



**BSW  
GROUP**

member of binderholz

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## **BSW Group** **Modern Slavery and Human Trafficking Statement**

### **Introduction**

This is the statement on slavery and human trafficking made by BSW Timber Limited and each of its subsidiaries (together 'BSW Group'), made pursuant to section 54(6) of the Modern Slavery Act 2015 (the 'Act'). It sets out BSW Group's actions to understand all potential modern slavery risks relating to its business, and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. This updated statement relates to actions and activities during the 12-month financial period up to 31<sup>st</sup> December 2023.

As part of the timber sawmilling, forestry harvesting and manufacturing sectors, we recognise that modern slavery and human trafficking is a global problem transcending age, gender, and ethnicity. BSW Group supports the global fight against labour abuse in the supply chain.

### **Our Business and Supply Chains**

As the largest integrated forestry business in the UK, and a member of Binderholz – Europe's leading timber processing operation – BSW Group is a rapidly developing multi-site business, with operations spanning forestry, sawmilling, timber manufacturing and energy.

BSW Group's principal activities are in domestic timber sawmilling, forestry harvesting and management as well as timber manufacturing. The further acquisition in November 2022 of Scott Timber Limited, a timber pallet and packaging solutions business across more than thirty locations in the UK, creates a complex supply chain structure.

The wide range, breadth and depth of the supply chain makes it challenging to effectively manage our suppliers' policies towards human rights and environmental issues. We insist that it is the ultimate responsibility of any supplier to ensure compliance, if they wish to carry out any business with BSW Group.

This statement is published on behalf of all the BSW Group companies. An Organisation Chart is shown at the end of this statement.

BSW Group sources its timber products from well managed sustainable sources in accordance with our Timber Purchasing Policy, in line with our certified chain of custody scheme (certificate number SA-PEFC-CoC-004821 SA-COC-004821 FSC-C023225).

It is important to us that we continuously identify any risks and areas for improvement and then implement the appropriate actions. As part of our ongoing drive to meet our business standards and values, we continue to monitor and assess our suppliers. At the same time, to continually seek to enhance supplier standards, we continue to reduce and rationalise our supplier base, enabling us to have fewer and stronger supplier partnerships, which in turn enables us to have a greater knowledge and awareness of our business partners.

It remains our aim to deal with suppliers who have ethical and responsible sourcing practices in place and avoid sourcing from companies not fulfilling Supplier Standard requirements or their equivalent. Preferably, suppliers should work with corporate social responsibility issues in a way that follows the guidelines set out in the Ethical Trade Initiative (ETI) base code and/or ISO 26000. Also, suppliers shall be aware of all sites and companies involved in their production and supply network and should upon request be able to provide BSW Group with adequate details of the supply chain for the goods supplied to BSW Group.

### **Relevant Policies**

The board of directors of BSW Timber Limited has responsibility for anti-slavery initiatives within its own business, together with its subsidiaries and supply chains, which include the implementation of policies, risk assessments, investigations, due diligence, and training.

The safeguarding of our employees' welfare is of paramount importance, and we have many controls and policies in place to ensure that we are providing a safe, fair, and rewarding environment in all our business locations.

Relevant policies include: -

- Whistle Blowing Policy
- Bribery Prevention Policy
- Anti-Competition Policy
- Grievance Policy
- Employee Assistance Programme for confidential help and advice
- Corporate Social Responsibility Policy
- Purchasing Policy & Supplier and New Supplier Approval and Evaluation Procedure
- Supplier Code of Conduct
- Equal Opportunities and Dignity at Work Policy
- Data Protection and Retention Policy
- Stress Policy
- Safeguarding Children and Vulnerable Adults Policy
- Recruitment and Selection Policy

We will continue to review and update these policies and practices regularly to ensure that individuals across all our business and supply chain are treated with dignity and respect.

### **Risk Assessments / Due Diligence**

The risk of slavery and human trafficking within BSW Group is substantially avoided because of strict recruitment and employment processes, policies, and procedures. This includes: -

- Robust internal data checking processes which incorporate the checking of Proof of Right to Work documentation, employee bank details and addresses to identify risk areas.
- Training our management team at all levels about modern slavery through a Modern Slavery Awareness e-learning module or face to face delivery.
- Adhering to UK working guidelines which includes The Working Time Regulations and National Minimum Wage legislation.
- Using only specified, reputable employment agencies to source labour and always verifying the practices of any new agency BSW Group is using before accepting workers from that agency.

- Our values make clear to employees the actions and behaviour expected of them when representing BSW Group. We strive to maintain the highest standards of employee conduct and ethical behaviour across all areas of the business.

To address that the greatest level of risk is in our supply chain, we undertake due diligence when taking on new suppliers and continue to regularly review our existing suppliers.

We have a robust list of suppliers whom we are confident match the standards set out in our environmental, social and employment policies. We continue to audit our suppliers and follow the relevant protocols for accepting new suppliers to the business.

Timber suppliers are assessed as part of the evaluation of 'wood harvested in violation of traditional and civil rights' which includes violation of any of the ILO Core Conventions, as defined in ILO Declaration on Fundamental Principles and Rights at Work, 1998 i.e., freedom of association and collective bargaining, elimination of forced and compulsory labour, elimination of discrimination in respect of employment and occupation and abolition of child labour.

BSW Group's due diligence and reviews include the following: -

- Mapping the supply chain broadly to assess product, sector or geographical risks of modern slavery and human trafficking.
- Evaluating the modern slavery and human trafficking risks of each new supplier.
- Striving to monitor and improve supply chain transparency on a continuous basis.
- Engaging with suppliers to provide advice, support, and remediation, if necessary, to implement improvement plans and manage risk if required.

### **ETI Base Code**

Several BSW businesses within BSW Group are committed to working towards applying the standards as defined within the Ethical Trading Initiative (ETI) Base Code. This will enable us to continue to develop our high level of integrity and professionalism in our working practices in relation to ethical trading.

### **Sedex**

BSW Timber Limited & BSW Timber Solutions Limited are committed to addressing the risk of modern slavery and human trafficking by following the Ethical Trading Initiative (ETI) Base Code. We are registered with Sedex, the world's leading ethical trade membership organisation, and take full advantage of the services available.

### **Effectiveness and Performance Review**

Our key performance indicators are based on (i) the number of approved suppliers, (ii) the number of employees trained on modern slavery and human rights, and (iii) the number of cases or incidents highlighted or brought to our attention in our supply chain.

### **Reporting**

During the period to end December 2023, BSW Group can report that there have been no occurrences raised.

### **Training**

Modern Slavery and Human Trafficking Awareness is included as part of our induction training process for all employees.

BSW Group requires staff working across the business as senior managers / supply chain managers / HR professionals to participate in training sessions which cover: -

- Our purchasing practices, which influence supply chain conditions, and which should therefore be designed to prevent purchases at unrealistically low prices, the use of labour engaged on unrealistically low wages or wages below a country's national minimum wage, or the provision of products by an unrealistic deadline.
- How to assess the risk of slavery and human trafficking in relation to various aspects of the business, including resources and support available.
- How to identify the signs of slavery and human trafficking.
- What initial steps should be taken if slavery or human trafficking is suspected.
- How to escalate potential slavery or human trafficking issues to the relevant parties within the business.
- What external help is available, for example through the Modern Slavery Helpline, Gangmasters Licensing Authority.
- Remediation for affected workers or those at risk should any instances be identified.

### **Awareness-raising programme**

As well as training staff, we have raised awareness of modern slavery issues by putting up posters across our sites. These posters explain the basic principles of the Modern Slavery Act, how to identify and prevent slavery and how to flag potential human trafficking issues.

### **Further Steps to prevent modern slavery in our business and supply chain during 2024: -**

- Continue to review and develop our training and awareness programmes across the business.
- Continue to work closely within our business to ensure that any potential risks or issues are detected through customer audits and/or external audits to ensure that all issues are resolved.
- Further embedding of our purchasing policy and processes to expand the use of our approved suppliers.

### **Board Approval**

This statement has been approved by the BSW Timber Limited's Board of Directors, who will review and update it annually.



Chief Financial Officer's Signature:

Chief Financial Officer's Name: Alan Milne

Date: 27<sup>th</sup> May 2024

# BSW Group: Legal Structure 09 January 2024



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