

MODERN SLAVERY & HUMAN TRAFFICKING STATEMENT

This statement is made by National Timber Group for the financial year ending 31 December 2022. National Timber Group is committed to acting responsibly in all our business practices through making sound decisions which take social, economic, and environmental factors into account. We want to be part of a socially and environmentally responsible supply chain, sourcing and delivering worldwide and choosing business partners who share our company values and targets.

Organisation's Structure

National Timber Group is an importer, retailer and manufacturer of timber and timber-based products. The Company has an annual turnover more than £32 million and employs over 300 staff across the 30 sites.

Supply Chains

At National Timber Group our values underpin everything we do. People matter, the well-being of our employees is crucially important to us, and we continue to build long term business partnerships and long-lasting relationships with our supply chain based on fundamental principles of our Responsible Purchasing Policy.

National Timber Group's Responsible Purchasing Policy outlines the commitments we make and the processes we require from all our product suppliers to demonstrate compliance and good practices through the supply chain. Our suppliers are required to submit an annual independent audit to confirm manufacturing standards, compliance and good working practices are aligned to our Responsible Purchasing Policy. Our Technical and Buying teams, or agents on our behalf, regularly visit the factories and require updates on worker engagement programmes, sustainability, and reviews of any corrective action plans. These visits are prioritised according to our risk assessment programme. Informed by the best available information, we choose to work with suppliers who demonstrate ethical practices above what would be considered the minimum and a full due diligence exercise takes place with new suppliers to ensure they satisfy our standards and values.

National Timber Group's Responsible Purchasing Policy is based on the International Labour Organisation (ILO) standards. This includes the key principles: -

- Freedom of Employment
- The right to collective bargaining and freedom of association are respected
- Safe and hygienic working conditions
- Child labour is not acceptable
- All workers shall be paid a living wage
- Working hours are not excessive
- Discrimination shall not be practiced
- Regular Employment is provided
- No harsh or inhumane treatment is allowed

Provision is also made to ensure compliance with local laws and regulations for the territories in which we are buying. Further, our products are sourced from the same suppliers for all our subsidiaries and therefore the supply chain is audited centrally as set out above.

Our company has a zero-tolerance approach to modern slavery and human trafficking, which is reflected in our policies and controls on Ethical Trading throughout our product supply chain. With over 150 product suppliers based in 30 different countries, some of whom we have been working with for more than 10 years, we have established strong business partnerships. We will continue to nurture these relationships and remain true to our values.

Policies on Slavery and Human Trafficking

Our company expects all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, contractors, external consultants, third-party representatives, and international partners to comply with our anti-slavery and human trafficking policy. We have in place a robust disciplinary procedure for dealing with any employee who fails to comply with our policy and values.

Our recruitment policies ensure employees establish their right to work in the UK and satisfy minimum age requirements and our internal human resources policies ensure working practices are monitored for ongoing compliance with current legislation.

Our whistleblowing policy provides internal contact points as well as access to an external reporting line to our employees, business partners and other third parties to report any whistleblowing concerns, including any Modern Slavery Act 2015 breaches or potential breaches.

We provide internal training on modern slavery and human trafficking, including supplier due diligence, to all relevant employees.

Due Diligence Processes

As part of our initiative to identify and mitigate risk we have carried out a risk assessment to identify and assess potential risk areas within our supply chain, as detailed above.

We have in place systems to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas in our supply chains; and
- Protect whistle blowers.

Our Effectiveness in Combating Slavery and Human Trafficking

Our company is in the process of evaluating the effectiveness of the measures we have in place to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains. We are working on some tangible key performance indicators to assist us with measuring this effectiveness.

Future Steps

Following a review of the effectiveness of the steps we have taken this year to ensure that there is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat slavery and human trafficking:

- We will carry out refresher training for all relevant employees.
- We will agree some key performance indicators to help us measure our effectiveness in combatting modern slavery and human trafficking with our business and supply chains.
- We are in the process of updating our due diligence system to make improvements and consider any changes.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our company's slavery and human trafficking statement for the financial year ending 31 December 2022.



Rob Barclay (CEO)
Signed on behalf of National Timber Group