

Travis Perkins Group Modern Slavery Transparency Statement 2017

This statement has been produced in accordance with the Modern Slavery Act 2015, section 54(i). It constitutes our Modern Slavery Transparency Statement for Travis Perkins Plc and its subsidiaries for the financial year ending 31 December 2017.

Introduction

The Travis Perkins Group is opposed to all forms of unethical business behaviour. We recognise the harmful impact that Modern Slavery has on individuals and society and we are committed to help prevent these illegal practices.

We continue to develop our risk assessment, procedures and processes across our Group businesses and with our external stakeholders.

Governance, businesses and our supply chains

Travis Perkins Group is the largest distributor of building materials to both consumers and the trade in the UK. We have over 20 business units operating within the UK, with complex business and supply chains sourcing products from around the world. We deliver products direct to customers via our own distribution channels and direct from our suppliers, and to customers via our network of approximately 2,000 stores and trade branches.

We base our approach to business on our five Cornerstones: keeping people safe, upholding family values, working for our customers, being the best and making decent returns. We communicate these both to our colleagues and suppliers as we believe it is what makes us different from our competitors. In essence the Cornerstones come down to doing the "right thing", which is how we have approached the issue of Modern Slavery internally with colleagues and with our suppliers.

Policies and control on Modern Slavery

At Travis Perkins plc we are committed to being a responsible business. We continually strive to work with suppliers who share the same values. In practice, each cornerstone relates to key requirements which set out the absolute minimum standards we expect our suppliers to meet and we also expect suppliers to commit to deliver ongoing positive improvement.

In 2008 we launched the 'Supplier Statement of Expectations' which was our supplier Code of Conduct. In 2015 this was updated and renamed 'Supplier Commitments' and relaunched to all our business units across the Group. The Supplier Commitments have been communicated to all of our suppliers and incorporated into our ethical, product quality commitments and responsible sourcing procedures.

Due diligence and supplier performance

All our suppliers, the majority of whom are centrally controlled, go through our due diligence process, which includes our Online Risk Assessment questionnaire including but not limited to Business Ethics, Labour and Human Rights, Environment, H&S and Product Quality. Our Quality Assurance Audit programme, which is the second stage towards attaining supplier manufacturing site approval, requires an ethical and technical audit to be conducted by our nominated 3rd party, Intertek.

Risk areas and capacity building

Building on the work carried out in 2016 and 2017, we continue ongoing dialogue with our distribution sites, warehouses, stores and branches, fleet, labour agencies, HR and recruitment. Due to the complexity of our global operations, inclusive of the UK, we acknowledge that we might be at risk. We

aid our risk assessment with the support of the Global Slavery Index, the Corruption Perceptions Index and the Worldwide Governance Indicators (WGI) - World Bank.

Progress on 2017 key priorities

In our initial statement we set out our aim to gain a deeper understanding and to identify our potential risks across our supply chain and operations, to help us to plan our approach. Below is a summary of what we have achieved:

- A Supplier Commitment questionnaire was issued to our suppliers to understand their knowledge of the associated risks (e.g. forced and bonded labour, employment practices).
- We have conducted a review of our Own Brand factory audit programme and identified areas for improvement including responsible recruitment, whistleblowing, human rights and modern slavery awareness.
- We particularly focused on our own brand factories, 1112 of which are part of our CSR audit programme.
- We have participated in industry conferences and workshops, and collaborated with wider industry initiatives for intelligence and support (e.g. Supply Chain Sustainability School, BRE, APRES).

Future Activities

Training & Capacity building

- Further training sessions will be provided to our stores, branches and office based colleagues, with materials designed to raise awareness made available online for our colleagues and suppliers.

Partnerships & communications

- Work together with an anti-slavery NGO
- Evaluate the GLAA Construction Protocol and BRE BES6002 Ethical Labour Sourcing validation, to potentially become a signatory and member of these organisations.
- On-going communication across all our Group businesses, including our team based in China.

Policies & Systems

- Consideration to implement the Review our whistleblowing procedure

Audit Programme & Due Diligence

- Finalise and launch our new quality assurance audit programme
- Identify and risk assess labour agencies

We will continue to develop our approach, review our progress and publish an updated statement annually.

This statement is approved by the Board of Travis Perkins Plc and its subsidiaries in relation to the financial period ending 31 December 2017.

John Carter
CEO
Travis Perkins Plc
June 2018.