

Whitbread Responsible Sourcing Policy Timber and Timber Related Products

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1. Context

Whitbread recognises it has a responsibility to source with integrity and ensure sound social, ethical and environmental practices within its own operations, within its supply chain and in every market in which it operates. We are committed to ensuring all our procurement practices are carried out in the most sustainable and responsible way possible and this includes responsible procurement of all raw materials sourced to produce any product involved in the Whitbread business.

As well as being dedicated to promoting the sustainability of forests and responsible sourcing of natural resources, Whitbread is committed to complying with national and local legislation relating to sourcing practices. To this end, it welcomes the enforcement of the EU Timber Regulation and this policy reflects the obligations Whitbread and its supply chain will be subject to under these regulations.

All Whitbread procurement is subject to compliance with the Whitbread Responsible Sourcing Policy which outlines that 'suppliers may in addition be required to comply with additional sub-policies or standards relevant to the products that we source from that supplier and specific risks or issues associated.' Whitbread considers the procurement of timber to be an area of such risk and has therefore created this policy document to sit alongside the Responsible Sourcing Policy.

2. Scope

Throughout this document, the terms 'timber' and 'wood' refer to any product in the Whitbread supply chain which is made from timber or is wood based. This includes card, tissue, fibreboard, pulp and paper including all communication and promotional materials.

As such, this policy also applies to all timber and timber related products used in the construction, casing and furniture for all Whitbread buildings.

3. Policy Requirements

The Whitbread policy ensures that all products and materials stated above are sourced in compliance with the following requirements:

3.1 **Illegal logging**

Whitbread does not accept timber and / or wood based products that contain unknown sources, or timber that has been illegally harvested or traded.

3.2 **Forestry Protection**

Whitbread will not knowingly accept any timber and / or wood products into its supply chain which has been harvested from suppliers involved in active rainforest clearance or under any of the following conditions:

- From forests where high conservation values are under threat

- From forests that contain any specie of timber or wood that has been genetically modified
- From forests that have been converted for non-forest use such as plantations

3.3 Traditional, civil & human rights and labour standards

Whitbread will not accept violations of traditional, civil and or/ human rights or non-compliance with labour standards as set out in the Responsible Sourcing Policy.

3.4 Certification & Accreditation

Whitbread is committed to ensuring that all timber and timber related products are certified to FSC or PEFC standards. (See point 4.)

3.5 EU Timber Regulation

In conjunction with the EU Timber Regulation, Whitbread requires its suppliers to carry out appropriate due diligence in order to reduce the risk of placing illegally harvested timber, or timber products containing illegally harvested timber, on the EU market. The three elements of the EU 'due diligence system' are:

- Information - The (supplier) must have access to information describing the timber and timber products, country of harvest, quantity, details of the supplier and information on compliance with national legislation.
- Risk assessment - The (supplier) should assess the risk of illegal timber in his supply chain, based on the information identified above and taking into account criteria set out in the regulation.
- Risk mitigation - When the assessment shows that there is a risk of illegal timber in the supply chain that risk can be mitigated by requiring additional information and verification from his supplier.¹

4. Certification and Accreditation

Whitbread considers the FSC (Forest Stewardship Council) and PEFC (Programme for the Endorsement of Forest Certification) to be the most comprehensive and widely recognised and accepted forest products certification systems globally and therefore is committed to supporting and giving preference to timber and timber related products certified against the FSC and PEFC standards.

More information on FSC and PEFC is available on the following links

<http://www.fsc.org/index.htm>
www.pefc.co.uk

¹ http://ec.europa.eu/environment/forests/timber_regulation.htm

5. Recycled materials

Any product made using pre-consumer recycled material (material that has been reclaimed as a form of secondary manufacture) or post-consumer recycled material (material that has been used for its intended purpose by a consumer or commercial product) will also be required to comply with this policy.

Pre-consumer recycled material will be treated as virgin material and as such must be sourced in compliance with point 3 above, wherever possible.

In addition, Whitbread requires its suppliers, where appropriate, to have plans in place to work towards increasing the amount of recycled content in their timber and timber related products.

6. High Risk Countries or Regions

Some countries where timber is sourced are considered to be 'high risk'. Whitbread requires its suppliers to analyse the risk of their timber sources taking into consideration the following factors:

- Legality (for example, illegal logging)
- Conversion (whether a forest is being converted to plantation or non-forest use)
- Traditional and Civil rights violations
- How much of a threat is being posed to High Conservation Value Forests
- Production of GMO forests

Certain countries and regions are already considered to be 'high risk' with regard to forestry and timber sourcing practices. Whitbread requires all suppliers sourcing timber from these high risk countries and regions to immediately start working towards third party verification and certification if it does not already exist.

The countries Whitbread determines to be of 'high risk' are those outlined by [The Global Forest Risk Registry](#) / which defines the risk associated with each country in relation to the five factors mentioned above.

Whitbread requires all suppliers to be cognisant of emerging regional risks that may impact future compliance to this policy and also requires all suppliers to have contingency plans in place to mitigate these risks

7. Principles of Implementation

As a form of good practice, and in conjunction with the EU Timber Regulation, Whitbread keeps a record of all timber and timber related product suppliers and systematically monitors the performance of all suppliers of products covered by this policy through direct communication, desk based certification review and verification.

In order for suppliers to implement this policy, Whitbread requires them to:

- Ensure this policy is communicated throughout the supply chain.
- Confirm in writing a willingness to comply with this policy.

- Demonstrate full traceability and legality of all timber sources.
- Demonstrate evidence that timber is not procured from controversial or contentious sources.
- Provide documentary evidence confirming certification to FSC or PEFC standards, or where this is not the case, that a credible system working towards achieving full certification is in place.
- Demonstrate a system for verifying or working towards verification of recycled timber sources.
- Ensure Whitbread representatives, including third party auditors are given access to sites used to produce Whitbread goods and that all documentation is accurate and complete.
- Accurately and transparently communicate when these standards are not being met or are unlikely to be met and when support is required to meet these standards.
- Advise Whitbread in advance of any new suppliers intended for the production or processing of Whitbread goods and the intention to sub-contract or when sites are no longer used.

Signed:

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Title:

Date:

I declare that I have received and acknowledge in full Whitbread Plc's Timber and Timber Related Products Policy and agree to work with Whitbread towards full compliance abiding by the Principles of Implementation.

On behalf of: *(Company name)*

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