



GFTN-UK FOREST PRODUCT REPORTING SUMMARY FOR 2016

Saint-Gobain Building Distribution UK & Ireland [SGBD UK & Ireland] has been a participant in WWF's Global Forest & Trade Network (GFTN) in the UK since 1998.

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

SGBD UK & Ireland 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.

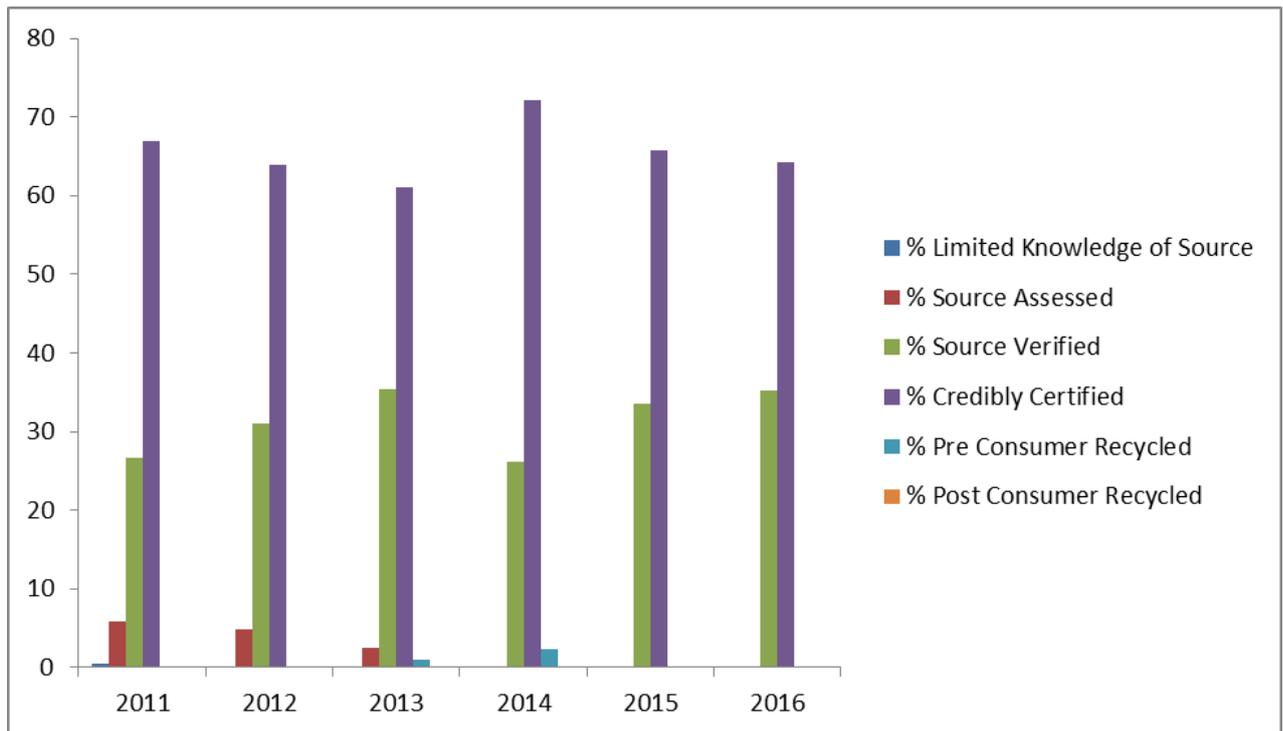
Our forest products reported for the 2016 calendar year are as follows:

1% Source Assessed

33% Source Verified (including e.g. PEFC purchased with Chain of Custody)

65% Credibly Certified (e.g. FSC purchased with Chain of Custody)

In the past 6 years, our procurement of forest products, towards more responsible sourcing, has progressed as shown in the chart below.



Scope of reporting:

All own or store brand forest products for resale.

Challenges

- To continue to address cultural issues on sourcing procedures within procurement teams driven by complexity of our organisation
- To continue to work with our external suppliers to ensure they understand the importance of detail we require from them to ensure we are satisfied that products are procured legally and sustainably in accordance with EU legislation. This will impact on our progressing to certification and credibly certified forest products sourced results.

Priorities:

- To continue to work with individual companies under the SGBD UK & Ireland umbrella to analyse and assess procurement procedures.
- Ensure all certified products within SGBD UK & Ireland have the correct claim attached to the products code. Working with suppliers and business units to ensure CofC is requested at the time order
- Looking at ways to increase the scope of certified products, working with category managers to ensure timber products are certified.

- To continue to work towards the 2020 campaign and ensure Saint-Gobain Building Distribution are on track for this.

Our Policy:

Relevant policies from SGBD UK & Ireland can be found here:

<http://www.saint-gobain.co.uk/saint-gobain-policies/>

Previous reports:

Previous GTFN-UK Reporting Summaries can be found at:

<http://www.saint-gobain.co.uk/news/literature-industry-reports/>