



GFTN-UK FOREST PRODUCT REPORTING SUMMARY FOR 2016

Boots UK has been a participant in WWF's Global Forest & Trade Network (GFTN) in the UK since 1995

All GFTN participants commit to progressively sourcing forest products from well-managed sources.

Boots UK undertakes due diligence to assess and mitigate any risk of illegal and unwanted forest products entering into the UK market from our supply chain. We collect as much information on supply chain sources as possible, and systematically work to eliminate poor sources which may not positively benefit forests as a future resource for people and nature.

To highlight our progress towards meeting our commitments to source well-managed and recycled materials, we're publishing the status of our current supply chain for various categories of forest goods, as defined by the GFTN.

We hope the transparency of the UK GFTN members about their performance on forest sourcing will prompt others in the sector to follow suit. We also encourage all forest certification systems to continuously improve their performance in delivering responsible forest management.

At present, WWF and GFTN participants believe FSC represents the gold standard and a credible benchmark for other forest certification schemes to match. Our preference is to source increasingly from credibly-certified forests or verified recycled sources.

The European Timber Regulation aims to limit the trade in illegal timber. It provides a baseline of legality as a minimum for forest goods entering the European market and reaching consumers. GFTN participants want to make sure they're playing their part in reducing the UK footprint on global forest resources, by sourcing sustainably – going beyond a compliance-only approach.

Boots UK forest products reported for the 2016 calendar year are as follows:

14.18 % Source Verified (including e.g. PEFC purchased with Chain of Custody)

75.70% Credibly Certified (e.g. FSC purchased with Chain of Custody)

1.03% Pre-consumer Recycled

4.47 % Post-consumer Recycled

Our responsible forest product procurement policy can be found here (see Policies section):

http://www.boots-uk.com/corporate_social_responsibility/marketplace/sustainable-supply-chains.aspx

Scope of reporting

All Boots UK or Exclusive brand forest products for resale, and those materials for internal use

Challenges

- Boots UK sources a wide range of products and materials using a broad cross section of suppliers from large multi-national organisations to small family run businesses. Many suppliers are based outside of the UK, particularly in the Far East. We need to ensure that our suppliers understand and can meet our requirements for traceability and legality of supply of forest products.
- Ensuring that our global suppliers are aware of and compliant with the EU Timber Regulation
- As our business becomes increasingly global the availability and continuity for supply of certified Forest products can be challenging as market conditions change

Priorities

- Ensuring awareness of our approach to sustainable sourcing and legal requirements such as the EUTR is maintained both within our business and our supply chain.
- Supporting WWF GFTN to ensure a successful review of the EUTR to prevent all illegally-logged timber entering the EU and develop mechanisms to enable a market in 100% sustainable timber by 2020.
- Deliver annual targets to increase the proportion of materials from certified or recycled sources in line with WWF GFTN expectations and continue to improve sustainable sourcing criteria and standards to reduce risk in our supply chains.
- Working with suppliers of materials categorised as Source Assessed to move them to Credibly certified status
- Maintain on an ongoing basis traceability of natural materials used in Boots brand products to mitigate risk and identify sustainable sourcing opportunities