



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

Introduction

This statement is made by BSW Timber Ltd and subsidiaries (“BSW Group”) pursuant to Section 54(1) of the Modern Slavery Act 2015 and relates to the financial year ending 31 December 2025.

This statement outlines the steps taken by BSW Group to identify, assess and mitigate the risk of modern slavery and human trafficking within our business operations and supply chains.

As part of the timber sawmilling, forestry harvesting and manufacturing sectors, we recognise that modern slavery and human trafficking are global issues that can affect individuals regardless of age, gender, ethnicity, or background. We are committed to conducting business ethically, sourcing responsibly, and maintaining effective systems and controls to help prevent modern slavery and human trafficking across our organisation and supply chain.

BSW Group operates a zero-tolerance approach to modern slavery and takes all allegations of human rights very seriously.

Our Business and Supply Chains

BSW Group is the UK’s largest integrated forestry and timber business and a member of Binderholz, one of Europe’s leading timber processing operations. The Group operates across multiple sites and sectors, including forestry, sawmilling, timber manufacturing, pallet and packaging solutions, and renewable energy.

Our principal activities include:

- Timber sawmilling.
- Forestry harvesting and management.
- Timber manufacturing and timber processing.
- Timber pallet and packaging solutions.

This statement applies to all companies within BSW Group. An organisational structure chart is included at the end of this statement.

BSW Group sources timber products from well-managed and sustainable sources in accordance with our Timber Purchasing Policy and certified chain of custody schemes (Certificate Numbers: SA-PEFC-CoC-004821, SA-COC-004821, FSC-C023225).

We are committed to continuously identifying areas for improvement and implementing appropriate actions to strengthen our approach to responsible sourcing and ethical trading. As part of this commitment, we continue to monitor and assess suppliers against our business standards and values.

To improve supplier transparency and oversight, we continue to rationalise our supplier base, enabling stronger supplier relationships and improved visibility throughout our supply chain.

We aim to work only with suppliers that demonstrate ethical and responsible sourcing practices and comply with our Supplier Standards or equivalent requirements. Suppliers are encouraged to align with internationally recognised standards, including the Ethical Trading Initiative (ETI) Base Code and/or ISO 26000 guidance on social responsibility.

Suppliers are also expected to maintain visibility of their own supply networks and, upon request, provide appropriate supply chain information relating to goods supplied to BSW Group.

Relevant Policies

The Directors have overall responsibility for overseeing the implementation and effectiveness of this statement and associated policies, ensuring appropriate systems and controls are in place to mitigate the risk of modern slavery and human trafficking.

Line managers are responsible for ensuring that employees understand and comply with relevant policies and receive appropriate training on modern slavery awareness.

Relevant policies and procedures include:

- Safeguarding Children & Vulnerable Adults Policy
- Child Remediation Policy
- Anti-Harassment and Anti-Bullying Policy
- Equality, Diversity, and Inclusion (EDI) Policy
- Anti-Competition Policy
- Bribery Prevention Policy
- Whistleblowing Policy
- Flexible Working Request Policy
- Ethical Trading Initiative (ETI) Policy Statement
- Environmental, Social and Governance (ESG) Policy
- Recruitment and Selection Policy
- Grievance Policy
- Employee Assistance Programme
- Purchasing Policy and Supplier Approval & Evaluation Procedure
- Supplier Code of Conduct
- Stress Policy
- Data Protection and Retention Policy

We aim to review our policies and procedures annually and update where necessary, to ensure individuals across our business and supply chain are treated fairly and respectfully.

Managers are responsible for investigating any concerns relating to modern slavery within the business or supply chain and escalating matters to the Group HR Director where appropriate.

BSW Group encourages openness and transparency and is committed to ensuring that no individual suffers detrimental treatment or victimisation because of reporting concerns in good faith relating to modern slavery or human trafficking.

Risk Assessments / Due Diligence

BSW Group considers the risk of modern slavery within its direct operations to be relatively low due to robust recruitment, employment, and compliance procedures, including:

- Verification of Proof of Right to Work documentation.
- Internal data checks on employee records, bank details, and addresses.
- Modern slavery awareness training for managers through e-learning and face-to-face delivery.
- BSW Group is committed to ensuring that wages and working hours comply with applicable laws, industry standards and, where possible, support the principles of fair remuneration and responsible working hours in line with the ETI Base Code
- All workers, including temporary or agency staff, receive their statutory rights and these obligations are not avoided through third-party arrangements
- Work is based on a recognised employment relationship established through relevant legislation and practices.
- The use of reputable and approved employment agencies only.

We recognise that the greatest potential risk exists within our wider supply chain. As a result, we undertake due diligence on new suppliers and continue to review existing suppliers on an ongoing basis using SMETA audits where practical and appropriate.

BSW Group maintains an approved supplier list and conducts supplier assessments and audits to ensure alignment with our environmental, social, and ethical standards.

Timber suppliers are assessed against criteria relating to wood harvested in violation of traditional and civil rights, including breaches of the International Labour Organization (ILO) Core Conventions as defined by the ILO Declaration on Fundamental Principles and Rights at Work (1998, amended 2022), including:

1. Workers are free to join or form trade unions of their choice and to bargain collectively without fear of discrimination, intimidation or retaliation
2. Elimination of all forms of forced or compulsory labour.
3. Effective abolition of child labour.
4. Elimination of discrimination in respect of employment and occupation; and
5. Provision of a safe and healthy working environment.

Our due diligence processes include:

- Mapping supply chains to assess sector, product, and geographical risks.
- Evaluating modern slavery risks associated with new suppliers.
- Monitoring and improving supply chain transparency; and
- Engaging with suppliers to support remediation and continuous improvement where necessary.

ETI Base Code

Several businesses within BSW Group are committed to working towards the standards defined within the Ethical Trading Initiative (ETI) Base Code. This supports the continued development of ethical trading practices and reinforces our commitment to integrity and professionalism across our operations.

Sedex

BSW Timber Ltd and BSW Timber Solutions Ltd are registered members of SEDEX, a leading ethical trade membership organisation. Through our membership, we utilise available tools and services to support the identification and management of ethical and supply chain risks, including modern slavery and human trafficking.

Effectiveness and Performance Review

BSW Group monitors the effectiveness of its approach to preventing modern slavery through a range of key performance indicators, including:

- Completion rates for modern slavery training.
- Supplier approval and audit processes.
- Supplier compliance assessments.
- Incidents reported through whistleblowing or grievance channels; and
- Remediation or corrective actions implemented where required.

Reporting

During the reporting period ending 31 December 2025, no incidents of modern slavery or human trafficking were identified within BSW Group's operations or supply chain.

Training and Awareness

Modern Slavery and Human Trafficking Awareness forms part of the induction process for all employees.

Employees working in senior management, procurement, supply chain management, and HR functions receive additional training covering:

- Responsible purchasing practices and supply chain risk management.
- Identifying indicators of modern slavery and human trafficking.
- Assessing and managing modern slavery risks.
- Reporting and escalation procedures.
- Support and remediation processes for affected workers; and
- External support resources, including the Modern Slavery Helpline and Gangmasters and Labour Abuse Authority (GLAA).

In addition to formal training, awareness posters are displayed across our sites to reinforce understanding of modern slavery risks and reporting procedures.

Further Steps to prevent modern slavery in our business and supply chain during 2026: -

BSW Group recognises that preventing modern slavery requires continuous review and improvement. During 2026, we will continue to strengthen our approach by:

- Further developing employee training and awareness programmes.
- Continuing supplier audits and risk assessments.
- Improving supply chain transparency and supplier engagement.
- Reinforcing responsible purchasing practices across the business; and
- Reviewing internal systems and controls to support ongoing compliance and risk mitigation.
- 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.
- Continuing the work to enhance awareness of the correct purchasing behaviour and adapting our internal working systems to allow for purchasing compliance to minimize the risks of modern slavery

Board Approval

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

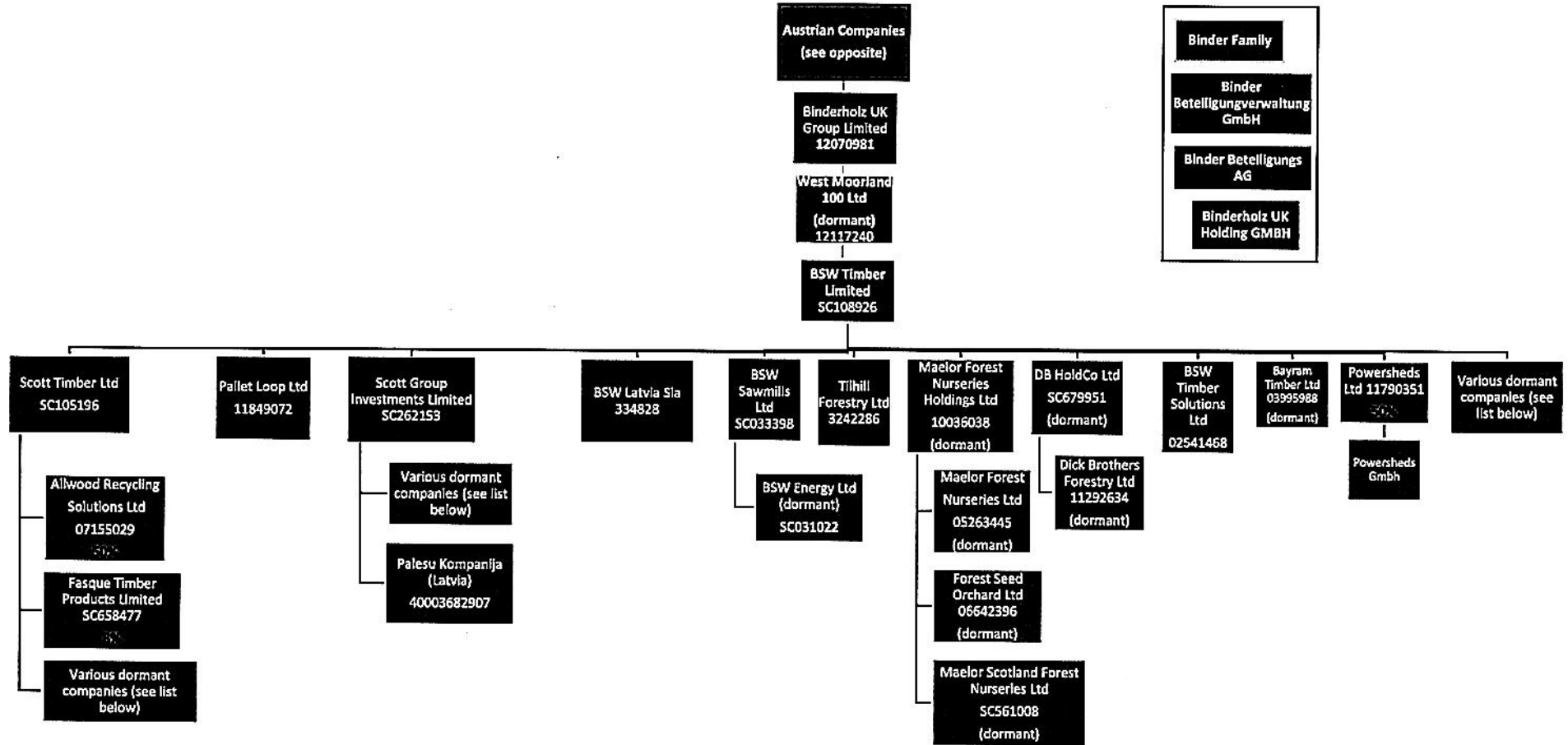
Signature: 

Name: Alan Milne

Role: CFO / Director

Date: 21 May 2026

Binderholz UK Group Limited: Legal Structure 31 December 2025





Dormant Subsidiaries of BSW Timber Ltd

Bayram Timber Limited 03995988
Combine Pallet Co Limited 00948300
Hambrook Pallets Limited 01532906
Marlaw Pallet Services Limited SC110919
Scott Packaging Ltd 02701453
SGIL GH Limited 00435919

Dormant Subsidiaries of Scott Group Investments Ltd

Scott ELM Limited 06219110 (in liquidation) 51%
Pallet 2 Packaging Limited SC588553

Dormant Subsidiaries of Scott Timber Limited

HLC (Wood Products) Limited 02040431
SGIL HS Holdings Limited 05169754
SGIL HS Limited 00339323
Whirlowdale Trading Company Limited 01202861
Williams Pallet Services Limited 01986657

Notes:

- All 100% subsidiaries, unless stated:
- BSW Timber Limited own 50% of Powersheds Ltd, with agreed mechanism to acquire 50% held by Jack Sutcliffe, Simon Hobson and Powersheds employees.
- Binderholz UK Ltd 100% owned by Binder Beteiligungs AG.
- SGIL owns 51% of Scott ELM Limited
- Scott Timber Ltd owns 50% Allwood Recycling Solutions Ltd, with agreed mechanism to acquire 50% held by Darren Wheeler and Melanie Wheeler
- Scott Timber Ltd owns 8% of Fasque Timber Products Ltd