

Modern Slavery Transparency Statement

This statement has been produced in accordance with the modern slavery act 2015. It constitutes our modern slavery transparency statement for slate discounts and its relevant subsidiaries for the financial year ending 30th June 2022. Slate discounts and its subsidiary companies are referred to as "the company" throughout this statement.

Introduction

Slate Discounts is opposed to all forms of unethical business behaviour. We recognise the harmful impact that Modern Slavery has on individuals and society and we are committed to help prevent these illegal practices.

Modern Slavery is an important component of our Responsible Business Strategy and Directors Report (p.101, 2021 Annual Report), as our customers, suppliers, investors, colleagues and communities expect us to manage this risk and protect the rights and welfare of workers within our own business and our supply chains.

Our businesses and our supply chains

We are a digitally-led, service-enabled home improvement retailer, offering choice, convenience, value and best-in-class service to customers across the UK. We fulfil all of this through a low-cost, efficient and integrated operating model, as well as an international supply chain, that works to source responsibly and ethically.

Slate Discounts is committed to conducting business honestly, professionally and fairly, and with care for our people and the people within our supply chains. We take a zero-tolerance approach to modern slavery and human trafficking.

It is important that all employees, officers, directors and other third parties conducting business with us, including contractors and suppliers, comply with this Policy.

Policies and control on Modern Slavery

Slate Discounts is committed to doing the right thing. We manage a governance framework for all material focus areas within our sustainable business framework, including Modern Slavery.

A Modern Slavery and Human Trafficking policy is in place, approved by Slate Discounts Executive Board, detailing Slate Discounts commitments to prevent these risks from occurring either in our own business or our supply chains. The Group's policy commitments on Modern Slavery and Human Trafficking are as follows:

- We assess Modern Slavery and Human Trafficking risks in our business and supply chain.
- We conduct due diligence on labour agencies to reduce the risk of slavery.
- We conduct due diligence on labour agencies to reduce the risk of slavery.
- We conduct due diligence on contractors to reduce the risk of slavery.
- We define clear supplier expectations and assess supplier compliance according to identified risk.
- We provide support and guidance to suppliers on their due diligence programmes.
- We provide regular training to employees including the 'red flags' of Modern Slavery and Human Trafficking.
- We provide a whistleblowing line for employees to anonymously report any concerns.

Responsibility for compliance sits with all colleagues (and this is managed through training). A Group Lead for Anti-slavery and Human Trafficking sits in the Legal team and works with nominated leads in both Commercial (for the supply chain) and within HR and recruitment (for our own business).

Our Responsible Business Committee, of which all non-executive directors are members, monitors performance and supports continued improvement. The Modern Slavery and Human Trafficking policy is supported by other policies including our Responsible Sourcing policy, Recruitment policy and Whistleblowing Policy.

Our supplier risk assessment and due diligence procedures detail our requirements around social and environmental behaviours in our supply chain. Specific guidance is provided on modern slavery. The Supplier Commitments (which set out our expectations) have been communicated to our suppliers and incorporated into our supplier manual and responsible sourcing procedures. The supplier due diligence process, described in the following section, includes an assessment against the requirements of our Supplier Commitments.

Regarding our own employees, we uphold high standards, operate in line with our recruitment policies and comply fully with the relevant employment laws and Right to Work checks. We have clear standards of conduct which are included in our Code of Business Ethics.

Our Code of Business Ethics includes a specific section on Modern Slavery, including the red flags for colleagues to be aware of. Our employees have access to a whistleblowing line and are encouraged to report any concerns. No reports were registered via the whistleblowing line in 2021 relating to modern slavery.

The employee due diligence process, described in the following section, includes checks both across our direct employee population and any temporary employees recruited via agencies.

Risk assessment

We will not engage with any third party that we know or reasonably suspect of engaging in modern slavery or human trafficking. All suppliers are profiled to identify if they are a risk to our business. This includes:

1. Checks on the country in which the

supplier operates or trades in, to identify those in countries with a higher risk of corruption. This is assessed using the World Governance Indicators for corruption, the Transparency International Corruption Perceptions Index and the Global Slavery Index. Checks on the supplier product type to identify those producing products with a higher known-risk of slavery. This is assessed using the "US Department of Labor List of Goods Produced by

2. Child Labor or Forced Labor" and any other product categories known to use seasonal manual labour.
3. Checks on the supplier service type to identify those more exposed to slavery. This includes (but is not limited to) freighting companies (exposed to trafficking risks) and cleaning companies, waste management companies or facilities management or property contractors (exposed to slavery risks).

Due diligence within our supply chains

Our responsible sourcing and quality team are responsible for managing modern slavery due diligence within our supply chain. We have several Slate Discounts supply chain commitments identified in the supplier manual that we expect all suppliers to adhere to. We also operate a two tier policy, whereby suppliers are required to complete an online supplier risk assessment on a

2 year basis to identify any key risks within our supply base and ensure that simple practices are in place with our suppliers and their supply chains to identify potential modern slavery concerns. In addition, where we manufacture products under Slate Discounts brand, any factories and manufacturers undergo a SMETA or equivalent on a 2 year basis.

COVID has created some difficulties in assessing factories to our normal schedule, but we have endeavoured to fill in any gaps in assessments had we not been able to complete these during 2021 at the earliest opportunity. Due to COVID some audits may have fallen out of the 2 yearly cycle, but we have prioritised these, and scheduled these for completion at the earliest opportunity. In 2021 we have assessed 228 suppliers covering 95% of our total sales. 22% of our goods for resale suppliers are required to report under the MSA.

99.9% of our timber purchased by the Group in 2021 was certified as responsibly sourced by FSC, PEFC. This data has been published in the Annual Report (p.65, 2020 Annual Report). Both the FSC and PEFC certification

Due diligence within our own business

Direct recruitment follows the Recruitment Policy which adheres to regulatory requirements relating to Right to Work checks. Group Internal Audit periodically reviews the processes and controls that ensure compliance with employment law, including an assessment of Right to Work checks. This was last completed in 2021, and we will be conducting additional due diligence to identify red flags of Modern Slavery across our directly- employed workforce.

Recruitment of agency workers into the Group is also under assessment and due diligence is undertaken according to the identified risk-level. All agencies used by the Group's distribution centres, which employ a high level of manual labour, undergo comprehensive checks. Firstly, a contract must be in place which details our expectations around their own due diligence to prevent Modern Slavery. Secondly, the agency must provide a 'sign off sheet' for each agency worker coming to our sites, including their name and photograph. The agency workers must bring their identification documents on their first day so that our business can check them against the sign off sheets. This ensures that the worker we are expecting has arrived at site but also, crucially, that the worker has access to their own documents- confiscation of ID is a common trait within gang control of victims.

Issue response

We have an issue response plan which details how the business will deal with any incidences of Modern Slavery identified within our own business or our supply chains. This details how we will support the victims as well as how we will manage the investigation and, in the case of suppliers, pause trade but also support them to mitigate the identified risks.

schemes require compliance with the ILO Declaration on Fundamental Principles and Rights at Work, 1998, prohibiting the use of forced or child labour.

Training

All colleagues

We launched a new Code of Business Ethics in 2021, which includes a section on Modern Slavery and details the red flags for colleagues to keep an eye out for. The Code of Business Ethics is available to all colleagues through our colleague communication platform, and is complemented by a Modern Slavery training module suitable for all colleagues.

Performance

Our leading KPI for Anti-slavery performance is training completion. We also track whether there have been any reported incidents of Modern Slavery during the year. Our 2021 training completion rate for our online training was 89.5%. However this number is not adjusted for colleagues that left the business who did not complete the training, and also colleagues in our distribution centres who completed the in person training, rather than online.

Distribution roles

We provide face-to-face training for colleague populations which have more direct exposure to and control of Modern Slavery risk, including key operational roles such as Distribution Centre colleagues. In 2021 a total of 612 colleagues were asked to attend in person training on Modern Slavery, with an attendance rate of 95%. This results in our total completion rate for training at 96.8%.

Identified incidents

No incidents of Modern Slavery were identified in our own business or our supply chains during 2021.

This statement was approved by Slate Discounts Board on Wednesday 15th July 2022 in relation to the financial period ending 30th June 2022.

A handwritten signature in black ink that reads "Glenn Russell". The signature is written in a cursive, flowing style.

Glenn Russell
Owner
Stone Slate Discounts Pty Ltd
22 June 2022