

Slavery and Human Trafficking Statement for Financial Year Ending 31/03/2023

This statement is made pursuant to Part 6 Section 54 of the Modern Slavery Act 2015. It sets out the actions taken by Lathams Ltd during the financial year above to ensure that slavery and human trafficking is not taking place in any part of its supply chains and any part of its own business.

James Latham organisational structure and business

Lathams Ltd is the trading subsidiary of James Latham PLC with 12 trading offices operating from 11 sites located in Dudley, Fareham, Gateshead, Hemel Hempstead, Leeds, Purfleet, Scotland, Thurrock, Leicester, Yate, Belfast and 1 production site (Dresser Mouldings). The company specialises in the import and distribution of timber and panel products, supplying the joinery and furniture industries.

Supply chain, risk assessment and due diligence process

In terms of product procurement, the company's supply chains are international in their scope and the risks associated with these are managed and mitigated through extensive risk assessment to ensure compliance with Timber Regulations.

For non-timber-based products traded by the company, suppliers' Modern Slavery Policies and Statements or equivalent documentation have been obtained. We acknowledge that if risk has been identified, this is managed directly by suppliers via their modern slavery due diligence processes.

Regarding directly employed staff, the company fully complies with all HR legislation. Where temporary staff are employed, these are recruited through reputable agencies typically for skilled activities which are considered negligible risk.

Credentials of new stock, overhead suppliers and contractors are vetted by an evaluation questionnaire including criteria regarding ethical policies, liability insurance, and availability of a Modern Slavery statement. This also requires the supplier to make a written declaration that they commit to respect and protect human rights of all workers involved in the provision of services, product manufacture and supply. In addition, the evaluation questionnaire includes whistleblowing contact details to help establish effective communication routes with any external party.

Cleaning companies and temporary agency warehouse staff have been identified as suppliers with potential risk due to the lower skill and pay of workers as these activities could be performed outside of Lathams' normal working hours. The risk is considered to be low but further mitigation measures have been implemented. A "UK employment rights awareness" section has been added to contractor check list and the "Employment rights in UK" leaflet is given to those who wish to receive it.

Monitoring and measuring effectiveness

Certification and verification schemes are used as the key mitigation factor for procurement of products in countries where the risk of modern slavery and human trafficking is identified as high. Monitoring environmental performance of our procurement in those countries will be the indicator of effectiveness. To increase the robustness and effectiveness of our systems, Lathams stays actively engaged with certification schemes and trade associations: this is to make sure we are sensitive to any market alerts via illegality reports so we can continuously review the level of compliance and effectiveness of associated certification schemes.

In addition, supplier visits are used to detect and monitor that good Chain of Custody and quality, environmental and health and safety processes (such as ISO) are in place; more robust control systems indicate the tightest level of control over modern slavery.

The ongoing delivery of training to raise internal awareness to recognise indicators of modern slavery, as described below, is also used to monitor effectiveness of due diligence processes.

Policies in relation to slavery and trafficking

These are foremost encompassed within the Environmental and Ethical Policy (dated 08/06/2020) which details the company's commitments to supply chain transparency. This policy is subject to regular review as part of the company's ISO 14001 environmental management system certification. Supply chain management and traceability is also an integral part of the company's ISO 9001 quality management system and sustainability timber Chain of Custody certifications. In addition, the principles of the Modern Slavery Act are also embedded within the Anti-Discrimination Policy, Bribery Policy, Harassment and Bullying Policy, Pay Policy, and Whistleblowing Policy. Our Environmental and Ethical Policy has been updated to include whistleblowing contacts details, helping to establish accessible communication routes with any external party.

Training about slavery and human trafficking

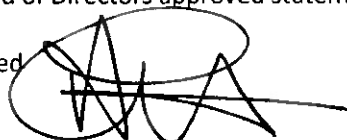
As specified within our Environmental and Ethical Policy, staff will be provided with training so that they recognise the impacts associated with their activities and their role in managing these, as well as understanding the risks of modern slavery and human trafficking within supply chains and the business. It is expected from every employee to report any concerns and management is committed to acting upon these using the routes of communication detailed within our Whistleblowing Policy.

Planned actions for 2023/2024

- Continued training for staff to assist in recognising modern slavery and human trafficking.
- Continued development and enforcement of procurement policies and supplier reviews, including country risk assessments.
- Dresser Mouldings became part of the Lathams Group on 01/04/2020 and their processes are still going through review; the deadline has been extended to the end year 2023 due to evaluation of business itself and its production nature which is new to Latham's distribution structure.
- IJK Timber and Northern Hardwoods Dungannon became part of Lathams Group on 01/04/2022. Their processes will be reviewed to incorporate them into Latham's policies by end year of 2024.
- Focus on high-level training for colleagues whose role may be more likely to involve exposure to Modern Slavery risk, such as the sourcing team. The next step will be identifying those internal groups and developing and implementing a training plan by 2024.

Board of Directors approved statement 22/08/2023

Signed

A handwritten signature in black ink, appearing to be "Andrew Wright", written over a horizontal line.

Andrew Wright
Managing Director, Lathams Ltd
22/08/2023