



NORCROS SUPPLY CHAIN POLICY

1. Introduction

- 1.1 This Policy underpins our expectations on all Suppliers (including contractors, vendors, service providers, and their employees) of Norcross plc and its Divisions ("Norcross", "Company", "Group", "our" or "we"). These expectations are not replacements or substitutes for their own code of conduct or applicable laws, nor do they amend contracted obligations. At a minimum, our suppliers are expected to comply with all relevant laws while sharing our social and environmental aims outlined in this policy.
- 1.2 Norcross plc consists of a number of trading Divisions including Triton, Merlyn, Grant Westfield, Vado, Croydex, Johnson Tiles, Abode, Norcross South Africa, Tile Africa, TAL, Johnson Tiles South Africa, and House of Plumbing ("Divisions").
- 1.3 We want our suppliers to aspire to be sustainable in their operations and supply chain, with innovation and excellence in their delivery. As a Norcross plc supplier, we expect you to act in accordance with this Policy and will work together to provide you support in achieving compliance.
- 1.4 We set ourselves ambitious environmental and social targets. While the targets we set are Norcross' responsibility, we are reliant on our suppliers to help us deliver aspects of them and will continue to work in partnership with our existing and new suppliers to reduce the environmental impact of our supply chain and create positive social impact.
- 1.5 When we make reference to "national standards" we expect our suppliers to adhere to standards and regulations in their country of origin.
- 1.6 Within this policy, we make reference to "Key Suppliers". Key Suppliers are defined by Norcross Divisions.
- 1.7 We expect our Key Suppliers to have ISO9001 and ISO14001 accreditations. Where they do not have these accreditations, we expect our Key Suppliers to be working towards accreditation or to have alternative, appropriate quality management and environmental management systems in place.
- 1.8 Norcross South Africa is a Broad-Based Black Economic Empowerment (B-BBEE) accredited organisation. We expect South African suppliers to be aware of their B-BBEE responsibilities and to be B-BBEE accredited, improving their B-BBEE performance and / or working towards B-BBEE accreditation.
- 1.9 This policy sits alongside other Norcross plc policies including the Code of Ethics and Business Standards and specific policies for the Norcross businesses (listed in paragraph 1.2) that you are supplying.

2. Who is covered by this policy

- 2.1 This policy applies to all our suppliers, including contractors, vendors, service providers and their employees.

3. Policy statement – environmental

- 3.1 In general, we expect our suppliers to work in line with an appropriate environmental management system. We expect our Key Suppliers to be ISO14001 certified, working towards an equivalent certification standard to ISO equivalent standards or certified to a similar environmental management system. For all our suppliers, we have minimum standards in the following environmental areas:
 - 3.1.1 Energy Use
We expect our suppliers to manage their energy use appropriately by implementing energy efficiency measures and reducing energy consumption where possible.
 - 3.1.2 Climate Change
Norcross understands the serious threat posed by climate change to our operations and supply chain. As part of our work to reduce carbon emissions we expect all our suppliers to recognise the significance of climate change and take measures to mitigate the impact they have on the climate by reducing their emissions.
 - 3.1.3 Water Stewardship
Norcross recognises the importance of conserving water. We encourage our suppliers to understand the impact that their company has on water and look to manage their water usage appropriately in line with correct water stewardship practices.
 - 3.1.4 Environmental Issues
Environmental issues arise from human activities that cause damage to the environment and have negative short- or long-term consequences to the health of the planet. We expect our suppliers to take measures to avoid and / or reduce and minimise environmental issues that arise from the operation of their business.
 - 3.1.5 Biodiversity
Norcross expects our suppliers to reduce their environmental impact, this includes avoiding damaging the local biodiversity in which they operate. Where relevant we expect our suppliers to source their wood from FSC (or equivalent) certified suppliers.
 - 3.1.6 Waste and Resource Use
We encourage our suppliers to manage resources such as wood and plastics appropriately and reduce waste going to landfill by implementing recycling and other waste reduction initiatives. Suppliers should also look to eliminate unnecessary packaging.



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3.1.7 How the company engages with suppliers to improve environmental performance.

Norcros is working towards reporting our Scope 3 emissions to set the baseline for our Net Zero transition plan. Although the achievement of our Net Zero target will be Norcross' responsibility, we are dependent on our suppliers to help us achieve this and we will engage with suppliers to ensure they are managing their emissions in the most effective way.

4. POLICY STATEMENT – SOCIAL

4.1 Suppliers are expected to adhere to Norcross' Code of Ethics and Business Standards or to adhere to their own equivalent Code of Conduct. We will ask Key Suppliers to make a commitment to adhere to our Code of Ethics and Business Standards or to provide us with a copy of their own Code of Conduct that meets an equivalent standard.

4.2 Maintaining a safe and productive workplace is a shared responsibility and Norcross expects all suppliers to maintain a safe and productive workspace. Suppliers should respect all labour and human rights through their value chain including at a minimum, those expressed in the International Bill of Human Rights and the International Labour Organisation's (ILO's) Declaration of Fundamental Principles and Rights at work.

4.3 For all our suppliers, we have standards in the following social areas:

4.3.1 Bribery

We take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter bribery. This is outlined in our Anti-Bribery and Corruption Policy and Guidance. We expect our suppliers to also conduct their business honestly, fairly and free from any bribery, corruption or tax evasion.

4.3.2 Minimum Wage Legislation

All terms of employment, including, but not limited to, wages and benefits shall at minimum meet national standards including legal requirements of their home country. Workers should be paid on time, as per their employment terms. In the UK, we also expect our suppliers to pay their employees the national living wage. For all suppliers outside of the UK, we expect them to adhere to minimum living wage policies appropriate to local jurisdictions.

4.3.3 Non-discrimination and Abusive Behaviour

We expect our suppliers to address any illegal and unfair discrimination. This includes discrimination, amongst other things, in hiring, compensation and training relating to gender, race, ethnicity, country of origin, nationality, social and cultural background, religion, family responsibilities (including pregnancy), sexual orientation, age, and disability. Workers should not be subject to any form of abuse, corporal punishment or disciplinary practices such as physical, sexual or verbal harassment. Suppliers are also encouraged to promote diversity in the workplace and create an environment where individuals are respected at work.

4.3.4 Maximum Working Hours

We expect our suppliers to respect national legislation. We expect our suppliers to respect industry referenced standards on maximum working hours unless their employee voluntarily elects to work longer from time to time.

4.3.5 Child Labour and Modern Slavery – including elimination of trafficked, forced, bonded labour

Norcros does not accept and will not tolerate the use of child labour or forced labour (i.e. Modern Slavery) anywhere in its own business or its supply chain. The Company has issued a public statement to this effect, which can be found on its website at <https://www.norcros.com/investor-centre/other-disclosures/>.

Norcros encourages its direct suppliers to promote human rights throughout the supply chain. Supplier assessments include evaluation of policies and practices in this area.

4.3.6 Health and Safety

We expect all suppliers to comply with national and international health and safety laws and regulations. Suppliers should aim to continuously minimise health and safety risks and improve working conditions (including hygienic facilities and accommodation) through means such as certified health and safety management systems.

4.3.7 Quality Management

Norcros sells its products on their merits and on the quality it provides as a supplier. We expect our suppliers to have an appropriate system in place for quality management. We expect our Key Suppliers to have or to be working towards ISO9001 certification or a similar standard in order to supply us with products or services that consistently function well.



5. MONITORING SUPPLIERS' PERFORMANCE

- 5.1 We expect suppliers to understand and operate towards this policy. Where suppliers are identified as 'Key Suppliers' by a Norcross Division, we will assess performance against this policy when signing new or renewal contracts and we will review performance with you on a regular basis.
- 5.2 For key suppliers, Norcross aims to collect data on supplier carbon emissions, carbon targets and environmental performance.
- 5.2.1 We will require Key Suppliers to disclose scope 1 and 2 emissions which are encouraged to be measured in line with the GHG (Greenhouse Gas) Protocol or a similar standard. Where possible, these should be independently verified. Norcross will use these emissions to measure its annual emissions footprint and report on progress against its science-based targets.
- 5.2.2 If possible, we encourage our suppliers to report on their scope 1 and 2 emissions that Norcross is directly responsible for, for example, the emissions associated with the manufacturing of products that Norcross is purchasing from the supplier.
- 5.3 We aim to collect data on social indicators in addition to environmental performance.
- 5.4 When onboarding new (or renewing contracts with) Key Suppliers, Norcross will assess their performance against this policy using a supplier assessment form in addition to screening financial stability, confirming product liability insurance is in place and appropriate, and ethical and quality standards.
- 5.5 Where the supplier does not currently adequately meet the standards set out in this policy, we will ask the supplier to put in place reasonable improvement plans.
- 5.6 Norcross will aim to review the performance of key suppliers against this policy on a regular basis.

6. INDEPENDENT REVIEWS

- 6.1 We recommend these are carried on a regular basis and consist of an independent review by an external accredited organisation, such as Sedex, SMETA, Ecovadis or BSCI. The outcome of the reviews should be reported to the relevant Norcross supplier manager as part of our procedures covered under section 5 of this policy. If an independent review is not achievable, we may carry out an evaluation using one of our staff members whilst the supplier is working towards achieving an independent external assurance review. Any breaches or concerns raised are to be recorded and mitigating actions to resolve any such concerns or breaches must be monitored and reported.
- 6.2 Where Divisions require the supplier to comply with SMETA standards, these should be satisfied.

7. RESPONSIBILITY FOR THE SUCCESS OF THIS POLICY

- 7.1 The Board of Norcross plc is responsible for this policy.
- 7.2 Day-to-day responsibility for promoting and implementing this supply chain policy is delegated to Divisional UK Managing Directors and South African General Managers and their appointed supply chain managers.