

WOOLWORTHS LIMITED

Passionate About Retail

Chain of Custody Certification Programs

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Wood Procurement at Masters

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Masters Wood Procurement Policy

Masters long-term goal is to ensure that all timber and timber containing products sold and utilised in our operations, originate from well-managed & sustainable forests.

In achieving this objective Masters will,

- Select preferentially fit for purpose timber and timber containing products from independently certified, sustainable, well-managed forests. Preference will be given to products sourced from globally recognised sustainable forestry certification schemes.
- Not purchase for sale or consume through its operations timber products that are sourced from endangered forests.
- Work with all suppliers to achieve continually improved practices.
- Work with suppliers to increase the supply of timber substitutes, where substitute products are equally fit for purpose and enjoy greater environmental benefits than the timber that they replace.
- Educate all stakeholders of the environmental benefits of sustainably managed forest products and industries.
- In order to accomplish our goal, Masters will support the work of organisations that help to improve forest management practices worldwide. Additionally we work in conjunction with our suppliers to continually improve the volume of timber and standard of certification achieved for products consumed and sold throughout our stores.

Masters Ranging – May 2012

- 72% of total Master's timber and panel sku's are sourced in Australia and New Zealand.
- Masters timber & panel ranging is currently derived 76% from FSC and AFS/PEFC certified products.
- Merbau product from Indonesia tracked via DNA Lumbertrack Certisource program.
- Non certified products are awarded to vendors who demonstrate pathways to compliance. Currently 268 sku's heading toward FSC accreditation.

Masters Ranging – November 2012

- Masters timber & panel ranging will be derived 97% from FSC and AFS/ PEFC certified products.
- Merbau product from Indonesia via DNA Lumbertrack Certisource program will continue.
- Products with “other certification” including Merbau represent 39 sku’s or 3% of the current range.
- Work with current and alternative vendors is underway to continually improve the standard of certification.

Some Challenges for Retailers....

Buying Control in Multi Site Retail Environments

- Masters has adopted an approach of centrally replenishing all stock for each location and for conducting all special order purchases for each location.
- Masters has achieved 98% barcode compliance on all timber and panel products.

Demand for Traditional Hardwood Products

- Substituting alternative products if colour and appearance is the key purchase criteria?
- Supporting the use of new technologies where durability is the key purchase criteria?
- Provide wider selection and variety to minimise dependence on critical items.

Consumers – Good Intentions Into Actions

- Providing accurate and relevant information on sourcing to activate environmental considerations in the value assessment customers make at the point of purchase.

What is DNA Lumber?



- Legality assurance world wide.
- Independent 3rd party DNA based verification by Certisource.
- Tracks Timber lots from concessions to the customer and scientifically verifies legal origin of timber.
- DNA removes the human error and replaces it with bullet-proof science.
- Certisource DNA verification is a world- first and offers a practical means of ensuring that timber can be traced back to a legal source.
(Jana Blair, WWF Forest and Trade Network).
- DNA leading edge technology ensures that the timber has a secure COC from a legal source.

Masters Product Ranging – Country of Origin

Australian Sourced Products			579
Product	Source	Scheme	SKU's
Hardwood Green Sawn & KD and Decking	Australia	AFS	38
Structural Pine	Australia	AFS	110
Treated Pine	Australia	AFS	63
Particleboard	Australia	AFS	22
MDF Board & Mouldings	Australia	AFS	42
Structural Ply	Australia	FSC	37
Landscape Timber Treated Pine	Australia	AFS	63
	Australia	FSC	84
Australian Oak/Tasmanian Oak	Australia	AFS	70
Jarrah Decking and Mouldings	Australia	AFS	50

Masters Product Ranging – Country of Origin

New Zealand Sourced Products			461
Product	Source	Scheme	SKU's
Pine Boards and Mouldings	NZ	FSC	231
Primed Pine	NZ	FSC	135
Primed & Treated Pine	NZ	FSC	95
Other Imported Products			412
Product	Source	Scheme	SKU's
Other Ply	SE Asia	FSC	20
Hardboard Panels	South Africa	Current None – FSC Nov 12	42
Cedar Decking, Panelling and Weatherboard	USA	PEFC	10
Southern Yellow Pine Decking	USA		4
Merbau	Indonesia	DNA - Certisource	35
LVL	USA	PEFC	63
Poplar Boards and Mouldings	USA	Current AHMI – FSC Nov 12	61
American Oak Boards and Mouldings	USA	Current AHMI – FSC Nov 12	207

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