



Macfarlane Group PLC

Statement of Compliance

Slavery and Human Trafficking 2024



18th June 2025

This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps Macfarlane Group PLC and its subsidiary companies ("Macfarlane Group" or "the Group") take to ensure that modern slavery or human trafficking does not take place within our business or supply chain.



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CEO Introduction

Our statement sets out the actions that the Group is taking to help ensure that slavery and human trafficking are not taking place in the Macfarlane business or any part of our supply chain.

We are working to increase awareness of these issues, have updated our company policies and strengthened our risk assessment and mitigation measures, to help deliver the highest ethical standards for our customers, suppliers, and employees.

Peter D. Atkinson

Chief Executive Office

18th June 2025

Our Business

As at 31 December 2024, Macfarlane Group PLC comprised the following legal entities which all trade within the UK:

Macfarlane Group PLC
Macfarlane Group UK Limited
Nelsons for Cartons & Packaging Limited
Nottingham Recycling Limited
GWP Holdings Limited
Carters Packaging Limited
Macfarlane Packaging Ireland
B & D 2010 Group Limited
A and G Holdings Limited
A.E. Suttons Limited
Polyformes Limited
Allpack Packaging Supplies Limited

Macfarlane Group PLC is the parent company, listed on the London Stock Exchange and is the ultimate holding company of all legal entities within the Group.



The largest entity within the Group is Macfarlane Group UK Limited (trading as Macfarlane Packaging). Macfarlane Packaging is the UK market leader in the distribution of protective packaging products. Macfarlane Packaging leverages its purchasing scale to cost-effectively source a comprehensive range of protective packaging products and adds value for the customer by providing independent advice on the most cost-effective and sustainable product and packaging solutions.



Macfarlane Group UK Limited also includes our Design and Manufacturing business that utilises design, intellectual property and know-how to provide specialist protective packaging solutions service to support customers, in protecting their high-value, fragile products.

Macfarlane Group PLC aims to grow its business by deepening relationships with existing customers, winning new customers and through the acquisition of quality, complementary businesses.

Policies relating to Modern Slavery and Human Trafficking

Macfarlane Group is committed to its social and environmental responsibilities and has zero tolerance for slavery and human trafficking. We hold ourselves and our supply chain accountable and we comply with the provisions of the Modern Slavery Act 2015.

We recognise that modern slavery is a complex issue with the potential to impact across our value chain. We therefore seek to work in partnership with our customers, suppliers and expert organisations to take progressive action now and support the development of more systematic, industry wide solutions over the longer term.

We have a range of policies in place regarding anti-slavery and anti-trafficking which influence decisions relating to suppliers and employees on a day-to-day basis and provides the organisation with the power to act where any instances

of non-compliance are uncovered. These policies include but are not limited to:

- Recruitment Policy
- Employee Code of Conduct
- Supplier Code of Conduct
- Whistle-blowing Policy
- Human Rights Policy
- Ethical terms and conditions incorporated in our Supplier Contracts
- Supplier Audits
- Diversity, Equality and Inclusion Policy
- Harassment Complaints and Investigation Policy
- Grievance and Disciplinary Policy

Our policy framework remains under continual review to help ensure it aligns with international best practice and enables us to most effectively manage these risks across our value chain.

Supply Chain – Risk Assessment

Macfarlane Group works with a wide range of suppliers, the majority of which are based within the UK or European Economic Area. Our supply chain is primarily made up of direct third-party suppliers who supply us with products or raw materials which, in turn, help us to deliver services and products to our customers.

We internally review and have a Supply Chain Risk Assessment Process to evaluate human trafficking and slavery risks. We also undertake supplier audits which review all aspects of the supply chain including safety, human trafficking, child labour and other legal requirements.

Supply Chain Management and Due Diligence

Given the numbers of suppliers across the Group, a risk-based approach is deployed to help target resource in the right areas and wherever risk is considered to be higher.

The level of assurance sought depends on the supplier criteria and assessed level of risk. Audit arrangements range from a supplier audit questionnaire, an on-site audit by Macfarlane staff, through to an external audit carried out by a professional auditing body for those suppliers that are considered to represent the highest level of risk.

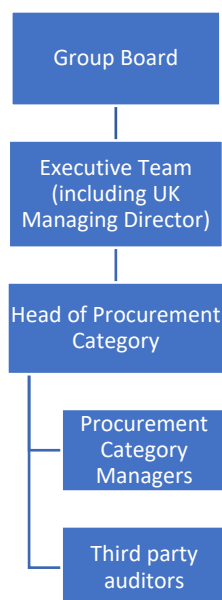
Sedex (SMETA) audits remain the Group's preferred external audit partner, given the comprehensive nature of their audits and their global presence. The Sedex audits encompass all aspects of responsible business practice and were founded on the conventions of the International Labour Organisation (ILO), as well as relevant local legislation. Both the audits and their follow-ups are published on the Sedex platform and made available to the Macfarlane Group, for review.

During the 2024 financial year 97%¹ of procured Group spend came from either suppliers that were formally considered to be low risk or suppliers that are fully compliant with the Group's additional assurance procedures.

There were no incidents of child labour, forced labour or human trafficking identified during 2024, either internally within the Group or across our value chain.

Governance

The governance of supplier audit & risk is held by the Group Procurement team with the support of the UK Managing Director who is a member of the Group Executive. Any issues that are identified as severe are also raised with the Group Board, who have a majority of members that are independent of the management team.



The Category Management team are responsible for the audit process and onboarding of new suppliers and escalating any high-risk failures or concerns

¹ This excludes procurement spend from recent acquisitions made by the Group during 2024 which will be incorporated from 2025 onwards.

to the Procurement Head of Category who assumes responsibility for appropriate actions and resolution.

The Group also provides a whistleblowing service, which is independent of operational management. This service is widely communicated both internally within the Group and externally. The Group has procedures in place to protect whistleblowers, with all cases fully investigated and resolved in a timely manner.

All whistleblowing cases and their effective resolution are overseen by the Group Board, which is independent of management. During 2024 1 whistleblowing case (2023: 3 cases) was received. All these cases have been fully resolved.

Conclusion

The Group remains committed to respecting everyone's human rights, ensuring that all individuals are treated with dignity and respect. The Group has a zero-tolerance approach to all forms of slavery and human trafficking and will continue to take measures to help ensure it is not present either directly within the organisation or across the Group's value chain.

During the year we have continued to strengthen our policy framework and made progress rolling out enhanced risk assessment and assurance processes, across the supply chain.

The Group is a participant in the UN Global Compact, demonstrating its commitment to the ten principles set out by the United Nations for sustainable businesses on human rights, labour, the environment and anti-corruption.

The Group also welcomes independent scrutiny and challenge of its approach through its active participation and membership of bodies such as Ecovadis and the ICTI Ethical Toy Programme, which help inform the Group's continual improvement in this area.

Statement Approval

This statement was approved by the Chief Executive Officer on 18th June 2025, for the financial year 1 January 2024 to the 31 December 2024.

Peter D Atkinson
Chief Executive Officer