

Deforestation Policy

This policy has been adopted on behalf of Howden Joinery Group PLC (**Howdens**) and its relevant subsidiary entities (the **Howdens Group**).

Introduction

Timber and timber derived products are essential to our business as the primary commodity in our product ranges, in the purchased finished product from our global supply chain and the raw materials that go into our manufactured products.

As such, we recognise the critical need to address timber commodity driven deforestation and its adverse impact towards biodiversity, nature loss, climate change and impact on the people that rely on the forests where our timber is harvested from. We therefore consider deforestation and land conversion risks materially important to us financially, socially and environmentally.

We believe that deforestation and Human rights issues are directly linked. This includes the impact on indigenous peoples and this policy should be read in conjunction with our [Human Rights Policy](#) and [Supplier Code of Conduct](#).

As a responsible business within the timber products commodity sector, Howdens is committed to assessing, addressing and excluding the risks of deforestation and land conversion in its supply chain by 30 December 2025 in line with the requirements of the European Union's (EU) Regulation 2023/1115 on deforestation-free products (the **EUDR**).

Scope and implementation

Our deforestation policy relates to timber and timber-based products, that have a Harmonised System (**HS**) code listed in the Annex of Regulation (EU) No 995/2010 (the **EU Timber Regulation**) - which includes wooden furniture and joinery products, pulp and paper, fibreboard of wood, particle board, wood sawn or chipped or shaped, pallets and packaging.

The EU Deforestation Regulation (**EUDR**) defines deforestation as the conversion of forest to agricultural land, whether caused by humans or natural disasters. The EUDR also includes forest degradation, which is the conversion of primary or naturally regenerating forests into other wooded land or plantation forests.

This policy covers all Howdens Group operations, the countries we operate in and source from and the direct and indirect impacts from our timber sourcing practices.

We are implementing our deforestation policy through the following actions:

- Conducting legality and deforestation risk assessments of suppliers and, at our discretion audits of their sources of materials and products, to assess compliance with our policy and standards through the SAP Ariba and SEDEX platforms. We require our suppliers to provide us with information that we consider credible and transparent for timber legality due diligence and documentation on their forest-related practices and impacts, such as certification schemes, traceability systems, and impact assessments.
- Ensuring our procurement processes prioritise suppliers who have achieved or are working towards achieving certification from recognised schemes that address deforestation issues, such as the Forest Stewardship Council (FSC®) and/or the Programme for the Endorsement of Forest Certification (PEFC).
- Reducing our consumption and waste of materials and products that are derived from or contribute to deforestation by investigating more sustainable options such as use of alternative materials, reuse, recycling, and circular economy principles.
- Communicating and disclosing our key deforestation goals, actions, and results to our stakeholders and interested parties, such as our customers, employees, investors, regulators, and the public, through various channels, such as our website, annual report, sustainability report, and social media.

The European Union's (EU) Regulation 2023/1115 on deforestation-free products (the EUDR)

Whilst we comply with the EU Timber Regulation, we are also working towards compliance with the EUDR. We are committed to securing compliance in accordance with the EUDR's following timeline (as it may be amended from time to time):

- from 30 December 2025 (the target date) for wood, wood-based and rubber-based products that have a HS code listed in Annex I of the EUDR (save in respect of certain wood and wood-related products produced before 29 June 2023 which will remain subject to the EU Timber Regulation if placed on the market before 31 December 2028); and
- from the target date for all other products that have a HS code listed in Annex I of the EUDR.

Specifically, and in accordance with the EUDR, we will ensure compliance with local laws of the country of production set out in the EUDR regarding forest related rules, environmental protection, land use, third parties' rights, labour rights and human rights, indigenous peoples rights, tax, anti-corruption, trade and customs regulations.

Having regard to the EUDR, Howdens remains committed to achieving a deforestation free supply chain wherever it imports into or trades in or exports relevant products from the EU that have a HS code listed in Annex I. Howdens recognises that a deforestation-free supply chain forms part of its stakeholder value proposition and presents an opportunity for investors and Howdens' brand.

Our deforestation strategy is based on the following principles:

- Compliance with all relevant and applicable laws and regulations (including, but not limited to, the EU Timber Regulation, the UK Timber Regulation, and the EUDR).
- Analyse, assess and address deforestation risks within our operations and supply chains in line with the EUDR.
- Source our materials and products from suppliers who adhere to high standards of environmental and social responsibility and who provide relevant notifications prescribed in our Supplier Code of Conduct (as amended from time to time).
- Prioritise certified sources of timber through recognised chain of custody schemes such as FSC® or PEFC.
- Prohibit the sourcing of timber from any biodiversity sensitive areas or of any CITES listed species.
- Annually monitor and report on our due diligence system including where applicable, related adherence to relevant local regulatory requirements.
- Actively engage with our stakeholders and partners to raise awareness and collaborate on deforestation solutions, such as alternative materials and afforestation opportunities.
- Track all of our inbound shipments by using combinations of due diligence statements, geolocation data and detailed and comprehensive declarations in excess. As a result, we understand that all production or outbound shipments come from the products covered by these declarations in excess so, therefore, they are deforestation-free.
- Ensure consistent and accurate interpretation of CN codes covered in Annex 1 of the EUDR throughout all subsidiaries.
- Ensure that due diligence statements are filled prior to relevant products listed in Annex I being placed on the EU market.

The above principles will be subject to monitoring, audit and review within our internal and external independent auditing processes.

Responsibilities and Governance

The implementation and oversight of our deforestation policy is the responsibility of our senior management, who are accountable to our Board of Directors and shareholders.

We have established a cross-functional team, to lead, coordinate and monitor our deforestation policy and actions. The team consists of representatives from various internal departments, such as Environmental Management, ESG and Commercial. The team reports regularly to our senior management on our progress and performance on deforestation issues.

Our Environmental team are responsible for the implementation and operation of our Timber legality and Chain of Custody systems and to ensure assurance through third party auditing by Timber Development UK to their Responsible Purchasing Policy. They are also now responsible for performing suitable deforestation assessments.

We have a complaints, grievance and investigation mechanism, which allows anyone to report any concerns or complaints regarding our deforestation policy and practices. We take appropriate actions to address any non-compliance or misconduct, and we provide appropriate remediation to any affected parties.

We intend to review and update our deforestation policy and practices at least annually, including in respect of tracking progress as against our commitments, to reflect the latest scientific knowledge, relevant legislation and initiatives, best practices, and stakeholder feedback.

Conclusion

We recognise that deforestation is a complex and urgent global challenge, and we are committed to becoming deforestation-free as required by both legislative and consumer demands. Howdens will continue to monitor its performance against this policy and against the evolving legislative landscape.