

A photograph of a factory floor. In the foreground, there are several large, cylindrical metal components, possibly parts of a motor or generator, arranged on a conveyor belt. In the background, several workers in blue and grey uniforms are working at a station. The factory is brightly lit with overhead lights.

REXEL

a world of energy

SLAVERY AND HUMAN TRAFFICKING STATEMENT

REXEL UK LIMITED

FINANCIAL YEAR ENDING 31 DECEMBER 2017

INTRODUCTION

At Rexel UK, we are committed to eliminating all forms of slavery and we will not tolerate any of these practices in our business or in our supply chain. At the date of publication, we are not aware of any circumstances of modern slavery occurring either within our business or supply chains.

This Statement is an update to the Slavery and Human Trafficking Statement published for Financial Year 2016. During Financial Year 2017, Rexel UK have continued to strengthen our controls to prevent modern slavery occurring both within our organisation and our supply chain; this statement outlines some of these controls, policies and practices.

This statement has been published in accordance with the Modern Slavery Act 2015 and sets out the steps taken by Rexel UK Limited, and its relevant subsidiaries, to prevent modern slavery in our business and supply chain for the financial year ending 31 December 2017.

OUR BUSINESS

We are a market leader in the professional distribution of products and services for the energy world. We are an electrical wholesaler with over 350 branches and 3,000+ employees spread across the UK, supporting professionals in a range of sectors including, residential, non-residential and industrial markets. Our goal is simple: to help our customers be their best in running their business by providing a broad range of sustainable and innovative products, services and solutions.

Rexel UK Limited trades, at the date of this statement, as Denmans Electrical and Rexel. This follows a management led transformation of the UK business that previously contained a number of other brands.

All trading is supported and overseen by Rexel UK Finance, Commercial, HR and Legal departments.

ORGANISATION'S STRUCTURE

We are part of the Rexel Group and our ultimate parent company is Rexel SA who has its head office in Paris,

France. Rexel SA is listed on the Eurolist market of the Euronext Paris stock exchange. The Rexel Group employs more than 27,000 employees across 32 countries and has a network of some 2,000 branches worldwide. Our 2017 annual group turnover was 13.3 billion.

REXEL GROUP

27,000

employees

2,000

branches worldwide

32

countries

€13.3 billion

2017 annual group turnover

OUR COMMITMENT

As a Group, we are committed to ensuring that there is no modern slavery or human trafficking in our business or in any part of our supply chain. This commitment is enshrined by the Rexel Group's signature of the United Nations, Global Compact in December 2011.

The Global Compact initiative brings together companies, governments, professional organisations, and non-governmental organisations and is designed to offer a more social, ecological and ethical notion of globalisation. By signing the Global Compact, the Rexel Group is giving a commitment to comply with and promote the ten key principles of the Global Compact in the areas of human rights, labour, environment and anti-corruption. We have made this commitment as we are keen to contribute to a more socially responsible global economy.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We have a number of policies and procedures in place to support our anti-slavery commitment. Please see below

for an outline of some of these key policies:

Rexel Group Ethics Guide

The Rexel Group have recently re-launched the Group Ethics Guide which establishes the fundamental values that embody our identity. Amongst other things, it requires compliance with the core conventions of the International Labour Organization relating to minimum wages, working hours, protection of the environment & health and safety.

Rexel UK Code of Business Conduct

Our UK Code of Business Conduct applies to all employees, suppliers and subcontractors working for or with Rexel UK. It contains the minimum standards of behaviour that we expect of them and the consequences facing anybody failing to abide by these standards. The Code has been issued by the Chief Executive Officer of Rexel UK and its compliance is monitored by our Legal, Audit, HR and Commercial functions. Commercial functions.

Minimum Factory Conditions

Our Minimum Factory Conditions are based on the International Standard SA8000 and outline a minimum set of workers conditions with which we expect our suppliers, and their factories, to comply. We reserve the right to terminate any relationship with suppliers who are found to be non-compliant with these conditions.

Whistleblowing

Our whistleblowing policy sets out the internal process to follow for employees to make a disclosure should they observe any misconduct including the mistreatment of our people. If any employee or supplier has any misgivings about Rexel's conduct, they are encouraged to speak with their Line Manager, Security and/or HR department but, if they are not comfortable doing so, they can contact our whistleblowing hotline which is manned by an independent company - Safecall. To encourage disclosures, the caller can retain their anonymity should they wish. Disclosures can be made by phone (0800 915 1571); email (rexel@safecall.co.uk); or online (www.safecall.co.uk/report). All reports to the hotline are taken seriously and are fully investigated. At the date of publication, we have not received any disclosures relating to slavery or human trafficking.

Additionally, our Global Holding Company - Rexel SA - have implemented a whistleblowing system available to internal and external stakeholders available at <https://www.rexel.com/en/ethical-alert/>. Amongst other things, any Human Rights concerns can be reported using this tool and any disclosure made in this way will be processed by the Rexel Global Ethics Committee.

You can read our external policies here:

- [**Rexel UK Code of Business Conduct**](#)
- [**Rexel Global Ethics Policy**](#)
- [**Minimum Factory Conditions**](#)

PROCESSES FOR PREVENTING SLAVERY AND HUMAN TRAFFICKING IN OUR BUSINESS

We are a UK employer subject to UK employment laws and have well developed practices and controls in place to prevent the risk of modern slavery occurring in our business; these practices are under constant review to ensure continuous improvement. The following is a brief summary of our internal processes and controls:

Permanent Employees:

All recruitment for permanent and fixed term employees is managed through a centralised function. All applicants are tracked through our online recruitment portal. Any new appointment is first validated by senior management and the independent HR function.

All candidates are vetted by our Human Resource Function, before they are processed as an employee. Further, HR will ensure that all employment contracts and Right to Work checks have been properly completed and that the candidate has been met in person.

Additionally, all payee details are checked monthly by our Payroll Function to identify any duplicate bank accounts and, on the first day of employment, Line Managers are required to conduct a visual check that the bank details provided belong to the employee.

Temporary Employees:

We will occasionally use temporary labour in our operations (e.g. warehouse operatives and drivers). To control any risk of modern slavery, (where possible) we channel temporary appointments through a single agency; a well-recognised global market leader in this field. The nominated agency has implemented robust recruitment processes to help ensure that there is no existence of modern slavery in any of our temporary/agency appointments, including thorough vetting of a candidates identify, Right to Work documents, bank account and employment history. During FY2017, we introduced a new process for on-boarding and paying indirect suppliers (see below); all recruitment of temporary labour is now processed using this system which has reduced the number of suppliers of temporary agency staff and seen an increase to our approved recruitment partner.

Whistleblowing:

Anybody within our business who has a suspicion of modern slavery is encouraged to speak to their Line Manager, Security and/or HR department. As an alternative, they can call our whistleblowing hotline (see above).

As a matter of policy, we will support any whistleblower who raises a genuine concern, even if they turn out to be mistaken.

Awareness:

We are actively working to increase awareness in our Business of the presence of modern slavery in the UK. To this end, we have issued high impact posters to key locations that heavily rely on temporary labour. These are to be displayed prominently on staff noticeboards and encourage anybody with a suspicion of modern slavery to call the Modern Slavery Helpline.

To raise further awareness, training on modern slavery is being developed in-house and is expected to be rolled out to all relevant personnel within our Business during FY18.

OUR SUPPLY CHAINS

We purchase goods and services from predominately UK-based suppliers. We have established strong and long-lasting relationships with a mix of global market leading manufacturers and local (UK) SME's.

All suppliers of goods for resale are managed centrally by our commercial function. Suppliers of goods/services not for resale are increasingly becoming managed centrally by our Goods Not For Resale Project Manager who is a member of our Finance Department.

During FY2017 we completed the process of reducing the number of suppliers with whom we partner. This has strengthened our supplier relationships and gives us more influence over their practices.

We do recognise that there a risk of modern slavery occurring in our supply chain and we are working to implement further checks and balances to mitigate and reduce this risk even further.

SUPPLIER ADHERENCE TO OUR VALUES

We are committed to ensuring we only partner with suppliers that respect Rexel's core values and those of the UN Global Compact. We have made significant improvements to our procurement processes to ensure we select and work with suppliers who meet these standards.

Direct Suppliers / Goods for Resale

We have updated our tender process to formalise the selection process; putting Rexel's core values at the essence of the criteria. Amongst other things, all tenderers must now complete a due diligence questionnaire which includes details on the steps they have taken to eradicate any modern slavery in their own business and supply chain.

Our UK Code of Business Conduct and Minimum Factory Conditions are now incorporated by reference into our standard supplier contracts.

Finally, we have created a framework for conducting social responsibility audits of our first and second tier supply base utilising support from the Rexel Group's

global presence. As part of this process, the supplier completes a self-certification on their practices and policies using Rexel's proprietary audit questionnaire. These responses are then validated at an on-site survey which is also used to assess the Suppliers honesty and integrity. To date, we have conducted one on-site survey at a second-tier manufacturing base of one of our largest suppliers and no modern slavery concerns were discovered.

Indirect Suppliers / Goods not for Resale

Significant improvements have been made to the management of suppliers providing goods / services not for resale: A Goods Not For Resale Project Manager was appointed to manage the centralisation of indirect procurement; a GNFR portal was implemented to control the process of creating new supplier accounts and paying suppliers to ensure total transparency and greater rigor in the process; control over appointment and selection of certain indirect suppliers has been transferred to the central Finance Function; and contracts with key indirect suppliers were signed to formally control and regulate arrangements made at a local level. This activity helps ensure we partner with suppliers who respect Rexel's core values and who have a similar commitment to eradicating modern slavery.

We have also updated our tender process to formalise the selection process; putting Rexel's core values at the essence of the criteria. Amongst other things, all tenderers must now complete a due diligence questionnaire which includes details on the steps they have taken to eradicate any modern slavery in their own business and supply chain. Additionally, suppliers must agree to abide by our UK Code of Business Conduct and Minimum Factory Conditions.

Supplier Governance Committee

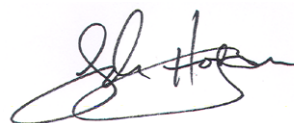
A Supplier Governance Committee sat once every quarter to discuss issues and challenges within our supply base including any human welfare concerns. This committee includes members of the Legal, Commercial, Health & Safety and Procurement teams and is chaired by the Legal Department.

FURTHER STEPS

Following a review of the effectiveness of the steps we have taken to ensure that there is no slavery or human trafficking in our business or supply chains we intend to take the following steps to further combat slavery and human trafficking:

- Increase awareness of the risk of modern slavery throughout our business by finalising and implementing e-learning training to all relevant personnel.
- Re-implement the EcoVadis Corporate Social Responsibility shared assessment platform to key partners within our supply chain.
- Conduct further social responsibility audits on our supply chain.
- Create a Corporate Social Responsibility forum for Rexel to work with key stakeholders to formulate and implement (amongst other things) methods of further eradicating any existence of modern slavery in our business and supply chains, with the approval of the Senior Leadership Team.

Signed:



John Hogan, Chief Executive Officer
Rexel UK Limited

Date:

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Rexel UK Limited's and its relevant subsidiaries slavery and human trafficking statement for the financial year ending 31st December 2017.