



## IWAY STANDARD FOREST MATERIALS SECTION

Additional requirements to the General Section  
that are specific to *forest materials*.

The Section applies to suppliers using *virgin* and *pre-/post-consumer recycled forest materials* for IKEA. These include, but are not limited to, IKEA home furnishing products including their materials and components, and also packaging of goods, paper-based communication materials and non-home furnishing products used for IKEA operations.



# 1 IWAY principles are supported by effective routines and open dialogue

## SUPPLY CHAIN MANAGEMENT

			EXCELLENT
F 1.1	The IWAY requirements in this Section are implemented for all <i>forest materials</i> , including those for other customers.		

# 9 Resources, including water and waste, are managed in a sustainable and circular way

## FOREST MANAGEMENT: RISK ASSESSMENT AND MITIGATION

### MUST

- F 9.1 High risk sources are identified prior to the use of *virgin* and *pre-consumer recycled forest materials* for IKEA, using criteria defined by the relevant IKEA organisation. Evidence of risk mitigation is provided for high risk sources, in line with IKEA organisation specifications.

## FOREST MANAGEMENT: SOURCING

### MUST

- F 9.2 The sourcing, handling and sales operations of *forest materials* are compliant with *applicable forest-related legislation*. The evidence of compliance is provided, in line with IKEA organisation specifications.
- F 9.3 *Virgin* and *pre-consumer recycled forest materials* are not sourced from:
- a) Forestry operations engaged in *forest-related social conflicts*;
  - b) *Intact Forest Landscapes (IFL)* or other geographically identified *High Conservation Value Forests (HCVF)*, unless the area is certified by the *Forest Stewardship Council (FSC)* (with the exception of rattan managed according with regulations in the country of harvest);
  - c) *Forest*, and other *natural ecosystems* that have been subjected to *deforestation, forest degradation* or conversion to other *non-forest* use;
  - d) *Forests* with officially recognised and geographically identified commercial *Genetically Modified (GM)* tree, bamboo, and rattan species;
  - e) *Sources subject to sanctions or a delivery ban*.

## FOREST MANAGEMENT: RECORDS AND REPORTING

MUST	
F 9.4	The species (trade and Latin names) and harvesting location(s) of <i>virgin</i> and <i>pre-consumer recycled forest materials</i> are recorded, in line with IKEA organisation specifications.

BASIC	
F 9.5	A <i>material accounting system</i> is in place and, as a minimum, includes records of <i>inputs</i> and <i>outputs</i> . The records are kept, along with purchase and sales documents, in line with IKEA organisation specifications.
F 9.6	Information about the volumes and sources of <i>forest materials</i> for IKEA is reported, in line with IKEA organisation specifications.

ADVANCED	
F 9.7	Innovative solutions are used to increase control over the traceability and legality of <i>forest material</i> sourcing.

## FOREST MANAGEMENT: FOREST POSITIVE

BASIC	
F 9.8	All <i>products</i> are from More Sustainable Sources which means such <i>products</i> are either FSC-certified or made of 100% <i>post-consumer recycled forest materials</i> , in line with IKEA organisation specifications.
F 9.9	Documented evidence of <i>recycled content</i> is provided for <i>pre-consumer</i> and <i>post-consumer recycled forest materials</i> that do not carry an FSC claim.

ADVANCED	
F 9.10	Opportunities to use <i>post-consumer recycled forest materials</i> in <i>supplier</i> operations are identified and implemented.
F 9.11	<i>Reforestation</i> or <i>afforestation</i> initiatives are implemented resulting in ecosystems that are biologically suited for the native landscapes.
F 9.12	Emissions and <i>carbon removals</i> are reported, in line with the <i>Greenhouse Gas Protocol Land Sector and Removals Guidance (GHGP LSRG)</i> .
F 9.13	<i>Products</i> at all stages of the IKEA <i>value chain</i> are from More Sustainable Sources which means such <i>products</i> either: <ul style="list-style-type: none"> <li>a) Carry an accepted FSC claim (FSC 100%, FSC Mix Credit, FSC Mix 100%, FSC Recycled Credit, FSC Recycled 100%); or</li> <li>b) Are made of 100% <i>post-consumer recycled forest materials</i>.</li> </ul>
F 9.14	Actions are taken to support people and communities that depend on the <i>forest</i> for their livelihoods.
EXCELLENT	
F 9.15	Opportunities to source <i>forest materials</i> from <i>smallholders</i> , engaged in responsible forestry initiatives identified and approved by IKEA, are promoted.
F 9.16	Improvements are made in climate performance related to emissions and <i>carbon removals</i> , as measured using the <i>Greenhouse Gas Protocol Land Sector and Removals Guidance (GHGP LSRG)</i> .

# Glossary

<b>Afforestation</b>	A process of planting trees to convert a non-forest area to forest.	<b>Genetically Modified (GM)</b>	A biological organism that has had its DNA altered through genetic engineering (e.g. tri-gene poplar). Clones and hybrids formed by natural processes (e.g. tree breeding or selection) are not considered <i>Genetically Modified</i> .
<b>Applicable forest-related legislation</b>	National and supranational legislation related to the planting, harvesting, management, and trade of <i>forest materials</i> . These include, but are not limited to, forest acts, land use rights, third parties' rights (indigenous peoples, local communities, and civil society), etc.	<b>Greenhouse Gas Protocol Land Sector and Removals Guidance (GHGP LSRG)</b>	The guidance explains how companies should account for and report GHG emissions and removals from land management, land use change, biogenic products, carbon dioxide removal technologies, and related activities in GHG inventories.
<b>Carbon removals</b>	The process in which carbon dioxide gas (CO <sub>2</sub> ) is removed/transferred from the atmosphere and stored in a biogenic carbon pool.	<b>High Conservation Value Forest (HCVF)</b>	<i>Forests</i> having globally, nationally or regionally important biodiversity considerations, <i>forests</i> containing rare, threatened or endangered ecosystems or species and/or <i>forests</i> having important services such as watershed protection or erosion control.
<b>Deforestation</b>	The conversion of <i>forest</i> to agricultural use, whether human induced or not.	<b>Inputs</b>	The quantity of incoming <i>products</i> that are produced or procured.
<b>Forest</b>	Land area dominated by trees. For the purposes of the IWAY Forest Materials Section, this includes natural forests, planted forests, plantation forests, all types of tree plantations, agricultural plantations, and trees in urban land use.	<b>Intact Forest Landscape (IFL)</b>	<i>Forest</i> landscapes larger than 500 km <sup>2</sup> that are not fragmented by infrastructure and are without significant visible signs of human impact such as logging, burning or other forms of <i>forest</i> clearing. These can conserve populations of large animals in their natural state and tend to rely on remoteness as their main guarantee of protection.
<b>Forest degradation</b>	Structural changes to forest cover cause a reduction or loss of the biological or economic productivity and complexity of forest ecosystems, resulting in the long-term reduction of the overall supply of benefits from <i>forest</i> , which includes wood, biodiversity and other products or services.	<b>Material accounting system</b>	A system to ensure that the material's <i>outputs</i> are correspondent to the relevant material's <i>inputs</i> . The <i>material accounting system</i> may also include other sourcing information (e.g. seller and buyer name, purchase and sales number, material type, quantity, FSC claims, etc.).
<b>Forest materials</b>	Virgin or recycled materials originating from the <i>forest</i> .	<b>Natural ecosystems</b>	An ecosystem made up predominately of native or locally adapted species, resembling in species composition, structure, and ecological function one that occurs or would occur in the absence of human interference. This includes human-managed ecosystems where much of the natural species composition, structure, and ecological function are present. This may include grassland, woodlands, savannas, peatlands, salt marshes, wetlands, and mangroves.
<b>Forest-related social conflicts</b>	Conflicts caused by harvesting operations violating traditional or civil forest use rights.	<b>Outputs</b>	The quantity of <i>products</i> that contain respective <i>inputs</i> .
<b>Forest Positive</b>	Forest Positive is about going beyond the product needs of IKEA and promoting responsible forest management for the benefit of people and the planet.	<b>Post-consumer recycled forest material</b>	Material that is reclaimed from a consumer or commercial product which had completed its life cycle after intended use by individuals, households or by commercial, industrial and institutional facilities in their role as end users of the product
<b>Forest Stewardship Council (FSC)</b>	An independent, non-governmental, not-for-profit organisation established to promote the responsible management of the world's forests.		

<b><i>Pre-consumer recycled forest material</i></b>	Material that is diverted from a potential waste stream and reclaimed during secondary manufacturing or further downstream industry processes, in which the material has not been intentionally produced, is unfit for end use and not capable of being re-used on-site in the same manufacturing process that had generated it.
<b><i>Product</i></b>	An article or a material containing <i>forest materials</i> delivered to IKEA or used in IKEA operations.
<b><i>Recycled content</i></b>	Proportion, by mass, of <i>pre-consumer</i> and/or <i>post-consumer recycled forest materials</i> occurring in <i>products</i> .
<b><i>Reforestation</i></b>	A process of recovering or improving a <i>forest</i> area either by replanting or natural regeneration.
<b><i>Smallholders</i></b>	Woodlot owners, family <i>forests</i> , small non-industrial private <i>forests</i> , small <i>forest</i> enterprises, community forestry operations, and non-timber forest product harvesters.
<b><i>Sources subject to sanctions or a delivery ban</i></b>	Sources (including harvesting locations, <i>suppliers</i> and <i>sub-contractors</i> ) that are subject to sanctions or a delivery ban imposed by international organisations or IKEA. For the latest listing, please refer to your IKEA contact person.
<b><i>Sub-contractor</i></b>	Any entity or individual that provides a product, service, material or component as part of the IKEA <i>value chain</i> .
<b><i>Supplier</i></b>	A company or organisation with which an IKEA company has an agreement and also any <i>sub-contractors</i> to that agreement that supply products, services, materials or components. For the purpose of this document, the term <i>supplier</i> applies to <i>suppliers</i> , service providers and other contracting parties.
<b><i>Value chain</i></b>	The full range of activities required to bring a product or service from its conception to the final consumer and re-integration back into the <i>value chain</i> . This includes activities such as design, production, distribution and support to the consumer. At different stages of the value chain, stakeholders add value to the product or service to increase its end value.
<b><i>Virgin forest materials</i></b>	<i>Virgin forest materials</i> are materials originating from <i>forests</i> that contain wood or fibre, and do not contain recycled forest materials.

## ADDENDUM TO THE TERMS AND CONDITIONS OF THE IWAY STANDARDS

Ingka Group IWAY Specifications for the Forest Materials Section

### 1. Introduction

The parties have agreed to the changes and/or additions to IWAY Standard, Forest Materials Section, as set forth herein. This Ingka Group IWAY Specifications for the Forest Materials Section is the 'IKEA organisation specifications' for Ingka Group referred to in IWAY Standard, Additional Section, Forest Materials Section.

**Forest materials used in the following products are excluded from the scope of the IWAY Forest Materials Section.**

- Wooden handling materials from external rental systems such as EUR-pallet or EPAL-pallet, CHEP pallet, etc. IKEA pallets are not excluded,
- Packaging received from supplier to protect indirect purchased Products,
- Wood used temporarily to support the construction process (i.e. scaffolding). All wood that will be permanently a fixed or a part of the building construction is in scope,
- Non-Ingka owned media channels such as newspaper, magazine.

### 2. Addendum

Specification for F 9.1:

If requested by Ingka, following evidence would be provided:

- A due diligence statement number per product according to EUDR – the regulation (EU) 2023/1115 of the European Parliament and of the Council (hereinafter referred to as “**EU-Due-Diligence Statement**”),
- Accepted FSC certification.

Specification for F 9.2:

If requested by Ingka, evidence of Suppliers compliance with applicable forest-related legislation needs to be provided in the form required by law.

Specification for F 9.3:

Applicable sanctions or bans need to be confirmed with your Ingka speaking partner.

Specification for F 9.4:

If requested by Ingka, following evidence would be provided:

- A due diligence statement number per product according to EUDR – the regulation (EU) 2023/1115 of the European Parliament and of the Council (hereinafter referred to as “**EU-Due-Diligence Statement**”),
- Accepted FSC certification.

Specification for F 9.5:

If the Supplier is FSC Chain of Custody certified, this requirement is fulfilled.

Specification for F 9.6:

If requested by Ingka up front, a report needs to be provided including the following information:

- Product name,
- Source of origin (harvesting country and region),
- Weight (kg),
- Receiving country and Ingka entity,
- FSC certification numbers,
- Products from 100% recycled materials,
- EU-Due-Diligence Statement numbers (if applicable).

Specification for F 9.8:

All Products delivered to Ingka are from More Sustainable Sources from start of first delivery. Such products and materials either:

- a) Carry one of the following FSC claims (FSC 100%, FSC Mix Credit, FSC Mix 100%, FSC Mix ≥70% (paper-based only), FSC Recycled Credit, FSC Recycled 100%); or
- b) Contain 100% *post-consumer recycled forest materials*.

In certain cases, Ingka accepts forest materials with an FSC label on the product or product packaging without carrying an acceptable FSC claim, if the Supplier does not have in-house processing but only purchases materials, components, or finished products and then delivers them to Ingka as received (e.g., office supply distributor, distributor of hygiene consumables, wholesaler).

With regard to Suppliers of forest material to Ingka construction & fit-out projects, such forest material will be considered as More Sustainable Sources if:

- the received materials, components, or finished products carry an FSC label; or
- the supplier provides an acceptable FSC claim, as listed above in 9.8 a), on the sales document received from the sub-contractor; or
- the Supplier uses 100% post-consumer recycled forest materials and have the declaration from the material producer.