

WH Smith PLC



Sustainability Report 2021

About this report

This is our 14th Sustainability Report, detailing our environmental, social and corporate governance activities for the year 1 September 2020 to 31 August 2021. This report was published alongside the WH Smith PLC Annual Report and Accounts in December 2021.

Policies and standards

Details of sustainability policies and standards can be found at the start of each section of this report. Our full suite of policies are reviewed regularly and can also be viewed on our website at www.whsmithplc.co.uk/sustainability.

Assurance

Corporate Citizenship has been engaged to provide independent assurance over selected aspects of this report in accordance with the ISAE 3000 and ISAE 3410 Assurance Standards. A copy of their statement can be found on page 29. The data sets assured are indicated in the text with a Δ.



Your feedback

We welcome your comments and feedback on our report, either through our inbox at sustainability@whsmith.co.uk or via our Head of Sustainability at WH Smith PLC, Greenbridge Road, Swindon SN3 3LD.

Find out more about WHSmith at whsmithplc.co.uk

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[youtube.com/WHSmithDirect](https://www.youtube.com/WHSmithDirect)

[linkedin.com/company/whsmith](https://www.linkedin.com/company/whsmith)

Disclaimer

This report has been prepared for, and only for, the members of the Company, as a body, and no other persons. The Company, its directors, employees, agents or advisers do not accept or assume responsibility to any other person to whom this document is shown or into whose hands it may come and any such responsibility or liability is expressly disclaimed. By their nature, the statements concerning the risks and uncertainties facing the Group in this report involve uncertainty since future events and circumstances can cause results and developments to differ materially from those anticipated. The forward-looking statements reflect knowledge and information available at the date of preparation of this report and the Company undertakes no obligation to update these forward-looking statements. Nothing in this report should be construed as a profit forecast.

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About us

We are a leading global retailer

WH Smith PLC is a leading global **Travel** retailer for news, books, convenience and tech accessories with a smaller business on the UK **High Street**. At the heart of both our businesses are our people and our customers.

We aim to deliver our goals through our strategic priorities and initiatives by: constantly innovating, expanding globally, improving our profitability and delivering sustainable returns.

Annual revenues

£886m

Travel units

1,166

High Street stores

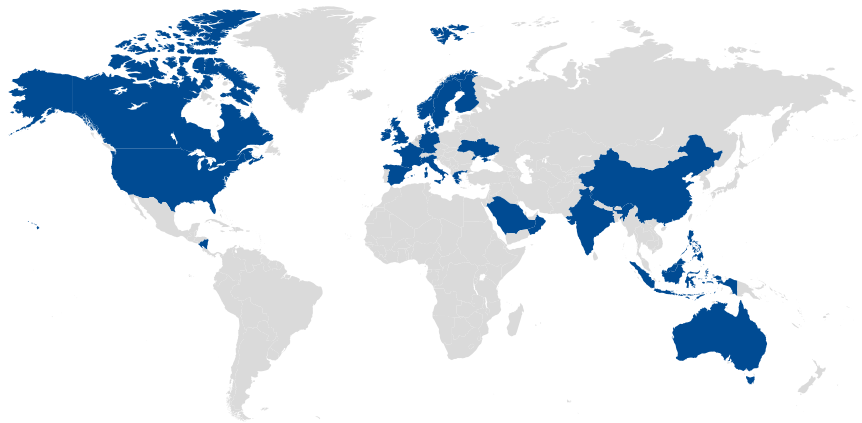
544

Employees

11,000

Suppliers

3,250



WHSmith Travel is a world-leading travel retailer with a presence in over

30 countries

across the globe, mainly in airports



Travel is in a wide range of locations including

**airports,
hospitals,
railway stations
and motorway
service areas**



WHSmith High Street is present on most of the significant high streets and shopping centres in the UK, mainly in

prime locations



WHSmith has a growing

online presence

and reaches customers online via:

- **whsmith.co.uk**
- **funkypigeon.com**
- **cultpens.com**
- **treeofhearts.co.uk**
- **dottyaboutpaper.co.uk**

Group Chief Executive's Introduction



Our sustainability commitments remain as important as ever. I'm pleased by the progress we're making, but there's still more to be done."

Carl Cowling
Group Chief Executive



I am delighted to introduce our 2021 Sustainability Report which provides an update of our activities and the progress we have made on our "Journey to a Better Business", the latest evolution of our sustainability strategy.

The report covers a timeframe during which our customers, colleagues and wider communities have continued to be impacted by the Covid-19 pandemic.

I want to express my thanks to all of our colleagues for their dedication and commitment in looking after our customers, keeping our business running efficiently and adapting to constantly changing circumstances in very challenging times.

The pandemic has thrown a spotlight on many of the issues facing our society today, and has emphasised the need for concerted action from all parties.

Inequalities in children's education have increased over the past 18 months. We remain firmly committed to playing our part in helping all children to access the resources and support they need to develop a love of reading.

This year, we continued our partnership with the National Literacy Trust, donating books and raising money to support their work with some of the most disadvantaged children in the United Kingdom. During the lifetime of our partnership, we have now donated over 100,000 books to those who need them most.

The urgency of the environmental crisis continues to intensify. This year, we met our target to reach carbon neutrality for our UK operations, reducing our energy consumption by over 60 per cent since 2007, switching to 100 per cent renewable electricity, and investing in tree planting projects to neutralise residual emissions.

Over the next few years, we intend to extend this approach to our international operations and encourage our supply chain to join us on the pathway to net zero. We will be seeking independent assessment and approval of our carbon targets from the Science Based Target Initiative in the next year.

We have continued our efforts to develop more environmentally responsible sourcing practices and have now removed plastic glitter from all our own-brand ranges. We made further progress on redesigning packaging for our seasonal product ranges, reducing materials and removing hard-to-recycle plastics wherever possible.

Much of our packaging now carries instructions for customers on how to recycle materials and we have switched materials for packaging for online deliveries from plastic to card- and paper-based materials.

We continue to work towards becoming a truly diverse and inclusive organisation, where everyone feels equally valued and where different perspectives, opinions and contributions are welcomed.

We have developed a new diversity and inclusion strategy which sets out our plans for the next few years. Our senior management team has participated in workshops and we are in the process of circulating an equal opportunities survey which will help to shape our activities in the months ahead.

Our diversity and inclusion committee, which is drawn from representatives across the organisation, is also helping to inform our direction and provides great support with communication and awareness-raising activities.

Responsible business practices continue to provide the bedrock for our sustainability programme, which is prioritised at the highest level in our organisation. The Board has established a new sub-committee to provide oversight of environmental, social and corporate governance (ESG) activities across the organisation. This builds upon the existing governance framework, which includes supervision of our activities by the Group Executive ESG Steering Committee and monitoring of sustainability risks and opportunities by the Business Risk Committees.

We continue to benchmark our progress against others in the retail sector and were extremely proud to be included for the first time in the Dow Jones Sustainability World Index. This index comprises global sustainability leaders identified through independent assessment of long-term economic, environmental and social criteria, and includes the top ten per cent of companies based on their ESG performance.

Our strategy will drive forward our plans for further progress on our sustainability priorities with the aim of making a difference to people's lives in those areas where we believe we can have the greatest impact.

I look forward to updating you again next year on the progress that we are making.

We hope that you find this report useful and welcome any feedback you may have.

Carl Cowling
Group Chief Executive

11 November 2021

Our year in highlights

 Planet	 People	 Communities
 <p>over 60% reduction in carbon emissions since 2007</p>	 <p>new commitments on diversity and inclusion</p>	 <p>£1m raised for charity</p>
 <p>99% of our paper products come from sustainable sources</p>	 <p>launched new maternity policy</p>	 <p>33,000 books donated to disadvantaged children</p>
 <p>packaging redesigns for Christmas and 'Back to School'</p>	 <p>100% of own-brand suppliers audited within past two years</p>	 <p>244,000 vouchers redeemed for World Book Day</p>
 <p>93% of waste diverted from landfill</p>	 <p>over 1,100 line managers trained in mental health awareness</p>	 <p>16th year of partnership with the National Literacy Trust</p>



We have engaged with most of the major rating agencies and rank well in comparison with our peers



Our sustainability strategy

Our sustainability strategy has been designed to ensure close alignment between our business goals and the contribution we can make to a better society and cleaner environment. It concentrates on those activities where we think we can make a meaningful difference. We have established long-term objectives in three key areas: planet, people and communities, and in future years will report using this framework. Our work is underpinned by a strong foundation of responsible business principles and practices to ensure we maintain the highest standards of corporate conduct.

Our Journey to a Better Business



Planet

Climate change
Packaging and waste
Forests



People

Diversity and inclusion
Human rights in our supply chain
Safety and wellbeing



Communities

Education and literacy
Supporting local causes

Principles and Responsible Practice

WHSmith and the United Nations Sustainable Development Goals

We have aligned our activities with the United Nation's Sustainable Development goals, focusing on those which are most material to our business and where we can make the greatest impact:



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all.

Our books and educational resources provide access to learning materials for children, young people and life-long learners. Through our partnership with the National Literacy Trust we are aiming to bridge inequalities in reading and writing abilities of children and young people and provide them with the basic skills they need to get on in life (see page 22).



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all.

As a member of the Ethical Trading Initiative, we continue to support the rights of all workers to be free from exploitation and discrimination, and enjoy safe, secure and equitable working conditions (pages 19-21). We are also focused on supporting our own employees' development, reward and wellbeing (pages 17-19).



Reduced inequality within and among countries.

We are focused on improving diversity and reducing inequality in our workplace (pages 15-16) and working hard to reduce inequalities in children and young people's literacy levels (page 22).



Ensure sustainable consumption and production patterns.

We are working to reduce the quantities of packaging associated with our own-brand products and move towards less environmentally-damaging materials. We are adopting circular economy models with some of our most popular consumable items such as pens, bottled water and coffee cups (see page 14).



Take urgent action to combat climate change and its impacts.

We have committed to reducing our Scope 1 and 2 emissions in line with the trajectory needed to limit global warming to 1.5 degrees, and to ensure that suppliers covering 50 per cent of our carbon footprint from purchased goods and services have plans to decarbonise in line with a 1.5 degree pathway and ultimately reach net zero by 2040. We continue to support the British Retail Consortium (BRC) to help develop a climate roadmap for the retail sector to accelerate progress towards achieving net zero emissions. Our full greenhouse gas footprint can be found on page 11.

Stakeholders and materiality

A wide range of sustainability issues can create risks and opportunities for WHSmith, and we must ensure that our strategy continues to reflect those issues that are most important for our business and our stakeholders. Our stakeholder engagement strategy helps to identify the issues which are material to our business. We ensure that these material issues are reflected in this report and in the delivery of our strategy.

Stakeholder engagement

We are committed to listening to all stakeholder groups, and their views are important in helping us to shape our overall strategic approach and our response to individual issues. We engage with a wide range of stakeholders including customers, employees, local community groups, suppliers, policy-makers and non-governmental organisations (NGOs). The table below details our key stakeholder groups, their expectations or material concerns, and how we have engaged with them throughout the year. We maintain an open-door policy to stakeholder enquiries through our inbox at sustainability@whsmith.co.uk and welcome any feedback you may have.

Stakeholders	Expectations	Engagement
Customers	Our customers expect that we manage our business responsibly, and in doing so, offer a wide range of products at good value. They also expect that we respond to their needs and concerns.	We regularly listen to our customers and respond to their feedback. Our store colleagues and dedicated customer service team engage directly with our customers in-store and via email, online messaging and mail.
Employees	Our employees expect to be treated fairly, offered secure jobs with training and given the opportunity to develop their careers. They expect WHSmith to protect their wellbeing, offering a safe working environment.	We communicate with employees via regular written updates and face-to-face briefings. This year, we have implemented weekly webinars and question and answer sessions with our Group Chief Executive and other senior executives. All employees are encouraged to feedback on our sustainability activities. We conduct regular employee engagement surveys to gather staff views on working for WHSmith. We work closely with the GMB, RBA and CWU unions.
Shareholders	Our shareholders expect a return on their investment, and assurance that WHSmith operates with good ESG arrangements in place.	We engage with shareholders in one-to-one meetings to discuss specific elements of the business and our sustainability programme. We communicate with shareholders through our results presentation, Annual General Meeting and through direct engagement via our investor relations department. This year, we have engaged with investor rating schemes through online questionnaires, including those run by CDP, DJSI, ISS, MSCI and Sustainalytics. We have also incorporated the recommendations of the Task Force on Climate-Related Financial Disclosure (TCFD) into our reporting.
Trade bodies and government departments	Trade bodies and government departments expect that we will uphold our sustainability agenda. During policy development, government departments consult businesses on issues that affect them.	We are members of the British Retail Consortium (BRC). During the year, we have participated in BRC working groups on climate change, waste and food policy. We work with government departments on specific initiatives; for example, this year we have been in dialogue with the Department for Environment, Food and Rural Affairs (DEFRA) and the Scottish Government on the development of single-use plastics policy and deposit return schemes. We also work at a local level with our head office constituency MPs.
Non-governmental organisations (NGOs) and charities	NGOs expect WHSmith to have high ethical standards and to take a leading role in those issues which are most material to our business. We work with numerous charities who would like us to support their efforts.	We regularly engage with various organisations, such as the Ethical Trading Initiative (ETI) and the Business Disability Forum (BDF) to receive feedback on specific aspects of our sustainability programmes and help improve our performance. As a brand, we champion literacy, working with World Book Day and the National Literacy Trust to improve literacy levels in the UK.
Suppliers	Our suppliers expect us to deal with them fairly and to have productive business relationships.	We engage with our suppliers in a number of ways, including through the provision of training programmes and one-to-one meetings on specific issues such as paper sourcing or modern slavery. We work with key suppliers in Asia to improve labour standards for workers and ensure our products are sourced responsibly. We hold annual conferences for our suppliers.
Landlords	Landlords expect WHSmith to deliver financial performance in line with their expectations, as well as managing environmental and social issues in line with best practice.	We work closely with our landlords to ensure that our policies on environmental issues meet their own objectives and often work collaboratively; for example, to look at ways of conserving energy or reducing waste. We continue to collaborate on specific community initiatives.

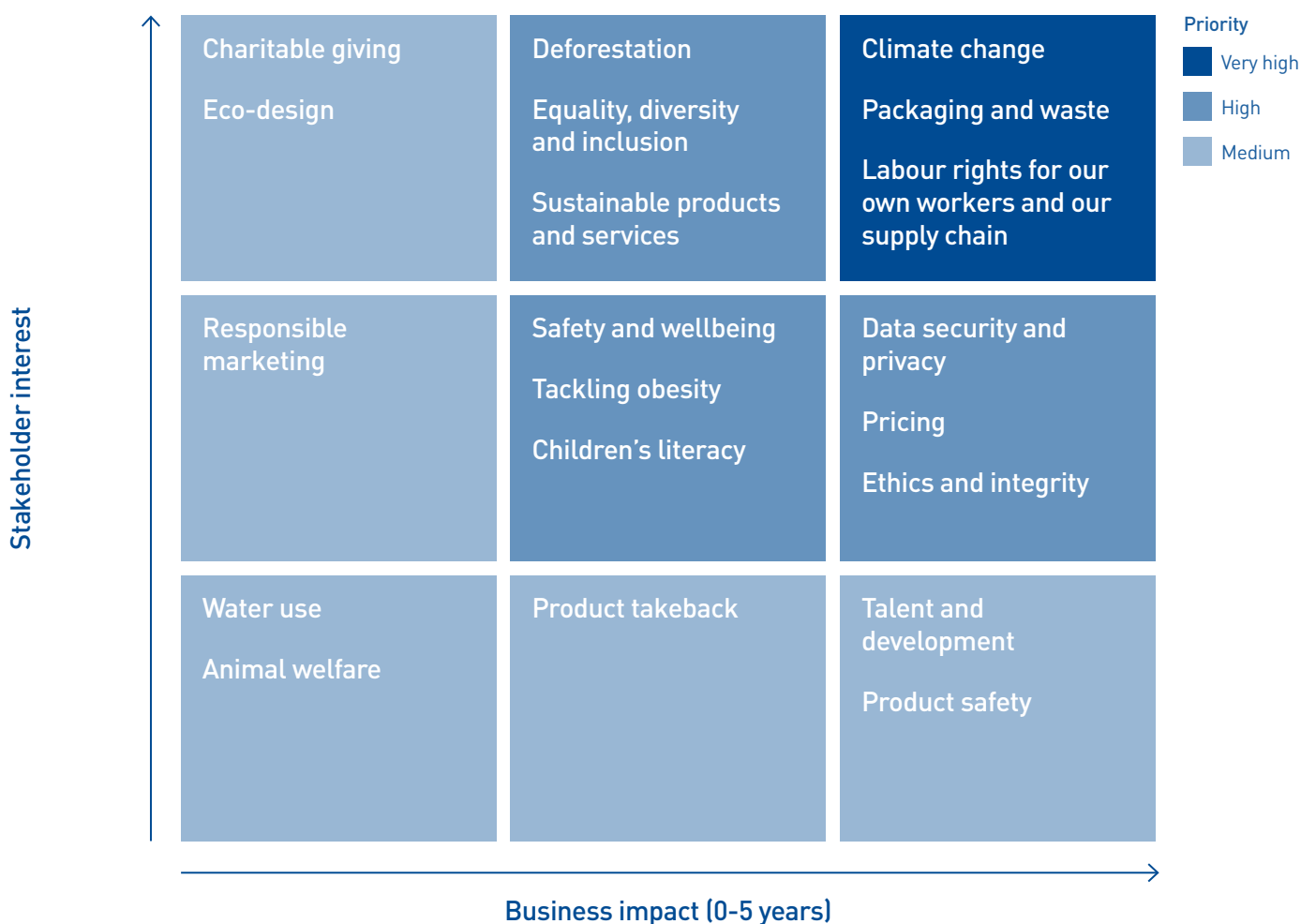
Our sustainability strategy continued

Identifying our material issues

We undertake an annual materiality assessment of those issues that potentially impact WHSmith to identify the most important socio-economic, environmental and ethical factors of greatest relevance to our business. This assessment is informed by the views of a wide range of stakeholders and other inputs, including:

- A review of existing and emerging issues that are the focus of ongoing public attention;
- Insights from engagement with NGOs, civil society groups and sustainable business specialists;
- An analysis of questions asked by investors, both through questionnaires and direct engagement;
- Customer queries and feedback on our products and commercial activities;
- Employee views on our approach to sustainability; and
- A review of peer company reports to understand how different issues are approached by others in the retail sector.

We determined our most material issues by considering how important those issues are to our stakeholders and how significant an impact they could have on our business. The results are shown in the chart below.



As a result of our updated analysis, areas that have been given greater prominence in this report include:

- Reporting of our carbon footprint and actions to reduce greenhouse gas emissions in line with a 1.5 degree global warming scenario, to align with emerging standards around science based targets and net zero;
- Our work on diversity and inclusion, where we have provided information on the new activities implemented this year to promote a more inclusive culture across the organisation; and
- More information on data security and privacy protection controls.

Governance

WHSmith has a long-standing commitment to high standards of Environmental, Social and Corporate Governance (ESG). Our approach plays an important role in risk management, business development and delivering the expectations of our stakeholders. A robust governance structure, risk management processes and internal control frameworks are embedded across WHSmith and are central to our management of ESG.

The Group Executive Committee, chaired by our Group Chief Executive, has overall accountability to the WHSmith Board for our sustainability performance. An ESG Steering Group chaired by the Group Chief Executive meets monthly to review progress and next steps to take for key sustainability issues. Each issue has a series of targets and an action plan for implementation. Individual issues are managed by the most appropriate owners across the business. WHSmith's Head of Sustainability works with internal stakeholders to advance the various initiatives, co-ordinate implementation of the sustainability programme and provide updates to the key governance bodies.

The Board regularly reviews our sustainability strategy and overall performance against our objectives.

Following growing interest from shareholders and other stakeholders, the Board has recently established an ESG Committee. The Committee will be responsible for understanding the potential impact and related risks of ESG considerations on the business. It will approve the Company's ESG strategy, including policies, objectives and a roadmap for delivery, and monitor progress against agreed targets. The Committee will meet three times a year.

Quarterly updates are also provided to the Group Audit Committee on key ESG risk areas. As part of WHSmith's risk management processes, detailed risk registers are maintained by each business and used to identify, manage and monitor risks at quarterly Business Risk Committees. The Business Risk Committees review the progress made towards achieving our long-term sustainability targets once a quarter, together with any emerging issues which need to be considered.

As our business expands internationally, it is a priority for us to ensure that our sustainability policies and programmes are implemented across our global operations. This includes integration of our most important issues and to ensure that key policies such as those for anti-corruption, ethical trade, modern slavery and forestry are being effectively implemented. As part of this work, our joint venture and franchise partners are asked to certify compliance with our policies every year.

Our governance framework



Planet

Relevant policies

- Environmental Policy
- Sustainable Forests Policy

Climate change and resource scarcity are complex global challenges affecting businesses and their supply chains. For WHSmith to be more sustainable, we must use the world's resources wisely and play our part in tackling climate change. We are committed to reducing carbon emissions through energy efficiency, investing in renewables and encouraging our supply chain to join us on a pathway to net zero.

We have measures to ensure our products do not impact the world's forestry resources; and we are minimising waste from packaging, reducing our use of plastics and seeking to eliminate food waste.

Managing our carbon emissions

Climate change is the biggest environmental challenge facing our world right now, with hugely significant social and economic consequences. Businesses need to respond by rapidly cutting carbon emissions. WHSmith has a long history of reducing Scope 1 and 2 emissions in line with the trajectory needed to limit global warming to 1.5 degrees. Since 2007, we have reduced location-based Scope 1 and 2 emissions by over 60^A per cent.

Last year we set a target to reduce Scope 1 and 2 emissions from our UK buildings to net zero by the end of 2021 and from our international buildings by the end of 2025. Our target included: emission reductions from energy efficiency; investment in energy saving equipment; and a switch to renewable electricity. Only once all of these measures had been taken, would we use investments in third party carbon removal schemes such as afforestation to neutralise any residual emissions. We achieved our target for our UK operations for this year.

Going forward, we will amend our use of terminology to reflect the latest guidance from international standards organisations such as the Science Based Target Initiative (SBTI), and seek formal SBTI approval of our carbon targets.

Our Scope 1 emissions are produced by the combustion of gas to heat and cool stores, offices and distribution centres. Scope 2 emissions are generated from the production of purchased electricity to power, light and heat those buildings. Our reported Scope 1 and 2 emissions include all UK and international properties, both owned and leased.

Our Scope 1 and 2 market-based carbon emissions decreased this year to 6,684^A tonnes (2020: 29,695^A tonnes) of CO₂e as a result of:

- A reduction in energy consumption because of store closures due to Covid-19;
- Energy reduction measures such as investment in more efficient lighting and cooling systems;
- A switch to 100 per cent renewable electricity contracts for all sites where we purchase the power; and
- Investment in renewable electricity certificates to negate any emissions from sites where landlords control the power supply.



All of the electricity that we purchase in the UK comes from renewable sources

All certificates were from the Renewable Guarantees of Origin scheme, a UK and European initiative to provide transparency on the proportion of electricity sourced from renewable generation. The certificates were retired on our behalf to avoid double-counting.

Emissions from our UK operations were 2,688^A tonnes (2020: 24,382^A tonnes) of CO₂e. These residual emissions arise from the combustion of natural gas and to date, we have been unable to remove them completely as alternative technologies appropriate for our buildings do not yet exist. In order to neutralise these residual emissions and reduce net emissions from our UK buildings to zero^A, we purchased carbon reduction certificates from a Verified Carbon Standard afforestation scheme.

The largest proportion of our footprint lies within Scope 3, which includes indirect emissions that we do not directly control but that we may be able to influence. They include emissions from our suppliers in providing us with goods and services; emissions from the transport of goods in our supply chain and from employee travel; and emissions associated with treatment or disposal of the waste that we generate, either directly in our operations or at the end of life of the products we sell.

Our largest source of Scope 3 emissions is from the production of goods and services which we procure from our suppliers. These emissions are more than 15 times greater than our Scope 1 and 2 emissions and a major part of our overall carbon footprint.

Half of our Scope 3 emissions come from approximately 70 suppliers, and two-thirds from nearly 350 suppliers, with the most significant categories being food and drink products, news and magazines, stationery and construction services.

We have set a target to engage with suppliers covering 50 per cent of our carbon footprint from purchased goods and services, to encourage them to have plans in place to decarbonise in line with a 1.5 degree pathway and ultimately reach net zero by 2040.

We are also working to reduce carbon emissions from our transport and logistics operators. We have reduced carbon emissions per pallet moved by more than 19^A per cent since 2007, through better route planning and optimisation of delivery schedules, driver training

Planet continued

and working in partnership with our business partners to reduce fuel consumption and reduce emissions.

Emissions from fuel and energy-related activities, operational waste and business travel have all decreased this year, mainly as a result of reduced operational activity caused by Covid-19.

We have continued our work with British Retail Consortium (BRC) as a supporter of the Climate Action Roadmap to accelerate progress in the retail sector towards achieving net zero emissions ahead of the UK Government's target of 2050.

We are continuing to work with BRC and other members on defining the actions that should be taken by retailers, their supply chain, governments and other stakeholders, to help the retail industry and its customers deliver this goal.

We have continued to implement the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD),

strengthening governance and embedding climate-related risks into our business processes. The steps we are taking to manage climate-related risk include:

- Investing in energy efficiency to reduce consumption, and switching to renewable sources of electricity;
- Optimising route planning and logistics operations to minimise fuel consumption;
- Reviewing our risk management processes to ensure they include climate risks;
- Ensuring business continuity plans include any disruption from major weather events, such as flooding and extreme heat;
- Factoring the impact of higher carbon prices into decision-making for long-term projects; and
- Continuing to diversify products and packaging away from carbon-intensive single-use and hard-to-recycle plastic materials.

Greenhouse gas emissions (tonnes CO₂e)

	2021	2020**	2019
Scope 1 and 2 emissions (location-based)			
Scope 1 emissions	2,688 ^Δ	6,025 ^Δ	2,653 ^Δ
Scope 2 emissions	14,481 ^Δ	17,629 ^Δ	22,192 ^Δ
Total Scope 1 and 2 emissions	17,168^Δ	23,653^Δ	24,845^Δ
Total Scope 1 and 2 emissions per £m of revenue	19.4^Δ	23.2^Δ	17.8^Δ
Scope 1 and 2 emissions (market-based)			
Scope 1 emissions	2,688 ^Δ	6,025 ^Δ	2,653 ^Δ
Scope 2 emissions	3,996 ^Δ	23,670 ^Δ	28,098 ^Δ
Total Scope 1 and 2 emissions	6,684^Δ	29,695^Δ	30,751^Δ
Total Scope 1 and 2 emissions per £m of revenue	7.5^Δ	29.1^Δ	22.0^Δ
Total Scope 1 and 2 emissions after neutralisation via carbon removal certificates	3,996^Δ	29,695^Δ	30,751^Δ
Scope 3 emissions			
Purchased goods and services and capital goods and services	approx. 404,000*	approx. 404,000	not measured
Energy-related activities (transmission and distribution only)	1,090 ^Δ	1,280 ^Δ	1,650 ^Δ
Upstream transport and distribution (vehicle emissions) Of which distribution to stores	approx. 13,000 2,708 ^Δ	approx. 14,000 3,752 ^Δ	not measured 5,054 ^Δ
Waste generated	195 ^Δ	247 ^{Δ**}	142 ^{Δ**}
Business travel	643 ^Δ	935 ^Δ	1,886 ^Δ
End of life treatment of sold product	approx. 22,000*	approx. 22,000	not measured
Total Scope 3 emissions	approx. 441,000	approx. 442,000	Incomplete

Δ Reliability of the WHSmith totals for the selected sustainability performance data has been assured by Corporate Citizenship, as described on page 29. Full details of the methodology used to calculate our carbon emission is provided on page 30.

* Figures for purchased goods and services and end of life treatment of sold products are for 2019, the latest pre-pandemic year for which analysis is available.

** Figures for 2020 have been restated to remove US stores which are run as franchises or joint ventures in line with the rest of our reporting and to update conversion factors for emissions from waste.

Planet continued

Reducing energy consumption

We use energy to light and heat our stores, distribution centres and offices. We have been working for many years to reduce the amount of energy we use, recognising opportunities to reduce our overall carbon emissions and operating costs for the business.

Our energy consumption in 2021 was 72,592^Δ MWh (2020: 96,631^Δ MWh), a decrease of 25 per cent over the previous year, mainly as a result of stores being closed during the worst of the pandemic.

Energy reduction measures over the past few years have included:

- Installation of building management systems to monitor energy consumption across stores, and adjust energy settings for lighting, heating and air conditioning to minimise energy;
- Replacement of LED lights which are now coming to the end of their life, with new equipment providing a wider beam of light for wall displays and till points, reducing the need for more energy-intensive perimeter lighting in-store; and
- The introduction of aerofoils to the front of our refrigeration units to minimise energy consumption as a result of cold air loss.

Investment in new technology for stores was paused during Covid-19 lockdowns, but has recommenced now.

Investing in renewable electricity

This year, 100^Δ per cent of the electricity we purchase in the UK for our stores, offices and distribution centres came from renewable electricity. For the stores where we are responsible for the electricity supply, we switched to a green tariff, and for stores where the landlord is responsible for the electricity supply, we purchased renewable electricity certificates to neutralise any emissions from non-renewable electricity. These certificates were retired on our behalf to minimise the risk of double counting or claiming of carbon reductions.

Energy and fuel use

	2021	2020*	2019
Energy use (buildings) (MWh)			
UK	64,737 ^Δ	86,782 ^Δ	77,619 ^Δ
Non-UK	7,855 ^Δ	9,849 ^Δ	12,695 ^Δ
Total	72,592 ^Δ	96,631 ^Δ	90,314 ^Δ
Energy use (buildings) (MWh)			
Gas	14,673 ^Δ	32,765 ^Δ	14,428 ^Δ
Grid electricity (renewable)	50,064 ^Δ	0 ^Δ	0 ^Δ
Grid electricity (non-renewable)	7,855 ^Δ	63,866 ^Δ	75,886 ^Δ
Total	72,592 ^Δ	96,631 ^Δ	90,314 ^Δ
Fuel use (transport) (litres)	1.08 million^Δ	1.48 million^Δ	1.95 million^Δ

^Δ Reliability of the WHSmith totals for the selected sustainability performance data has been assured by Corporate Citizenship, as described on page 29. Full details of the methodology used to calculate our carbon emission is provided on page 30.

* Figures for 2020 have been restated to remove US stores which are run as franchises or joint ventures in line with the rest of our reporting.

Improving transport efficiency

WHSmith's transport delivery network is a long and complex one, covering over a thousand units across the length and breadth of the UK. We use vehicles provided by third parties to help us to distribute products between our distribution centres and stores, and work in partnership with our logistics partners and trade suppliers to maximise efficiency and reduce carbon emissions wherever we can.

In conjunction with our partners, we carry out regular and in-depth reviews of our transport operations to help to optimise routing and delivery frequency.

Our fuel consumption decreased significantly this year by 27^Δ per cent, predominantly as a result of reduced operations due to Covid-19. We maximised the efficiency of our distribution networks during this time by temporarily closing some of our satellite storage centres and reducing the frequency of deliveries.

Where we can, we look for opportunities to collaborate with our suppliers and other companies to reduce emissions, for example, sharing vehicles with third parties in more sparsely populated areas.

Another initiative is our Collection Service where we share space in our lorries and reduce traffic on the roads. If a supplier site is near to one of our transport routes, we collect products from their site, using spare capacity in our lorries and reducing the overall emissions associated with transporting our products.

Planet continued

Forestry products

Paper-based products are a core part of WHSmith's business. We are committed to minimising environmental impacts from sourcing of the paper used in our own-brand products, using recycled materials where possible and ensuring that all virgin material comes from known, legal, well-managed, certified forests.

As part of our work towards this objective and in line with the legal requirements for goods made from timber, we carry out an in-depth and rigorous assessment of supplier timber and paper sourcing systems. All of our suppliers must meet the standards set out in our **Sustainable Forests Policy**, which require any materials to be made from recycled or certified sources.

We use the two leading global standards developed by the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC) for certification. This policy applies to all of our own-brand products and to goods that we buy that are not for resale.

Our sourcing teams both in the UK and in Asia work with our suppliers to help them understand our requirements and how the data they provide is needed to demonstrate that the pulp, paper or timber used in a WHSmith product is sourced from a certified or recycled source.

This year, we have tightened our due diligence processes even further, and when placing orders have sought certification or evidence of recycled content for 100 per cent of WHSmith-branded products which contain pulp, paper, board or timber. This has identified a small number of suppliers who have been unable to provide the required documentation for certain products in a timely manner.

We received certification or evidence of recycled content for 99.3^Δ per cent of the 14 million products purchased for resale that have been delivered to us by suppliers this year, and have switched suppliers or stopped any further purchases of the 0.7 per cent of products where certificates were unavailable.

Going forward, we will be extending our due diligence processes to include Goods Not for Resale and will provide an update on our progress in future reports.

We have a small number of food lines that contain palm oil. Any palm oil used in these products is certified by the Roundtable on Sustainable Palm Oil certification scheme, providing assurance for customers that the standard of palm oil production is sustainable.

Waste management

The use of resources and the subsequent generation of waste have an impact on the environment: non-renewable energy and virgin raw materials used in manufacturing and production are finite and cannot be easily replaced; and waste materials impact the air, land and marine environments when they are no longer needed. Transitioning to a circular economy, where materials are used more effectively, is essential if we are to conserve precious resources and minimise waste.

We remain committed to reducing the waste generated from our operations and maximising reuse and recycling wherever we can. Most of the waste generated by our operations comes from the cardboard and plastic packaging which is used to protect the quality and integrity of goods during transit.

We are working hard to minimise the quantity of packaging which is needed so that materials are reduced at source. We use reusable skips to transport goods between our distribution centres and stores, rather than less robust cardboard boxes.

In our High Street stores, we operate a dry mix recycling system for most forms of waste, including paper, card, plastics and metals. Waste is also carefully separated in our distribution centres and offices, again to maximise the volumes which are recycled.

The total amount of waste generated this year was similar to last year at 3,623^Δ tonnes (2020: 3,449^Δ tonnes). The quantity of waste diverted from landfill was 93^Δ per cent (2020: 88^Δ per cent). This increase was partly due a greater proportion of material being recyclable this year in comparison to last year when we had some unique waste streams from operations due to Covid-19, and partly due to improved data reporting which gives greater visibility of material being diverted from landfill by our waste management contractors.

The waste recycling data we collect covers our High Street stores where WHSmith has direct control of the waste management contracts, our offices and our distribution centres. For our High Street stores in shopping centres, recycling programmes are operated by our landlords. For these stores, we make some assumptions about the levels of recycling, so that our overall waste volumes reflect the waste managed in all of our High Street stores. We do not capture the waste recycling carried out in our Travel stores or in any of our International stores where waste management is handled by our landlords.

We will continue to reduce the amount of material we send to landfill with specific initiatives aimed at our stores, offices, distribution centres and construction activities.

In our Travel business, the number of food lines that we sell is growing, and we continue to try and eliminate food waste wherever possible. One of the main sources is from chilled food products which have reached their use-by dates.

We have implemented a number of initiatives over the past few years, including a better stock control system to improve forecasting and ordering of chilled food sales, so that we only stock the food that we expect to sell, reducing waste volumes.

We operate a discounting strategy in all our stores – encouraging store colleagues to reduce the price of any sandwiches that are approaching but have not yet exceeded their use-by date. We have also recently undertaken a review of how space is used in our stores, and where we have high levels of food waste, we have reduced the space dedicated to chilled food and replaced it with longer-life products.

Waste generated and diverted from landfill

	2021	2020	2019
Total waste (tonnes)	3,623 ^Δ	3,449 ^Δ	4,657 ^Δ
Percentage diverted from landfill	93 ^Δ	88 ^Δ	88 ^Δ

^Δ Reliability of the WHSmith totals for the selected sustainability performance data has been assured by Corporate Citizenship, as described on page 29.

Planet continued

Reducing plastic and packaging

Excessive packaging and the use of single-use plastic materials continue to be a concern for consumers and environmental stakeholders. Packaging materials are designed to protect items to maintain quality and enhance product shelf life, however excessive packaging can negatively impact the environment. Energy and raw materials are used in the manufacturing process, and when packaging is no longer needed, it can harm the air, land and marine environments.

It is important for us to reduce unnecessary packaging, both for environmental reasons, but also to minimise the cost impacts on our business. We regularly review the type and quantities of packaging over which we have control, including primary packaging of our own-brand products and the secondary packaging used to protect goods during transit and distribution. We seek to identify opportunities to minimise packaging or use more environmentally-sustainable solutions where possible.

Each year, we report the quantity of the packaging we handle to the Environment Agency and pay a packaging levy to fund the recovery and recycling of a set percentage of this material. The majority of this packaging is from food and drink products supplied by other major brands, where we have limited control over the materials and quantity of packaging used. However, a sizeable minority of packaging comes from our own-brand stationery goods.

We have identified a number of opportunities for reducing the quantity of packaging used in our own-brand lines and for switching from hard-to-recycle materials to packaging that can be more easily recycled. Over the past two years, we have redesigned the majority of packaging for our Christmas ranges to move away from plastic wherever possible, or to use forms of plastic that can be easily recycled where necessary. Plastic packaging has been removed from our wrapping paper, boxed cards, packets of tissue paper and collections of other gifting supplies such as bows, tags and ribbons. Where packaging is necessary, it has been replaced with card, paper or for a limited number of lines with recyclable plastics.

Our WHSmith-branded seasonal ranges for Christmas 2021 will be plastic-glitter free, and none of the WHSmith-branded products ordered since the start of this financial year contain loose plastic glitter that could enter the environment.

Reducing the number of plastic carrier bags we give to customers has been a focus for many years, with our staff asking customers whether they need a carrier bag and promoting the use of reusable bags. We introduced a Bag for Life into all of our High Street and Travel stores several years ago and have gradually reduced sales of single-use bags.

We have continued to engage with the government consultations on reform to packaging regulations and the introduction of a deposit return scheme which will require retailers to take back drinks containers for recycling once a customer has finished with them.

We have switched all of our plain, bottled water ranges to lines which come in containers made from 100 per cent recycled plastic and have also introduced a much wider range of refillable water bottles into our stores. Some of our newer stores have water refilling stations so that customers can refill their reusable bottles free of charge.



We have redesigned the packaging for our seasonal ranges to eliminate plastic wherever possible

We continue to reduce single-use plastic across other ranges. Our Coffee Houses and office restaurants now only stock wooden stirrers rather than plastic ones and we provide a financial incentive for customers to use their own reusable cups for hot drink purchases. We continue to mandate that suppliers of greetings cards provide them without cellophane wrapping unless they are needed to protect embellishment on the card, removing the need for unnecessary packaging.

Helping our customers to reduce waste

We want to make sure that any waste from electrical items or batteries that we sell does not end up in landfill at the end of product-life. Collection points are in place for customers to recycle their old batteries in our stores and this year we have collected five tonnes of batteries for recycling. We also offer in-store takeback for customers to return waste electrical and electronic equipment (WEEE) when they make a like-for-like purchase from us. We provide signage in-stores and on our website to inform customers about the importance of recycling the electrical components within these products.

Our stationery takeback scheme developed in conjunction with the stationery manufacturer, BIC, continues in our High Street stores to provide a facility for customers to return plastic pens for recycling at the end of their life.

Conserving water resources

Water resources are increasingly in high demand in many parts of the world and the situation is likely to worsen as a result of climate change. In comparison with some other businesses, we do not use large quantities of water in our operations, only for employee use in our stores and offices. Our water consumption for 2021 was 201,000m³ which equates to approximately 20m³ per employee per year. For comparison, the average person at home uses approximately 50m³ per year.

We continue to ensure that water use is managed responsibly and many of our stores have water meters in place to monitor the water we use and identify any possible savings. Our design specifications for new stores and store refurbishments include water-saving features for sanitary ware. We have limited control over the major component of our overall water footprint which comes from the water used by suppliers to produce the products that we sell.

Our people

Relevant policies

- Code of Business Conduct
- Health and Safety Policy
- Human Rights Policy

The people who work for WHSmith are critical to the success of our business, from those serving our customers to those working for our suppliers. We are committed to being an inclusive employer where everyone is treated fairly and with respect. We provide training and development for our employees to develop the skills they need. We promote a safe and healthy environment where colleagues feel engaged and where they enjoy working.

These commitments extend to those employed in our supply chain, and we actively engage with our suppliers to ensure high standards for workers and protection for the environment.

Engaging our employees

We understand the importance of an open and honest culture where we communicate effectively with our employees and provide opportunities for them to offer feedback and opinions which are listened to and considered in our decision-making processes. Engaging our employees supports our journey to becoming a truly inclusive business with a culture in which anyone can thrive, and everyone can belong.

Covid-19 has had a major impact on all of us and we have adapted our usual methods for office and store-based communication to ones that could be accessed remotely by employees working from home or those who were furloughed.

Video and tele-conferencing replaced face-to-face engagement, and briefing sessions continued throughout the year for employees to hear from our senior management team. Employees were updated on the Company's strategy and the latest operational developments and were able to ask questions or provide feedback from those running the calls. As employees started a return to the office, we began to use both face-to-face and online engagement.

To help support our colleagues during the period in which restrictions lifted, where stores re-opened and colleagues started returning from furlough, we provided guidance on working life post-lockdown.

An online training module gave our store colleagues details of updated practices, our plans to keep everyone Covid safe, personal protective equipment requirements and supporting resources available on an ongoing basis. Alongside this, managers received guidance on how to support colleagues returning to work.

We have a number of different engagement channels across the business, including feedback forums with senior management and our working committee for our diversity, inclusion and wellbeing activities. In our High Street head office, we have introduced an initiative called Listen To Me for individuals to suggest simplification ideas and activities, with a monthly review panel consisting of representatives from around the business identifying which ideas to take forward.



We are committed to promoting a culture where everyone can be themselves

We have recognised achievements and celebrated success around the business through a number of other channels. Our weekly 'Hall of Fame' gives head office employees a chance to highlight when a colleague has delivered something exceptional and to show appreciation for their peers' hard work.

We also celebrated our annual awards ceremony, 'The Smithies', recognising outstanding work from our colleagues across our Travel and High Street head offices and distribution centres.

Our store teams have also received recognition for their contributions with celebrations including our Stores of Excellence programme across High Street, the Above and Beyond Awards in International and store awards taking place at regional management meetings in UK Travel.

Promoting diversity

We recognise that every one of our employees is essential to the success of our business, regardless of their age, race, religion, gender, sexual orientation or physical ability.

WHSmith is committed to promoting a culture of inclusion and diversity through our policies, procedures and working practices and we aim to ensure everyone receives equal treatment throughout their employee journey with us.

We know that diverse teams perform better, and we want our organisation to reflect the diversity of our customer base. All our employees should feel able to be themselves and to bring their individual viewpoints, styles and experiences to work.

This year, WHSmith appointed its first Head of Diversity, Inclusion and Wellbeing. The new role was set up to develop the Company's strategy and approach to these areas in collaboration with the Board, senior leaders and teams.

To date, the focus has been on consolidating communications, strengthening data collection methods and disseminating staff stories to build awareness. The renewed strategy for diversity and inclusion focuses on data and systems, communication and engagement, and partnership and collaboration to deliver our goal of creating an environment where everybody is welcome, can thrive, and is valued for their contribution.

Our people continued

We have signed up to a number of industry charters, committing to making progress on improving diversity and inclusion in our business. This year we became one of eight founding members of a unique collaboration community called Diversity in Retail. This is dedicated to increasing diversity and inclusion at all levels within organisations in the retail sector through the sharing of best practice and co-creation of practical solutions.

We are also signatories to the British Retail Consortium's Diversity and Inclusion Charter, and Business in the Community's Race at Work Charter. These provide a set of external principles to inform our activities and provide a framework for us to measure our progress.

Our Diversity and Inclusion Working Committee and divisional listening groups with senior management have enabled colleagues to engage directly with leadership, provide feedback on activity and work together on improvements. The feedback received so far has resulted in refined processes across the business, changes to our return to work strategy, and improved internal communications through a greater use of relatable, personal stories to develop a shared understanding of different perspectives.

We benchmark diversity profiles for all employees, our management teams and our Board against peers and national averages to monitor our progress. Work is underway to gather further data and information to help assess and monitor the diversity of our organisation and make meaningful changes to practices and procedures.

We remain committed to improving the gender balance in our senior staff populations. We continue to develop our succession pipeline to ensure we have a number of women ready for promotion. Mentoring plays a critical role in the development of our talent pipeline at all levels, and our senior female executives act as mentors to support others with their development requirements.

We have built on recent policy improvements to support our female colleagues and this year focused on ways of supporting managers to foster our female talent pipeline for progression to more senior roles, and ensure that we continue to retain the best female talent within the organisation.

We continue to work with Everywoman who provide a host of personal development tools aimed at women, including monthly webinars, workbooks and relevant career development articles. The partnership also provides our employees with links to an external network of professional women in other organisations so that contact, connections and relationships can be made easily. Their learning platform is now available to all of our employees.

We also partner with workingmums.co.uk and workingdads.co.uk which provide online job and community websites for professional and working mothers and fathers respectively. The websites allow us to advertise our roles, showcase our commitment to gender diversity and raise our profile as a family-friendly employer.

All employees, both male and female, are entitled to take time away from work in order to assist them with their responsibilities as parents in the upbringing and education of their children.

Parents are able to take this time with the knowledge that their employment rights are protected whilst they are absent. Our parental leave policy sets out the process for employees to

request parental leave and what they can expect from the Company during their absence.

We also have policies and schemes in place to support those employees who would like to take time away from work to care for a sick or elderly dependant. They are designed to give carers peace of mind that they can take a break from work with the promise of a return at the end of their leave.

To build upon our existing support for women in senior leadership roles, we have reformed our maternity policy with an enhanced provision for the first six months of maternity leave. This is supported by a flexible return to work policy for the first three months, enabling colleagues to use 20 per cent of their working time to help support a smooth transition back to work while balancing time spent with their child. It is important to us that our female colleagues feel valued and supported both whilst on maternity leave and as they return to work, and understand that this period of absence will not impact their career progression.

All companies are now required to publish any difference in the average pay of male and female employees. Further details for WHSmith are available in our [Gender Pay Report](#).

We know that our store staff community is representative of the demographic of customers that we serve, but we also know that we have much more to do to increase ethnic diversity at senior levels in our organisation. We have set ourselves an objective to increase the diversity of our senior management team and will be implementing a number of steps across recruitment, career development and other processes to ensure we reach this objective.

We have commenced an external independent review to assess our talent and recruitment processes to ensure that structurally we are in the best position to attract, recruit and onboard the brightest and broadest pool of talent, irrespective of background.

Shortlists for recruitment into senior management positions are now required to have an equal share of male and female candidates, and at least one candidate from an ethnic minority.

WHSmith marked its first Pride celebrations this year, with a focus on education and celebration. We distributed Pride lanyards to staff in all parts of the business and provided information to colleagues to help inform and raise awareness by sharing different perspectives from some of our LGBTQ+ colleagues.

Customer activity revolved around curated Pride book tables at 300 stores nationwide that celebrated the LGBTQ+ community. A number of colleagues from all over the country worked as volunteers to help make the day a success.

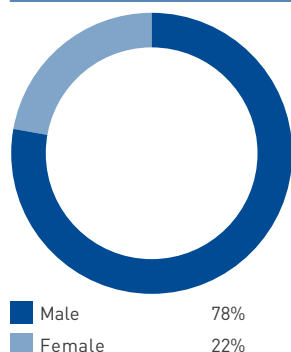
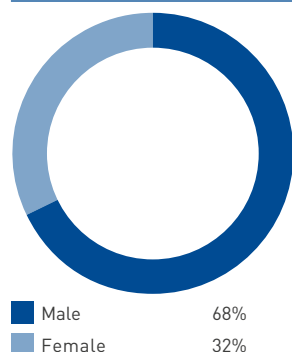
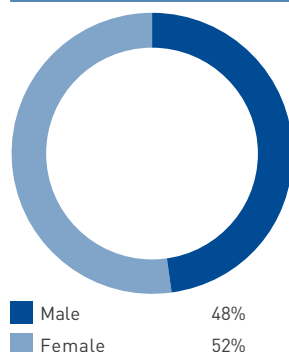
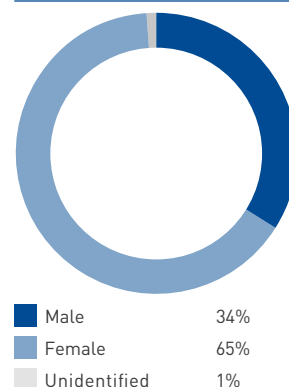
Our diversity statistics are published on the next page. We recognise we have further progress to make on our journey to increase the diversity of our senior executive population across both gender and ethnic minorities.

The measures we are taking are starting to deliver better female representation at management level, with numbers of women at middle management level now outnumbering men. We are optimistic that this trend will continue and that we will see growing female representation at director and senior management level.

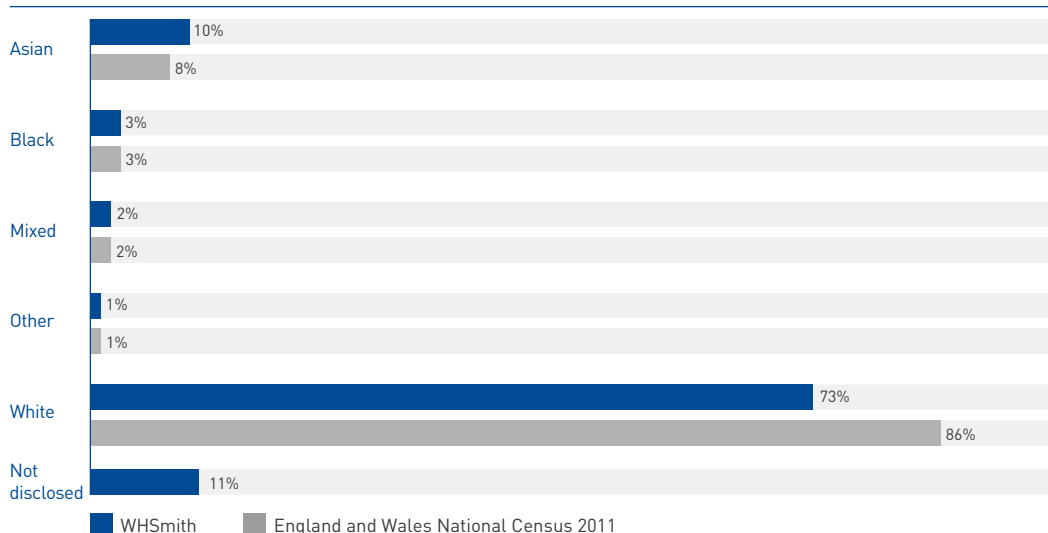
We are working hard to gather additional data in relation to other forms of representation within our organisation and intend to report more comprehensively against other metrics in future reports.

Our people continued

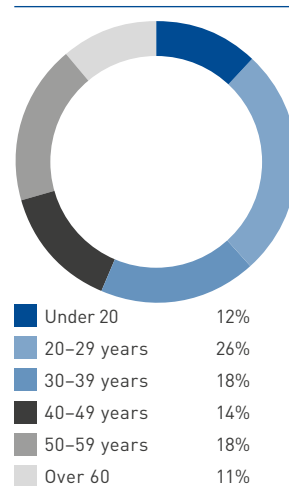
Diversity charts

Group Executive^ΔDirectors and Senior Managers^{*Δ}Managers^{**Δ}All employees^Δ

Ethnic diversity (UK based only)^Δ



Employees by age (UK based only)^Δ



* Includes Group Executive and all colleagues graded at levels one or two below, plus international equivalents.

** Includes head office colleagues graded at the level below * plus Store Managers, Cluster Managers and Post Office Managers, plus international equivalents.

Δ Reliability of WHSmith totals for the selected sustainability performance data has been assured by Corporate Citizenship, as described on page 29.

Employee wellbeing

We believe that supporting the mental wellbeing of our employees is just as important as looking after their physical health and safety. Our strategy to promote mental wellbeing has three main objectives:

- To improve awareness and reduce stigma;
- To raise the level of mental health support across the business to at least the same level as physical health; and
- To have a mentally healthy culture.

Our awareness-raising and stigma-reduction work is underpinned by partnerships with accredited organisations and mental health charities including MQ, the mental health research charity, Place2Be, the leading national children's mental health charity and CALM, a movement against male suicide. We use their resources, participate in their national events and look for opportunities to fundraise on their behalf.

This year, we took part in the Green Ribbon campaign run by the Lord Mayor's Appeal Charity to end mental health stigma and distributed over ten thousand ribbons to colleagues across the business for Mental Health Awareness Week. We also continued our support for Place2Be's Children's Mental Health Week, helping them to share resources and information with schools using our distribution networks and employees.

Feedback from employees indicated that the mental wellbeing services available via our employee assistance programme (EAP) are not well known, and so we ran an information webinar for employees to highlight what was on offer. The EAP provides a confidential helpline for legal, financial, medical or other general queries, and a route to face-to-face counselling if it is needed. Employees also have access to the Thrive wellbeing app which is designed to provide support for employees to build resilience against stress, anxiety and depression.

Our people continued

Research shows that financial wellbeing can have a strong impact on our mental health – when we are in control of our finances and have the financial freedom to prioritise what is important to us, we have a degree of protection from becoming unwell. Conversely, lack of control and loss of decision-making options are significant risk factors that can contribute to mental ill health. WHSmith has two programmes that provide access to finance for our employees.

The WHSmith Benevolent Fund is a registered charity established in 1925 for the benefit of current and retired employees and their families who are in financial difficulty or hardship and in need. The Fund awards cash grants to help alleviate cases of hardship, grants for mobility scooters, stairlifts and other accessibility aids, and also provides care breaks and recuperative holidays. This year we continued our awareness campaign to ensure that all staff are aware of the Benevolent Fund and that they can apply for financial assistance in times of hardship.

This year, we also launched a new scheme in association with Salary Finance, through which employees can access free financial education and loans at lower interest rates than those offered by traditional lenders. Employees pay down their existing debts by replacing them with a single, low-interest employee loan which enables them to build a positive credit history.

We have distributed wellbeing posters throughout our head offices, stores and distribution centres which detail information on our employee assistance support line, information on the WHSmith Benevolent Fund and the newly launched Salary Finance Scheme, and continue to raise awareness through our employee online channels.

Other awareness-raising activities this year maintained a specific focus on dealing with the ongoing impacts from Covid-19 and included:

- Communications to furloughed employees with regular reminders of existing and specialist support available relating to the impacts of financial worries, dealing with uncertainty and coping with change. As employees have returned to work, a training component has been included in the return to work process to ensure that individuals know where to find support information when they need it;
- For employees working throughout the pandemic, practical support information at the start of our online briefings to substitute for the normal office-based posters for this information;
- Two courses focusing on dealing with stress and anxiety available via our e-learning platform for all employees to access as part of our coronavirus support. Almost a thousand instances of the courses have been completed to date with very positive feedback from the support programme; and
- During Mental Health Awareness Week in May, we provided a series of briefings, support information and other features.

On World Mental Health Day in 2016, WHSmith made a pledge to have as many mental health first aiders as physical health first aiders, and to train all line and store managers to be mental health aware. We worked closely with Mental Health First Aid (MHFA) England to create a tailored approach to training and now have an equal number of mental and physical health first aiders.

The training helps our mental health first aiders to develop a number of skills, which they can then use to support their colleagues, including:

- An in-depth understanding of mental health and the factors that can affect wellbeing;
- Practical skills to spot the triggers and signs of mental health issues;
- Confidence to step in, reassure and support a person in distress;
- Enhanced interpersonal skills such as non-judgemental listening; and
- Knowledge to help someone recover their health by guiding them to further support either through self-help resources, via their employer, the NHS, or a mix of support facilities.

In addition, over 1,100 line managers have now received a half-day MHFA awareness course which provides them with a basic knowledge of common mental health issues, information on how to look after their mental health and wellbeing, and the confidence to support someone who may be experiencing a mental health issue.

In order to further develop a company culture where mental wellbeing is promoted, we are delivering training to 90 of our senior leaders to promote a management style which focuses on people's strengths rather than their weaknesses. Earlier in the year, we also offered a workshop for all colleagues to support their emotional wellbeing during the pandemic.

Health and safety

Ensuring the health and safety of both customers and employees is one of our most important responsibilities. We take safety extremely seriously and promote high standards throughout our organisation and across our supply chain. Our [health and safety policy](#) sets out a summary of responsibilities, processes and procedures relating to health and safety in WHSmith.

We have strong governance processes in place, with a health and safety management system and annual reporting to the Board of safety and accident data with recommendations for further improvements. The Group Executive Committee monitors key safety performance indicators on a regular basis, and our Health and Safety Committee of employees, senior managers, trade union representatives and professional safety advisers meets throughout the year.

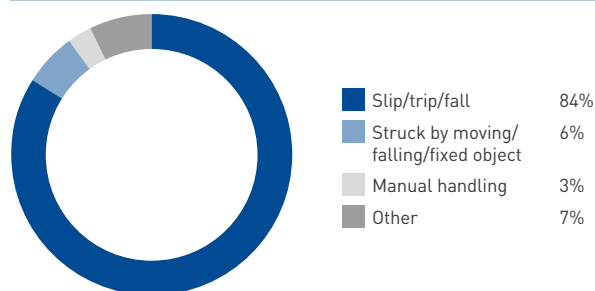
We regularly evaluate our health and safety performance against our peers to ensure we continue to adopt best practice, benchmarking our performance data against information that other organisations publish. We keep up to date with emerging practice through industry groups such as the British Retail Consortium's Risk and Safety Policy Advisory Group which meets regularly to review health and safety issues and share best practice.

We have seen a long-term decline in the number of reportable accidents, with the number of reportable accidents decreasing by 60 per cent over the past decade. There were 30 reportable accidents this year (2020: 29), which were mainly incidents of slipping or tripping in our stores which we try to mitigate by ensuring floors are kept clean and clear of obstacles. Our accident statistics include employees, customers, contractors and visitors.

We provide health and safety training to all staff and specialised training where it is needed. Our training covers key issues such as fire safety, manual handling and food hygiene.

Our people continued

Accident breakdown^Δ



^Δ Reliability of the WHSmith totals for the selected sustainability performance data has been assured by Corporate Citizenship, as described on page 29.

This year, our store colleagues have continued to do an outstanding job in serving our customers. We have continued many of the measures that were introduced at the outset of the pandemic, to ensure that all of our colleagues in stores, distribution centres and offices feel safe at work.

Safety measures were introduced in line with developing government guidelines and advice in respect of Covid-19, and we have continued to modify and update our activities in line with government guidelines and best practice across the retail sector.

Accidents and injuries^Δ

	2021	2020	2019	2011
Major injuries	2 ^Δ	2 ^Δ	5 ^Δ	8 ^Δ
Injuries resulting in over seven days' absence from work/hospitalisation	28 ^Δ	27 ^Δ	24 ^Δ	67 ^Δ
All RIDDORS	30 ^Δ	29 ^Δ	29 ^Δ	75 ^Δ

^Δ Reliability of the WHSmith totals for the selected sustainability performance data has been assured by Corporate Citizenship, as described on page 29.

Realising potential

Our learning and development programmes are designed to provide our employees with the knowledge and skills they need to deliver their role and to support them as they develop their careers.

We provide a range of learning opportunities and initiatives that are designed to help our employees develop their aptitude and experience. These include online courses, workshops, mentoring and coaching and we continue to review and develop these activities, to ensure that they meet the requirements of our business and the learning and development needs for our employees.

This year we have made greater use of our internal skill base by actively seeking out those who have specialist expertise in certain technical areas and working with them to enable them to share their knowledge with others.

Individuals have regular career conversations with their managers during the year, with more formal performance reviews taking place annually. In addition to monitoring performance, we also use a model of employee potential to help us to identify, develop and retain talent within the business.

Mentoring plays a critical role in the development of our talent pipeline at all levels, providing targeted one-to-one support for individuals from someone in a more senior role.

Managers and senior executives act as mentors supporting employees with their development requirements to ensure they are ready to take on more challenging roles.

Reward and benefits

We believe in rewarding all employees with fair and competitive salaries and the opportunity to profit from a bonus depending on company, store or individual performance.

WHSmith operates a Her Majesty's Revenue & Customs Approved Save-As-You-Earn share option scheme (Sharesave Scheme), which provides employees with the opportunity to acquire shares in the Company on favourable terms. At the end of the savings period, the participant has the opportunity to buy the shares at a special option price that is fixed at the start of the scheme at a discount to the share price at that time.

As at the 31 August 2021, 658 employees were participating in our Sharesave scheme.

Human rights

As an international retailer, we have a responsibility to respect and support the dignity, wellbeing and human rights of all those who work on our behalf, and the customers and communities that we serve.

We must act in a way that avoids infringing the rights of others and prevents adverse human rights impacts from our activities. We manage human rights risks through our due diligence processes in line with the United Nations Guiding Principles for Business and Human Rights.

Our [Human Rights Policy](#) provides further details on our approach and sets out the minimum requirements that everyone working for and with WHSmith must meet.

We have mapped out our salient labour issues. Saliency is one of the key concepts relating to human rights and highlights those issues which are important because of their potential detrimental impact on the people involved with, or impacted by, our business.

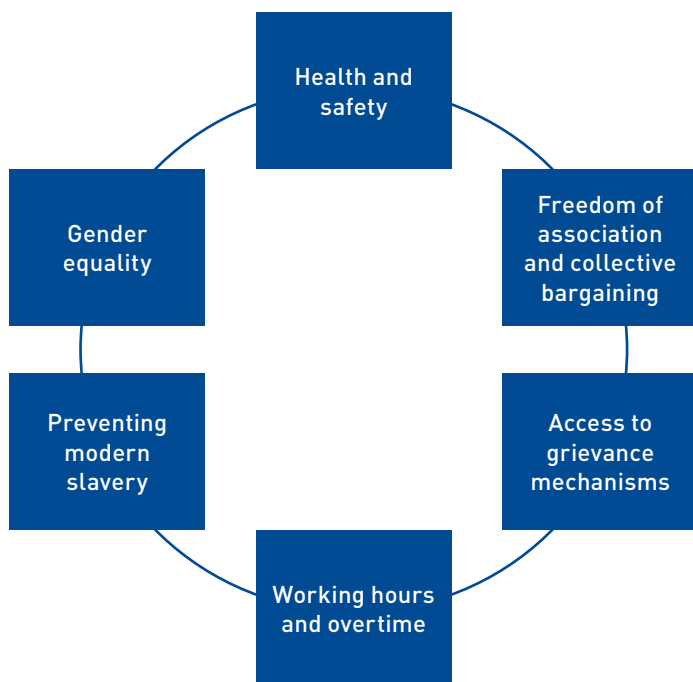
Saliency begins from the perspective of the risk to people that could be impacted, rather than the perspective of business risk, although there is clearly convergence between the two.

We used a number of sources of information and data including generic information published by governments, international agencies, trade unions, non-governmental organisations (NGOs) and other third-party experts; and information specific to our supply chain gathered from workers during site visits, worker surveys and worker representation committee meetings.

We review this information and our outputs annually. Our salient issues are shown at the top of the next column.

Our people continued

WHSmith's salient issues



We now have well-defined programmes in place to engage with our supply chain on our salient issues of health and safety, freedom of association and collective bargaining, access to grievance mechanisms and preventing modern slavery. We intend to make further progress on supplier engagement on the topics of working hours and overtime, and gender equality in the next year.

Modern slavery

Modern slavery, including all forms of slavery, servitude, forced and compulsory labour and human trafficking, is an abhorrent abuse of human rights.

We are committed to ensuring full respect for the human rights of anyone working for us in any capacity and we take a zero tolerance to modern slavery. We have developed a due diligence process to make sure we are identifying, assessing and providing appropriate risk control for any modern slavery risks. This includes mitigation and remedy where needed. We have reported on this area in detail in a separate **Modern Slavery Statement**.

Supply chain

Our customers want to be confident that the products they buy have been sourced ethically, made by workers who are not exposed to exploitation or unsafe working conditions, and produced without harm to the environment.

Our ethical trade activities are part of our commercial strategy and help to build stronger and more transparent relationships with our suppliers. We are committed to respecting human rights across our supply chain and provide training, share knowledge and engage in collaborative industry initiatives.

WHSmith has three main types of suppliers: around 250 suppliers provide our own-brand products – principally stationery and chilled food; over 1,000 suppliers, ranging from large multinational brands to small enterprises provide non-WHSmith branded products; and we have over 2,000 suppliers of non-merchandise services and goods not for resale. We seek to provide a choice of good quality products for customers and value for money, and need good relationships with our suppliers to deliver this.

For our most important lines, we have long-term strategic partnerships in place, with suppliers whom we know well and who know our business and what is required.

Suppliers are selected using five key criteria: cost of product; capacity to manufacture what is required; flexibility – around, for example, new product development or shipment times and volumes; financial health; and ethical and technical standards. Any tendering exercise uses these five criteria to select the successful supplier.

We regularly benchmark existing suppliers to ensure that we continue to source quality products at competitive prices and with the appropriate standards of ethical and technical quality.

Our supplier relationship management is very much a two-way process and we undertake a regular survey of our suppliers to gain feedback on their perception of our performance as a buyer – this is used to continually improve our buying processes and procedures to make sure that we are getting the best from our relationships.

This year we invited our key suppliers to disseminate a survey to their workers. To ensure independence and confidentiality, a quick response (QR) code was provided to workers to provide their feedback anonymously.

They were asked to provide a score from one (low satisfaction) to five (high satisfaction) on different issues, including overtime arrangements, air quality, noise levels and accommodation. The average score across all sites was 4.2 indicating relatively high levels of worker satisfaction. A summary of the key overall findings was provided to each supplier to enable them to address any lower scoring issues.

WHSmith is a member of the Ethical Trading Initiative (ETI), an alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. Our Responsible Sourcing Standards are based on the ETI's Base Code, the International Labour Organisation core conventions and the Universal Declaration of Human Rights.

They underpin all our ethical trade strategy and activities. We will only place orders with suppliers who are committed to working towards compliance with these standards. We have recently expanded our standards to provide more detail on our expectations for suppliers in relation to our most important issues, including those impacting migrant workers and women.

Our ethical trade programme has three key elements: training for buyers so that they understand the role they need to play; factory audits to assess supplier compliance with our **Responsible Sourcing Standards**; and supplier engagement projects aiming to continually improve labour rights and working conditions for factory employees.

Our people continued

We focus on audit and engagement with suppliers of our own-brand products in Asia, which is a strategically important part of our business and one where we can have most influence. We have the strongest relationships, and most influence, with our top 15 own-brand suppliers by value, where we buy a larger proportion of their supply and tend to have longer-term commercial relationships.

Outside of this supply base, we tend to be a comparatively smaller customer, buying relatively limited quantities, often of seasonal products. Our ability to influence activity is more limited, but we seek to raise awareness of the business case for better working conditions to encourage suppliers to work with us.

We have an in-house ethical sourcing team based in Hong Kong, Shenzhen and Shanghai which carries out both audit and engagement work. It audits suppliers for compliance with our Responsible Sourcing Standards at least every two years, using a risk-prioritised programme of announced and unannounced site visits and a review of third-party audit reports. Suppliers are given a compliance score and rated as gold, silver, bronze or unacceptable.

A factory receives an unacceptable grading if any serious violations are identified, if the factory refuses to adhere to an agreed action plan following the audit, if the factory cannot provide full payroll or time records on the day of the visit, or if access is denied to the factory. Orders are suspended until the issues are satisfactorily resolved.

This year we identified four potential new suppliers and three existing suppliers who were unable to provide the necessary levels of documentation and assurance, and as a result no further orders were placed.

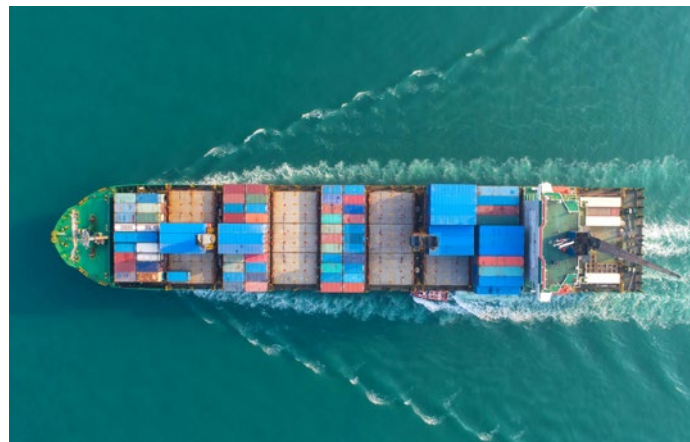
We set an objective to improve the percentage of supplier ethical trade improvement plans completed within our agreed timescales. Our score improved from 76^A per cent in 2020 to 86^A per cent this year.

The most frequent issues identified in our audits include health and safety non-conformances, compliance with conditions relating to working hours and missing paperwork. We also frequently identify non-conformance with social insurance requirements which is a common problem in China.

We are members of SEDEX (Supplier Ethical Data Exchange) which is one of the largest online platforms for companies to manage and improve working conditions in global supply chains. We use it to access additional risk assessments and independent audit data for some of our suppliers.

We spend a significant amount of time engaging with suppliers to support them as they seek to improve conditions for workers. This engagement includes resolving specific problems identified during audits and on focusing on longer-term projects to improve the most common issues such as health and safety or worker representation.

Our health and safety programme provides training for factory management on setting policy, developing effective safety management systems, training workers and auditing the workplace to ensure working conditions are safe. We have established a WeChat group on social media to allow supply chain workers to share best practice and address common issues and we continue to provide information that we believe will be useful information for the group through this channel.



We participated in working groups with ETI to look at human rights due diligence for seafarers

Ten of our largest suppliers are currently engaged with our Worker Representation Initiative where we are working with factory managers to develop better worker representation and engagement processes.

The aim of the project is to help some of our key suppliers to develop fully functioning worker management committees to represent workers on any matter affecting their rights and to resolve problems as they arise. Nearly 70 issues have been identified this year across the 11 factories, with nearly all of them being addressed and remedied successfully. They included issues relating to worker safety and welfare, holiday and rest day arrangements, and food and accommodation.

We have a worker hotline in place to allow workers in our supply chain to report any issues to us in confidence. We investigate and follow up on any calls to ensure appropriate action has been taken.

We are continuing to roll out this hotline to more suppliers, providing training and raising awareness of its existence and how it can benefit workers, and have this year extended it to include 70 supplier factories across China, Malaysia, Taiwan and Turkey.

We have begun to map and investigate our tier two supply chain – who are suppliers to the companies that we buy products from – and have established that many of our direct tier one suppliers conduct some sort of audit or checks on their suppliers to ensure compliance with the ETI's Base Code, which is the industry standard for workers' rights.

In advance of our audits, we ask our suppliers to provide full details of their production facilities, including any subcontracting practices. We risk assess this information, and for higher risk products we extend the scope of audit to include subcontracted facilities. This year, we have strengthened our subcontracting policy to make our expectations clear on the control requirements for any subcontracted work.

Communities

Relevant policies

- Code of Business Conduct

WHSmith is at the heart of many communities, whether they are transport hubs, high streets or hospitals. We are committed to making a positive impact wherever we operate, and to contributing to the socio-economic development of local neighbourhoods through links with schools and other local causes, through fundraising and by staff volunteering. We provide our customers with opportunities to support their favourite charities through in-store donations and the purchasing of cause-related products.

Supporting children's literacy

As a major retailer of books and stationery, we are particularly passionate about literacy and life-long learning. One of the most effective ways of helping children to reach their potential is to engage them in reading for pleasure. Children who read for pleasure make greater progress in mathematics, vocabulary and spelling between the ages of ten and 16 than those who rarely read. Young people who read regularly are significantly more likely to attain a professional or managerial position than those who do not read.

WHSmith is a long-term advocate for the development of literacy skills and has provided help over many years to children and young people who need additional support. Research shows that one in four children in England leave primary school unable to read well, rising to one in two children from a disadvantaged background. One in eight disadvantaged children in the UK (approximately 380,000 children) do not own a single book of their own at home. We want to make a difference to these children.

We have a long-standing partnership with the National Literacy Trust, an independent charity working with schools and communities to give disadvantaged children the literacy skills to succeed in life. Together, we have reached thousands of children across the UK, through summer play schemes, family reading programmes and support for reading in schools.

This year, we joined forces with the National Literacy Trust, Macmillan Children's Books and Marcus Rashford, MBE to donate books and provide financial support to help those children most in need to develop their reading and writing skills. For every copy of Marcus's book, *You Are a Champion: How to Be the Best You Can Be*, that we sold, we agreed to gift a copy for distribution to those most unlikely to own a book of their own. We also provided an opportunity for customers to donate to help the work of the National Literacy Trust through our till points and website. The campaign has raised over 30,000^A books and £40,000^A in the space of a few months. We also gifted a further 1,500^A books to school libraries.

We are also supporting the National Literacy Trust's Young Readers' Programme which motivates children and young people to read for enjoyment through a series of events that celebrate the fun of reading. WHSmith provides books and other materials for use in participating schools in socio-economically disadvantaged areas of the country. In addition, financial support for the programme is provided by the WHSmith Group Charitable Trust.



We are passionate about helping children to develop a love of reading

The project focuses on some of the highest need schools, all with above average free school meal eligibility and identified as needing additional support for children's literacy, in one of five areas of the country: Glasgow, Manchester, Peterborough, Swansea and Teesside.

In each area, the WHSmith store team works with the schools involved, providing each of them with an annual gift to spend on books to boost their school or classroom libraries and to use as a n ongoing resource to support children's shared reading time within the school setting. Each child is also given a new book of their choice.

During 2021, our partnership allowed the National Literacy Trust to work with over 1,500^A children in 24 primary schools across the UK. Each child attended three online events, received three books and had access to an eBook library with more than 100 other titles.

Over the course of our entire partnership, we have now worked in more than 100 schools in 47 of the most disadvantaged towns and cities in the UK, helped over 28,500^A children and given out over 72,000^A books across the UK.

Celebrating World Book Day

World Book Day was designated by UNESCO as a worldwide celebration of books and reading and is marked in over 100 countries around the globe. It is the biggest annual celebration of books and reading in the UK and is sponsored by National Book Tokens, with a group of publishers, booksellers and interested parties all working together to promote the enjoyment of reading. WHSmith continues to take a leading role in the delivery of the UK's World Book Day initiative.

World Book Day took place this year under the continuing impact of Covid-19. Normally our stores run special events like competitions, fancy dress and author signing sessions, but many of these had to be curtailed this year. Nevertheless, we still redeemed 244,000 (2020: 318,000) £1 book vouchers enabling children to choose one of the special World Book Day books or offset the cost against any of our children's ranges of books.

¹ cdn.literacytrust.org.uk/media/documents/ROGO_Reading_Englands_Future_Nov_14.pdf

² cdn.literacytrust.org.uk/media/documents/National_Literacy_Trust_-_Book_ownership_and_reading_-_December_2017.pdf

Communities continued

In addition to providing and redeeming £1 World Book Day vouchers, we also partnered with the WHSmith Group Charitable Trust to donate WHSmith vouchers to schools across the UK for them to choose books to increase their school library resources. Over 250 schools were helped in this way with £25,000 of vouchers being donated.

We believe the nature of our business means we can have a significant impact on the lives of children who struggle with reading and writing. Supporting children's literacy will continue to be an important part of our sustainability activities under our current strategy.

Product-linked donations

One of the main ways that we raise money for charities is through the sale of products with charity links. This year we continued to sell Christmas cards in aid of Cancer Research UK, Mind, the National Literacy Trust and Help for Heroes. We also sold soft toys for Save the Children Fund UK. These products raised nearly £215,000 (2020: £210,000) for charity.

Our subsidiaries, [funkypigeon.com](https://www.funkypigeon.com) and [dottyaboutpaper.co.uk](https://www.dottyaboutpaper.co.uk) launched stationery ranges to raise awareness about mental health and to fundraise for the charity MQ. Funky Pigeon's customers also donated money to Cancer Research UK during online purchases, by rounding up their payments to the nearest pound.

The WHSmith Group Charitable Trust

The WHSmith Group Charitable Trust is an independent registered charity which has two principal objectives:

- To support the local communities in which WHSmith staff and customers live and work; and
- To support education and lifelong learning, helping people of any age to achieve their educational potential.

This year, the Trust continued its annual financial contribution to the National Literacy Trust's Young Readers Programme which enables them to identify, partner and provide support to schools that have higher-than-average proportions of disadvantaged pupils. The funding provides training for teachers to support reading for enjoyment, supporting resources, both digital and hardcopy, for children and teachers, and three fun reading events for each participating child. The highlight of the year's activities is normally a "live literature" event where children are invited to a central venue to participate in a morning of storytelling.

This year's programme sought to offer the same Young Readers Programme that we have delivered in the last five years, but with adaptations and enhancements to meet the changing needs caused by Covid-19. In place of face-to-face training, teachers were trained online or over the phone and were supported by an eLearning module; schools benefited from online author events in place of author events in libraries, theatres and football clubs; and all books were ordered online rather than some being selected in-store.

The evaluation report at the end of the year showed that:

- 95 per cent of teachers surveyed reported that pupils' motivation for reading and their enjoyment of reading had increased after participating in the Young Readers Programme;
- 100 per cent of teachers surveyed agreed that receiving a free book had a positive impact on disadvantaged children;
- 79 per cent of children surveyed said they had a better idea of what kind of books they like to read; and



Our partnership with the National Literacy Trust has helped nearly 30,000 children

- 82 per cent of children surveyed said that they enjoyed or very much enjoyed the online events.

To support and encourage staff involvement, the Trust matches employee fundraising and volunteering. We encourage our employees to be actively involved in their local communities and many of our staff fundraise or volunteer their time for charities, community groups and other local good causes. The Trust also supports a number of other charities nominated by our employees, which last year included financial donations to 25 charities local to our London and Swindon offices as part of a Christmas giveaway.

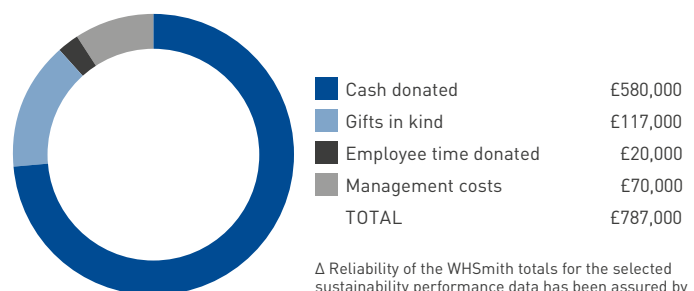
The Trust also recognises the time that employees spend volunteering for charities and matches the value of the time they spend. This may be time spent volunteering for a local care centre, for example, or the time many of our employees spend volunteering in local schools. The Trust also makes grants to employees who are members of a school Parent Teacher Association or a school Board of Governors.

Measuring our community investment

We use the **B4SI** (formerly the London Benchmarking Group) reporting model to calculate our community contributions to provide a standardised way of managing and measuring our corporate community engagement.

The chart presents a breakdown of our community contributions, using the B4SI reporting model. We measure the direct contributions we make to the community, in the form of cash donations, gifts in kind, employee time and management costs. Our total contribution for this year was £787,000^Δ, down on last year's figure (2020: £1,176,000^Δ) which included a number of large in-kind donations of products to charities at the time of temporary store closures during the early stages of the pandemic.

Community investment^Δ



Principles and responsible practice

Relevant policies

- Code of Business Conduct
- Responsible Sourcing Standards
- Human Rights Policy

The loyalty and trust of our customers and other stakeholders is essential to the success of our business. To earn and retain that loyalty and trust, we need to ensure that we operate ethically, lawfully and responsibly. We want customers to enjoy shopping with WHSmith and for the experience to be convenient and easily accessible for everyone. We are committed to offering a wide choice of quality products that are safe, responsibly sourced and fairly priced and marketed.

Our code of conduct

We aim to always act with integrity, making the right decisions and demonstrating the appropriate behaviours to earn the respect of our customers and all those with whom we do business. Our **Code of Business Conduct** sets out how our business operates, and what is expected of every person who works for and on behalf of WHSmith.

Our code includes our policies relating to individual conduct, including anti-bribery and anti-corruption measures, conflicts of interest and data protection, as well as those relating to how we work together, including diversity and inclusion, anti-harassment and bullying and health and safety. It also sets out our business standards in relation to fair trading practices, such as pricing and marketing, quality and product safety, trade controls, competition and supply chain practices.

Training and communication are critical to ensuring a shared understanding of Our Code of Business Conduct across the organisation. Every year, employees are asked to re-familiarise themselves with the code and confirm in writing that they have read and understood the contents. This year, we have moved this process on to our eLearning platform to enable us to track employee training and confirmation more easily.

Everyone who works for or on behalf of WHSmith has a responsibility to report anything they are aware of that may be unlawful or criminal or could amount to an abuse of our policies, systems or processes and therefore a breach of our code. Employees are able to raise concerns with a line manager, with a colleague from human resources or through our confidential hotline, Speak Up, which is accessible online or by telephone.

Speak Up operates under a non-retaliation policy, so that everyone who raises a concern in good faith is treated fairly, with no negative consequences for their employment, regardless of the outcome of any subsequent investigation. All Speak Up reports are confidentially investigated by a specialist team.

Each report is formally and robustly investigated and is monitored to ensure that any corrective action or remediation has been undertaken. Our Audit Committee receives regular updates in respect of calls and notifications to the Speak Up helpline.

Speak Up reports could relate to matters of unlawful behaviour or matters of integrity, such as bribery, fraud, anti-competitive practice,



Our Code of Business Conduct sets out how we operate responsibly as a business

a conflict of interest, or a breach of data privacy. Reports could also relate to people issues such as discrimination, bullying or harassment, health and safety issues, or potential abuses of human rights. Where investigation is necessary, an expert in that particular area will review the report, keeping the person who raised the concern informed. Where reports are substantiated and require remedial action, this could include consequences at the individual level, or changes to internal processes or procedures.

Our Speak Up helpline is available to our suppliers and is communicated through our **Responsible Sourcing Standards**, which set out in more detail the behaviours and conduct that we expect from suppliers. For suppliers that maintain their own grievance mechanisms, we require that they inform us of any grievances raised relating to work done on our behalf.

Customer focus

Maintaining a high level of customer service across the Group is critical to the success of our business, and we have a number of initiatives to ensure that our customers enjoy a positive retail experience with us.

This year has continued to be challenging, but throughout the Covid-19 pandemic, we have focused on being there for our customers to ensure they can access any of the essential services that they need. Our customer-facing colleagues in stores, online and in our customer service centre have done an outstanding job serving customers throughout this challenging period.

Our people are critical to our customers' experience of shopping with WHSmith and we recognise and reward staff who deliver excellent customer service. Our recruitment policies focus on identifying candidates with expertise and passion for the products they will be selling, particularly for our specialist stores and formats, such as Bookstores, our InMotion stores and Health and Beauty.

We celebrate success and share best practice through our Customer Hero programme where we recognise those employees who go above and beyond to deliver excellent customer service. In our High Street business, we also operate a recognition scheme where Cluster Managers are able to reward store staff who show exemplary customer service.

Principles and responsible practice continued

We use customer feedback to understand how our customers feel about us and to monitor customer service standards across our stores. In our Travel business, every store is monitored every quarter by mystery shoppers who are asked to rate our stores across 30 different areas, such as customer service, product ranges and the store environment. The customer insights that this feedback provides lead to improvements in operating practices and targeted information for staff development and recognition and reward schemes.

Our senior management team continues to visit each and every site regularly, assessing and scoring the store on a specific set of criteria focused on customer service and store standards.

We want our stores to be as accessible as possible for all customers. We pay particular attention to our customers with disabilities and have had a programme in place for a number of years to adapt stores to accommodate their needs.

We carry out disability access audits in all of our stores and have a capital development programme for ongoing improvements. This covers the installation and upkeep of specialised equipment and access features such as customer lifts, internal ramps, automatic doors and other adjustments. Regular tests are undertaken on the equipment we have in place to ensure everything is working correctly and that appropriate signage is in place for customers.

We want to ensure that all of our staff know how they can best assist customers who need additional support. We provide training to all of our employees, using materials and guidance provided by the Business Disability Forum (BDF), of which WHSmith has been a long-standing member.

Responsible retailing

It is important that the products that we stock and the way in which they are sold are delivered responsibly. We have a clearly defined set of standards that help to guide our promotional activity, marketing and advertising. Our central aim is to offer our customers choice, whilst also respecting differing customer preferences.

We carry out regular reviews of product ranges, displays and promotions and evaluate any new product launches to ensure that they meet our trading standards. We regularly benchmark ourselves against other retailers to ensure we are in line with good industry practice. For promotions, we rotate our offerings on a regular basis so that they include a wide range of products, ranging from food and drink to new book releases to seasonal items like adhesive tape or Christmas cards and wrap.

We continue to focus on our healthy ranges, giving our customers a wider choice when they buy food or drink from WHSmith.

In our Travel business, our Munch Better chilled food range has 12 lines under 400 kilocalories which rate amber or green on the nutritional traffic light system. We have increased the amount of fruit sold and reduced confectionery options available through our Meal Deal offer from 110 products to fewer than ten, whilst heavily promoting healthier alternatives such as new lines of sandwiches and salad options.

Within hospitals we have complied with the Commissioning for Quality and Innovation (CQUIN) criteria requirements for all retailers operating on NHS sites.



Our Responsible Sourcing Standards set out the supplier requirements for all of the products that we buy

In compliance with these criteria, we ensure that there are no price promotions, advertisements or till point positioning of sugary drinks or foods high in fat, sugar or salt in our Hospital stores, and that healthy options are widely available.

We are now preparing for the introduction of regulations in the UK to restrict the promotion of products high in fat, sugar and salt. This year we have actively participated in government consultation exercises to facilitate the development of the legislation. We are also conducting trials so that we are ready to implement the new legislation when it is introduced in 2022.

We work hard to ensure we have a fair pricing policy across all of our stores. Over recent years, we have expanded the number of formats and locations we operate in, with over 1,700 units now open globally. We aim to provide our customers with the products and services they expect from us, as well as a convenience offer in certain locations.

Our pricing by format reflects the environment in which we operate, as rent and operating costs vary considerably across our estate. In our Hospital stores, our prices are the same as or lower than our High Street stores despite the higher operating costs.

Product safety is one of our key priorities and our quality teams in Asia and the UK conduct a rigorous quality and safety assessment process to ensure that products are safe, fit for purpose and meet legal standards as well as our brand standards.

We pay particular attention to products designed for children. We closely monitor developments in legislation to ensure that products are compliant.

Some of the products we sell carry age restrictions, for example, adhesives, tobacco, vaping and lottery products. We also voluntarily prohibit sales of energy drinks to under 16s. All staff take part in training sessions to ensure that they are informed of the latest legislation and selling guidelines.

We closely monitor the chemicals used in our own-brand products, specifically with regard to the UK and European legislation known as REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals).

Principles and responsible practice continued

We work with our suppliers to ensure they understand their obligations under the legislation and that they provide us with the information we need to ensure compliance and product safety.

Customer privacy and data protection

It is essential that our customers and other stakeholders trust us with their data, and we must do everything we can to maintain that trust. Everyone has a right to privacy, no matter where they are in the world, and so we apply global privacy and data protection policies and principles universally across our operations to ensure the highest standards of data management.

Our data protection policies are based on the UK's General Data Protection Regulation (GDPR) and this is applied across all our businesses. It also provides a framework within which local data protection laws are respected.

Our approach to data management is underpinned by a series of principles:

- We will keep all customer, employee and any other personal data secure;
- We will only use data for the purpose for which it was collected, limiting disclosures of personal data to partners to only those purposes described in our privacy policies;
- We will be fully open about what data we store and how and why we use it;
- We will only hold data for as long as is necessary for the purpose for which it was collected;
- Wherever possible, we allow people to make choices about how we use their data, enabling them to access, update or delete their personal information;
- We implement appropriate technical and organisational processes to protect personal data against unauthorised access, use or loss; and
- We monitor our ongoing compliance with data protection legislation.

Our data protection policies provide full details on what personal information we collect, how this information is used, whether it is shared with any other parties and under what circumstances it is retained.

We collect customer data in order to fulfil orders and process payments through our on line businesses and via our Scan and Go services in our Travel stores. We also collect and retain information about customer interactions with us in stores, online, via social media and through our contact centres so that we can process transactions and provide customer care.

Where we rely on external suppliers or other third parties to provide services or process data on our behalf, they are subject to privacy, security and data protection contractual agreements, and due diligence processes to ensure they meet the same standards as WHSmith.

Any personal customer data is only collected, used and processed for legitimate business use and in full compliance with the requirements of data protection laws and regulations, including the UK Data Protection Act 2018, the EU's GDPR, and the Payment Card Industry Data Security Standards.

Our privacy and data protection processes are embedded in our Group-wide risk and compliance management systems and we expect our business partners and suppliers to adhere to the same standards. We employ a framework of controls to protect customer data which includes robust cyber security systems, training for employees on the importance of data security, privacy impact assessments on existing and new services, and internal data protection audits to test the effectiveness of our data protection measures.

We also have a system of due diligence processes in place to minimise any risk of data losses via suppliers and other third-party business partners.

Our Data Protection Officer is responsible for overseeing queries in relation to privacy and data protection and is available to answer any questions from customers about how their data is collected, used or handled. We report any loss of personal data to the regulatory authority, which for our UK business is the Information Commissioner's Office.

Cybersecurity

WHSmith is continuously monitoring, reviewing and investing in our information technology (IT) systems to protect the business from any cybersecurity threats that could result in the loss of data or other sensitive information.

We have a dedicated team in our IT department to detect, report and respond to cyber security incidents. Our Cybersecurity Steering Group oversees our approach and response to cyber risk, data security and privacy protection and there is regular reporting of emerging threats, cybersecurity incidents and resulting actions to our Board-level Audit Committee.

We employ a framework of controls to protect against unauthorised access to our systems. These include IT security policies and processes, the maintenance and regular updating of firewalls and intruder detection tools, anti-virus and malware software solutions, and encryption processes for customer data, payments and other sensitive information.

We regularly test our systems for vulnerabilities, and penetration testing is conducted by independent cybersecurity specialists. Back-up facilities and contingency plans are in place and are reviewed and tested regularly to ensure that data is protected from corruption or unauthorised use. Our IT service desk is certified to the international standard for information security ISO27001 and the Cyber Essentials Plus Scheme.

Every employee has responsibility for cybersecurity and we recognise the importance of education and awareness-raising to prevent data security and privacy-related incidents.

We provide regular training, communications and other engagement activities such as phishing simulations to raise awareness and educate employees on the risks.

Employees are provided with advice on how to mitigate data security risks from multiple sources including emails, the internet, phone calls, text messages and social media, and the importance of password management, working remotely safely, regular software upgrades and hardware security.

Our progress

Planet



	Our aim	We will	We have
Carbon emissions	Scope 1 and 2: to reach zero emissions for our UK operations by the end of 2021 and for our International operations by the end of 2025.	<p>Continue to invest in energy efficiency and alternative technologies across our estate to drive down emissions.</p> <p>Work with landlords to reduce emissions from stores owned by third parties.</p> <p>Purchase 100 per cent of our electricity from renewable sources by the end of 2021 for our UK business and by the end of 2025 for our International businesses, either through green tariff contracts or purchase and retirement of renewable electricity certificates in accordance with recognised standards.</p> <p>Neutralise any residual emissions each year by investing in certified carbon sequestration schemes.</p>	<p>Met our 2021 target for UK operations by minimising emissions across our UK estate through energy efficiency and investing in renewables.</p> <p>Residual emissions that cannot be currently removed, have been neutralised through the purchase of carbon reduction certificates for afforestation.</p>
	Scope 3: To reduce emissions in our supply chain by encouraging our suppliers to join us on a pathway to net zero.	Engage key suppliers responsible for 50 per cent of our supply chain emissions to ensure that by 2025 they have plans in place to decarbonise in line with a 1.5 degree pathway and ultimately reach net zero by 2040.	Identified suppliers covering 50 per cent of emissions from purchased goods and services, ready to engage in 2022.
Forests	To ensure no deforestation from sourcing of raw materials for our own-brand products or Goods not for Resale by the end of 2025.	<p>Ensure all forestry materials in WHSmith-branded products come from recycled or certified sources by the end of 2021.</p> <p>Ensure forestry materials in our Goods Not for Resale come from recycled or certified sources by the end of 2025.</p>	<p>We have received certification for 99.3 per cent of WHSmith-branded products delivered to us from suppliers in 2021.</p> <p>We have stopped any further purchases of the 0.7 per cent of products where certificates were unavailable.</p>
Packaging and waste	To reduce the environmental impact from our packaging by removing it where possible, switching to better environmental options where packaging is necessary and minimise waste from our operations.	Materially reduce the amount of plastic packaging used for our own-brand products by 2025.	The packaging for our 2021 Christmas ranges, which form a major component of our own-brand seasonal product has been redesigned to eliminate plastic, or if it cannot be avoided to a form of plastic that can be recycled.
		Remove plastic glitter from all own-brand products by the end of 2021.	During this financial year, we have not ordered any WHSmith-branded products that contain or are covered with loose plastic glitter.
		Further reduce the quantity of material that we send to landfill.	Percentage of waste diverted from landfill this year is 93 per cent.

Our progress continued

People



	Our aim	We will	We have
Diversity and inclusion	To be an inclusive employer with a workforce representative of the communities that we serve.	Increase the diversity of our senior management team across race and gender.	<p>Started to gather more diversity and inclusion statistics and information to improve the quality of baseline data.</p> <p>Improved education and raised awareness of diversity issues internally.</p> <p>Become a founding member of the collaboration network Diversity in Retail.</p> <p>Signed the BRC's Diversity and Inclusion Charter and the BITC's Race at Work Charter.</p>
Safety and wellbeing	To provide a safe working environment and support the mental wellbeing of all our employees.	Help our employees to improve how they look after their mental wellbeing so they can be their best at work and in their daily lives.	<p>Equal number of mental wellbeing and physical first aiders now in place. Our work has focused on helping employees to manage wellbeing challenges resulting from the pandemic.</p> <p>Reduced the number of reportable accidents by 60 per cent over the past decade.</p>
Human rights in our supply chain	To advance wellbeing and livelihoods in our supply chain.	<p>Audit our own-brand suppliers at least every two years, and more frequently when we find non-conformances.</p> <p>Increase the number of suppliers submitting corrective action plans on time.</p> <p>Develop engagement programmes with key own-brand suppliers to tackle salient labour issues.</p>	<p>100 per cent of own-brand suppliers have been audited in the last two years.</p> <p>This year 86 per cent of action plans were submitted on time. Last year the figure was 76 per cent.</p> <p>Engagement programmes are in place for health and safety, freedom of association and collective bargaining, access to grievance mechanisms and preventing modern slavery.</p>

Communities



	Our aim	We will	We have
Education and literacy	Help to develop reading and writing skills for those children that need it most, working in partnership with others.	Develop our partnership with the National Literacy Trust to reach more children struggling with reading or writing to develop their literacy skills	<p>This year we have donated 33,000 books and raised £39,000 for the work of the National Literacy Trust. We also reimbursed 244,000 World Book Day Vouchers.</p> <p>The WHSmith Group Charitable Trust continued its financial support of the National Literacy Trust's Young Readers Programme, helping over 1,500 children in 24 schools.</p>
Supporting local causes	To support charities and causes that matter to our customers, employees and the local communities where we operate.	<p>Give back to communities through charitable investment, awareness-raising and volunteering.</p> <p>Support volunteering and fundraising by our employees, to help projects and causes that matter to them most, by matching money raised or time volunteered.</p>	<p>Community donations from cash, gifts in kind, employee time and management costs valued at £787,000.</p> <p>Employee and customer fundraising valued at £137,000.</p> <p>Donations made by the WHSmith Group Charitable Trust for employee-supported charities valued at £104,000 (Trust financial year 2020).</p>

Independent assurance statement

ISAE 3000 Statement

The nature of the assurance

Corporate Citizenship has been engaged by WHSmith to provide independent limited assurance of the data within its Sustainability Report 2021. This statement is intended specifically for the directors of WHSmith.

The data sets assured are indicated in the text with a Δ . They are:

- Greenhouse gas (GHG) emissions
- Energy and fuel use
- Transport efficiency
- Forestry
- Waste
- Water
- Diversity
- Accidents and injuries
- Ethical trade in supply chain
- Community investment

The assurance covers the period from 1 September 2020 to 31 August 2021. WHSmith is entirely and solely responsible for the production and publication of the data assured, Corporate Citizenship for its assurance.

The data within the Sustainability Report primarily relates to all WHSmith directly-run operations (in Australia, France, Germany, Ireland, Italy, Qatar, the Netherlands, Singapore, Spain, the UK and the USA). Data for WHSmith's international joint venture stores and franchise operations are not in the scope of this report and so our assurance.

Our work has involved reviewing selected claims and data included in the report against the Global Reporting Initiative (GRI) principles for Defining Report Quality.

This engagement was performed in accordance with the International Standard on Assurance Engagement (ISAE) 3000 (Assurance Engagements other than Audits or Reviews of Historical Financial Information) and the relevant subject matter specific ISAE for GHG data (ISAE 3410, Assurance Engagements on Greenhouse Gas Statements). GHG quantification is subject to inherent uncertainty due to factors such as incomplete scientific knowledge about the global warming potential of different GHGs and uncertainty around the models and parameters used in estimating GHG emissions.

Corporate Citizenship has complied with the requirements for independence, professional ethics and quality control as stipulated by ISAE 3000.

Assurance work performed

The assurance work was commissioned in August 2021 and was completed in October 2021. Detailed records were kept of meetings and correspondence relating to the assurance. The assurance process was undertaken by a multidisciplinary team of three, comprising two Consultants and a Director. A second Director acted in a supervisory capacity.

The assurance engagement was undertaken to a limited level. With regard to Principles for Defining Report Content, our work has involved, but not been limited to, the following elements:

- A review of the material taken into account by WHSmith when considering Sustainability Context and Stakeholder Inclusiveness;
- An evaluation of the data, process and judgements underpinning WHSmith's definition of Materiality;
- A review of the text of the report to evaluate Completeness; and
- Meeting with and interviewing staff responsible for the development and delivery of the WHSmith Sustainability programmes. These interviews tested all four principles for defining content: Completeness, Materiality, Stakeholder Inclusiveness and Sustainability Context.

With regard to Principles for Defining Report Quality, our work has involved, but not been limited to, the following elements:

- A review of the assertions and key performance indicators within the text of the report, marked with the symbol Δ ;
- Scrutiny of the underlying systems used to produce the data, an examination of the controls and guidance accompanying these systems, including interviewing WHSmith staff with functional responsibility for collecting, consolidating and reporting the data to test definitions and gain a fuller understanding of the processes used for collection and control; and
- Making a representative sample of spot checks on the underlying activity data used in calculating the key performance indicators.

These activities enabled us to reach a conclusion about the Completeness, Accuracy, Balance, Clarity, Comparability, Reliability and Timeliness of the Report and its contents.

Our experience and independence

Corporate Citizenship is a specialist management consultancy, advising corporations that seek to improve their economic, social and environmental performance around the world.

It is a leading assurer of corporate responsibility and sustainability reports. This is the seventh year that Corporate Citizenship has provided independent assurance services in relation to WHSmith's corporate responsibility reporting. We have provided no other services to WHSmith during the period under review.

Conclusion

Based on the scope of work performed, nothing has come to our attention to suggest that any of the performance data included in the scope of assurance, marked with the symbol Δ in WHSmith's Sustainability Report 2021, is materially misstated.

Corporate Citizenship Limited, London,
11 November 2021



Definition of key performance indicators

This report, referred to as the WH Smith PLC Sustainability Report 2021, details the Group's sustainability performance for the year 1 September 2020 until 31 August 2021. This is issued alongside the WH Smith PLC Annual Report and Accounts 2021 and our sustainability reporting is aligned to our consolidated financial statement.

Some of the data reported is not exactly aligned to the year ended 31 August 2021 but is reported for a consistent period each year. Further details are provided in the table below.

Performance data in this report includes all of our directly-run operations (in Australia, France, Germany, Ireland, Italy, Qatar, the Netherlands, Singapore, Spain, the UK and the USA). Any exceptions are detailed in the table below. Performance data for joint venture and franchise operations are excluded from this report. Other variances in the reporting boundary are highlighted in the relevant section.

Our methodology for the reporting of carbon emissions has been developed using the following guidance: GHG Protocol (including the **Corporate Standard**, **Scope 2 guidance** and the **Corporate Value Chain (Scope 3) Accounting and Reporting Standard**); CDP guidance (including the **2021 Climate Change Reporting Guidance** and the **Technical Note on Accounting of Scope 2 Emissions**); and guidance from the **Climate Disclosure Standards Board**. We are also incorporating the recommendations of the **Task Force on Climate-Related Financial Disclosure** into our reporting, and further details on our climate-related governance, strategy, risk management and metrics and targets are provided in our Annual Report and Accounts 2021.

Environment

Planet

Scope 1 greenhouse gas (GHG) emissions (tonnes CO ₂ e)	The quantity of equivalent carbon dioxide emissions associated with the combustion of gas on our premises to heat stores, offices and distribution centres. We only use gas in the UK. These emissions are calculated from fuel data and use GHG emission conversion factors published by the UK Government for 2021.
Scope 2 greenhouse gas emissions (tonnes CO ₂ e)	<p>The quantity of equivalent carbon dioxide emissions from power stations generating the electricity which is used to power, light and heat stores, offices and distribution centres.</p> <p>GHG reporting guidance now recommends disclosure of two different Scope 2 emission values: one using a "location-based" method and one using a "market-based" method. The location-based method uses an average emissions factor that relates to the grid on which energy consumption occurs and is usually a country-level electricity emissions factor. The market-based method applies where supplier-specific information or energy certificates are available and uses an emissions factor specific to the electricity purchased.</p> <p>For our UK operations, location-based emissions are calculated from energy data multiplied by GHG emission conversion factors published by the UK Government for 2021. Location-based Scope 2 emissions for International operations have been estimated by multiplying the average electricity consumption for a UK Travel store by the total number of stores in each country multiplied by the relevant GHG emission conversion factor for that country. We have used factors from internationally accepted sources.</p> <p>For our UK operations, market-based emissions are calculated by multiplying electricity consumption from our supplier npower, by the conversion factor provided for our particular contract and adding this to any non-renewable tariff electricity provided by landlords multiplied by the 2020 residual mix factor for the UK produced by the Association of Issuing Bodies. For International operations, we have taken estimated consumption for each country – calculated by taking average electricity consumption for a UK Travel store and multiplying by the total number of stores in each country – and multiplying by residual difference figures where available. For countries where this data does not exist, we have used location-based factors.</p>
Total greenhouse gas emissions (Scope 1 and 2) (tonnes CO ₂ e)	The quantity of equivalent carbon dioxide emissions from the combustion of natural gas and from power stations generating the electricity which is used to power, light and heat stores, offices and distribution centres. These emissions are calculated from energy and fuel data and use conversion factors as explained above.
Greenhouse gas emissions intensity (tonnes CO ₂ e per £m revenue)	The quantity of equivalent carbon dioxide emissions produced from the energy to power, light and heat our stores, offices and distribution centres per £m of revenue.

Definition of key performance indicators continued

Planet continued

Scope 3 greenhouse gas emissions (tonnes CO ₂ e)	<p>The quantity of equivalent carbon dioxide emissions associated with:</p> <ul style="list-style-type: none"> Purchased goods and services and capital goods and services – estimated through macroeconomic modelling using the Gross Domestic Product (GDP) of different sectors of the economy and carbon emissions associated with those sectors. The total carbon emissions of the sector are divided by the total GDP generated by the sector to produce an emission factor of x kgCO₂e/£ value. Emissions are based on sales for the calendar year 2019. An estimate for International stores was calculated by taking a proportion of UK-based emissions by using the ratio of revenue from International sales to UK sales. Fuel and energy-related activities (transmission and distribution losses only) – estimated by multiplying WHSmith fuel and energy consumption data by UK Government emission factors for 2021. International losses are assumed to take place at the same rate as for UK losses. Upstream transport and distribution – emissions have been included for inbound freight from suppliers to our distribution centres, for emissions related to the operation of third party warehouses and for deliveries from our distribution to stores or direct to customers. Emissions for inbound freight were calculated by multiplying the distance travelled for each container by emission factors for shipping and land transport provided by the UK Government for 2020. Emissions for third party warehouses were estimated from the floorspace area occupied by pallets stored by third parties and emission factors from the UK Government for 2020. Emissions for deliveries from distribution centres to stores were calculated using fuel data multiplied by the relevant UK Government emission factors for 2021. Emissions for deliveries from distribution centres to customers was calculated by multiplying delivery data by the relevant UK Government emission factors for 2020. An estimate for International stores was calculated by taking a proportion of UK-based emissions using the ratio of revenue from International sales to UK sales. Waste generated in operations – estimated by multiplying the tonnages of waste sent to landfill and for recycling by UK Government emission factors for 2021. This metric does not include UK or International Travel stores. Business travel – estimated by multiplying flight, rail mileage and hotel stays from travel agents and car mileage data from employee expense claims by UK Government emission factors for 2021. End of life treatment of sold product – estimated from tonnages of different categories of product sold and the proportion of material likely to be sent to landfill or for recycling. These values were then multiplied by UK Government emission factors for 2020. Emissions are based on sales for the calendar year 2019. An estimate for International stores was calculated by taking a proportion of UK-based emissions using the ratio of revenue from International sales to UK sales. <p>The estimation of Scope 3 emissions is a very approximate process and the values given are indicative estimates. They provide an indication of where the most significant emissions in our value chain arise to help us to target our action but should not be interpreted as exact values.</p>
Energy consumption (MWh)	<p>The amount of gas and electricity used to power, light and heat our stores, offices and distribution centres, expressed as an absolute value.</p> <p>Energy consumption for our directly-run International stores has been calculated by multiplying the average consumption for a UK Travel store by the number of stores in non-UK markets.</p>
Fuel consumption (litres)	<p>The amount of fuel used to power vehicles to transport products between our distribution centres and UK stores.</p>
Greenhouse gas emissions per pallet moved (kgCO ₂ e)	<p>The quantity of equivalent carbon dioxide emissions produced from the combustion of fuel during the transport of each pallet of product to our UK stores. GHG emissions are calculated from fuel usage and use UK Government emission factors for 2021.</p>

Definition of key performance indicators continued

Planet continued

Total waste arisings – landfill (tonnes)	<p>The quantity of waste sent for disposal in landfill.</p> <p>Distribution centre, office and Biffa-managed UK High Street store waste is based on collections which occur during the year.</p> <p>Individual landfill bin weights are based on averages following a sampling exercise.</p> <p>The Biffa-managed High Street store waste is extrapolated to the remainder of the UK High Street estate where waste collection is handled by landlords and data is unavailable.</p> <p>The figure reported does not include the waste from Travel or International stores where waste disposal is controlled by landlords.</p>
Total waste arisings – recycled (tonnes)	<p>The quantity of waste collected for recycling.</p> <p>Distribution centre, office and Biffa-managed UK High Street store recycling is based on collections which occur during the year.</p> <p>Individual recycling bin weights are based on averages following a sampling exercise.</p> <p>The Biffa-managed High Street store waste is extrapolated to the remainder of the High Street estate where waste collection is handled by landlords and data is unavailable.</p> <p>The figure reported does not include any recycling waste from Travel or International stores where waste disposal is controlled by landlords.</p>
Percentage of own-brand stationery products which are certified or recycled sources	<p>The percentage of own-brand stationery products, which are made from pulp which comes from recycled sources or certified sustainably managed forests. The certified sustainably managed forest schemes are the Forest Stewardship Council or Pan European Forest Certification schemes.</p> <p>The percentage reflects the number of own-brand stationery units which fall into the category above and which are delivered to WHSmith (including for UK or International stores).</p>

People

Group Executive	This group comprises employees who are members of the Group Executive Committee.
Directors and senior managers	This group comprises employees who are members of our Group Executive Committee and all colleagues at grades one or two below, and their international equivalents.
Management team	This group comprises head office colleagues graded at the level below Directors and senior managers, plus Store Managers, Cluster Managers and Post Office Managers, and their International equivalents.
Major injury	A reportable major injury would include fractures, other than to fingers, thumbs and toes; dislocation of the shoulder, hip, knee or spine; loss of sight (temporary or permanent); any other injury leading to unconsciousness, or requiring resuscitation, or requiring admittance to hospital for more than 24 hours of an employee, contractor or member of the public. Data is for the UK business only.
Injuries resulting in over seven days' absence from work/hospitalisation	An injury which causes an employee or contractor to be away from work or unable to perform their normal work duties for more than seven consecutive days (not counting the day of the accident) or which requires hospitalisation of an employee, contractor or member of the public. Data is for the UK business only.
RIDDOR (Reportable under the Reporting of Injuries, Diseases and Dangerous Occurrence Regulations)	An injury which resulted from an accident arising out of or connected with work activities which was required to be reported to the external safety regulatory authorities under the requirements of UK legislation in relation to employees, contractors or members of the public. Data is for the UK business only.
Number of supplier corrective action plans submitted on time	After each factory audit, we agree a corrective improvement plan with the factory management, outlining the areas where we believe they need to improve their ethical trade policies and performance. A date is agreed with the factory management for these improvements to be completed. We measure how many action plans are returned to WHSmith on time, together with evidence of improvements having been made. The data is for own-brand products supplied to the UK business and International stores.

Definition of key performance indicators continued

Communities

Cash donated (£)	The gross monetary amount that we have contributed to support a community organisation or project in the UK. This includes direct donations, membership and subscriptions to community organisations.
Gifts in kind (£)	The non-cash resources that we have committed to community activities, which can include product, equipment, or other non-cash items. These are valued at cost, rather than the recommended retail price, where appropriate.
Employee time (£)	The employee time contribution is the cost to the Company of the paid working hours contributed by employees in the UK to a community initiative or activity. The business average cost of employee time is used.
Management costs (£)	The costs incurred by the Company in making its contributions in the UK. Such costs will include the salaries, benefits and other overheads of community affairs staff.
Value of employee and customer fundraising (£)	Value of donations received in stores from customers in collection tins and through tills, plus value of employee fundraising applications submitted to the WHSmith Group Charitable Trust for matched funding.

Additional definitions

Employee	A person working directly for the Company and paid directly by the Company.
Own-brand	Products that are branded WHSmith.