

Travis Perkins Group Modern Slavery Transparency Statement 2016

This statement is made in accordance with the Modern Slavery Act 2015. It explains the approach Travis Perkins is taking as a Group to prevent modern slavery and human trafficking from occurring in its business and its supply chains.

Our business and supply chains

The Travis Perkins Group is the largest distributor of building materials to both consumers and the trade in the UK with a turnover of £6.2bn per annum (2016). We have over 20 business units operating within the UK, with complex supply chains sourcing products from around the world and delivering products direct to customers via our own distribution channels and from suppliers, as well as 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 both internally with colleagues and with our suppliers.

Introduction

We understand that the issue of slavery and human trafficking is a global issue and that no business sector will be able to eliminate or be free of slavery within their supply chain without working collaboratively with industry and interested organisations. We take the approach that we will not accept slavery or human trafficking and will work with suppliers and colleagues to take positive steps to ensure that slavery has no place in our business or supply chain.

Policies to prevent slavery and human trafficking

We require suppliers to take positive steps to ensure slavery and human trafficking is not present in their supply chains. All centrally managed suppliers are required to sign up to our “Supplier Commitments” and at the same time undertake an on line risk assessment to help us identify potential related risks in the supply chain. Guidance notes on what is expected of suppliers has been provided

to support the completion of the on line risk assessment, all available via our Travis Perkins plc website

Due Diligence activity across our supply chain

We have taken a risk based approach in considering our exposure to modern slavery. Our focus this year has been on ensuring that the majority of our centrally managed suppliers (covering over 95% of our group sales) have signed up to our Supplier Commitments and completed our on line risk assessment. To date we have had over 70% of suppliers respond and complete the risk assessment and will use this data to target areas highlighted as requiring improvement which will inform our approach to our Modern Slavery strategy for 2017.

In addition we periodically audit the 1144 factories producing products under the Travis Perkins Group brands, prioritising these based on previous results, risk, performance and capability. 188 of these are managed by our offices in China. If issues are identified, investigations and remedial actions will be taken within agreed time frames. The most common issue identified to date has been linked to ensuring employees are receiving the correct hourly and overtime rates, with no instances of slavery or human trafficking identified to date. We recognise that an audit based system has its limitations and have also rolled out an awareness programme about the implications of Modern Slavery for our commercial and product supply colleagues who are most likely to be confronted with the issue in their dealings within the supply chain.

2017 Targets to build on our approach to Modern Slavery

- Review the areas of concern highlighted through our Supplier Commitments programme and work alongside suppliers, customers and interested organisations to eliminate risk from our businesses and supply chain.
- Maintain our activity from 2016, working with suppliers to help them meet our Supplier Commitments.
- Review our Own Brand factory audit programme and establish if this is the most effective way to support our approach to Modern Slavery.
- Target our “goods not for resale” suppliers and ensure they are supporting our approach to modern slavery, with an aim of covering 60% of our goods purchased in 2017.
- Review how we can be more effective in collaborating with both customers and suppliers to support our approach to Modern Slavery.

We will continue to develop our approach to tackling the issue of Modern Slavery, as issues may evolve and require a different approach as improved/more information in the supply chain becomes available. This statement was approved by the Boards of Travis Perkins plc and its subsidiaries in relation to the financial period ending 31 December 2016.

John Carter
CEO

Travis Perkins PLC