

STATEMENT

MODERN SLAVERY



INTRODUCTION

This is the eighth Modern Slavery Statement published by Commercial Corporate Services Ltd, prepared in accordance with the Modern Slavery Act 2015. Previous statements covered the subsidiaries Commercial Ltd and Commercial IT Services Ltd. However, as of July 2024, these two subsidiaries merged to form a single entity, Commercial Ltd, with Commercial Corporate Services Ltd remaining the ultimate holding company. Accordingly, this statement now only includes the subsidiary Commercial Ltd for the allocated reporting of 1st July 2024 to 30th June 2025.

Commitments made by the companies stated above have not changed. The strengthened financial position will create greater collective action. Throughout the report Commercial Limited will be referred to as Commercial.

Commercial aims to lead the way when it comes to both our actions, our reporting transparency, and sustainability. As always, we are committed to eliminating any form of modern slavery from our supply chain. To achieve this, we take an active and collaborative approach within our value chain.

We undertake continual, internal and external risk-based assessments to determine any prevalence of modern slavery within our global supply chain. This includes evaluating our internal operations.

Commercial is committed to always acting ethically and with integrity. Our Modern Slavery Statement sets out to provide information about the actions we take to understand our supply chain and to combat any form of modern slavery.

STATEMENT

MODERN SLAVERY



1. ORGANISATION STRUCTURE AND SUPPLY CHAINS

Commercial's broad range of products and services requires access to an extensive array of suppliers and product lines. Our aim is to provide clients with everything they require to establish the complete modern work environment: From designing, establishing, and re-imagining their workspace; to supplying the technology and business essentials they need to operate smoothly and successfully.

Turnover £98.5m	Suppliers 748+	Total Products 34,000+
Employees 296	Customers 1,500+	Own-brand products 383

Commercial source products from UK and EU-based manufacturers and wholesalers. Each supplier is responsible for curating their own product portfolio. This includes the sourcing of goods from elsewhere in the world.

Commercial, and our clients, have access to all – or parts – of these sourced products.

Commercial is not a direct importer and/or manufacturer of products: However, we supply four specific Commercial-branded product lines by appointed manufacturers.

Commercial-branded products have been mapped down to manufacturer level. To better understand factory information on the remaining products we source, we are actively collaborating with our supply chain partners to obtain comprehensive information on all products. Commercial have complete visibility of our immediate Tier 1 suppliers, and partial visibility of Tier 2 suppliers. Overall, Commercial is committed to engaging with our suppliers and maintaining an accurate map of our entire supply chain.

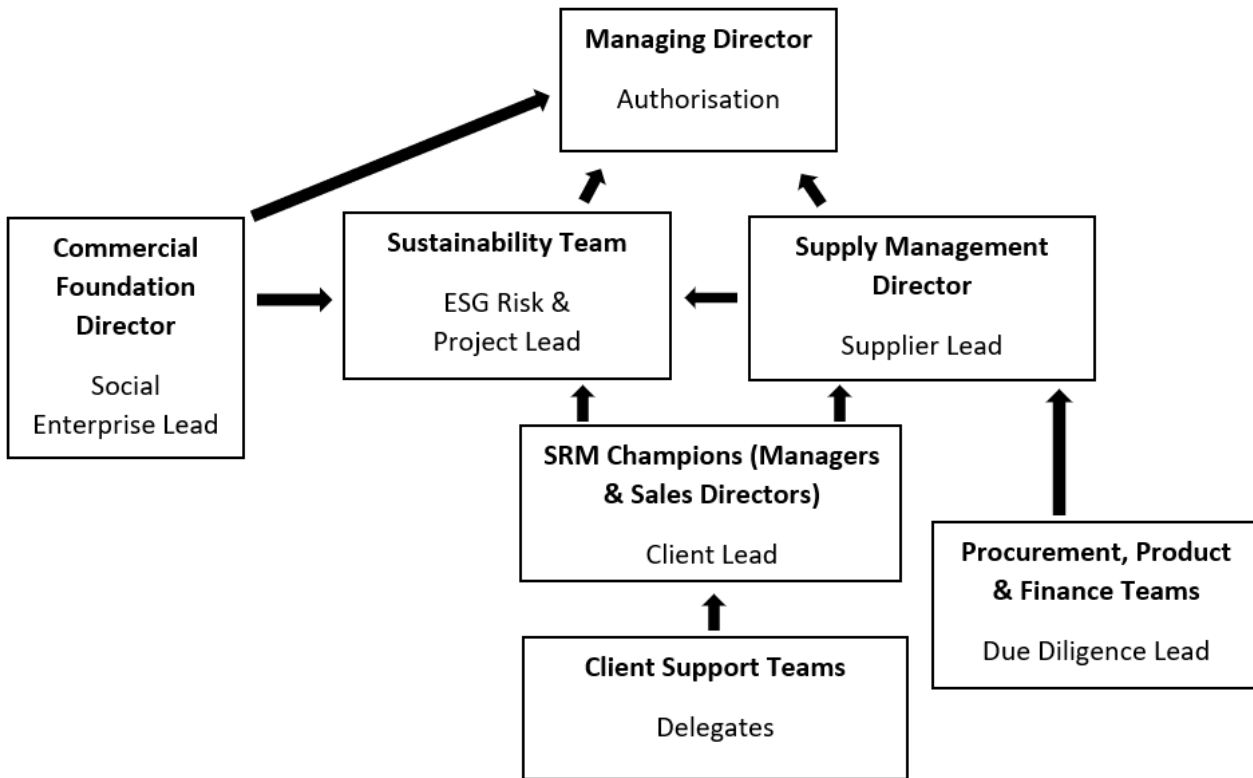
STATEMENT

MODERN SLAVERY



The flowchart below illustrates Commercial's internal reporting hierarchy for onboarding new suppliers, and maintaining labour and human rights within the supply chain beyond supplier onboarding.

INTERNAL ACCOUNTABILITY STRUCTURE



To find out more about our business structure and sustainability strategy, please visit our website www.commercial.co.uk or view our [annual sustainability report](#).

2. SUSTAINABLE DEVELOPMENTS, PARTNERSHIPS, COMMITMENTS AND POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

Commercial are business transformation specialists who inspire the best businesses to become better, for the benefit of people and the planet, profitability and growth. Our vision is to make the impossible possible, by succeeding in balancing the triple bottom line throughout our value chain.

STATEMENT

MODERN SLAVERY

Providing transparency for our clients has always been a key priority. In 2010, we established our first tool to help clients assess the supply chain behind the products they purchase. In the following years, we have made substantial progress towards creating a more transparent, interactive reporting system where clients can better understand their buying habits and where we can champion sustainable products that don't cost the earth.

OUR SUSTAINABLE DEVELOPMENTS

Products with Purpose



Commercial launched its 'own brand' products in 2015, and the Products with Purpose range in 2021, to give clients the opportunity to buy sustainable items, while supporting Commercial Foundation, a B Corp-accredited social enterprise.

Our Products with Purpose (PWP) items are highlighted with our teal heart logo on our e-commerce purchasing platform. Each item is assessed and conforms to one or more of the following categories:

- Ethically produced,
- Made with recycled materials,
- Produced in an environmentally-friendly way, and/or
- Sourced from, or manufactured by, a social enterprise.

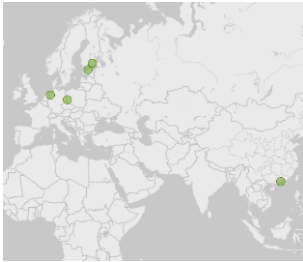
There are now more than 14,000 items within the Products with Purpose range, with plans to develop the range even further. For more on our PWP range and our long-term ambitions, please refer to section KPIs below.

STATEMENT

MODERN SLAVERY



Product Origin Map



In 2019, Commercial invested heavily into Microsoft Power BI to bring together data and sustainable best practice. This software gives us the opportunity to show the origin of our own-brand products, plus the metrics we believe to be important when gathering information on appointed manufacturers. Our ambition is to create an interactive map of all products, purchased and sold. Commercial's own-brand product map is publicly available on our website.

Open Supply Hub



In 2024, Commercial decided to take own-brand product mapping a step further and support the wider industry in creating a public and global supply chain map using Open Supply Hub. Open Supply Hub makes it easy for companies, who source in similar geographical areas, to network together. Through collaboration, companies are able to identify risks and maximise their effectiveness on addressing modern slavery and remediation processes. We want to support global efforts on addressing supply chain transparency and enhancing our commitment to the Ethical Trade Initiative's Corporate Transparency Framework (see Partners section, below). Please follow the link to access the Open Supply Hub website: [Link](#) and under Data Contributor search 'Commercial' to review our data.

OUR PARTNERS

Commercial could not be successful without the help and tools provided by our partners. These partnerships help guide us when expanding our internal projects and, more importantly, help guide us when managing our value chain.

STATEMENT

MODERN SLAVERY



In 2011, Commercial became a member of The Ethical Trade Initiative (ETI). As a member, we have adopted the ETI Base Code which was founded on the conventions of the International Labour Organisation and is an internationally recognised code of labour

practice. Participation with ETI has given Commercial the tools to identify and mitigate acts of human violation. In addition, our participation helps to improve our understanding of complex global supply chains, and enables us to share best practice and collaborate with other members.

As part of this membership, Commercial adheres to the Corporate Transparency Framework. This framework ensures members stay ahead of upcoming legislation and raise the bar when it comes to improving public reporting on human and labour rights-concerns within a global supply chain.



Commercial were first rated by EcoVadis in 2014 in order to support our clients in better understanding their supply chain. This platform also gave us the ability to showcase our ESG efforts to our

prospects and stakeholders. In 2025, Commercial achieved Platinum status, placing us in the top 1% of organisations globally. As EcoVadis continues to raise the standard, Commercial remain ambitious and committed to maintaining Platinum status while continually improving our performance across the four pillars: Environment; Labour & Human Rights; Ethics; and Sustainable Procurement.

In 2020, Commercial started to utilise EcoVadis to audit its supply chain, further strengthening a desire to find the most sustainable, ethical, and socially conscious suppliers on the market.

Commercial have a large number of suppliers, and as we look to streamline supply chain partners, this evidence-based assessment tool gives us a monitoring platform that evaluates all suppliers, equally, and without audit duplication. Commercial are now able to

STATEMENT

MODERN SLAVERY



benchmark all suppliers' environmental, social, and ethical performance, allowing us to establish our best-performing suppliers at any one time. For more information, please refer to KPIs section, below.



Commercial is a “B” member of SEDEX – the Supplier Ethical Data Exchange. SEDEX offers Commercial a simple and effective way of understanding ethical and responsible best practice, while assessing performance and meeting client requirements. This includes completing a Self-Assessment Questionnaire (SAQ) on labour standards; health and safety; environmental management; and business integrity. This membership also provides Commercial's Sustainability and Purchasing experts with the ability to read SMETA audits, that are conducted around the world, to better understand supply chain practices at a factory level.



Commercial remain committed to being a Living Wage Employer and has been accredited by the Living Wage Foundation since 2017. We believe all people should be given fair monetary value for their work.

In terms of Commercial's own internal commitment, we are committed to equal, fair and unbiased pay for all. Salary bandings are in place where applicable, and all salaries are benchmarked on an annual basis to ensure they are in line with the market rate for the work that is performed, skills and knowledge required, and responsibility. This is based on a wide range of criteria including inflation, location, industry and necessary education.



Commercial signed up to the Disability Confident Scheme because we are trying to change perceptions and attitudes for a better working environment and proudly remains a Level 2 Accredited

employer. We want our recruitment process to be inclusive and accessible for all and are committed to ensuring disabled people and those with long-term health conditions have the

STATEMENT

MODERN SLAVERY



opportunities to realise their aspirations and fulfil their potential. We will continue to pioneer a sustainable working environment and strive to achieve Level 3 status as a Disability Confident Leader.



In 2021, Commercial signed up to the United Nations Global Compact and is now a participant in the UN Global Compact

Network UK. We joined this partnership because we wanted to

showcase a commitment to sustainability and responsible business practice. Commercial have embedded the 10 Principles of the United Nations Global Compact into our policies, strategies and operations. We manage our initiatives to ensure they are aligned to and support the UN Sustainable Development Goals (SSG). We are also committed to respecting human and labour rights, while safeguarding the environment, and working against corruption in all its forms.

FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

As part of Commercial's commitment to Principle 3 of the UN Global Compact and the ETI Base Code, we understand, and fully support, the importance of all employees having the ability to negotiate for better pay and working conditions.

All Commercial suppliers must sign and agree to the Suppliers Ethical Code of Conduct Policy when contracts commence. The Policy states that *"...Commercial suppliers must adhere to the ETI Base Code throughout their operational chains... and must...provide information on your company's engagement with NGOs, Trade Unions or any other organisation that looks after employee welfare..."*

Commercial's interactive and transparent Own-brand Supply Chain Map (located on our website) also showcases how Freedom of Association and Collective Bargaining are an important part of our due diligence process. Moreover, Commercial's appointed manufacturers and wholesalers have also been mapped against the International Trade Union Convention (ITUC) Global Rights Index.

STATEMENT

MODERN SLAVERY



Products with Purpose Origin Country	ITUC Risk (1-5+)
Germany	1
Italy	1
Estonia	2
Finland	2
UK & Ireland	4
China	5

Where there is risk, Commercial may ask for an up-to-date audit and/or offer an appropriate recommendation on how to mitigate this risk associated with Freedom of Association and Collective Bargaining. Depending on the severity, it may be necessary to re-source a product. Our work with ETI and its Trade Union partnerships helps us understand areas where we can leverage our buying power to improve the welfare of the workers within our supply chain. Likewise, EcoVadis' 360 Watch Findings assures Commercial that no violations have been reported by a Trade Union, NGO or Environmental Agency within the last five years.

In terms of Commercial's own internal commitment, we acknowledge the right for all employees to have a Trade Union membership. Our primary aim is to work directly with our team and actively seek their feedback on any proposed changes within the workplace. We currently do not have any recognised union membership but Commercial supports all employees who have a union membership, and they are entitled to union representation at any formal meeting. Commercial's internal Employee Engagement Programme and quarterly Health & Safety Committee meetings help ensure social sustainability remains embedded within our business operations. To further enhance social dialogue between the

STATEMENT

MODERN SLAVERY

Board of Directors and employees, Commercial is working to establish an internal employee representative body in early 2026. This initiative will provide a more formal structure for collective bargaining and collective agreements on key matters, including health and safety; equality, diversity and inclusion (EDI); training; career development; and overall working conditions.

POLICIES AND PROCEDURES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING:

In addition to our sustainable developments, partnerships, and stance on Freedom of Association and Collective Bargaining, Commercial has a zero-tolerance policy with regards to matters of harassment, discrimination, modern slavery, bribery, inequality, and any other act that may make an individual feel uncomfortable or at risk of danger.

Provided below is a list of internal documents that help ensure Commercial maintains an ethical value chain, which can be provided upon request:

1. Suppliers Ethical Code of Conduct

Commercial's commitment to address supplier performance, so progress can be assessed continuously.

2. Responsible Sourcing Policy

Commercial's commitment to ethical, responsible and sustainable sourcing.

3. Anti-Bribery and Anti-Corruption Policy

Commercial's commitment to honesty, transparency, and integrity.

4. Equality and Diversity Policy

Commercial's commitment to equal opportunity for all: Regardless of background; religion; gender; and race.

5. Anti-Harassment and Bullying Policy

Commercial's commitment to prevent unwanted behaviour that could negatively affect someone's wellbeing.

6. Prevention of Sexual Harassment Policy

Commercial's commitment to maintaining a work environment free from sexual harassment, and providing all employees the right to work in an environment that promotes mutual respect and dignity.

7. Grievance Procedure

Commercial's commitment to identify and promptly deal with, any matter of concern within the workplace, as well as acknowledge the right for workers to submit a grievance without repercussion.

8. Whistleblowing Policy

Commercial's expectation for employees to report any procedures, and/or situations, that they feel goes against the company's ethos, and results in a conflict of interest.

3. DUE DILIGENCE PROCESSES

Commercial has sought to build stable and long-lasting relationships with strategic suppliers, many of whom have been established for more than 20 years. Any new supplier will only be appointed if they have aligned with our company's ethos. All products are evaluated on a supplier-by-supplier basis, by our Product and Procurement Team. We favour those partners who align with our culture and values. We have introduced authorisation workflows ensuring that no products are activated on our back-office administration system without prior approval from the Head of Procurement, Inventory Manager, and/or Purchasing Manager. Ultimate accountability lies with our Head of Procurement.

In 2024, Commercial successfully implemented our new back-office system, Phoenix. This system has been designed in-house by our own developers, to provide tighter data governance through stricter data validation and role access. Moving forward, data transparency and reporting on product information will become more robust, giving us the ability to have open and honest conversations with our wholesalers and customers on product sales.

STATEMENT

MODERN SLAVERY

Commercial works closely with EcoVadis to improve the visibility of our suppliers' business procedures and manufacturing practices. Our Procurement and Sustainability experts meet regularly with a dedicated EcoVadis Account Success Manager, to ensure continual improvement. This includes going through a global Sustainable Procurement Maturity Review to better understand how we compare to others within the platform.

In addition, Commercial attends quarterly General Merchandise Meetings with other ETI members to share best practice. Our ETI Advisors support our efforts to be sustainable leaders and ensure continuous improvement in our reporting against the Corporate Transparency Framework. Commercial work closely with ETI to ensure all suppliers adopt the ETI Base Code and adhere to its requirements.

For own-brand products Commercial has an in-depth Request for Quotation (RFQ) questionnaire, while for all other new and existing suppliers, a Due Diligence Questionnaire is submitted. The Due Diligence Questionnaire gives the Procurement Team a clearer understanding of a supplier's strengths and weaknesses and provides an opportunity for continual improvement.

The Due Diligence Questionnaire assesses suppliers on several factors, including:

- Modern slavery compliance,
- Freedom of association and collective bargaining,
- Financial stability,
- Living wage,
- Information security,
- Workplace policies,
- Transparency of operations, and,
- Accreditations and certifications such as ISO (where applicable).

SRM PROCESSES

STATEMENT

MODERN SLAVERY



The quest for continual improvement, and the passion of our employees to create positive change, is a major part of our success as a company. As our business grows, our internal processes and procedures continue to evolve to ensure they remain effective and aligned with our goals. One area identified for enhancement was our collective Due Diligence process. Although all required steps were being completed, they were carried out to varying standards. To address this, in summer 2024, Commercial's Procurement and Sustainability Teams launched our Supplier Relationship Management (SRM) System, which aligned and unified our onboarding and management processes. This system aims to promote a supply chain that is robust, dynamic, efficient, responsible, and sustainable.

Through the implementation of our SRM system, our buyers now follow a singular process, storage system, and commitment to being one company, with one goal, that is tackling sustainability head on.

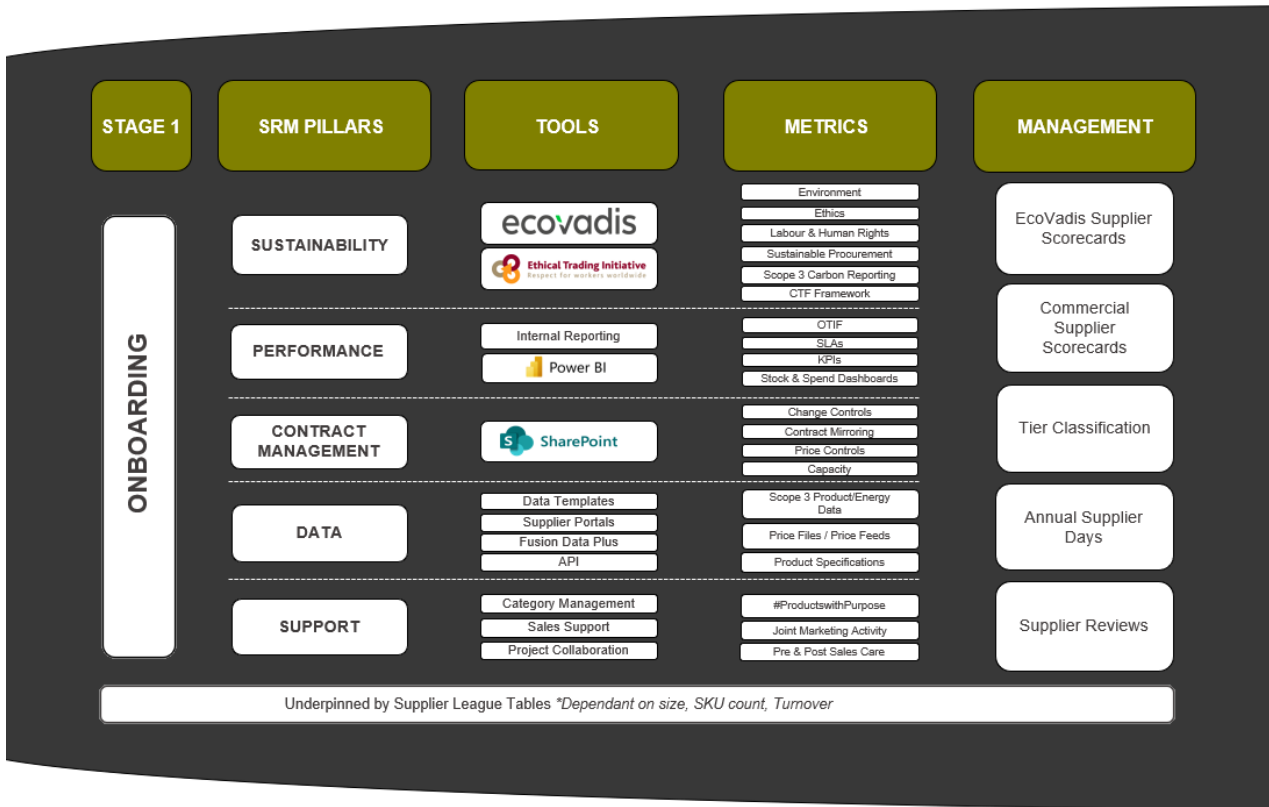
To develop our SRM System further, we have introduced supplier scorecards into our supplier reviews. These scorecards provide a comprehensive mechanism to evaluate suppliers across five key pillars: Sustainability; performance; contract management; data; and support. Each pillar is assessed individually, with the combined results producing an overall score and a clear accolade ranging from Bronze to Platinum.

This approach allows both Commercial and our partners to recognise areas of excellence and identify opportunities for collaborative improvement. By linking SRM ratings with our internal Supplier Tiering system, we have established clear KPIs for business areas, incentivising teams to reward partners who perform strongly across all five pillars.

STATEMENT

MODERN SLAVERY

Our Internal Supplier Tiering has been integrated into our Enterprise Resource Planning (ERP) system to ensure expectations are aligned with strategic importance, acknowledging that it is neither practical nor fair to hold every supplier to a Platinum standard.



Through this structured framework, we set high standards while actively supporting suppliers in achieving them, fostering a culture of continuous improvement.

By making expectations transparent and recognising high-performing partners, we are building a dynamic, sustainable supply chain where excellence is both encouraged and mutually beneficial.

As part of our due diligence process to manage beyond Tier 1 Suppliers, our main logistic and wholesale partner VOW is a member of the group called Interaction. Interaction is a entity made up of 14 likeminded companies across Europe who provide a number of sourcing services including the managing of Tier 2 Suppliers, across both Europe and the Far East. As part of Interaction's supplier-onboarding procedure there are extensive compliance and sustainability requirements that need to be demonstrated before they can

STATEMENT

MODERN SLAVERY



become a supplier to the group. Interaction also has ‘feet on the ground’ in the Far East and has a regular annual audit scheduled with these manufacturers to ensure compliance.

COMMERCIAL’S COMMITMENT

In terms of Commercial’s internal due diligence, pre-employment screening checks are completed by our People and Culture Department (HR). This includes checking proof of Right to Work in the UK (including details such as age), DBS clearance checks (where required), credit checks and satisfactory employment referencing. Employment is only subject to the above checks being successfully completed. This process applies for all employees and/or contractors of Commercial. In addition, this process is included in our ISO 9001 and ISO 45001 Management Systems which are audited each year for recertification by BSI to ensure quality is maintained in the business; procedures are correctly followed; and no form of modern slavery exists within our business.

In October 2024, following a pause during the Covid-19 pandemic, Commercial proudly relaunched its Supplier Day. Our third and largest supplier event to date, Scope for Change: Putting the Value into Zero, was hosted by our Co-Founder and Managing Director, Finance Director, Head of Procurement, Head of Sustainability, and Green Technology Specialists. The event highlighted progress and shared insights into our Supplier Performance Strategy, the EcoVadis Partner Project, Products with Purpose, and Scope 3 reporting and Green Audit services. More than 100 suppliers attended, each invited to bring two representatives: Their primary Commercial contact; and an in-house sustainability expert. This ensured that conversations and insights reached those best placed to drive meaningful change within their organisations, and throughout their supply chains. Supplier achievements were celebrated through a series of awards, including Most Improved Supplier, Direct Supplier of the Year, Indirect Supplier of the Year, and Account Manager of the Year, along with recognition for significant progress in our EcoVadis Partner Project, from most improved to highest scoring partners.

STATEMENT

MODERN SLAVERY



Our next Supplier Day will take place in early 2026.

This event will once again reinforce our belief that a sustainable business cannot exist without a sustainable, transparent, and ethically managed supply chain built on strong partnerships. We will continue to champion suppliers who are progressing with us, using the scoring, insights, and collaboration demonstrated through our Supplier Scorecards to ensure partners on this journey receive the recognition they deserve.

Commercial remains committed to working with purpose-driven suppliers who demonstrate strong social, ethical, and environmental practices. Upholding human rights, and ensuring that modern slavery and forced labour have no place in our supply chain are central to this commitment. Our Supplier Day will continue to serve as a platform to strengthen collaboration, share best practice, and reinforce our shared responsibility to create positive change for people, planet, and profit.

4. RISK ASSESSMENT AND MANAGEMENT OF OUR SUPPLY CHAINS

The range of products available to our clients is extensive and contains items sourced from across the world. The complexity of products, their sub-assemblies and materials used, make it challenging to have full visibility of the supply chain and this increases the potential risk of modern slavery occurring. The majority of the 34,000+ product lines are sourced through multi-tiered supply chains. These products are beyond Commercial's immediate sphere of control, which is a risk that we are seeking to minimise.

Commercial has far greater operational control over our own-brand products including notebooks, paper, inkjet cartridges, highlighters, permanent markers and toner cartridges. Potential suppliers are required to fill out an internal RFQ, to which more than 50% weighting is given toward ESG related questions. This means all Commercial-brand suppliers must be environmentally and ethically-conscious in order to win a tendered contract. Our current sources include Victor (Estonia), UPM (Finland and Germany), Hainenko (Italy) and CTS Wholesale (China).

STATEMENT

MODERN SLAVERY



Commercial carried out an RFQ in 2024 for our three main paper product lines:

COMVALPAPER, COMPAPER and COMPAPERA3. The outcome of the tender meant that Commercial's highest selling product COMVALPAPER was consolidated to the same mills that produce our COMPAPER and COMPAPERA3 (UPM Kymmene and UPM Nordland).

This allowed Commercial to change this product from being reactively-sourced from a variety of mills around the globe, to a consistent, highly-sustainable, and accredited paper product. Commercial also added this product to the Commercial Foundation contribution list which means 5% of the profits are donated to our B Corp-accredited Social Enterprise.

Commercial's public and interactive Supplier Map (located on our website) discloses our country sourcing against our Commercial own-brand range, which includes China, Finland, Estonia, Italy, and Germany. After conducting salient risk identification (details of this process can be found within section 4), and following meetings with suppliers, we evaluated in 2024 our most urgent salient risks towards our own brand products, in line with the ETI base code, to be:

- 6: Working hours are not excessive and
- 7: No discrimination is practised

based on our medium and high-risk countries.

In addition, the table below illustrates Commercial's geographical spread of production and sourcing from Low to High risk.

Manufacturer List by Country	Commercial's Risk Assessment
UK & Ireland	Low
Finland	Low
Germany	Low
Estonia	Low

STATEMENT

MODERN SLAVERY



Italy	Medium
China	High

We have actively addressed these risks through a targeted tendering of our own-brand toner and ink category which took place in Q1 2025. This was achieved through enhanced due diligence and independent audit evidence. The outcome of the tender resulted in awarding a new partner. A key influencing factor in the award decision was because they could provide a recent SMETA audit for the Chinese based production facility which found no non-compliances relating to discrimination, freedom of association, wages, or excessive working hours. Worker interviews confirmed that overtime is voluntary, refusal of overtime does not result in penalty, and that workers have access to effective grievance mechanisms. The audit also demonstrated generally positive worker sentiment and established management systems aligned to the ETI Base Code.

To further mitigate risk, our own-brand tenders now require suppliers to provide evidence of workforce planning, overtime controls, and pay practices that demonstrate compliance with local law and international labour standards. This approach strengthens assurance that fair working hours are maintained and that discriminatory practices are not present within our supply base.

We will continue to monitor these areas through ongoing supplier engagement, audits, and tender requirements, recognising that working hours and pay remain structural risks in certain regions that require continuous oversight.

RISK MAPPING

In addition, to improve Commercial's visibility of manufacturers beyond our own-brand products, we created two algorithms to quantify the risks associated with other manufacturers. The first algorithm focuses on environmental metrics which include:

STATEMENT

MODERN SLAVERY

- Financial spend,
- Carbon intensity associated with a country's grid (Ember),
- MtCO2e per country (Climate Watch),
- Number of recognised environmental certifications (e.g. ISO14001),
- EcoVadis score.

The second algorithm looks at human rights indicator which include:

- Financial spend,
- International Trade Union Confederation (ITUC) global rights index,
- Global Slavery Index Prevalence Rating,
- Number of recognised social certifications (e.g. SA8000),
- EcoVadis score.

By utilising these two algorithms, each manufacturer receives a risk rating between 1 to 25, 1 being very low risk, 25 being extremely high risk.

To date, we have assessed 20 manufacturers, and Commercial had set the aim that over the last 12 months we would assess our top 200 manufacturers, representing more than 80% of our turnover. However, during the 2024/2025 financial year, this project was placed on hold.

Following the expansion of Commercial's Procurement Team, the project is now under review and as part of the continued development of our SRM system and wider sustainability commitments, we will complete a double materiality assessment to identify impacts, dependencies, risks and opportunities across our value chain. This review will determine whether the project will continue into the 2025/2026 financial year or whether its principles would be more effectively integrated into our broader sustainability initiatives commencing during that period, to support the delivery of a more robust, transparent and ambitious sustainability strategy.

STATEMENT

MODERN SLAVERY



In the meantime, Commercial will continue to draw on EcoVadis 360 Watch findings as well as publications and data from Human Rights Watch, the ITUC Global Rights Index, SEDEX and ETI, to identify and monitor any significant human rights risks.

SUPPLY CHAIN SALIENT RISK IDENTIFICATION

Since launching our *Green Audit Campaign – Putting the Value into Zero* in 2023, Commercial has focused on supporting organisations with practical and achievable ways to rationalise energy usage, reduce energy costs, and cut carbon emissions. Many of the services delivered through our Green Audit incorporate smart technologies such as battery storage, solar panels, and digital screens. However, with these types of products come associated salient risks.

Our initial salient risk assessment identified the following ETI Base Code provisions as most relevant:

- 1. Employment is freely chosen
- 7. No discrimination is practised

This is particularly due to the reported use of forced labour involving Uyghur Muslims in the Xinjiang province of China.

To mitigate these risks, we require SMETA audits alongside our Due Diligence Questionnaire and ISO certification requirements. We also work closely with our UK wholesalers to understand and monitor our supply chain. Suppliers are carefully selected for their direct relationships with manufacturing sites, providing confidence that any issues raised would be addressed swiftly and without obstruction.

Commercial focuses its efforts where it has the greatest leverage and can achieve meaningful impact. In 2023, we strengthened our approach with the launch of our Managed IT and Technology Products with Purpose (PWP) range under the campaign *Squaring the Circle*, designed to address both carbon emissions and labour risks within the IT supply

STATEMENT

MODERN SLAVERY



chain. During this time, our Managed IT and Technology Teams gathered more information on each of our main suppliers to mitigate the following salient risks against the ETI Base Code:

- 3: Working conditions are safe and hygienic
- 4: Child labour shall not be used

We recognise that IT products continue to pose high risks of forced labour in artisanal and small-scale mining within the Democratic Republic of Congo. Through *Squaring the Circle*, we are addressing this challenge directly by promoting sustainable and remanufactured IT products. Our PWP range includes accreditations such as TCO Certified, Energy Star, EPEAT, Fairtrade Gold, and Water-Based Inks. With around 80% of IT emissions generated during production, Commercial is committed to challenging perceptions of remanufactured products and strengthening our sustainable technology supply chains.

Following the launch of our SRM system in Summer 2024, the SRM Leadership Team has worked collaboratively with our buyers to embed a consistent, business-wide approach to salient risk identification and monitoring. Moving beyond specific campaigns and own-brand products, this framework ensures that every business area identifies, analyses, and mitigates potential salient risks across its supply chains. Given Commercial's multiple areas of expertise, each area now focuses its analysis on top product categories by annual spend to identify where risks are most likely to occur. For example, the Business Interiors team analyses categories such as desks and chairs, allowing for targeted due diligence at supplier level. This analysis is informed by desk-based research, including news articles, external online sources such as Human Rights Watch, and resources available through our memberships, including EcoVadis and ETI. Our most recent analysis identified potential salient risks across eight of the nine ETI Base Code principles within our highest-spend product categories, as shown below.

STATEMENT

MODERN SLAVERY



Business Area	Top 3 Product Categories	Identified Potential Salient Risks	Identified Associated Countries
Inventory & Print	Bespoke Products	3: Working conditions are safe & hygienic 7: No discrimination is practised	Bangladesh & China
PPE, Workwear & Facilities	Cargo Trousers Waistcoat Anorak	2: Freedom of association & the right to collective bargaining are respected 5: Living wages are paid 6: Working hours are not excessive	Bangladesh & China
Business Interiors	Desks Chairs	7: No discrimination is practised 9: No harsh or inhumane treatment is allowed	China
Smart & Green Technology	Solar Panels Digital Screens EV Chargers	1. Employment is freely chosen 4. Child labour shall not be used 7. No discrimination is practised 9: No harsh or inhumane treatment is allowed	China, Turkey & Democratic Republic of Congo
Digital Workspace	MFDs Printers	7. No discrimination is practised 9: No harsh or inhumane treatment is allowed	China, Thailand & Vietnam
Modern Workplace	Servers Laptops Hard drives	3: Working conditions are safe & hygienic 4: Child labour shall not be used	Democratic Republic of Congo & China
Workplace Supplies	Laptops Keyboards Headsets	3: Working conditions are safe & hygienic 4: Child labour shall not be used	China

STATEMENT

MODERN SLAVERY



Buyers across all business areas, as part of the wider SRM team, work with the SRM Leadership Team to identify product categories requiring Further Assessment. These categories form a list of potentially high-risk areas where enhanced due diligence is prioritised. This list serves as a guide for Commercial, highlighting where enhanced due diligence is required when procuring these products from both existing and prospective suppliers.

This phase of the process incorporates best practice principles from *Action Sustainability's Procurement Guidance: Addressing Modern Slavery and Labour Exploitation in Solar PV Supply Chains*. These principles ensure that our additional due diligence is thorough and robust, enabling Commercial to confidently assess whether the identified salient risks are present within our own supply chains.

As part of Commercial's commitment to being a trusted partner, driving continuous improvement, and holding ourselves accountable, we continue to strengthen our approach to identifying and analysing salient risks. To date, no supplier has been found to be associated with human rights or labour rights violations under the ETI Base Code, and therefore no formal mitigation process has been required. However, in line with our proactive approach to risk management, the SRM Leadership Team is actively developing a comprehensive mitigation and monitoring framework to ensure ongoing improvement, transparency, and accountability across our operations.

STATEMENT

MODERN SLAVERY

GOVERNANCE

Commercial has clear visibility and substantial operational control over our UK and Ireland-based wholesalers, distributors, and manufacturers on sustainability metrics, both social and environmental. Internal operations teams often visit factories and wholesaler sites located within the UK and Ireland. All information gathered by our team on products and Tier 1 suppliers is stored centrally, on Microsoft SharePoint, and audited within our ISO 14001 certification.

KPI	FY23/24	FY24/25 Target	FY24/25	FY25/26 Target
Percentage of targeted suppliers covered by a Sustainability assessment	63%	70%	72%	75%
Number of targeted suppliers covered by a Sustainability on-site audit	4	15	0	5
Number of all buyers who received training on sustainable procurement	18	20	22	20

During the 2024/25 financial year, we did not conduct any on-site supplier audits due to changes in business structure and internal resource allocation. Instead, we focused on strengthening risk-based due diligence through the development of our Supply Chain Salient Risk Identification Process and supplier review scorecards, which provided proportionate assurance across our supply base.

As our Supplier Relationship Management framework continues to mature, we intend to reintroduce targeted on-site audits to further enhance visibility and ongoing supply chain oversight.

STATEMENT

MODERN SLAVERY



Commercial has implemented steps which require all key strategic supplier partners to complete an EcoVadis assessment, which evaluate individual companies on their Environmental, Labour and Human Rights, Ethics and Sustainable Procurement performance.

Commercial aims to regularly issue suppliers with Corrective Action Plans (CAP) through the EcoVadis portal to encourage improvement in high-priority areas against their recent performance score. These areas are flagged by EcoVadis based on the area where underperformance occurs. Progress against the CAP is then discussed throughout supplier account reviews.

The number of corrective action plans completed during this period was limited to five due to procurement restructuring and changes in internal resources, with new team members joining late in the reporting period, and requiring time to embed before full delivery could resume. We plan to increase the number of corrective action plans issued and completed over FY25/26.

KPI	FY23/24	FY24/25 Target	FY24/25	FY25/26 Target
Number of audited/assessed suppliers engaged in corrective actions or capacity building Sustainability Risk Analysis (i.e. prior to supplier assessments or audits)	11	40	5	20

Commercial is committed to being an adaptable supply chain partner by safeguarding sustainable purchasing practices and ensuring we do not compromise the bottom line.

Therefore, Commercial continues to be flexible with suppliers and clients on payment terms

Commercial also ensures we do not cancel orders placed due to time constraints and

STATEMENT

MODERN SLAVERY



impose any sanctions for late orders. Instead, we have created positive and helpful communication when relaying relevant information to our clients about time constraints, increased costs and/or product shortages.

Finally, to further strengthen our governance of supplier relationships, Commercial has enhanced the clarity and structure of our oversight framework. Following the implementation of our SRM system, the previous SRM Champion model was replaced with dedicated Supplier Relationship Owners, with each supplier now assigned both a primary and secondary owner. This ensures clear points of contact for every supplier and supports more efficient and effective communication, both externally with suppliers and internally across business areas.

The introduction of defined ownership enables improved engagement and faster escalation of key issues, including potential workers' rights concerns and modern slavery risks.

Supplier Relationship Owners are also responsible for communicating the requirements of our Supplier Code of Conduct to their suppliers, as well as conducting supplier reviews and completing scorecards to gather supplier-related data, supporting ongoing monitoring and continuous improvement.

Please see below for the total number of suppliers signing and adhering to our Contract and Supplier Ethical Code of Conduct.

KPI	FY23/24	FY24/25 Target	FY24/25	FY25/26 Target
Percentage of company spend from suppliers who have signed the supplier code of conduct	79%	85%	82%	85%

STATEMENT

MODERN SLAVERY



Percentage of company spend from suppliers with contracts that include clauses on environmental, labour & human rights requirements	79%	85%	82%	85%
---	-----	-----	-----	-----

COMMERCIAL'S COMMITMENT

In terms of Commercial's internal assessment, we continue to encourage employees to talk openly during daily team catch-ups, monthly reviews and quarterly assessments with dedicated line managers. More importantly, if team members feel uncomfortable talking to someone internally, Commercial has provided all employees with a free of charge and confidential counselling service with a dedicated psychologist. In addition, all employees are given the chance to fill out a confidential Employee Experience Survey.

The Survey conducted by our People and Culture team starts with the following passage: "Our people really are our most valuable asset and each and every one of you contributes towards our growth; your opinions are therefore extremely important to us, and this survey is your chance to express them."

The services and programmes, put in place by our People and Culture team, help improve our employee wellbeing but also help Commercial ensure all our employees feel safe at home and at work. This commitment is further supported by our Health and Safety Committee, which holds quarterly meetings open to all employees, regardless of role or seniority, providing guidance, support, and a direct channel of communication to our board members. Any concerns raised are promptly addressed with immediate action.

STATEMENT

MODERN SLAVERY

5. KEY PERFORMANCE INDICATORS TO MEASURE EFFECTIVENESS OF STEPS BEING TAKEN

Commercial have never been afraid to make bold and ambitious targets. We believe that being ambitious is far more powerful than adopting a business-as-usual approach and, as such, this is reflected in our internal KPIs.

Company-wide KPIs, are focused on achieving near-term Net-Zero by 2028, aligned to The Science Based Target initiative. Subsequently, Commercial's Purchasing KPIs have integrated with this near-term Net-Zero timeline.

Commercial aspire towards a goal of 100% of all sales originating from our Products with Purpose range by 2028. In 2023, more than 33% of our sales were generated from PWP products (excluding sales from customer specific bespoke stock), and in 2024 this increased by 11%, resulting in 44% of total sales coming from the PWP range. This year, we achieved **40%**, which is **10%** below our aim of 50% of sales from PWP.

We believe this is largely due to declining demand for traditional office supplies, where the PWP range is currently most concentrated. To progress toward our goal, we will place greater emphasis on expanding the range across additional product categories.

Underpinning this product strategy is a process to ensure continual improvement within our #ProcurementWithPurpose strategy. That strategy involves reducing the number of our supply chain partners. In 2024/2025, our Suppliers decreased from 950+ to around 750. Our long-term ambition remains to reduce this number to 200 strategic suppliers and 200 supporting suppliers. However, as the business environment continues to evolve, particularly with the establishment of our new AI team and the rapid development of new technologies, we recognise that strategically optimising and consolidating our supply chain will remain a significant challenge.

To address this, we are implementing enhanced supplier management practices across all teams. These measures aim to centralise procurement processes and support more

STATEMENT

MODERN SLAVERY

consistent, informed decision-making, with ongoing input from the relevant subject-matter experts. By focusing on strong partnerships, we aim to enhance efficiency and embed sustainable procurement practices. This will be achieved through regular meetings, performance reviews and audits to ensure adherence to ethical standards and continuous improvement across our supply chain.

Furthermore, our Procurement and Inventory Team conduct regular account reviews with existing suppliers, with EcoVadis as a standard agenda point. These reviews cover audit status, the scorecard, and any Corrective Action Plans that may have been put in place.

To strengthen oversight, we have set a long-term goal to audit our entire supply chain by 2028. As of November 2025, 111 suppliers have been rated, representing 72% of our spend audited in line with EcoVadis standards. Currently, our benchmark score is aligned with EcoVadis' platform standard (>45/100), and we plan to enhance this programme over the next year. Our key objective remains driving continual improvement and ethical practices across our supply chain.

A further target is to ensure an increase in Social Value spend, with at least 5% of sales originating from a Community Interest Company (CIC) by the end of 2026. To date we have invested 1% of our supply chain spend with social enterprises and are looking to onboard a number of new products that support a CIC. Social Value spend supports local communities and increases the importance of social enterprises, which helps create a sustainable world, in line with the UN Global Compact and Sustainable Development Goals.

STATEMENT

MODERN SLAVERY



ADDITIONAL KPIs

KPI	FY23/24	FY24/25 Target	FY24/25	FY25/26 Target
No. of suppliers to work with that are women-owned businesses	N/A	Full investigation to identify figure	Target Set	10
All Tier 2 and above suppliers (defined as £50k+ annual spend) with an EcoVadis Labour & Human Rights pillar score of 60 or below will have a corrective action plan set & completed.	N/A	Full investigation to identify figure	Target Set	100%
No. of suppliers that are SMEs/MSMEs	106	130	94	30% of Procurement Spend <i>*change to percentage rather than number. so it does not compete with supplier consolidation targets</i>

This year, we changed the way we measure engagement with SME suppliers from a count-based metric to a percentage of total procurement spend. This change was made to avoid conflicting incentives with our supplier consolidation objectives, as a focus on the number of suppliers did not accurately reflect the economic value or depth of our SME relationships. Measuring SME engagement by spend provides a more meaningful indicator of impact and alignment with our procurement strategy.

6. TRAINING ON MODERN SLAVERY AND TRAFFICKING

All new starters have a formal induction day at Commercial HQ. This is designed to help newcomers understand our values and objectives. One key session is a 45-minute presentation on Commercial's overall ESG strategy. During this session, our Head of Sustainability and Sustainability Specialist cover our Supplier Relationship Management procedures and best practice; and an additional session completed by our IT Infrastructure and Security Manager addresses topics such as Anti-Bribery and Corruption. This induction day sets the tone for how we conduct ourselves as a business, as well as our continued commitment to being a sustainable leader. New starters also receive a one-to-one overview from our Head of Procurement, providing guidance on our SRM system and responsible sourcing best practices.

Commercial employees regularly attend conferences, networking events, and training courses that increase our awareness on issues of modern slavery and broader human rights abuses.

In 2025, our Sustainability Assistant and Sustainable Supply Chain Coordinators attended ETI Member Induction Day which provided an overview of the fundamentals of ethical trading (including modern slavery) as well as guidance for implementing ethical policies and programmes within a business. In addition, our Sustainability Specialist attends ETI's Annual General Meeting and Quarterly Sector Meetings, as well as regularly participating in Group Progression Sessions. These engagements provide opportunities to discuss and deepen understanding of supply chain management, including the identification and management of potential risks and their impacts on workers globally. They also enable the sharing of best practices and the exploration of new approaches. Valuable insights are gained through collaboration with attending representatives from NGOs, trade unions, and other organisations, helping to strengthen our understanding of ethical trade challenges and enhance our supply chain risk management and mapping. All relevant learnings are shared

STATEMENT

MODERN SLAVERY



across the business to improve our collective awareness and response to modern slavery and human trafficking.

Any training completed, or new information gathered, is replicated within the business through monthly SRM Champion meetings. SRM meetings, led by the Product and Sustainability Manager, give senior managers an open space to talk about sustainable developments and consolidate ethical trade procedures. These meetings are intended to help our employees understand modern slavery issues and understand the importance of Commercial's continuous success. When issues arise, we can collectively work together on an action plan and how we can learn from past experiences.

Commercial also regularly attends the BOSS Federation Environmental Forum meetings to help connect with office product manufacturing brands and resellers, to understand upcoming legislation, and discuss common sustainability issues and goals. In a recent BOSS meeting, our Head of Procurement sat on a panel, as a key speaker, to share Commercial's insights on how we use and analyse data to better understand environmental and ethical claims being made against products. Working side-by-side with industry peers, we are better-placed to deliver more accurate product information, and therefore champion sustainable purchasing practices, for our clients.

When it comes to a subject as important as tackling modern slavery, and cutting carbon emissions, we have always believed that there is no such thing as a competition. Our industry must work collaboratively. It is by working together that the biggest impacts can be achieved. It is not a race any one organisation can win alone, it's a race we must all win together.

Connectivity and training continue to be a key priority. Our Managing Director created weekly company-wide Learning Days to keep the business connected and encourage training across the business. These meetings give every employee the opportunity to present to the whole company on a new (or old) business practice, area of expertise, and/or

STATEMENT

MODERN SLAVERY



procedures. Over the reporting period, a number of presentations touched on Commercial's commitment to embedding and strengthening ethical and social sustainability both internally and externally. Examples included our SRM System and associated best practices and procedures, Health and Safety initiatives, and employee wellbeing and mental health support.

Commercial has a belief that every employee, plays an important part in reducing modern slavery and believes that openness and transparency are the key components to tackling modern slavery.

Equally important, our Managing Director presents Commercial's Sustainability Journey and lessons learned to both clients and suppliers to educate and inspire fellow corporate decision makers on the necessity of environmental and social governance. She openly and honestly presents the company's efforts towards achieving Net-Zero, while addressing the complexity of a global supply chain. Over the past year she has donated more than 30+ hours of her time to explain the importance of being a purpose-led organisation.

Ultimately, Commercial understands that education is always an ongoing journey. We will continue to strive for a sustainable world, to be a business for good, and continue to educate our staff and external partners on the different forms of modern slavery and trafficking.

Commercial will continue to develop strong relationships with suppliers and partners, alongside championing best practice. Most importantly, we are committed to being a leading advocate for ethical and sustainable trade.

This statement was approved by all board members and will be reviewed annually.

Signed Arthur Hindmarch

(Chairman) 

Date November 2025