Modern Slavery Transparency Statement 2023

This statement has been produced in accordance with Section 54 of the Modern Slavery Act 2015. It constitutes our slavery and human trafficking statement for Wickes Group Plc and its relevant subsidiaries* (listed below) for the financial year ending 30 December 2023. Wickes Group Plc and its subsidiary companies are referred to as the "Wickes Group" or "The Group" throughout this statement.

* This statement covers the activities of Wickes Group Plc and its relevant subsidiaries in the reporting period:

- Wickes Group Plc
- Wickes Building Supplies Ltd

Summary

We take a zero tolerance approach to modern slavery and human trafficking.

Modern Slavery is an umbrella term used to describe slavery, human trafficking, forced labour and servitude. The Wickes Group is opposed to all forms of unethical business behaviour, and has a zero-tolerance approach to any form of modern slavery. We recognise the harmful impact that modern slavery has on individuals and society, and we are committed to help prevent these illegal practices taking place within the business or our supply chain.

Modern slavery is an important component of our Responsible Business Strategy (Directors' Report page 54, 2023 Annual Report). The Wickes Group is committed to conducting business honestly, professionally and fairly, and with care for our people and the people within our supply chains.

Our biggest risk of modern slavery is in our supply chain. We are committed to upholding human rights and promoting positive working conditions and practices throughout our supply chain, and we commit to meet the principles of the Ethical Trade Initiative (ETI) Base Code. We aim to work collaboratively, and to create an environment that enables transparency throughout the supply chain. We promote our Whistleblowing Helpline to our suppliers for them to report concerns. We are a member of SEDEX, a leading platform that supports the management and improvement of working conditions in supply chains, and we require all suppliers providing Wickes own branded products to undertake and deliver an acceptable ethical audit before we begin trading.

During 2023, no incidents of modern slavery were identified in our own business or our supply chains, and no reports relating to modern slavery were registered via the whistleblowing service.

About Us

Wickes is a home improvement retailer, with revenues split between our three customer segments - Local Trade, Design and Installation, and DIY. All of our operations are situated in the UK (England, Scotland and Wales). We have around 8,000 colleagues across our Group, and we operate 230 stores. We sell products via our website (wickes.co.uk) for collection from our stores or direct delivery to customers located in England, Scotland and Wales.

To support our business we also have:

- A Store Support Centre (head office) in Watford.
- Two distribution centres located in Northampton and an outbase in Crawley.
- A store delivery operation (Store Delivery Network).
- A home delivery operation (Home Delivery Network).

We launched our Responsible Business Strategy 'Built to Last' in 2022. Our strategy has three core pillars: People, Environment and Homes which cover the sustainability topics where we can create most impact. These are underpinned by our three Foundations: Safety and Wellbeing, Responsible Sourcing, and Governance. These are priority topics that we measure and manage to ensure we continue to operate responsibly through our business and supply chain activities. Our approach to tackling modern slavery forms a core part of our approach to Responsible Sourcing.

Our Supply Chains

We fulfil our UK customer facing operations through a low-cost, efficient and integrated operating model, as well as an international supply chain, that works to source responsibly and ethically.

We have our own brand label, which constitutes about 60% of our sales. We source the majority of our products that we sell from UK based suppliers. Most of these products are manufactured overseas. We use supply chain partners for sourcing from East Asia, who undertake ethical and product quality audits on our behalf.

We work with a nationwide network of around 3,000 Wickes-approved installation teams to install kitchen and bathroom projects in our customers' homes. We partner with third-party providers for stock distribution, including management of our home distribution centre, deliveries to stores and customers. We also outsource various service activities such as certain IT services, store refit work, maintenance and cleaning.

The UK Modern Slavery Act 2015 states clear expectations of businesses to eradicate slavery both within their workforce and in their supply chain. It is important that all Wickes colleagues, officers, directors and other third parties conducting business with us, including contractors and suppliers, comply with this legislation.

Governance

Our approach to modern slavery is overseen by the Group General Counsel and Company Secretary, who monitors progress and reports to the Executive Board and the PLC Board on modern slavery issues as appropriate.

Subject matter leads, including representatives from the Legal, Commercial, HR and Sustainability teams, are together responsible for developing our anti-slavery and human trafficking policies and controls.

A cross-functional group attended by the General Counsel and Company Secretary, Director of Legal and Governance, Director of Strategic Procurement and Quality Assurance, Head of Responsible Sourcing, and Head of Sustainability met quarterly to oversee the Group's approach to managing and monitoring ethical sourcing issues in our supply chain, including the risk of modern slavery.

The Wickes Group PLC Board has approved this statement and formally reviews policy and monitors performance on modern slavery annually.

Policies and control on Modern Slavery

Responsibility for compliance with our policies sits with all colleagues, and this is supported through training.

We have a **Modern Slavery and Human Trafficking Policy** which sets out sets out the Group's zero tolerance approach to any form of forced, bonded or involuntary labour, human trafficking, child labour, and other kinds of slavery and servitude within our own operations or within our supply chain.

The Modern Slavery and Human Trafficking policy is supported by other Group policies, including our Human Rights Policy, Responsible Sourcing Policy, Encouraging Equal Treatment Policy and Whistleblowing Policy.

The **Human Rights Policy** confirms our commitment to respect and promote human rights in accordance with internationally-recognised human rights, standards and legislation including the Human Rights Act. This policy also confirms that the Group respects the right of our colleagues to freedom of association and collective bargaining.

Our **Responsible Sourcing Policy** ensures that we source products and partners responsibly and set minimum standards across our supply chain. This approach is intended to meet all relevant legislative requirements, as well as to provide confidence for our customers and stakeholders that Wickes is a trusted partner and retailer.

The **Encouraging Equal Treatment Policy** confirms our commitment to promoting equal opportunities for all colleagues and candidates. The aim is to ensure that all decisions relating to any aspect of employment are free from bias and are based on an individual's ability rather than their characteristics, (such as sex, race, disability, sexual orientation, age, gender reassignment, marital status or civil partner status, pregnancy or maternity).

The **Whistleblowing Policy** sets out our approach to whistleblowing to stop harm by encouraging safe whistleblowing. Whistleblowing ultimately protects colleagues, customers, suppliers, other stakeholders and the Group by identifying and enabling us to address harm before it's too late. Our colleagues and suppliers have access to a confidential and independent whistleblowing service and are encouraged to report any concerns. Reports of calls made to the whistleblowing service are provided to the Executive team and the Plc Board on a regular basis.

Regarding our own colleagues, we uphold high standards, operate in line with our 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**. This includes a specific section on modern slavery, including the red flags for colleagues to be aware of. The employee due diligence process, described in the following section, includes checks both across our direct colleague population and any temporary colleagues recruited via agencies.

We ensure that our suppliers demonstrate and share similar values to our own, especially in the areas of labour standards, health and safety, environment, business ethics and product quality. The Wickes **Supplier Commitments** (which set out our expectations) have been communicated to our suppliers and incorporated into our **Supplier Manual** and/or our terms of business. The supplier due diligence process, described in the following section, includes an assessment against the requirements of our Supplier Commitments. This specifically covers modern slavery requirements by requiring suppliers adhere to the Ethical Trading Initative's *ETI Base Code*. Our Supplier Manual for Goods for Resale (GFR) and Our Commitments for Goods Not for Resale (GNFR) can be found on our www.wickesplc.co.uk website.

Risk assessment and management

Our subject matter leads complete an **annual corporate risk assessment** to (i) assess the Group's risks in relation to modern slavery, and (ii) assess whether the controls in place are sufficient to mitigate any identified risks and identify areas for improvement. The results of this and improvement actions identified are reported to the Plc Board.

Our **Supplier Online Risk Assessment** (SORA) and due diligence procedures measure compliance with our requirements around social and environmental behaviours in our supply chain. These are set out in our Supplier Manual and Supplier Commitments.

We will not engage with any third party that we know or reasonably suspect of engaging in modern slavery or human trafficking. Suppliers are profiled to identify their human rights risk, including modern slavery and human trafficking. This includes:

- 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 Bank's *World Governance Indicators for Control of Corruption*, Transparency International's *Corruption Perceptions Index* and Walk Free's *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's *List of Goods Produced by Child Labor or Forced Labor,* and any other product categories known to use seasonal manual labour.
- 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 (RSQ) team is responsible for managing the Group's modern slavery due diligence process for our supply chain. We continue to be members of Sedex Information Exchange and our preferred methodology is the Sedex Members Ethical Trade Audit (SMETA) through recognised third party audit bodies.

We have set out all of our requirements for our **Goods For Resale (GFR) suppliers** in our Supplier Manual, which we expect all suppliers to adhere to.

We require our GFR suppliers to complete our SORA on a minimum two-yearly basis to identify any key risks within our supply base. We 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 the Wickes own brand, factories and manufacturers undergo a SMETA or equivalent ethical audit on a minimum two-yearly basis.

We conduct additional due diligence to identify red flags of modern slavery across our business and undertake audits on areas we identify as higher risk. In addition to the SMETA audits, in 2023 the Group's RSQ team completed 25 in-person verification visits of suppliers' factories located in India, South Africa and China, which are countries identified as high-risk of modern slavery.

Timber is a product identified in the Global Slavery Index as associated with a high risk of modern slavery. 99.8% of our timber purchased by the Group in 2023 was certified as responsibly sourced by either the Forest Stewardship Council (FSC) or the Programme for the Endorsement of Forest Certification (PEFC). Both the FSC and PEFC certification schemes require compliance with the International Labour Organisation's (ILO) *Declaration on Fundamental Principles and Rights at Work*, prohibiting the use of forced or child labour.

In 2023, we started assessing modern slavery risk of new **Goods not for Resale (GNFR) suppliers**, and we are rolling out this process to existing GNFR suppliers that are profiled as high risk of modern slavery.

Due diligence within our own business

The Group's direct recruitment adheres to all regulatory requirements, including those that relate to Right to Work checks. Internal Audit periodically reviews the processes and controls that ensure compliance with employment law, including an assessment of Right to Work checks.

Recruitment of agency workers into the Group is also assessed 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. A contract must be in place which details our expectations around their own due diligence to prevent modern slavery. The agency must also provide a 'sign off sheet' for each agency worker coming to our sites, including their name and photograph. The agency workers are required to bring their identification documents on their first day, which the Group checks 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, as confiscation of ID is a common trait within gang control of victims.

Issue response

We have Issue Response Plans which detail how the Group will deal with any incidences of modern slavery identified within our own business or our supply chains. This is supported by a workers' questionnaire. 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.

Training

Our Code of Business Ethics 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 internal virtual communication platform.

We complement this with a modern slavery online training module, which is required to be completed by all colleagues on an annual basis. We provide face-to-face training for colleague populations who have more direct exposure to and control of potential modern slavery risk, including key operational roles such as our colleagues working in our Distribution Centres. We monitor modern slavery training completion rates and report progress annually to the Plc Board.

Performance and Progress in 2023

We track whether there have been any reported incidents of modern slavery during the year. During 2023, no incidents of modern slavery were identified in our own business or our supply chains, and no reports relating to modern slavery were registered via the whistleblowing service.

We have continued to improve our risk management and due diligence processes throughout the year, as well as additional progress set out below:

- We reviewed our approach to implementing specialist training for our HR business partners on carrying our interviews with colleagues where red flags have been identified from modern slavery monitoring activities. Due to the infrequency of modern slavery incidents within our colleague population, we decided to extend the scope of an existing specialist adviser to provide specialist external support to our HR business partners to carry out interviews where required.
- We started the move to a digital verification service for our Right to Work Checks which will reduce the compliance risk further and any risk of fake identification being presented or invalid right to work checks. We will complete this roll-out in 2024.
- We reviewed and updated our Code of Business Ethics, reiterating the 'red flag' signs of modern slavery to our colleagues.
- We reviewed and updated our Supplier Online Risk Assessment (SORA) and sent it to all GFR suppliers for completion.
- We started assessing modern slavery risk of new GNFR suppliers.
- We continued to review our current policies, controls and training to ensure they are appropriately embedded within the business.

Focus for 2024

Continuing our zero tolerance approach on modern slavery and human trafficking, we have identified the following focus areas for 2024.

Governance

- Formalise our governance of modern slavery risks by repurposing existing cross functional working meetings into a Responsible Sourcing Steering Group.

Policies and controls

- Update and publish key related policies on our website.
- Review the effectiveness of our Whistleblowing service and seek opportunities to make improvements.

Risk assessment, management and due diligence in our business

- Roll-out an updated line manager tool kit for recruitment, which includes Right to Work checks.
- Improve the controls for reviewing and updating the Right to Work documentation to ensure timely action on expiring documents.

Risk assessment, management and due diligence in our supply chain

- Continue to onboard all new GFR suppliers through our SORA process. We will assess all existing suppliers on our two-year programme in 2025, and in 2024, we will carry out additional checks as

required.
- Complete a risk profile of all GNFR suppliers for modern slavery risk. The risk profiling will inform those suppliers which are high-risk for modern slavery and these will be requested to complete an SORA in 2024.
- Strengthen our contractual requirements for our installers on Right to Work checks and reporting concerns of potential modern slavery to the whistleblowing service.
- Update our Supplier Manual, reconfirming our zero tolerance approach to modern slavery and human trafficking.

Training

- Review the effectiveness of our modern slavery on-line training, and how we monitor and report completion rates.

This statement was approved by the Wickes Group PLC Board on 24 May 2024 in relation to the financial period ending 30 December 2023.

David Wood

Chief Executive Officer

Wickes Group Plc

24 May 2024