC), along with any other information the importer ought reasonably to know.

Timber-sourced Cellulose/Viscose - Cellulose that has been derived from timber sources and not from Non-Timber Forest Products.

Trademark Usage Standards - Requirements issued by FSC and PEFC for the use of their logos and trademarks on and off products. FSC and PEFC each have their own standards detailing these requirements.

References and Resources

[Illegal Logging Prohibition Act \(Cwth\) \(2012\)](#)

[Illegal Logging Prohibition Regulation 2012](#)

[Department of Agriculture - Regulated Timber Products](#)

[Forest Stewardship Council \(FSC\) Information Page](#)

[Programme for the Endorsement of Forest Certification \(PEFC\) Information Page](#)

POL.089 Policy - Woolworths Group No-Deforestation Policy

POL.075 Policy - Woolworths Group Recycled Content Claims and Labelling

Document Version	POL.050 - Paper, Pulp and Timber V8
Date Approved	09 December 2024
Date Effective	09 December 2024
Author	Policy & Standards Teams
Owner	Quality Teams
Audience	Internal and External - Uncontrolled outside of Woolworths Platforms
Review Date if Required	24 months from approval date