



Derome Timber - Modern Slavery and Human Trafficking Statement

Introduction

The statement determines Derome Timber's commitment to preventing slavery and human trafficking in our business activities as well as the steps we have set up with the aim of ensuring that there is no slavery or human trafficking in our own business and supply chains. We all have an obligation to be alert to risks, however small. Every member of the staff is expected to report any concern and management to act upon them.

Organisational structure and supply chains

Derome Timber's business concept is to market sustainable high-quality timber products with a high level of service. Our roundwood is purchased from suppliers in Sweden and Norway. In Sweden, close to Derome Timber's sawmills, we provide sustainable forest management services to forest owners.

The company's clients in Sweden include builders' merchants, DIY stores, house and roof truss manufacturers as well as the pallet and general timber industry. About half of our timber products are exported to mainly Europe and the US.

Derome Timber acknowledges the potential risk for Slavery and Human Trafficking abuses and mitigates this risk by utilizing a stringent due diligence system.

Slavery and Human Trafficking Due Diligence Processes

Derome Timber does not deal with any business that is suspected to be involved in either slavery or human trafficking activities. A due diligence process is undertaken and used when considering taking on new suppliers, as well as regularly reviewing existing suppliers. Derome's purchasing contract gives great weight to corporate social responsibility. The principles are set in Derome's Supplier Code of Conduct and the code covers all the areas established in the Global Compact. Under the code, suppliers undertake to respect human rights.

A strong stand is taken against all forms of child labour including but not limited to the worst forms such as slavery, or other forms of work that risk damaging a child's health, safety and well-being. Suppliers must not use or benefit from any form of forced labour. Forced labour is considered to include debt bondage, forced prison labour, or human trafficking.

Derome Timber is a member of the Swedish Timber Trade organization and uses its Due Diligence System to assist in complying with the EU Timber Regulation (EUTR). Derome's purchasing contract is constructed to meet all our obligations set out in the EUTR, including "legislation against forced or compulsory labour".

Derome Timber is a fully certified and member of PEFC and FSC, two main forest management and timber chain of custody (CoC) standards/schemes: Both schemes have strict requirements on the protection against forced labour practices. In line with the scheme Derome Timber only sources timber from suppliers that have valid and up-to-date FSC/PEFC CoC certificates.

Training

To ensure a good understanding of the risks of modern slavery and human trafficking in our business and supply chains, we require all Derome Timber management staff to take part in an annual training course which is a part of our Responsible Purchasing Policy procedures.

Commitment

This statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015 and constitutes the Modern Slavery and Human Trafficking Statement for Derome AB, Derome Timber AB, Derome Timber UK LTD.

This Modern Slavery and Human Trafficking Statement will be regularly reviewed and updated as necessary. The board of directors endorses this policy statement and is fully committed to its implementation.

Veddige, 11 november 2022



Gunnar Jakobsson
President Derome Timber AB