



Biodiversity and Sustainable Forestry Policy

WH Smith PLC is a leading global travel retailer for travel essentials with a smaller business located on UK high streets. We operate in 30 countries through more than 1,250 retail units in airports, railway stations, hospitals, motorway service stations. We also have over 500 stores on the UK high street and an online digital business. WHSmith sells convenience foods, travel accessories, books, stationery, magazines, newspapers, entertainment products, confectionery and health and beauty items. We are committed to using responsibly sourced raw materials, and to minimising the environmental and social impacts from any of our products that our sourced from forestry products.

The natural resources used most widely by WHSmith are raw materials from timber, pulp and paper for some of our own-brand products and packaging. We also use water in the production of some of our products and packaging. Rising demand for commodities such as paper, pulp, palm oil, beef, leather and soy has driven vast areas of forest clearance.

Eliminating deforestation and the conversion of natural ecosystems and promoting sustainable plantation management practices are important for preventing climate change, preserving biodiversity and providing critical sources of income for local communities. We rely on timber for some of our main products, including our stationery, books and news and magazine ranges. We have a limited number of food products that may contain palm oil. Our customers want assurance that any of our products containing paper, pulp, timber or palm oil are sustainably sourced from known, legal, well-managed and certified sources.

This policy applies to all of our own-brand products sourced by companies operating under the WH Smith PLC group structure including our joint venture businesses, and those sourced by WHSmith franchises. It also applies to goods not for resale (GNFR), such as office paper, marketing collateral and timber products used in furniture, building and refurbishment programmes. The policy is owned by our Group Chief Executive, and its day-to-day implementation is the responsibility of our sourcing, procurement and quality teams. This policy is part of our wider sustainable business programme and we are committed to going beyond regulatory compliance.

Commitments

WHSmith is committed to achieving no net deforestation and to eliminating the conversion of natural ecosystems. All paper, pulp, board, wood and palm oil in our products must be from recycled or sustainable certified sources. We encourage the use of paper, pulp and wood from secondary sources which have been reclaimed, reused or recycled. In particular, none of our products or GNFR should contain:

- Forest materials that have been illegally harvested or traded;
- Materials from High Conservation Value Area Forests, Primary Forests or High Carbon Stock forests;
- Materials arising from land clearance, for example by burning or cutting, or from conversion of natural forests or peatlands to plantations;
- Materials from species which are protected by the Convention on International Trade in Endangered Species (CITES) (see www.cites.org), or those appearing as Critically Endangered, Endangered or Vulnerable on the International Union for Conservation of Nature and Natural Resources (IUCN) red list (www.iucnredlist.org/);
- Paper bleached with elemental chlorine.

We want to ensure that human rights and livelihoods are protected for those indigenous people and communities local to the places of origin of raw materials. We are committed to the adoption of Free, Prior and Informed Consent principles and any complaints or conflicts should be resolved through open, transparent and consultative processes. Further information on our grievance and remedy

processes can be found in our Human Rights Policy, based on the United Nations International Labour Organisation Principles.

The UK and EU Timber Regulations prevent the trade in illegal logging of timber and ensure a legal obligation on anyone who first places forestry products on the UK or EU markets to ensure they know the source of those materials. The EU Deforestation Regulations extend this to cover any products containing or derive from cattle, cocoa, coffee, oil palm, rubber, soya and wood to ensure goods do not result from recent deforestation, forest degradation or breaches of local environmental and social laws. Our aim is always to exceed legislative requirements in our purchasing practices, but as a minimum we expect all suppliers to comply with international and national law.

In addition, we will consider any other interfaces that our value chain may have with nature and any resulting impact on biodiversity and will:

- Engage with stakeholders on biodiversity.
- Conduct a biodiversity risk assessment.
- Require partners in our value chain to commit to avoid operational activities near sites containing globally or nationally important species.
- Define biodiversity-related targets for priority areas to aim for no net loss in biodiversity.
- Apply a mitigation hierarchy of avoidance, minimisation, restoration followed by offsets to reduce any impacts on biodiversity from the activities of our value chain.
- Aim to achieve a net positive impact on biodiversity by 2035.

Certification

WHSmith supports the use of third party certification to show sustainable production and transparent trade. Certification seeks to provide evidence of legality and sustainability and many schemes have been set up around the world. We believe that any credible certification scheme should:

- Be independent and recognised by environmental groups;
- Be able to trace materials from source through to consumer products;
- Provide a simple logo that is recognised worldwide.

The schemes that we consider to best meet these requirements are those provided by the Forestry Stewardship Council (FSC) and where this is not available, the Programme for the Endorsement of Forest Certification (PEFC), for paper, pulp and timber-based products; and that provided by the Roundtable on Sustainable Palm Oil (RSPO) for palm oil products. Trade suppliers are required to provide certification from one of these schemes for any raw materials that have been derived from timber or from palm oil.

A significant proportion of our paper and wood-based products are already certified, but for a small proportion of product lines, this has not yet been possible. As a minimum we expect our suppliers to know where forest material used in their products comes from and to be able to provide evidence that it has been legally harvested.

To implement this policy we will:

- Communicate this policy and associated aims to our suppliers of products containing paper, pulp, board, wood or palm oil and to other interested parties;
- Work with suppliers to ensure that all forest material has been legally harvested and as much of it as possible is certified by FSC or PEFC;
- Work with other sectors such as the publishing industry and food industry to develop and support national and international initiatives to tackle deforestation, and to raise awareness with all stakeholders.
- Integrate our requirements into the purchasing decisions of our business functions.
- Report annually on the proportion of pulp, paper and timber products purchased for resale that are from certified or recycled sources.

Approved by the WH Smith PLC Board: January 2024