



Position on Responsible Wood Fiber Sourcing

Background

Forests are a vital resource, critical to the health of all the people, plants and animals that inhabit our planet. They provide us with oxygen, food and medicine. They also sustain ecosystem services such as water purification, and the mitigation of natural hazards like droughts, floods and landslides. Today, forests cover approximately 30% of the land area on Earth; approximately 300 million people worldwide live in forests; and 1.6 billion people depend on forests for their livelihoods.¹

Forests also play an important role in mitigating climate change. When forests are cut, burned or otherwise removed they no longer act as a carbon sink, but instead emit carbon, which contributes to changes in climate patterns.

Growing demand for wood-fiber based products and packaging has raised stakeholder concerns about links not only to environmental impacts such as deforestation, conversion of high-conservation value forests to plantation forests, and illegal harvesting, but also human rights abuses and social conflicts related to land use.

Our Approach

Kenvue is committed to protecting our planet, biodiversity, and the vital resources upon which we all rely, today and in the future. Conserving the world's forests and respecting human rights are essential to both environmental and human health.

While Kenvue does not own or manage forests, we do purchase paper and wood-fiber products. We recognize that we can play a role in supporting responsible forestry through our sourcing of these materials. Kenvue is committed to eliminating deforestation² and respecting human rights in its wood-fiber supply chains. However, Kenvue cannot eliminate deforestation on its own; we are reliant on multi-stakeholder collaboration and transformation of upstream supply chains. Our Position on Responsible Wood-Fiber Sourcing and annual progress updates outline the actions Kenvue is taking to support the supply chain transformations that

¹ <https://www.worldwildlife.org/threats/deforestation>

² In accordance with the definitions of the Accountability Framework Initiative, deforestation is defined as the loss of natural forest as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a plantation; or iii) severe and sustained degradation.

are necessary to protect the environment and the people in the paper and wood-fiber supply chains.

Our Sourcing Principles

As a company with global supply chains, Kenvue strives to work with suppliers that share a common set of values, comply with all applicable laws and regulations, and adhere to our expectations for supplier business conduct, human rights and labor practices, workplace safety and environmental stewardship.

We have worked with Rainforest Alliance, a trusted, global nonprofit organization with 30 years of experience in forestry and responsible forest practice, to develop and implement specific sourcing requirements for the wood-fiber product suppliers from which we buy directly. We expect these suppliers to:

- Provide supply chain transparency and traceability
- Respect human rights in their own operations and business relationships
- Partner and collaborate to effect positive industry change
- Work to reduce the greenhouse gas emissions and pollutant emissions associated with their supply chains

We expect our suppliers to meet the sourcing requirements above and to ensure the sources of the paper and wood-fiber products they supply to Kenvue are:

- Harvested and traded in compliance with all national and local laws and international labor standards;
- Harvested in a manner that respects human rights and traditional rights, including a commitment to secure the UN-recognized right to Free, Prior and Informed Consent (FPIC) for activities that may affect indigenous people's and local community rights, land, resources and livelihoods;
- Harvested in a manner that protects high-conservation value forests;
- Not harvested from an area that is being converted to plantation or non-forest use;
- Not developed on peatland; and
- Not from areas cleared of natural forest after December 31, 2020.

Our Commitments

Kenvue is committed to zero deforestation and to ensuring the paper-based packaging we purchase directly originates from low-risk sources.³ Specifically, we will achieve 100% certified⁴ or verified recycled⁵ paper and wood fiber packaging by 2025.^{6,7}

³ Low-risk source is defined as material that is either (i) Forest Stewardship Council (FSC®) or Programme for the Endorsement of Forest Certification (PEFC) certified, (ii) post-consumer recycled content, (iii) traced back to country of harvest and assigned a low-risk categorization at country level using Preferred by Nature's Timber Sourcing Hub, or (iv) demonstrates other approved methods of verifying low risk.

⁴ Certification schemes accepted by Kenvue include FSC® or PEFC chain of custody standard, only when FSC® is not available.

⁵ Recycled includes both post-consumer and post-industrial recycled content; Verification of recycled content would be conducted by an external third party (for example, Rainforest Alliance).

⁶ The goal will be met by end of fiscal year and published the year after.

⁷ Includes direct purchases of primary and secondary packaging and leaflets; does not include the packaging materials in some external manufactured products.

Our Due Diligence Process

Our sourcing principles apply to all paper and wood-fiber products that we purchase directly, and we verify compliance with our sourcing principles for 100% of our direct spend on cartons, corrugates and leaflets. Our due diligence process includes an additional focus on suppliers located in regions with a heightened risk for deforestation.

With the support of a third-party validator, we conduct an annual supplier risk assessment to maintain supply chain transparency, validate supplier product claims, materials certifications, and verify conformance to our sourcing principles and commitments.

When an instance of nonconformance to our responsible paper and wood-fiber product sourcing requirements is reported to or identified by Kenvue, we require our direct supplier to develop and implement a time-bound corrective action plan (CAP), approved by Kenvue. In cases where there is insufficient progress against a CAP or a lack of responsiveness to our request to correct the nonconformance, as a last resort, we may make the decision to cease purchasing the product from nonconforming producers. We continually qualify alternative sources to promote sustained supply chain resiliency.

Our Progress

We commit to providing annual updates on our progress through the RSPO Annual Communication on Progress and on our website.

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