

Modern Slavery Act 2015 – Statement

Introduction

The National Timber Group is committed to understanding modern slavery risks and to ensuring that there is no modern slavery in our own business or in our supply chains.

We recognise that we have a responsibility to take a robust approach to slavery and human trafficking and we take a zero tolerance approach to non-compliance of the Modern Slavery Act 2015 in any part of our own business or within our supply chains.

Our Business

Our Group Company is National Timber Group Topco Limited (Registered Number 10887298) and we are the largest independent added-value timber distribution and processing group in the UK. The Group was created through the acquisitions of market-leading brands and currently consists of National Timber Group Scotland Limited (Registered Number SC 080045), North Yorkshire Timber Company Limited (Registered Number 01419058) and Arnold Laver & Co. Ltd. (Registered Number 10608445).

Arnold Laver & Co. Ltd. And National Timber Group Scotland Limited are our largest businesses and currently the only ones within the Group that meet the criteria to issue a modern slavery and human trafficking statement, however, our principals will apply across all of our companies.

The Group serves a diverse customer base including joiners, housebuilders, and contractors, and is a favoured supplier of large-scale infrastructure projects. With extensive warehousing, processing and distribution capabilities the Group can provide customers across the UK with a full range of the highest quality timber, panel, decorative surfaces and engineered wood products supported by comprehensive timber knowledge and expertise.

In 2019, the Group has a combined turnover in the region of £250million, with around 1300 employees and 55 processing and distribution sites from the North of Scotland to London and the South West.

The businesses within the National Timber Group import process, manufacture and distribute timber and timber based products.

Supply Chain Management

We have in excess of 1,400 suppliers and subcontractors supporting our UK business predominantly (70%) based in the UK.

We work with a wide range of different suppliers and partners. Some of our suppliers subcontract work or rely on recruitment agencies to supply temporary or permanent staff. By the nature of their businesses, some of our suppliers are potentially at higher risk than others, for example, where we procure materials from outside the EU.

During last year, we began to develop our register of approved suppliers, and to audit those suppliers on their compliance with the laws regarding modern slavery and human trafficking. Over the coming

year, we will continue to develop our policies to improve our own internal standards and to monitor our suppliers.

Relevant Policies

The Group Companies operate a number of policies that mitigate the risk of modern slavery and human trafficking. There are processes in place where any issues or concerns regarding modern slavery or human trafficking can be raised confidentially and protection is given to any “whistleblowers”.

Relevant policy documents are as follows, some of which are under review:

- Supplier Code of Conduct
- Whistleblowing
- Prevention of Illegal Working
- Recruitment
- Corporate Social Responsibility
- Grievance
- Bribery & Corruption
- Equal Opportunity

Our People

We recognise that the risk of modern slavery and human trafficking is less in our own business than in our supply chain.

We ensure that all Group companies carry out face to face checks to check and copy original documentation to confirm their right to work in the UK.

We also ensure that when we have new recruits that their bank account details match the employees name and that they provide a legitimate and recognised national insurance number. If there are any discrepancies identified the matter is elevated to a senior member of the HR team for evaluation.

Our Journey

As a large Group we understand the risks of modern slavery and human trafficking and believe that we can improve the processes within our businesses to mitigate the risk of modern slavery and human trafficking occurring in our supply chains.

We are committed to improving our processes and the following steps have been taken:

- We have formed a Modern Slavery and Human Trafficking Working Group. The Working Group consists of members from Procurement, Supply Chain management, Health and Safety/Environment, HR and Integrated Management Systems. The Working Group has reviewed the processes within each company which has contributed to the issuing of this Group modern slavery statement. The Working Group will continue to identify processes that can be improved and formulate action plans to eliminate any high risk areas.

- We are introducing a revised Right to Work checking process across all of our businesses to ensure that there is consistency and to eliminate any risks of illegal working.
- All of our recruiting managers will be required to undertake a Right to Work Elearning course.
- We are reviewing our Pre-Qualification Questionnaire (PQQ) to adopt a more robust set of questions in relation to modern slavery and human trafficking so we can understand the approach taken by our suppliers. The responses given in the PQQ document are reviewed by the group procurement team.
- We intend to appoint a designated person who will be responsible for reviewing the responses given in the PQQ.
- It is our intention to conduct a formal survey of our suppliers by March 2020 and then analyse to identify potential high risk areas.

Staff awareness is an area that we will focus on and we are creating a new Modern Slavery and Human Trafficking Policy which will be circulated to all of our staff and will be brought to the attention of new employees. The Policy will set out the basic principles of the Modern Slavery Act 2015, how it can be prevented and what employees can do to flag up potential slavery or human trafficking issues to the relevant parties within the Company. We will reinforce staff awareness by rolling out a mandatory Elearning session to all employees.

This statement has been approved by the National Timber Group Chief Executive Officer and the Executive Team and it will be reviewed and updated annually.

As a large Group we recognise that whilst we have made some initial improvements in our processes there is much more to do and we will continue to give focus to this issue to raise awareness and understanding of modern slavery across our businesses.

The National Timber Group Executive Board members will work together to further the commitment to eliminate modern slavery and human trafficking which will help to ensure that human rights are being respected across our workforce and supply chains.

We recognise that we can improve further to mitigate the risks in relation to modern slavery and human trafficking and in relation to transparency in our supply chain and we are committed to continue to review our practices

A handwritten signature in black ink, appearing to read "Rob Barclay".

Signature

Rob Barclay

Chief Executive Officer – National Timber Group

01/04/22