

# PEFC Fibre Supplier Risk Assessment

June 2023  
Version 12

## Intent

To assess the risk of procuring fibre from unacceptable sources used by Visy Pulp and Paper Pty Ltd Tumut for the manufacture of paper products and for the trade in fibre based products without physical possession. Both the geographical origin and complexity of the supply chain shall be assessed.

Risk and mitigation is documented and aligned with the Programme for the Endorsement of Forest Certification (PEFC) Due Diligence System (DDS) for the avoidance of material from controversial sources in Appendix 1 of [Chain of Custody for Forest Based Products PEFC ST 2002:2020](#) and the sale of PEFC Controlled Sources and application of a DDS for compliance with the [Illegal Logging Prohibition Act 2012 \(Cth\)](#).

### VISY'S RESPONSIBLE SOURCING COMMITMENT

Visy is committed to conducting a comprehensive ongoing assessment of its raw material supplies to the source.

#### Social:

“Ensuring employees and communities are not negatively affected throughout the entire supply chain”

#### Environment:

“Maintaining or enhancing the environment from where the material is sourced to ensure long-term access to resources”

#### Business and Integrity:

“Ensuring appropriate agreements are established and maintained with suppliers throughout Visy's supply chain”

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## Why

To avoid sourcing and trading wood and fibre from controversial sources as defined by the PEFC standards.

PEFC defines *Controversial sources* as follows:

### Forest and tree-based material sourced from:

- a. Activities not complying with applicable local, national or international legislation on forest management, including but not limited to forest management practices; nature and environmental protection; protected and endangered species; property, tenure and land-use rights for indigenous peoples, local communities or other affected stakeholders; health, labour and safety issues; anticorruption and the payment of applicable royalties and taxes.
- b. Activities where the capability of forests to produce a range of wood and non-wood forest products and services on a sustainable basis is not maintained or harvesting levels exceed a rate that can be sustained in the long term.
- c. Activities where forest management does not contribute to the maintenance, conservation or enhancement of biodiversity on landscape, ecosystem, species or genetic levels.
- d. Activities where ecologically important forest areas are not identified, protected, conserved or set aside.
- e. Activities where forest conversions occur, in other than justified circumstances where the conversion:
  - i. is in compliance with national and regional policy and legislation applicable for land use and forest management, and
  - ii. does not have negative impacts on ecologically important forest areas, culturally and socially significant areas, or other protected areas, and
  - iii. does not destroy areas of significantly high carbon stock, and
  - iv. makes a contribution to long-term conservation, economic, and/or social benefits.

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- f. Activities where the spirit of the ILO Declaration on Fundamental Principles and Rights at Work (1998) is not met.
  - g. Activities where the spirit of the United Nations Declaration on the Rights of Indigenous Peoples (2007) is not met.
  - h. Conflict timber.
  - i. Genetically modified trees

This assessment ensures there is a credible recognition system for verification of the origin and supply chain of the wood or forest products used in subsequent processes. The recognition system distinguishes between Certified Material and Other Material<sup>1</sup> including specification of the percentage of Certified Material in each delivery (i.e. Material inventory).

All products produced at the Visy Tumut site are assessed under the PEFC material risk assessment and managed by the due diligence system. Details of Visy's DDS are available on the Visy [website](#).

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<sup>1</sup> As defined in Chain of Custody for Forest Based Products PEFC ST 2002:2020

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## How

Due Diligence will be completed by either the Fibre and Forestry Manager or the Program Manager – Fibre Stewardship following the process contained in Visy’s PROC-VPP-FSC-004-1 ,Visy Pulp and Paper DDS Process Summary and this document.

The Fibre and Forestry Manager will complete the review matrix below for every current and new fibre supplier. This will be completed prior to the acceptance of material from that supplier. The references for determining risk acceptability will be updated annually.

PEFC risk assessment categories are determined by criteria in the standards, and these will be updated by the Program Manager – Fibre Stewardship as PEFC announce changes.

### **The risk assessment has been divided into two distinct groups:**

- a. Certified Suppliers: certified (AFS/RW) suppliers who meet the criteria under section 3, Appendix 1 of the standard (PEFC ST 2002:2020) Table 1, for negligible risk. These suppliers are considered low risk at the origin and supply chain level as determined by the standard.
- b. Uncertified Suppliers: non-certified suppliers of wood and chip supplied direct to Visy or traded by Visy without Physical Possession.

Additionally, an assessment was conducted on supply chain risk for wood and chip that is traded, on occasion, by Visy without Physical Possession. This may be procured from a number of suppliers of sawmill chip/sawdust/fuel wood also referred to as Residue Suppliers.

The majority of Visy’s wood supply comes from the same distinct eco-region: eastern Australia temperate forests in New South Wales, Australian Capital Territory, northern Victoria, and potentially South Australia. All wood is sourced from the same families of softwood pine. As such, the risk assessment will remain valid for 12 months from the date of completion unless any significant changes to the supply chain or origin exist.

Additional wood supply is purchased as ‘Bleached Pulp’. These sources are from forests and pulp mills that are either FSC or PEFC Chain of Custody certified. As such the risk assessment will remain valid for 12 months from the date of completion unless any significant changes to the supply chain or origin exist, including the site’s certification status. See below for details of pulp suppliers.

| Bleached Pulp supply                |   |  |                   |  |  |
|-------------------------------------|---|--|-------------------|--|--|
| Supplier                            | Product name/description                      | Original supplier information                | Country of origin | PEFC/FSC certificate details             | Species details  |
| <b>Mondi South Africa (Pty) Ltd</b> | Bleached pulp Eucalyptus                      | Richards Bay Mill                            | South Africa      | PEFC/49-33-07<br>SGSCH-COC-000359        | Eucalyptus grandis (Flooded gum); Eucalyptus smithii (Gully gum); Eucalyptus camaldulensis (River Red gum); Eucalyptus saligna (Sydney blue gum)           |
| <b>Oji Fibre Solutions</b>          | Bleached softwood pulp                        | Oji Fibre Solutions                          | New Zealand       | SAICA-PEFC-COC-1712698<br>SAI-COC-002173 | Pinus radiata (radiata pine, Monterey pine)  |
| <b>Ekman Group</b>                  | Arauco EKP/ECF bleached Eucalyptus Kraft pulp | Celulosa Arauco Y Constitucion S.A (Arauco)  | Chile             | ITKUS-PEFC-COC-003061<br>NC-COC-007304   | Eucalyptus globulus (blue gum); Eucalyptus Nitens (shining gum)  |
| <b>Metsa Fibre Oy</b>               | Botnia Nordic Pine AKI                        | Metsa Fibre Oy                               | Finland           | INS-PEFC-COC-202343<br>INS-COC-100010    | Betula pendula (white birch); Betula pubescens (downy birch); Picea abies (Norway spruce); Pinus sylvestris (Scotch pine); Populus tremula (quaking aspen) |
| <b>CMPC Santa Fe</b>                | Bleached pulp Eucalyptus                      | CMPC Santa Fe                                | Chile             | CL05/0003FC<br>NC-COC-006571             | Eucalyptus globulus Labill. (southern blue gum); Eucalyptus nitens (shining gum);  |
| <b>Marubeni</b>                     | Pulp bleach Eucalyptus                        | Klabin S.A. Unidade de Celulose – Ortigueira | Brazil            | JIA-PEFC-COC-0507<br>SCS-COC-000467      | Acacia mangium (Hickory wattle, silver wattle); Eucalyptus pellita (red mahogany)  |

## PEFC criteria

1. Sustainable Forest Management (AS 4708) certified wood raw material or certified wood raw material from other national certification schemes recognised as substantively equivalent.
2. Wood based fibre supplied as PEFC certified.
3. Material eligible but not certified to either of the above is assessed as negligible fibre risk to the requirements of the standard [PEFC ST 2002:2020](#), Appendix 1 section 3. This may be traded as PEFC Controlled Sources.
4. Sources used to determine compliance with risk assessment category and indicator statements will be entered into the sources column.
5. The justification for use of these sources will be entered in the justification column. This explains the reasoning behind the risk allocation.



## Risk assessment summary

| Visy Pulp and Paper PEFC risk assessment 2020-2021 |  |                      |                     |
|--|--|----------------------|---------------------|
| Company name                                       | Visy Pulp and Paper Pty Ltd - Tumut Mill   | Chain of Custody No. | SCS-PEFC-COC-003987 |
| Company address                                    | 1302 Snowy Mountains Hwy, Tumut NSW Australian 2720  |                      |                     |
| Scope of the assessment                            | Pulp logs and Sawmill chip procured from Ecoregion: temperate broadleaf and mixed forest for the purposes of Kraft paper manufacturing at Visy Pulp and Paper – Tumut Mill and for the trading in PEFC Controlled Sources. |                      |                     |

| Pulpllog suppliers  |                          |  |   |   |
|---|--------------------------|--|---|---|
| PEFC indicator  | Scale of assessment      | Sources used   | Justification   | Risk level  |
| <p>a. <b>Activities not complying with applicable local, national or international legislation on forest management, including but not limited to forest management practices; nature and environmental protection; protected and endangered species; property, tenure and land-use rights for indigenous peoples, local communities or other affected stakeholders; health, labour and safety issues; anticorruption and the payment of applicable royalties and taxes</b></p> <p>i. <b>The latest Transparency International (TI) Corruption Perception Index (CPI) score of the country is lower than 50 or the latest World Justice Project (WJP) Rule of Law Index of the country score &gt; 0.5.</b></p> <p>ii. <b>The country/region is known as a country with low level of forest governance and law enforcement</b></p> | Supplier, state, country | <p>AS-NZS 4708-2021<br/>Responsible Wood/PEFC Certificate</p> <p><a href="https://sourcinghub.preferredbynature.org/">https://sourcinghub.preferredbynature.org/</a></p> <p><b>State based Codes of Practice for Forestry</b></p> <p><b>NSW &amp; ACT</b></p> <p><a href="#">Plantation and Reafforestation Act 1999</a></p> <p><a href="#">Plantation and Reafforestation (Code) Regulation 2001.</a></p> <p><a href="#">Forestry Act 2013 (FNSW Crown Land)</a></p> <p><a href="#">Forest Practices Code (NSW)</a></p> <p><b>VIC</b></p> <p><a href="#">Code of Practice for Timber Production 2014</a></p> <p><a href="#">Planning and Environment Act 1987</a></p> <p><b>South Australia</b></p> <p><a href="#">Forestry Act 1950</a></p> <p><b>National</b></p> <p><a href="#">Illegal Logging and Prohibition Act (2012)</a></p> | <p>Certificates from certified suppliers are verified prior to delivery.</p> <p>Where a contract is in effect over a period of time, certifications will be verified with the supplier annually.</p> <p>Considered ‘Low Risk’ – Nepcon Timber Legality Risk Assessment – Australia (2017) for all wood sourcing within Australia except Sandalwood.</p> <p>According to Transparency International Australia’s 2022 CPI was 75/100.</p> <p>According to ‘Australia’s Forests at a Glance’, published by The Department of Agriculture, more than half of Australia’s plantation forests are exotic softwood species (predominantly radiata pine) and is commercially and environmentally managed in the area of supply.</p> | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |

|   |   |  |  |   |
|---|---|--|--|---|
| <p>iii. Tree species included in the material/product is known as species with prevalence of activities covered by the term controversial sources (a) or (b) in the country/region.</p> <p>iv. The country is covered by UN, EU or national government sanctions restricting the export/import of such forest and tree based products</p>   |   | <p>Transparency International</p> <p><a href="#">CPI Index for Australia</a></p> <p><a href="#">Australia's Forests at a Glance</a></p>  |  |   |
| <p>b. <b>Activities where the capability of forests to produce a range of wood and non-wood forest products and services on a sustainable basis is not maintained or harvesting levels exceed a rate that can be sustained in the long term.</b></p> <p>i. According to publicly available data, such as FAO Forest Resource Assessments, the amount of annual harvest of industrial roundwood exceeds the amount of annual increment of growing stock of the country/region of origin.</p> | <p>supplier,<br/>state,<br/>country</p> | <p>AS-NZS 4708-2021<br/>Responsible Wood/PEFC Certificate</p> <p><a href="https://sourcinghub.preferredbynature.org/">https://sourcinghub.preferredbynature.org/</a></p> <p><b>State based Codes of Practice for Forestry<br/>NSW &amp; ACT</b></p> <p><a href="#">Plantation and Reafforestation Act 1999</a></p> <p><a href="#">Plantation and Reafforestation (Code) Regulation 2001.</a></p> <p><a href="#">Forestry Act 2013 (FNSW Crown Land)</a></p> <p><a href="#">Forest Practices Code (NSW)</a></p> <p><b>VIC</b></p> <p><a href="#">Code of Practice for Timber Production 2014</a></p> <p><a href="#">Planning and Environment Act 1987</a></p> | <p>Certificates from certified suppliers are verified prior to delivery.</p> <p>Where a contract is in effect over a period of time, certifications will be verified with the supplier annually.</p> <p>All wood delivered directly or indirectly to the Tumut Mill is accompanied by a delivery document and all operations have a harvest plan meeting state legislative requirements.</p> <p>Considered 'Low Risk' – Nepcon Timber Legality Risk Assessment – Australia (2017) for all wood sourcing within Australia except Sandalwood.</p> <p>The FAO Global Forests Resources Assessment 2020 states that plantation</p> | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |

|   |                                 |   |   |   |
|---|---------------------------------|---|---|---|
|   |                                 | <p><b>South Australia</b><br/><a href="#">Forestry Act 1950</a></p> <p><b>National</b><br/><a href="#">Illegal Logging and Prohibition Act (2012)</a></p> <p><b>Transparency International</b><br/><a href="#">CPI Index for Australia</a><br/><a href="#">Australia's Forests at a Glance</a><br/><a href="#">FAO Global Forest Resources Assessments</a></p>  | <p>forestry is in decline within Australian, no risk of excessive incremental growth.</p>   |   |
| <p>c. <b>Activities where forest management does not contribute to the maintenance, conservation or enhancement of biodiversity on landscape, ecosystem, species or genetic levels.</b></p> | <p>Supplier, state, country</p> | <p>AS-NZS 4708-2021<br/>Responsible Wood/PEFC Certificate</p> <p><b>State based Codes of Practice for Forestry</b></p> <p><b>NSW &amp; ACT</b><br/><a href="#">Plantation and Reafforestation Act 1999</a><br/><a href="#">Plantation and Reafforestation (Code) Regulation 2001.</a><br/><a href="#">Forestry Act 2013 (FNSW Crown Land)</a><br/><a href="#">Forest Practices Code (NSW)</a></p> <p><b>VIC</b></p> | <p>Certificates from certified suppliers are verified prior to delivery.</p> <p>Where a contract is in effect over a period of time, certifications will be verified with the supplier annually.</p> <p>Considered 'Low Risk' – Nepcon Timber Legality Risk Assessment – Australia (2017) for all wood sourcing within Australia except Sandalwood.</p> | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |

| PEFC indicator   | Scale of assessment      | Sources used   | Justification  | Risk level  |
|--|--------------------------|--|--|---|
|  |                          | <p><a href="#">Code of Practice for Timber Production 2014</a></p> <p><a href="#">Planning and Environment Act 1987</a></p> <p>SA</p> <p><a href="#">Guidelines for Plantation Forestry in South Australia, 2009</a></p> <p><a href="https://sourcinghub.preferredbynature.org/">https://sourcinghub.preferredbynature.org/</a></p>  |  |   |
| <p>d. <b>Activities where ecologically important forest areas are not identified, protected, conserved or set aside.</b></p> <p>i. The Environmental Performance Index (EPI) 5 score for “Biodiversity &amp; Habitat” of the country is lower than 50. Where no EPI index exists for a certain country, other indicators may be utilised, such as legislation addressing controversial sources elements c and d, combined with evidence of</p> | Supplier, state, country | <p>AS-NZS 4708-2021<br/>Responsible Wood/PEFC Certificate</p> <p><b>State based Codes of Practice for Forestry</b></p> <p><b>NSW &amp; ACT</b></p> <p><a href="#">Plantation and Reafforestation Act 1999</a></p> <p><a href="#">Plantation and Reafforestation (Code) Regulation 2001.</a></p> <p><a href="#">Forestry Act 2013 (FNSW Crown Land)</a></p> <p><a href="#">Forest Practices Code (NSW)</a></p> <p>VIC</p> | <p>Certificates from certified suppliers are verified prior to delivery.</p> <p>Where a contract is in effect over a period of time, certifications will be verified with the supplier annually.</p> <p>Considered ‘Low Risk’ – Nepcon Timber Legality Risk Assessment – Australia (2017) for all wood sourcing within Australia except Sandalwood.</p> <p>Australia’s EPI score for 2022 for Biodiversity was 82.1/100 and is</p> | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |

|  |                                 |   |  |   |
|--|---------------------------------|---|--|---|
| <p>reliable enforcement of legislation (TI CPI score &gt; 50, or WJP Rule of Law score &gt; 0.5).</p>  |                                 | <p><a href="#"><u>Code of Practice for Timber Production 2014</u></a></p> <p><a href="#"><u>Planning and Environment Act 1987</u></a></p> <p>SA</p> <p><a href="#"><u>Guidelines for Plantation Forestry in South Australia, 2009</u></a></p> <p>EPI</p> <p><a href="#"><u>Australian 2022</u></a></p>  | <p>currently ranked 17<sup>th</sup> in the world for overall Environmental Performance.</p>  |   |
| <p>e. <b>Activities where forest conversions occur, in other than justified circumstances where the conversion:</b></p> <ul style="list-style-type: none"> <li>i. is in compliance with national and regional policy and legislation applicable for land use and forest management; and</li> <li>ii. does not have negative impacts on ecologically important forest areas, culturally and socially significant areas, or other protected areas; and</li> <li>iii. does not destroy areas of significantly high carbon stock; and</li> <li>iv. makes a contribution to long-term conservation, economic, and/or social benefits</li> </ul> | <p>Country, state, supplier</p> | <p>AS-NZS 4708-2021<br/>Responsible Wood/PEFC Certificate</p> <p><a href="https://sourcinghub.preferredbynature.org/"><u>https://sourcinghub.preferredbynature.org/</u></a></p> <p><b>State based Codes of Practice for Forestry</b></p> <p><b>NSW &amp; ACT</b></p> <p><a href="#"><u>Plantation and Reafforestation Act 1999</u></a></p> <p><a href="#"><u>Plantation and Reafforestation (Code) Regulation 2001.</u></a></p> <p><a href="#"><u>Forestry Act 2013 (FNSW Crown Land)</u></a></p> <p><a href="#"><u>Forest Practices Code (NSW)</u></a></p> <p><b>VIC</b></p> <p><a href="#"><u>Code of Practice for Timber Production 2014</u></a></p> | <p>Certificates from certified suppliers are verified prior to delivery.</p> <p>Where a contract is in effect over a period of time, certifications will be verified with the supplier annually.</p> <p>The NSW Department of Industry, Lands and Forestry Division in conjunction with Forest &amp; Wood Products Australia, and the University of Canberra completed a study in 2017 of the Socio-economic impacts of the softwood plantation industry in the South West Slopes and Bombala region, NSW.</p> <p>The study demonstrates that the industry has a positive direct and</p> | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |

| <p>v. The country/region has been identified as having had a net loss of forest area &gt; 1% over the most recent ten years of available data, according to publicly available data or information, such as provided by the FAO</p> <p>vi. In the country/region the net area with conversions from forests to forest plantations exceeds the forest area increase of the country/region, according to publicly available data or information, such as provided by the FAO.</p> |                     | <p><a href="#"><u>Planning and Environment Act 1987</u></a></p> <p><a href="#"><u>Socio-economic impacts of the softwood plantation industry in the South West Slopes and Bombala Region NSW</u></a></p> <p><a href="#"><u>FAO Global Forests Resource Assessment 2020.</u></a></p> <p>SA</p> <p><a href="#"><u>Forestry Act 1950</u></a></p> <p><a href="#"><u>State Specific Guideline for South Australia</u></a></p> <p><a href="#"><u>Forest Property Act 2000</u></a></p> | <p>indirect impact on economic and social benefits.</p> <p>Considered ‘Low Risk’ – Nepcon Timber Legality Risk Assessment – Australia (2017) for all wood sourcing within Australia except Sandalwood.</p> <p>Existing legislative frameworks exist within NSW, ACT, Victoria and South Australia which aims to discourage through legislative vehicle, the clearing of native land for other use, including plantations.</p> <p>The FAO report ‘Global Forests Resource Assessment 2020’ reports a minor increase in forest area from 2010 – 2020.</p> |            |
|---|---------------------|---|---|------------|
| PEFC indicator  | Scale of assessment | Sources used  | Justification   | Risk level |

|   |                     |  |   |   |
|---|---------------------|--|---|---|
| <p>f. Activities where the spirit of the ILO Declaration on Fundamental Principles and Rights at Work (1998) is not met.</p> <p>i. Substantiated studies demonstrate that the ILO Declaration on Fundamental Principles and Rights at Work (1998) is not respected in the country</p>             | Country             | <p><a href="#">Summary of Ratifications for Australia against ILO Conventions</a></p> <p>National</p> <p><a href="#">Fair Work Act 2009</a></p>  | <p>Australia is a signatory of the International Labour Organizational and has ratified 7 of the 8 Fundamental Conventions.</p> <p>Australia has current national level legislation, Fair Work Act (2009), which addresses worker’s rights within Australia.</p>  | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |
| <p>g. Activities where the spirit of the United Nations Declaration on the Rights of Indigenous Peoples (2007) is not met.</p> <p>i. Substantiated studies demonstrate that the spirit of the United Nations Declaration on the Rights of Indigenous Peoples (2007) is not met in the country</p> |                     | <p>Australia has applied the principles of the ILO through numerous National Standards; reference: <a href="#">ILO Summary - Australia</a></p> <p>Indigenous cultural heritage is managed through state based agencies and state based regulations and legislation: <a href="#">The National Indigenous Forestry Strategy 2005.</a></p> <p>AHIMS Register used to identify cultural sites <a href="#">Aboriginal Heritage Information Management System (AHIMS) Web Services</a></p> <p>New Zealand <a href="#">The Treaty of Waitangi 1975</a></p> <p><a href="https://sourcinghub.preferredbynature.org/">https://sourcinghub.preferredbynature.org/</a></p> | <p>There is no evidence of any violations of the ILO Convention 169 on Indigenous and Tribal Peoples taking place in forest areas of district concerned in Australia.</p> <p>Harvest Plans are provided by all large suppliers or supplied by Visy for all smaller suppliers. Any culturally significant sites are reviewed and included as a prescription on the Harvest Plan.</p> | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |
| PEFC indicator  | Scale of assessment | Sources used   | Justification   | Risk level  |

|  |                |  |  |   |
|--|----------------|--|--|---|
| <p><b>h. Conflict timber.</b></p> <p>i. The country/region has a prevalence of armed conflict according to publicly available data sources such as Fragile State List.</p>   | <p>Country</p> | <p><b>National</b></p> <p><a href="#"><u>Illegal Logging and Prohibition Act (2012)</u></a></p> <p><b>Transparency International</b></p> <p><a href="#"><u>CPI Index for Australia</u></a></p> | <p>There is no evidence that Australian timber industry is subject to armed conflict.</p> <p>According to Transparency International Australia’s 2022 CPI was 75/100.</p>  | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |
| <p><b>i. Genetically modified trees.</b></p> <p>i. According to publicly available data genetically modified forest and tree based organisms are produced in the country/region and placed on the commercial market.</p> |                | <p><b>National</b></p> <p><a href="#"><u>Gene Technology Act 2000</u></a></p>  | <p>Australia legislation requires the maintenance of a publicly available register of genetically modified organisms (GMOs).</p> <p>The register does not indicate that any GMO Pinus species have received approvals for release in Australia. <a href="#"><u>See here.</u></a></p> | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |

## Controlled Sources – Risk mitigation (supply chain)

| PEFC indicator  | Scale of assessment         | Justification   | Risk level  |
|---|-----------------------------|---|---|
| a. Countries/regions where the products have been traded are unknown. | Country, state and supplier | <p>The Australian softwood industry and state jurisdictions have in place strong legislative, regulatory (generally in the form of Forest Practices Codes) instruments which are used both to guide and enforce the application of legal requirements for forest operations and timber harvesting (for public and private forests and plantations).</p> <p>Code violations are relatively rare and not normally on a scale envisaged to encompass illegal logging.</p> <p>However, serious, knowing, or continuing breaches of the code can constitute contravention of the law.</p> <p><b>State authority's records of forest audits -</b></p> <p>Australian forestry is managed through national and state legislation as well as staff monitoring compliance with and to enforce forest acts and regulations.</p> <p>All forest codes of practice are audited by the relevant state or territory.</p> <p>No evidence of illegal logging in Australian softwood plantations. Department of Agriculture is conducting compliance audits against the <i>Illegal Logging Prohibition Act (2012)</i> for locally procured and imported timber products.</p> | <p>Likelihood at origin level = low</p> <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |

| PEFC indicator   | Scale of assessment         | Justification  | Risk level  |
|--|-----------------------------|--|---|
| <b>b. Species in the product re unknown.</b>   | Country, state and supplier | <p>Species information is captured on all delivery documentation to the Tumut Mill and sub-suppliers to the mill. Audits are conducted annually for the purposed of confirming species information and risk of mixing of controversial sources.</p> <p>All Residue Suppliers (Sawmill chip/sawdust/fuel Wood) have a signed declaration requiring notification to Visy in the event of changes to factors that may affect Visy’s current assessment of risk.</p> | <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |
| <b>c. Evidence of illegal practices concerning controversial sources by any company in the supply chain.</b> | Country, state and supplier | <p>Annual on-site audits are conducted by the Visy representative to determine the effectiveness of systems implemented to reduce the risk of mixing at the sawmill Chip supplying site.</p> <p>The audit includes a review of delivery documentation and invoices.</p>  | <p>Likelihood at supply chain level = low</p> <p>Negligible</p> |

Visy has determined that there is a ‘negligible’ risk of mixing throughout the supply chain for all suppliers and in line with the requirement of the Visy Due Diligence Process (PROC-VPP-FSC-004-1). The prescribed control measures will be implemented by Visy.

### Contact information

If you have any concerns or questions regarding this risk summary or Visy’s Due Diligence System, please contact Visy’s representative:  
 Name: Rebecca Jones Phone: +61 499 987 346 Email: [rebecca.jones@visy.com.au](mailto:rebecca.jones@visy.com.au)

## Risk assessment revision table

| Issue no | Date              | Changes  | Approved  |
|----------|-------------------|--|---|
| 1        | September 2010    | Creation of document   | FSC Administrator and Fibre and Forestry Manager                          |
| 2        | 22 November 2012  | Reviewed and updated evidence of compliance, removed FSC controlled wood indicators, document include PEFC indicators only.                              | FSC Administrator and Fibre and Forestry Manager                          |
| 3        | 6 November 2013   | Reviewed in line with new PEFC definition for Controversial Sources from updated standard PEFC ST 2002:2013  | FSC Administrator and Fibre and Forestry Manager                          |
| 4        | 8 January 2015    | Reviewed. Updated relevant references for evidential purposes.   | FSC Administrator and Fibre and Forestry Manager                          |
| 5        | 5 January 2016    | Reviewed. Updated relevant references for evidential purposes. Update to include requirements of the Illegal Logging a Prohibition Act.                  | FSC/PEFC Administrator and Fibre and Forestry Manager                     |
| 6        | 26 September 2016 | Reviewed. Updated to include new fibre supply from New Zealand. Sources/references and links have been verified and updated where required.              | Visy Certificate Manager and Tumut Fibre and Forestry Manager             |
| 7        | January 2018      | Reviewed Risk Scores and links. New pulp suppliers added to the final version.   | Visy Certificate Manager and Tumut Fibre and Forestry Manager             |
| 8        | January 2019      | Reviewed Risk Scores and evidence. New legislation added; Modern Slavery Act No 30 (2018). New pulp suppliers added to the final version.                | Manager – Forestry and Fibre Compliance, Tumut Fibre and Forestry Manager |
| 9        | December 2019     | Reviewed Risk scores, and addition of processes for the inclusion of Controlled Sources.   | Manager – Forestry and Fibre Compliance                                   |
| 10       | May 2021          | Reviewed risk scores. Risk assessment updated to meet the requirements of <a href="#">Chain of Custody for Forest Based Products PEFC ST 2002:2020</a> . | Manager – Forestry and Fibre Compliance                                   |

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|----|---------------|---|-------------------------------------|
| 11 | November 2022 | Reviewed risk scores. Updated Bleached Pulp Supplier details. Updated to include South Australian sources | Program Manager – Fibre Stewardship |
| 12 | June 2023     | Reviewed risk score. Updated Bleached Pulp Supplier details. Updated hyperlinks to sources.               | Program Manager – Fibre Stewardship |