

Wood-Fiber Products Sourcing Criteria

Background

As the world's largest, most broadly-based healthcare company, Johnson & Johnson understands that human health is inextricably linked to environmental health—you can't have healthy people without a healthy planet. This means that to create healthier societies, we must have an unwavering commitment to preserving our planet and the vital resources upon which we all rely, today and in the future.

Forests are a vital resource, critical to the health of all people, plants and animals that inhabit our planet. They provide us with oxygen, food and medicine, and are functional in multiple areas that include water purification, climate regulation, and mitigation of natural hazards. Forests cover approximately 30 percent 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 Conserving the world's forests can contribute positively to human health by reducing the spread of disease and the impacts of air pollution and extreme weather.

Johnson & Johnson has developed the following criteria and implementation plan for the wood fiber products we buy to minimize our potential impacts on forest resources.

Relevance

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

Scope

Our sourcing criteria apply to the following wood-fiber-based products:

- packaging
- product materials
- marketing literature
- office paper
- furniture
- construction materials

Sourcing Criteria

We expect all our suppliers to meet the [Johnson & Johnson Responsibility Standards for Suppliers](#), which details our expectations for supplier business conduct, labor practices, workplace safety and environmental stewardship. In addition to these general standards, we expect our suppliers to source wood-fiber-based products according to the principles of the Forest Stewardship Council (FSC), which call for sources that are:

- harvested and traded in compliance with all laws and legal requirements;
- harvested in a manner that respects traditional and human rights;
- not harvested from an area that is being converted to plantation or non-forest use;
- harvested in a manner that protects high-conservation value areas.

We prefer FSC certified and post-consumer recycled content in our wood-fiber based products.

Implementation

We are committed to implementing these sourcing criteria for the wood fiber products we purchase by the end of 2020. To deliver on this commitment, we have put in place an implementation plan that includes:

- Communicating our sourcing criteria to all applicable suppliers;
- Verifying supplier conformance to our sourcing criteria using a risk-based due diligence approach; and
- Taking action when we identify and verify non-conformance.

Due Diligence Approach

While our sourcing criteria apply to all wood-fiber products that we buy, we take a risk-based approach to verifying conformance. Based on volume, we focus our due diligence efforts on the paper-based packaging and wood-fiber containing products that we buy. For these items, we work with our suppliers to gain transparency into these supply chains, assess risk, and verify conformance to our sourcing criteria, if necessary.

For paper-based packaging, we work with a partner, the Rainforest Alliance, to assist with our due diligence efforts. We conduct a biennial survey in which we request country of origin and certification information of our top spend paper-based packaging suppliers as well as of all paper-based packaging suppliers in Asia Pacific.

Based on this information, we use the Transparency International Corruption Perception Index (CPI) for that country to prioritize sources as either high- or low-risk. Sources in countries of origin with CPI scores of < 50 are deemed to be high-risk and trigger further verification steps.

We prefer FSC certified materials to verify conformance to our sourcing criteria. Other forms of relevant third-party certification or verification are accepted as risk mitigation tools but may not be sufficient to meet our sourcing criteria. In some cases, additional verification by Johnson & Johnson or Rainforest Alliance may be required.

If a source is verified as nonconforming, we require that a time-bound action plan—which must be approved by Johnson & Johnson and our direct supplier—be developed and implemented swiftly. Progress against that action plan will be reviewed regularly. In some cases, when there is insufficient progress against time-bound plans or a lack of responsiveness to our request to correct nonconformance, Johnson & Johnson will take commercial action as appropriate.

Our Progress Updates

We will continue to provide annual updates on our progress on this page, and in the [Johnson & Johnson Health for Humanity Report](#). Our latest update may be found here:

- [Wood-Fiber Products—Progress Update](#)

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