



Penguin
Random House
UK



GFTN-UK FOREST PRODUCT REPORTING SUMMARY FOR 2017

Penguin Random House UK and DK have been participants in WWF's Global Forest & Trade Network (GFTN) in the UK since 2014.

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

Penguin Random House UK and DK undertake 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 Forest Stewardship Council® (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.

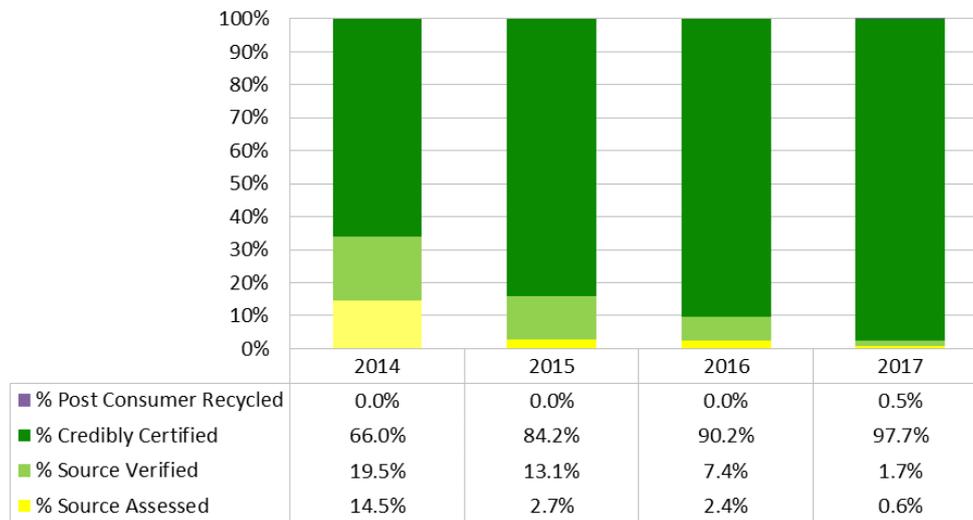
The European Timber Regulation aims to limit the trade in illegal timber. It provides a baseline of legality as a minimum for forest goods entering the European market and reaching consumers. GFTN participants want to make sure they're playing their part in reducing the UK footprint on global forest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

Our forest products reported for the 2017 calendar year are as follows:

- **0.6%** Source Assessed
- **1.7%** Source Verified (including e.g. PEFC purchased with Chain of Custody)
- **97.7%** Credibly Certified (e.g. FSC purchased with Chain of Custody)
- **0.5%** Post-Consumer Recycled

In the past 4 years, our procurement of forest products towards more responsible sourcing has progressed as shown in the chart below.

**FOREST PRODUCTS REPORTED AGAINST GFTN REPORTING CATEGORIES
2014-2017**



Scope of reporting

All text papers used in the manufacture of Penguin Random House UK and DK branded products.

Challenges

- Harmonising systems and IT throughout the business for robust reporting on all paper and board components.
- Identifying and implementing a methodology for measuring post-consumer recycled materials in the cover and board materials used on our products.

Priorities

- Penguin Random House UK and DK's goal is to source 100% of paper from FSC certified sources by the end of 2020, and to do this by:
 - Ensuring that all printers and paper suppliers understand and comply with our paper sourcing policy;
 - Prioritising FSC certified paper and require it from all printers and paper suppliers, avoiding any controversial fibres;
 - Only using paper from traceable and credible sources, and by conducting fibre analysis sample testing throughout the year to ensure suppliers are compliant.

Our Policy

Penguin Random House UK Paper Sourcing Policy:

<https://www.penguinrandomhouse.co.uk/about-us/creative-responsibility/sustainability/>

DK Paper Sourcing Policy:

<https://www.dk.com/uk/information/social-responsibility>