

## Modern Slavery Act Statement 2019

### Introduction

This statement is made on behalf of James Halstead plc pursuant to section 54(1) of the Modern Slavery Act 2015 (the "Act"). It outlines the steps taken by the James Halstead plc and other relevant group companies (the "Group", "We", and "Our") to prevent modern slavery and human trafficking in its business and supply chains during the year ending 30 June 2019.

We have a zero-tolerance approach to modern slavery and human trafficking, which forms part of our broader commitment to conduct our business in an ethical and lawful manner. Staff receive training and are expected to report concerns, using the appropriate reporting channels, and management will act upon these concerns.

### Organisational Structure and Supply Chain

James Halstead plc is a major international group of companies that manufactures and distributes notable brands in the commercial, contract and consumer flooring sector. The group has built a global reputation for quality products, service and after sales support.

Our supply chains are global and include the sourcing of raw materials, for our manufacturing processes, from third-party suppliers as well as key suppliers of finished products and other goods and services required in the operation of our business.

### Our Policies on Slavery and Human Trafficking

We apply, and adhere to, internal policies to ensure that we are conducting business in an ethical, lawful and transparent manner. These include:

- **Whistleblowing Policy**  
We conduct our business with honesty and integrity. This Policy encourages employees and others who have serious concerns about any aspect of our work to come forward and voice those concerns without fear of victimisation, subsequent discrimination, disadvantage or dismissal. We encourage our staff to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be investigated appropriately and that their concerns will remain confidential. This includes any concerns staff may have about modern slavery or human trafficking.
- **Corporate Social Responsibility Policy**  
This policy expresses our fundamental values and represents a framework of our existing operating principles and outlines basic standards of conduct for our employees and suppliers. We believe that a commitment to the principles of corporate social responsibility makes good business sense and complements our core business strategy and corporate values.

### Due Diligence

Our biggest risk of exposure to modern slavery is in our raw material and product supply chains. We are committed to obtaining competitive goods and services and seek to ensure they are from sources that have not infringed human rights and they adhere to the highest standards of ethics.

To mitigate our exposure to modern slavery, all suppliers and factories/sites are subject to due diligence checks in the form of audits conducted by or on behalf of the Group.

In furthering our commitment to taking a zero-tolerance approach to modern slavery and human trafficking, we take the following pro-active steps with respect to our supply chains:

- We require our existing suppliers to make positive written affirmations that:
  - (i) they do not; and,
  - (ii) their direct supply chain does not, endorse, enable or facilitate human trafficking or slavery within their business, and we have built this requirement into our new supplier procurement process.
- Our standard terms and conditions for suppliers include an express obligation that they comply with applicable anti-slavery and anti-human trafficking legislation.

We continue to keep our staff informed and raise awareness of how to recognise and respond to indicators of human rights abuses.

### **Our Performance Indicators**

We use the following key performance indicators to measure how effective we have been to ensure that slavery and human trafficking is not taking place in our business or supply chain: the internal and external Audit process; the monitoring of Human Resource and payroll systems, including the use of preferred employment agencies; and, direct communication with our suppliers ensuring their understanding of, and compliance with, our expectations.

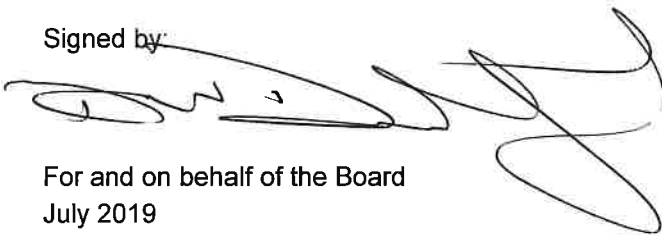
### **Consequences**

All our suppliers are informed of the fact that we as a business operate a zero-tolerance to human trafficking and/or slavery. We expect all those in our supply chain to comply with our values. Failure by an existing supplier to provide positive affirmations as described above or who refuse to co-operate with any audit to verify compliance may result in that supplier's contract being terminated. Failure by a potential new supplier to provide requested positive affirmations may disqualify them from becoming a supplier to us.

### **Approval**

This statement is made pursuant to section 54 of the Modern Slavery Act 2015 and has been approved by the Board of Directors who will review and update it annually.

Signed by:

A large, stylized handwritten signature in black ink, appearing to be a cursive name, positioned over the signature line.

For and on behalf of the Board  
July 2019