

Responsible Timber Products

Sourcing Policy

Version 3
September 2023



The image shows a retail display of 'Insect House' products. The display consists of a wooden frame filled with numerous cylindrical wooden tubes of varying diameters, some of which have small holes drilled into them. A sign is attached to the front of the display, featuring a ladybug illustration and text. Below the sign, a price tag is visible, showing the product name, dimensions, and price. The background is a white wall with the word 'seizoen' written in blue.

Insect House

- Attracts a wide variety of insects
- Ideal for any garden

*"a first class accommodation
for all your small garden friends"*

Insectenhotel groot
32x9x28cm



6.95

€ 6,95



Responsible Timber Products^a Sourcing Policy

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^a Action uses the term 'timber products' throughout this policy. For this policy 'timber products' include all products made out of timber including paper (products) and products made of recycled timber and paper.

1. Context

Forests are of vital importance to the livelihoods of people, animals and plants. Hundreds of millions of people are directly dependent on forests for their living. Forests are also indispensable for many animals and plants. In addition, forests are important as they affect climate, water supply and quality and soil. However, the world's forests are under severe pressure. Every year, 7 million hectares of natural tropical forest disappear (an area of approximately two times the Netherlands) and many northern forests suffer from degradation. Commercial irresponsible logging is one of the drivers behind forest degradation and deforestation. On the other hand, the use of timber products from demonstrable responsibly managed forests positively contributes towards well-balanced forests and goes against deforestation and forest degradation¹. In this context, Action has taken measures and strengthened the sourcing of products using sustainably sourced timber and will continue to strategically increase these, as laid out in this policy.

2. Vision

As a retailer we recognise our responsibility to ensure that the timber products originate from a legal and responsible source. Action envisions that in the long term all timber products procured by Action are self-evidently FSC®-certified or certified from other recognized sustainable sources. We can thereby secure our future source of timber whilst having a positive impact on the forests and the people and communities dependent on those forests.

3. Scope

The global timber supply chain is a complex web, particularly for assembled products, involving many processing steps which often cross-national borders before we purchase from our suppliers and importers. This makes tracing timber products back to its primary source challenging. It is important that the scope of this policy takes our legal obligations including the EU Timber Regulation, as well as its successor E.U. Deforestation Regulation into account³.

Date	EUDR Transition Timeline
31/12/2020	Cut-off date: products produced after this date must not have contributed to deforestation and forest degradation.
29/06/2023	EUDR entry into force: 1) All products which entered the EU market before 29/06/2023 are subject to the EUTR until 31-12-2027. 2) Products entering the EU market after 29/06/2023 need to comply to the cut-off date of 31/12/2020 for EUDR.
30/12/2024	End of transition period for EUDR

Our Responsible Sourcing Policy is focused on our direct suppliers and import partners. Action will work closely with our broad network of direct suppliers and importers with the aim to collectively influence the supply chain and also to map and collect information from all organizations in our upstream supply chain to the primary production level (the forest). This policy also covers non-timber forest products such as cork, rattan and bamboo.

4. Target

All timber products are from legal origin in compliance with the EU Timber Regulation or its successor the EU Deforestation Regulation with the necessary supporting documentation.

Targets:

- a. 100% of all timber products will be sourced sustainably by the end of 2024.
- b. Starting in 2024, we will prohibit the sourcing of all paulownia-based products due to their high risk classification, as determined by our supply chain risk assessment (see table 2, under section 5.2).

Action applies a 'best sourcing principle' whereby all timber products are preferably FSC-certified; for soft-wood PEFC is acceptable and for tropical hardwood FSC is the only option. For recycled material FSC Recycled is the preferred option.

In the future, sourcing bans on timber products will be determined based on their risk classification (See table 2, under section 5.2)

5. Policy commitments

Action's timber products policy strives to set the expectation that all products containing timber are sourced in compliance with the following principles:

5.1 Unacceptable sourcing practices

Action's direct suppliers and importers are not engaged in and/or take measures to avoid timber products stemming from these unacceptable sourcing practices³:

- a) Illegal harvesting or illegal trade in forest products
- b) Violation of customary or human rights within the forestry or forest products sector
- c) Violation of workers' rights and principles defined in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work within the forestry or forest products sector*
- d) Destruction of High Conservation Values (HCVs) in forests or High Conservation Value areas
- e) Conversion of natural forest cover
- f) Use of genetically modified organisms in forestry operations for any other purposes than research

In addition, Action does not source timber (products) from countries with sanctions imposed on timber imports or exports by the UN Security Council or the EU Council and from countries or areas with prevalence of armed conflicts, for which 'conflict timber' may be a concern.

5.2 Risk Assessment & Mitigation

For some timber species there appears to be substantial risk that products made of these timber species come from unknown or even controversial sources (even when these products are offered as FSC-certified^b). Therefore, mapping and assessing of relevant supply chains seems inevitable (taking the whole supply chain into account).

Action takes the following approach:

For all timber products subject to EUTR the country or where relevant the region of origin is collected and recorded. In the future we will strive to map all of our timber products through our supply chain transparency efforts in collaboration with FSC and other partners.

For all major timber species used in our timber products a risk assessment is conducted, categorizing timber species as low, medium or high risk^c.

^b See for instance: In 2019 FSC (...) uncovered systematic violations of FSC certification requirements by companies that were trading non-certified paulownia products as certified. <https://fsc.org/en/newscentre/paulownia-supply-chains-under-investigation>

^c At present (April 2023) Action considers mango wood and teak high risk, bamboo and rattan medium risk. Products made of paulownia are abandoned.















Trade Name	Botanical Name	Risk	Sourcing Guidance
Birch	Betula pendula. B.	Low	
Oak	Quercus rubra, Q. robur, Q. petraea	Low	
Pine	Pinus sylvestris	Low	
Spruce	Picea abies	Low	
Bamboo	Bambusa	Medium	
Rattan	Calamus, Daemonorops	Medium	
Ash	Fraxinus spp.	Low	
Engineered Wood	N/A	N/A	
Charcoal*	N/A	Medium	
Mango***	Mangifera	High	
Teak***	Tectona Grandis	High	
Paulownia**	Paulownia tomentosa	High	
Poplar	Populus spp.	Low	
Cork	Quercus suber	Low	

Table 2

* Charcoal can be made from any type of wood, and therefore there is no recognised risk classification. All of Action's charcoal products are FSC/PEFC certified.

** According to recent transaction verification by FSC there are few active FSC certified forest management units producing/harvesting paulownia. Due to the high risk of falsification Action has banned Paulownia from being used to make/supply its commercial and non-commercial goods⁶.

*** Teak and mango timber products can be sourced even though the risk classification is high for both. This classification is primarily due to the risk of falsification of FSC transactions. However, unlike paulownia, there is no official advice from FSC to exclude these timber products. We do advise extra diligence when sourcing these types of woods from origin, by having suppliers provide additional source documentation if there is uncertainty around authenticity of claims.

5.3 Transparency

Action aims to promote transparency throughout our entire supply chain. Wherever possible for products made of low-risk timber species we strongly encourage our direct suppliers and importers to continue mapping upstream producers back to the primary production level (forest management unit).

Information relating to the origin of the timber products and environmental and social impacts relevant to Action's timber products sourcing must be made available upon request.

6. Legal compliance

Action strives to promote adherence to local, national and international laws and regulation throughout its supply chain. All timber products are minimally compliant with relevant timber legislation, in particular the E.U. Timber Regulation or its successor the E.U. Deforestation Regulation.

7. Certification and accreditation

Action is committed to partnering with FSC's certification scheme and other recognized sustainable timber initiatives such as PEFC (for soft wood). Action will require its direct suppliers and importers of timber products to obtain FSC certification when FSC is specified. Where applicable Action as well as its direct suppliers and importers use the FSC trademark(s) in compliance with the relevant FSC standards⁴. For the promotional use of FSC trademarks Action will comply with regulations as laid down in the FSC Promotional License Agreement⁵.

¹ <https://www.fao.org/newsroom/detail/global-deforestation-slowng-but-rainforests-under-threat-fao-report-shows-030522/en>

² The EU Timber Regulation: Regulation (EU) No 995/2010 of the European Parliament and of the Council of 20 October 2010:

³ This paragraph is fully based on FSC's Policy for Association: <https://connect.fsc.org/document-centre/documents/resource/368>

⁴ FSC Trademark: FSC-STD-50-001 (V2-1) EN Requirements for Use of the FSC Trademarks by Certificate Holders: <https://fsc.org/en/document-centre/documents/resource/225>

FSC Trademark Use Guide For Promotional Licence Holders - Guidance Document <https://fsc.org/en/document-centre/documents/resource/165>

⁵ FSC Promotional License Agreement: <https://fsc.org/en/promotional-licence>

FSC Directive on Chain of Custody Certification FSC-DIR-40-004 EN

⁶ FSC position on Paulownia spp. Source: <https://connect.fsc.org/document-center/documents/96b60709-e651-4688-8758-79b2f857d958>
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