

Sustainability continued

Governance: Supply chain

Material issue 5: Supply chain

Supply chain management and responsible sourcing

During FY25, we continued to strengthen the transparency, resilience, and sustainability of our supply chain. In collaboration with H&B, we engaged 54 of 92 priority suppliers (approximately 59%) through our assessment programme, significantly improving visibility across our supplier network. This process confirmed that our key suppliers are primarily located in Ireland and the UK, supporting our commitment to a strong, regionally focused supply base.

Initial assessments identified a high proportion of suppliers in elevated risk categories, particularly within the critical tier. Through targeted engagement and structured follow-up, we have driven measurable improvement across the supplier base. Notably, the number of suppliers classified as critical risk decreased by 64%, with many transitioning into lower risk categories.

Approximately one-third of assessed suppliers now meet or exceed minimum client requirements. These outcomes demonstrate tangible progress in building a more resilient and responsible supply chain.

Our supplier assessment questionnaire covered a wide range of ESG topics, including:

- › Environmental: carbon and energy management, waste and recycling, and data collection
- › Legal and regulatory: anti-bribery and corruption, competition law compliance, and data protection
- › Product sourcing: timber management, natural material extraction, and conflict materials
- › Operational: quality assurance, REACH and chemical management, product recall and distribution
- › People: health and safety, human rights

Following our exit from the buying group, we no longer have direct oversight of subsequent assessments conducted under that programme. However, to ensure continuity and strengthen our approach, in 2026 we will implement and expand our own supplier risk management programme across all three divisions, broadening coverage and enhancing consistency. This will support improved visibility and transparency across the supply chain. The programme will be enabled by digital tools to provide more timely data insights and strengthen ongoing supplier management.

Responsible sourcing remains central to our approach. All timber purchased is certified by FSC or PEFC, ensuring products are sourced from responsibly managed forests.

Supplier Code of Conduct

All suppliers are required to sign the Code to confirm compliance, and we reserve the right to audit adherence. The Code also provides clear procedures for suppliers to report misconduct or concerns. Both the Supplier Code of Conduct and our Modern Slavery Statement are publicly available at:

www.lordsgrouptradingplc.co.uk/about-us/ethical-supply-chain

Our Supplier Code of Conduct reinforces our ethical and sustainability standards. It sets clear expectations for suppliers in the following areas:

- › Health, safety and wellbeing
- › Fair working conditions
- › Anti-corruption and anti-bribery
- › Fair competition
- › Discrimination and harassment
- › Forced labour and child labour
- › Financial integrity
- › Confidentiality and information security
- › Protection of personal information
- › Environmental responsibility



Image: Tradectory Media