MODERN SLAVERY ACT

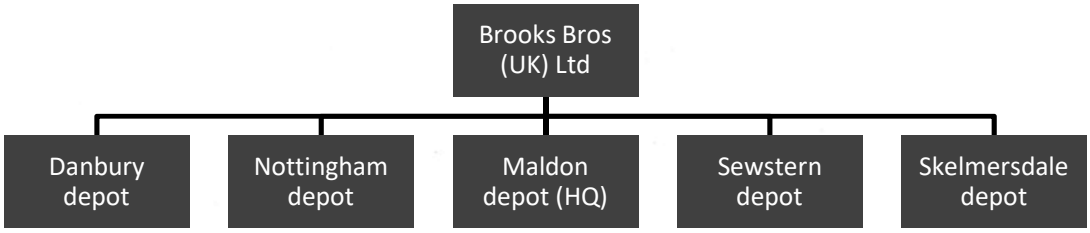
2023 statement

Our business

Over the last 60 years, Brooks Bros (UK) Ltd has evolved from a timber porter on the river Thames to one of the UK's leading privately owned timber companies; trading, manufacturing and distributing timber and timber products across the UK.

Operating from five flourishing depots, four of which have either primary or secondary processing facilities, our annual combined turnover is now approximately £80 million.

Destined primarily for the construction trade and end-user, products traded include hardwoods, softwoods, flooring, decking, cladding and machined timber.



Our people

The business employs around 300 staff, primarily consisting of office workers and skilled labourers, roles that are generally considered at lower risk of modern slavery. The company has some manual labourers, roles that present slightly higher risk, however the company primarily recruits staff directly mitigating risk, and only from time-to-time recruiters are used to hire temporary or permanent staff. The company physically operates within the UK, with no cross-border transport, further reducing risk.

We are committed to conducting our business responsibly, in accordance with applicable UK laws and regulations. We have established HR policies and procedures, which are regularly reviewed to ensure they are current and effective. Our procedures ensures that:

- employees are assessed for their right to work in the UK;
- staff pay and benefits packages comply with relevant UK legislation;

- work contracts clearly stipulate key employment terms, including salary, working hours, holiday entitlement, notice period, overtime rate (where applicable) and that these comply with the law;
- diversity is embraced, providing fair and equitable treatment of individuals;
- staff receive appropriate on-the-job training;
- that staff receive appropriate health and safety training and are provided with a safe working environment in order to carry out their jobs safely;
- there is zero tolerance for harassment, and that grievances are handled swiftly and fairly;
- there is zero tolerance towards bribery and corruption.

Our procedures adhere to the FSC Core Labour requirements. These being that the organisation shall:

- give due consideration to the rights and obligations established by national law, while at the same time fulfilling the objectives of the FSC Core Labour requirements;
- not use child labour;
- eliminate all forms of forced and compulsory labour;
- ensure that there is no discrimination in employment and occupation;
- respect freedom of association and the effective right to collective bargaining.

Our Whistleblowing Policy provides staff with a clear path to confidentially report any criminal behaviour or misconduct. Any concerns raised are investigated thoroughly and handled confidentially.

Given there is greater risk of modern slavery in the company's supply chain than in the company's own business, the company is placing greater attention to supply chain due diligence.

<u>Progress in 2016:</u>

- Building in-house knowledge on the Modern Slavery Act within Compliance and HR, including online training
- Modern Slavery Act Policy included in the staff handbook
- Identification of all companies for ancillary services who will be contacted regarding our new Modern Day Slavery Act policy e.g. recruitment agencies, cleaning services, logistics providers etc.

<u>Progress in 2017:</u>

- Building in-house knowledge and auditing skills on detecting modern slavery through participation of Investigative interviewing skills in the workplace, delivered by Gangmasters and Labour Abuse Authority (GLAA).
- New HR manager joins company with knowledge of Modern Slavery Act and is a Chartered Member of CIPD (Chartered Institute of Personnel and Development).

<u>Progress in 2018:</u>

- Initiated review of HR practices to ensure employment regulations are met

- Annual review of HR policies by external employment advisors and keeping up-to-date with continuous best-practice on regulations, to ensure procedures are current and appropriate

Progress in 2019:

- Continued review of HR practices.

Progress in 2020:

- Progress this year has been hindered by significant additional legal obligations resulting from Brexit and the impact of the coronavirus pandemic.

Progress in 2021

- Continued review of HR practices

Progress in 2022

- Continued review of HR practices

Progress in 2023

- The policy has been sent to all companies who provide ancillary services to detect and prevent slavery and human trafficking.

Next steps:

- Build specialist in-house expertise on modern day slavery within the Compliance.
- Train all staff on the Modern Slavery Act to understand what constitutes modern day slavery and human trafficking and how to report suspected cases.

Our supply chains

Brooks Bros (UK) Ltd sources timber products from around the world and sources locally from the UK. Key countries from which we directly source include Canada, USA, France, New Zealand, Sweden and Finland as well as Cameroon, Republic of Congo, Ivory Coast, Indonesia, China and Malaysia.

In some cases, the supply chain can be short and simple; for example, purchasing logs directly from UK forest managers. In other cases, we may purchase finished products where the supply chain consists of several layers across a number of countries and may include numerous subcontractors and labour agencies, each with different standards.

Brooks Bros (UK) Ltd operates a Due Diligence System to ensure the timber products that we import from outside of the EU has been harvested, traded and exported legally in the country of harvest, in line with the UK Timber Regulation. This provides a framework to assess and mitigate risk, which can be adapted to include slavery and human trafficking elements where this is currently missing.

Modern slavery is closely associated with illegal logging practices. Forest certification and legality verification schemes provide mitigation at the forest management level and partial mitigation along the supply chain. Sourcing certified products is one of the most effective measures to mitigate risk of modern slavery.

Our due diligence system is underpinned by our Responsible Purchasing Policy, which lays out our commitment to avoiding forced labour, child labour and discrimination, and our commitment to preference certified products and increase the proportion of certified products.

Progress in 2016

- An initial review of existing company procedures to assess what further mechanisms are required
- Assessing how forest certification requirements address modern slavery and how the schemes are adapting to address gaps
- Building understanding of risks in timber supply chains

Progress in 2017

- Building in-house knowledge and auditing skills on detecting modern slavery through participation of Investigative interviewing skills in the workplace, delivered by Gangmasters and Labour Abuse Authority (GLAA). The techniques learned can be applied during supplier audits.
- Maintaining a robust due diligence system for timber imported from outside of the EU, in line with the EU Timber Regulation, which covers workers employment and workers conditions.
- The proportion of timber products that has been third party certified and legally verified by a leading forest certification scheme has increased by 9.6% and now represents 78.6% of all products purchased.

Progress in 2018

- Maintaining a robust due diligence system for timber imported from outside of the EU, in line with the EU Timber Regulation, which covers workers employment, workers conditions and third-party rights.
    - Initiated review of company-wide purchasing procedure as part of wider overhaul of Quality Management System
    - Audit of three companies in Cameroon (two existing suppliers and one potential supplier) looking at social issues to a varying degree according to results of risk assessment

- The proportion of timber products that has been third party certified and legally verified by a leading forest certification scheme has been broadly maintained and represents 78.2% of all purchases in 2018.

Progress in 2019

- Maintaining a robust due diligence system for timber imported from outside of the EU, in line with the EU Timber Regulation, which covers workers employment, workers conditions and third-party rights. The due diligence system has been strengthened, and includes among other things, a greater focus on assessing risk of goods being harvested, processed or transported through conflict areas, which can also elevate risk of modern slavery.
    - Completed review of company-wide purchasing procedure as part of wider overhaul of Quality Management System
    - Audit of supplier in Ivory Coast against revised checklist with strengthened employment and modern slavery indicators
- The proportion of timber products that has been third party certified and legally verified by a leading forest certification schemes, represents 75.7% of all purchases in 2019. This is a slight drop since 2018, largely due to a decline in overall availability of certified goods from Central Africa; however, it sits above our target of 70%.

Progress in 2020

Progress this year has been hindered by significant additional legal obligations resulting from Brexit and the impact of the coronavirus pandemic. Nevertheless, the following has been achieved during these challenging times:

- Maintaining a robust due diligence system for timber imported from outside of the EU and preparing for the transition to the UK Timber Regulation.
- The proportion of timber products that has been third party certified and legally verified by a leading forest certification schemes, represents 77.3% of all purchases in 2020. This is an increase of 1.6% since 2019. This is despite the impact of coronavirus pandemic on the industry, which has brought about significant sourcing challenges.

Progress in 2021

Progress this year has still been hindered by significant additional legal obligations resulting from Brexit and the impact of the coronavirus pandemic. The following has been achieved:

- Maintaining a robust due diligence system for timber imported from outside of the EU and preparing for the transition to the UK Timber Regulation.
- The proportion of timber products that has been third party certified and legally verified by a leading forest certification schemes, represents 77.1% of all purchases in 2021. This is consistent

with purchases made in 2020 despite the impact of coronavirus pandemic on the industry, which has brought about significant sourcing challenges.

Progress in 2022:

Progress this year has still been hindered by significant additional legal obligations resulting from Brexit, changing staff and the impact of the coronavirus pandemic. The following has been achieved:

- Maintaining a robust due diligence system for timber imported from non-EU operators.
- Developing and maintaining a robust due diligence system from timber imported from EU operators.
- Updated our Responsible Purchasing Policy to include slavery and human trafficking considerations.
- The proportion of timber products that has been third party certified and legally verified by a leading forest certification schemes remains high and Brooks Bros keeps the commitment to ensure this will keep increasing. Supplier onsite and desk based audits have been increasingly completed.
- Communicating regularly with our supplier and ensure that our responsible purchasing policy is clear and unequivocal.
- Ensuring that when risks have been identified, these are communicated to suppliers and addressed in a timely manner.

Progress in 2023

- Maintaining a robust due diligence system for timber imported from non-EU operators.
- Due Diligence System incorporates reviews on countries with armed conflicts and all ongoing conflicts including Russia and Ukraine.
- Ensuring that when risks have been identified, these are communicated to suppliers and addressed in a timely manner.
- Continuing to communicate with our suppliers and ensure that our responsible purchasing policy is clear and unequivocal.

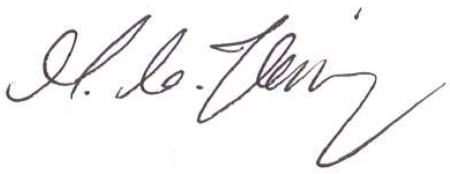
Next steps

- Update our Due Diligence System and associated tools to explicitly include slavery and human trafficking considerations.
- Communicate policy to new and existing key suppliers and risk assess supply chains where we have an advantage.
- Promote greater transparency of other suppliers and raise awareness of policy and risks.

- Where risk is identified, work with our suppliers to stamp out slavery and cease engaging with suppliers who are not committed to complying with the policy; this approach is strongly advocated by slavery abolition experts.

The Board of Directors reviews this statement annually.

Signed by: Date: 28/02/2024



Mark Fleming
Managing Director, on behalf of the Board of Directors