



## **Topps Tiles Plc**

### **Modern Slavery Act 2015 – Section 54**

This statement has been produced in accordance with the Modern Slavery Act 2015.

It constitutes our Modern Slavery Transparency Statement for Topps Tiles Plc (“Topps Group” or the “Company”) which includes its relevant wholly owned subsidiaries, for the financial year ending 30 September 2023.

#### **Introduction**

The Topps Group is committed to ensuring that modern slavery and human trafficking does not take place in our business or our supply chain. We have a zero-tolerance approach to modern slavery and human trafficking and our focus is to ensure that we are operating ethically and responsibly. We manage this by ensuring that we have robust policies and procedures in place across all operations and supply chains.

We acknowledge our responsibility under the Modern Slavery Act 2015 and will ensure transparency within our business and in our dealings with suppliers.

#### **Our Business**

We are the largest tile specialist in the UK and a clear market leader. Our revenue is generated via our three sales channels. Our omnichannel retail business, Topps Tiles; our commercial business, Parkside; and our online pureplay businesses, Pro Tiler Tools and Tile Warehouse.

Our core purpose is to inspire customers through our love of tiles. This purpose gives the business great strategic clarity in the opportunities we pursue to leverage our core specialism in tiles and closely associated products.

The Topps Group serves the UK domestic tile market and is the clear market leader with c.300 stores, employing 1,700 colleagues across our stores, head office support and logistics functions. We are a truly omni-channel retailer, and our customer base is comprised of homeowners and professional installers. Most of the products that we sell will be installed in a domestic setting and collected from our stores. Our trade customers predominantly operate through our stores and value the ease and convenience that this brings.

Our commercial business, Parkside, serves the specifications and architectural market within the UK. Its focus is on providing expertise and service to these sectors from across our product range.

Our online pure play business consists of Pro Tiler Tools and Tile Warehouse. Pro Tiler Tools offers a highly credible range of professional tiling consumables and accessories to a trade-orientated customer base. Tile Warehouse is focused on providing high quality tiles at very competitive prices and is targeted at value-conscious homeowners. Tile Warehouse is a consumer brand that operates online only with all sales delivered direct to the customer.



## **Our Product Supply Chain**

We aim to mitigate the risk of modern slavery in our supply chain through transparency and a strong working relationship with our suppliers.

We source products directly from manufacturers on a global basis to bring the latest styles, designs, and innovative products to the market. We focus on building long-term strategic relationships with our suppliers, thus enabling us to better understand their business and working practises. Our product supply chains are extensive, with circa 163 suppliers spread across 18 countries.

As a trusted retailer and supplier to commercial projects, our customers expect our products to be ethically sourced. Working with a global supply base, we appreciate the present risk of modern slavery and human trafficking occurring and are committed to ensuring all our suppliers adhere to the highest ethical standards, demonstrate safe working conditions and are treating workers with dignity and respect. In support of this, our technical team, and buyers:

- Ensure that all supply contracts require adherence to our Responsible Sourcing Code.
- Conduct regular due diligence and audits to assess compliance.

Our suppliers are required to be transparent with the factories they use for production, and each factory is registered by us and is required to adhere to our Responsible Sourcing Code.

## **Our Responsible Sourcing Code**

Our Responsible Sourcing Code\* sets out the minimum standards that we require of our suppliers and others within our supply chain concerning labour standards, factory conditions and human rights. We are committed to the highest standards and will not support or deal with any supplier we know or suspect to be knowingly involved in slavery or human trafficking.

The Code is based on the principles of the Ethical Trading Initiative based code (ETI).

\*[topps-responsible-sourcing-code-apr-2017.pdf \(toppstilesplc.com\)](https://www.topps.com/~/media/Topps/ResponsibleSourcingCode/2017/Topps-Responsible-Sourcing-Code-Apr-2017.pdf).

## **Due diligence (supply chain) & Risks**

We closely monitor the factories producing our products for compliance with our Responsible Sourcing Code.

During this year we have updated our Standard Operating Procedure where we have reviewed our existing countries of supply, sought risk scores, and gathered further advice from external parties including Intertek our Third-party CSR audit provider. The associated supply chain risks consider country, sector, and product type. By having this data, we have been able to determine the countries that we will not source from as a business and established risk levels for others.

We consider the following areas can be classed as high risk in relation to modern slavery:

- Geographical related risk – specific country risks where modern slavery is known to be more prevalent.



- Product related risks - for example Natural Stone products where raw materials are quarried.
- Labour related risks - labour providers, agency workers and sub-contractors

### **Audit (supply chain)**

There are 40 suppliers that have been identified as being a potential risk and these are subject to annual audits which are being carried out by Intertek, the leading Quality Assurance Experts who are carrying out independent third-party auditing on our supply chain production facilities.

These Workplace Conditions Assessment Audits demonstrate compliance in the following areas:

**Labour:** including child labour, forced labour, discrimination, discipline, harassment, abuse, freedom of association, employment contracts and employment contracts

**Wages and Hours:** including wages, hours of work and benefits.

**Health & Safety:** including work facilities, emergency preparedness, occupational injury, machine safety, hazardous materials, chemicals, dormitories, and canteen.

**Environment:** including systems, procedures, and certification

We are working closely with suppliers to ensure that all non-compliances are being addressed within the agreed timescales that are set by the auditor in the Corrective Action Plan. Our fundamental aim is to work with our suppliers on any issues using a continuous improvement model and we will not work with suppliers that fail to engage with us in this process. Following the audit program, we have disengaged two suppliers from our supply chain for lack of engagement. No evidence of modern slavery was found at any of the facilities that were subject to audit.

We accept SMETA reports (SEDEX Members Ethical Trade Audits) from factories where they are available.

### **Collaboration**

We have now launched our new independent and confidential hotline “Speak Up” and website to allow colleagues to report any concerns and breaches of our code of conduct, company regulations and to report any concerns around Modern Slavery or Human Trafficking.

### **Training and awareness**

We continued to work with our suppliers to share best practice and support them in the audit process to ensure that any areas identified for improvement are addressed promptly. This has included factories undergoing third party training. Intertek will provide additional compliance training to suppliers where it has been identified that more support is required.



## Summary progress

	Key Activities FY23	Focus FY24
<b>Supply Chain mapping and transparency</b>	<ul style="list-style-type: none"> <li>Carried out 40 Workplace Conditions Audits across 8 countries.</li> <li>Ceased trading with 2 factories for failing to comply with the audit process.</li> <li>Updated our Standard Operating Procedures to give better clarity of supply chain risks.</li> <li>Placed in scope due diligence audits to be carried out across countries not specifically classified as having any associated risks.</li> </ul>	<ul style="list-style-type: none"> <li>Support suppliers in high-risk geographical areas to ensure that a programme of continual improvement takes place over the next 12 months. This will incorporate an increased level of supplier visits, face to face presentations and further training options through Intertek.</li> <li>Carry out due diligence risk assessments of our labour providers to reduce the risk of modern slavery.</li> <li>Carry out random due diligence audits across other countries not specifically identified as being high risk.</li> </ul>
<b>Collaboration</b>	<ul style="list-style-type: none"> <li>Launched our new independent and confidential whistle-blower hotline 'Speak Up'</li> </ul>	<ul style="list-style-type: none"> <li>Develop a protocol for the handling of any incidents of modern slavery to ensure that any incidents are dealt with quickly and effectively.</li> </ul>
<b>Training &amp; Awareness</b>	<ul style="list-style-type: none"> <li>Identified specific training for colleagues via our learning experience platform, Thrive.</li> </ul>	<ul style="list-style-type: none"> <li>We will continue to review our current policies, controls, and training requirements to ensure that they appropriately ingrained within the business.</li> <li>Introduce an e-learning module specific for our buying teams that regularly visit factories and to colleagues who work with labour providers, agency works and sub-contractors</li> </ul>

## In Our Business

All employees are paid at, or above, the National Living Wage and we annually review the market to ensure we maintain this. Employment contracts provide colleagues with the freedom to terminate their employment at any time. Where a role is eligible for overtime, overtime working is voluntary.



Recruitment is handled in line with our internal recruitment guidance to ensure that we attract a broad range of candidates and hire on merit. In line with legal requirements, we ensure all new hires demonstrate their eligibility to work in the UK.

We promote a culture of integrity, competence, fairness, and responsibility. As well as our internal policies covering the prohibition of harassment, intimidation and threats, our whistleblowing procedure encourages colleagues to raise any concerns about malpractice or unlawful conduct which they suspect may be taking place at work; this could include concerns about workplace conditions and about modern slavery or human trafficking (no such matters raised during the period covered by this statement).

In addition, our colleague engagement survey, 'MyVoice', allows colleagues to feedback on their experience of working for us and raise any general concerns.

Non-Executive Director Kari Daniels holds the position of Employee Engagement Director and attends meetings of our colleague engagement forum, 'TeamTalk', to provide a voice for colleagues at Board level to ensure that colleagues' concerns are addressed.

All colleagues have access to our independent Employee Assistance Programme managed by our partnership with Bupa. This provides a confidential way for colleagues to seek advice about a range of issues personally affecting them or their families.

## **Governance**

The directors take responsibility for implementing this policy statement and its objectives and aim to ensure that policies are further developed and implemented to ensure that slavery and human trafficking is not taking place within the Company or supply chain.

A full copy of this statement and a copy of the Modern Slavery Act 2015 will be accessible to all employees electronically.

A handwritten signature in black ink, appearing to read 'Rob Parker'.

Rob Parker, Chief Executive

**29 November 2023**