



## **Responsible Sourcing Policy: Timber and Paper**

Timber is becoming an increasingly scarce resource as over the half the world forests have been logged out and the remainder continue to be destroyed during conversion to plantations or agricultural land. Forests play a critical role in limiting climate change and supporting biodiversity. We want to help protect the world's forests and all our futures by only using responsibly sourced timber and paper in our products.

### **Aim**

Our objective is that 100% of the timber and paper in our own brand products will originate from responsibly managed forests, most easily demonstrated by sourcing the trees from certified forests and the finished products from certified supplied chains.

### **Scope**

This policy applies to all Dunelm's own brand products, including Dorma, Fogarty and Pausa brands. This policy does not extend to packaging.

This policy applies to all own brand products including those that are current out of scope of the European Timber Regulations.

Dunelm requires 3<sup>rd</sup> party branded suppliers to complete a timber due diligence assessment and make available to Dunelm, on request, evidence of compliance with Dunelm's Timber Policy and all regulatory requirements.

### **Policy**

Suppliers must continually ensure traceability and be able to demonstrate that timber or paper used in Dunelm products was legally harvested and traded. On request suppliers must provide:

- Evidence that demonstrates that all timber products supplied to Dunelm meet regulatory requirements i.e. EUTR - EU No. 995/2010. This regulation also covers compliance with CITES.
- Evidence of compliance with the Forest Law Enforcement Governance and Trade (FLEGT) Programme.
- Due diligence information and documents in support of risk assessments of each timber-based material supplied to Dunelm.

- Detailed supply chain diagrams for all timber-based materials specifically in cases where they originate from timber harvested outside the EU and/or where the risks of regulatory non-compliance are regarded as high by Dunelm
- Documents in support of the certification status attributed by the supplier to timber products they trade with Dunelm
- Documents in support of the recycled status attributed by the supplier to timber products they trade with Dunelm
- Evidence of progress towards certification – where non-certified products are traded with Dunelm - by submitting documented timelines showing commitment to compliance.

We will review and update this policy periodically inline with legislation change, market and risk information.

### Implementation

We expect all suppliers to meet the requirements of this policy and work towards our responsible sourcing targets set out below.

Material types	Minimum requirement	Target
<ul style="list-style-type: none"> <li>• Solid timber including individual components</li> <li>• Timber composites e.g. MDF and particleboard</li> <li>• All paper based materials</li> </ul>	Due Diligence product risk rating of 'Negligible Risk'	50% by volume from certified sources by 2025

### Our commitment

We will provide training and guidance to our suppliers on the implementation of this policy and how to reduce the risk of non-compliance with this policy. We will measure and report on supplier performance and compliance against our policy annually.

### Monitoring

On request, suppliers are required to provide information and supporting 2<sup>nd</sup> and 3<sup>rd</sup> party documentation for each unique product component regarding:

- Timber species
- Country of harvest
- Country of manufacture
- Forest level documents e.g. a harvesting permit, a valid FSC Forest Management Certificate
- Transport documents e.g. a timber transport permission certificate

In addition suppliers will be required to provide the necessary information to enable the preparation of supply chain diagrams mapping all the relevant supply chain factors. The product due diligence risk status will be assessed on the information provided.

### **Risk rating**

Products assessed must achieve a 'Negligible risk rating'. Assessment and verification may be carried out by a third party and will where necessary include physical analysis of timber samples.

### **Certified sources**

Suppliers can demonstrate that the timber or paper sources come from credible Third-Party Certification Scheme such as FSC (Forest Stewardship Council) or PEFC, (Programme for Endorsement of Forest Certification) with an intact Chain of Custody.

### **Consequences for non-compliance**

Products will be delisted and resourced where evidence of known and legal sources cannot be verified. Where the due diligence assessment indicates a high risk, suppliers are expected to resource materials immediately.

### **Guidance for suppliers**

Please use the tables below to determine the inherent risk levels based on country of harvest. The lower the inherent risk then the less mitigating documentary evidence is required to mitigate the risk.

These risk tables are updated annually as they are based on an estimate of the regulatory capacity of the countries concerned.

The key mitigating documentary evidence that's needed to offset the risks are harvesting related documents and transport related documents that enable those completing the audits to demonstrate to the UK government authorities that the timber was harvested legally and transported legally.

It is a requirement that suppliers can present copies of these documents when requested to do so as part of the timber due diligence process.

## Documentary evidence required

Country of harvest	Risk	Forest level documents	Transport documents
Australia Austria Belgium Canada Estonia Finland France Germany Japan Netherlands New Zealand Norway Portugal Spain Sweden Switzerland UK United States of America Uruguay	Low	No documents required	Export documents required
Belarus Brazil China Costa Rica Croatia Czech Republic Hungary Indonesia Korea, South Latvia Lithuania Malaysia Poland Sri Lanka Slovakia Slovenia Taiwan Turkey	Variable	Harvesting document required for non-certified forests  No documents required for certified forests	Timber Transport Certificate or VAT invoices required for every step of the supply chain
Cambodia Cameroon Congo Cote d'Ivoire Democratic Republic of the Congo Gabon Korea, North Laos Papua New Guinea Poland (Browsk, Białowieża, and Hajnówka Forest Districts) Romania Russia Solomon Islands Ukraine	High	Only certified timber is accepted. Legal Right to Harvest document required	Timber Transport Certificate or VAT invoices required for every step of the supply chain

Natural Forests in the following Countries are rated high risk due to the risk of illegal logging

Country of harvest	Risk	Forest level documents	Transport documents
Brazil China Indonesia Malaysia (Kedah) Malaysia (Sabah and Sarawak) Sri Lanka	High	Only certified timber is accepted. Legal Right to Harvest document required	Timber Transport Certificate or VAT invoices required for every step of the supply chain

### Documentation checks

Forest level documents must contain

File name (top right number)

Date

Felling period

Update before

Species

Location

Volume: merchantable volume: stock volume

Felling type

Issued to

Issued by

Stamped by

Transport documents must contain:

File name (top right number)

Date

Species/Product information

Buyer

Seller

Volume (m3)

Stamped by

Supplied as: FSC, PEFC, Non certified

### Examples of high-risk Country and Species combinations

Country	Species	Reasoning
China	Oak	Felling ban since 2017
Burma	Teak	High likelihood of illegality
Cote d'Ivoire	All	Recent civil war
DRC (Congo)	All	Ongoing civil war
Brazil - Amazon Basin states	All	High likelihood of illegality

## Definitions

CITES (Convention on International Trade in Endangered Species of Wild Fauna and Flora) is an international agreement which governs the trade in species threatened with extinction.

You can visit their website at <https://www.cites.org/> for further details.

The CITES list can be searched on this website: <https://speciesplus.net/>

EU Timber Regulation Guidance can be found at <https://www.gov.uk/guidance/eu-timber-regulation-guidance-for-business-and-industry>

EU Timber Regulation Commission Guidance can be found at [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/508342/EUTR\\_Commission\\_guidance.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/508342/EUTR_Commission_guidance.pdf)

Information about FSC and PEFC forestry schemes can be found at <http://www.fsc-uk.org/en-uk>  
<https://www.pefc.org>

V- legal schemes do not automatically confer compliance with EUTR and separate EUTR documentation must also be provided when using timber derived from these schemes to show compliance with regulations.

<http://www.euflegt.efi.int/home>

The EU FLEGT Facility supports the implementation of the EU FLEGT Action Plan with a focus on Voluntary Partnership Agreements (VPAs). The Facility contributes to combating illegal logging and strengthening forest governance while encouraging responsible economic development in countries that produce or process timber and export to the EU.

**Certified forest:** A forest of harvest that is within scope of a valid FSC Forest Management Certificate or valid PEFC Forest Management Certificate.

**Non-certified forest:** A forest of harvest that is outside the scope of a valid FSC or PEFC Forest Management certificate.

**Chain of Custody certification** is a mechanism for tracking certified material from the forest to the final product to ensure that the wood, wood fibre or non-wood forest produce contained in the product or product line can be traced back to certified forests

**Plantation forests** are a type of managed forest in which the trees are planted (as opposed to naturally regenerated), of the same age and generally of the same species, and are intended to maximize the production of wood fibre.