

## Group policies – Product policies

### Our timber products policy

Our policy is only to stock timber and timber related products from known and legal sources and encourage our suppliers to stamp out the worldwide trade in illegal timber.

We aim to continue to increase our understanding of the sources of our timber and wood-based products. We are continuously developing and extending our systems for tracking timber from sources across all wood types.

#### Independent certification

Using wood from forests that have been certified by an independent third-party as meeting good standards of forestry provides advantages to buyer, seller and customer.

We view the Forest Stewardship Council (FSC) as the most robust independently audited forestry certification scheme. We will source from FSC certified forests wherever possible and actively support developing forests in improving their management procedures in line with FSC requirements.

Homebase was the first DIY retailer in the UK to have its own FSC chain of custody certificate. This means that it is now part of the FSC supply chain. Homebase has been independently audited by the Soil Association against FSC standards, allowing it to pass on FSC certified products to customers under its own chain of custody Number (SA-COC-8888).

Argos has a similar chain of custody certificate for the Group's publications.

#### Clear priorities

We prioritise proprietary own-brand suppliers, directly sourced and directly imported products over which we have the largest influence. Within these categories, we focus on those suppliers that provide us with the largest volumes of wood, since this corresponds to the greatest impact on the environment.

We also aim to:

- Eliminate contentious sources from the supply chain (in particular High Conservation Value Forests, timber from forest clearance activity and forest products from conflict regions, where the revenues may be funding the combatants)
- Focus on regions of the world where traceability is poor
- Improve the understanding of supply chain routes using wood-based composite materials, particularly in China and the Far East where traceability of multiple sources is complex
- Continue to promote the use of post-consumer recycled timber and paper in our products and packaging. Argos actively encourages the recycling of catalogues and the use of recycled paper from post-consumer waste which forms part of the catalogue.

#### Communication

We engage actively with stakeholders with environmental, economic and social concerns in the forestry sector and keep abreast of international developments and issues that are of concern.

We also ensure that all suppliers receive guidance on our policy through our timber sourcing guidelines.

#### Responsibilities

We work with our supply chain partners to develop robust supply chains, promote well managed forests and give our customers assurance that the products they purchase in our stores have been sourced responsibly.

We support international mechanisms such as the WWF Global Forest and Trade Network (GFTN), who work with forest owners and suppliers to achieve credible forest and chain of custody certification.

Each of our operating companies sets 'smart' targets based on the product types they sell and develops individual targets with their suppliers to achieve our aims.

#### Contact

This policy is maintained by the Group Head of Quality Assurance.