



STARK Group A/S
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MODERN SLAVERY AND TRANS- PARENCY STATEMENT 2025

1 AUGUST 2024 – 31 JULY 2025



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INTRODUCTION

Tackling human rights challenges, including modern slavery, is a shared responsibility across the building materials sector. At STARK Group, we recognize that meaningful progress depends on collaboration, both within our organization and with our suppliers, partners, and stakeholders. We actively engage with those affected by our operations to identify risks, strengthen safeguards, and drive improvements throughout our supply chain.

STARK Group is dedicated to conducting business ethically and responsibly. Our approach is guided by internationally recognized standards such as UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and standards set by the International Labour Organization and national regulations. STARK Group is a signatory to the UN Global Compact and supports the Ten Principles. This statement constitutes STARK Group’s response under section 54 of the UK Modern Slavery Act 2015 and the account of due diligence required by the Norwegian Transparency Act (Åpenhetsloven).

We continually review and enhance our policies, supplier requirements, and due diligence processes to ensure that our operations and supply chain reflect our commitment to human rights and decent working conditions.

This statement covers the period from 1 August 2024 to 31 July 2025. It sets out our policies, governance, and risk management practices related to modern slavery and human rights in the building materials industry. During the reporting period, our ongoing assessments did not reveal any confirmed cases of modern slavery within our business or supply chain.

This document applies to STARK Group and all subsidiaries and business units subject to disclosure requirements. Our group-wide policies and procedures are designed to ensure consistency and accountability across all regions and entities. Unless otherwise noted, references to ‘we’, ‘us’, and ‘our’ refer to STARK Group as a whole, including the entities listed in the appendices.

In preparing this statement, we have consulted with relevant departments and business units, drawing on expertise from legal, sourcing, sustainability, and operational functions. We have also taken steps to raise awareness of modern slavery risks and regulatory obligations among our employees and suppliers, helping individuals across our organization and supply chain recognize their role in upholding our standards.



OUR BU- SINESS

For close to 130 years, STARK Group has worked devoted to serving professional tradespeople.

Today, we are 18,500 people working across 1,050 branches and distribution centres in Europe to empower builders and the entire construction industry with insights, product knowledge, and sound advice.

We operate in the fragmented markets for the distribution of heavy building materials and play a crucial role in connecting manufacturers of building materials with professional craftsmen. Our united strength enables us to source products internationally, so professional builders can build value in their local communities.

As a leading distributor of building materials in Northern Europe, STARK Group operates in the Nordics, Germany, Austria and the UK.

WHERE WE OPERATE

NEUMANN BYGG

Neumann Bygg is a Norwegian chain of builders' merchants serving professional and industrial customers. Neumann has been in the construction industry since 1855 and has since evolved to a chain of professional builders' merchants via its strong position along the Norwegian coastline. The company operates nationwide, covering Norway from north to south. This extensive footprint allows Neumann Bygg to combine strong local market knowledge and close customer proximity with efficient logistics and reliable supply to construction projects across the country. Neumann has 20 branches + 14 Fagflis branded branches. The chain was acquired by STARK Group in 1997. Neumann partners with 500 main Suppliers who provide goods or services for resale.

STARK BUILDING MATERIALS UK

STARK Building Materials UK is one of the United Kingdom's largest retailers and distributors of building and construction materials, with over 500 dedicated builders' merchant branches and distribution centres. STARK Building Materials UK comprises 10 brands, including one of the UK's leading builders' merchant, Jewson, along with JP Corry and Normans, specialist brands Minster and Frazer, and major timber importer and distributor, International Timber. STARK UK partners with more than 4,100 tier one suppliers who provide resale goods, representing over £1.8 billion in spending. 127 of these suppliers account for 80% of our total expenditure. STARK UK also spend around £340 million annually with approximately 3,000 tier one suppliers on goods and services not for resale. 109 suppliers make up 80% of the spending.



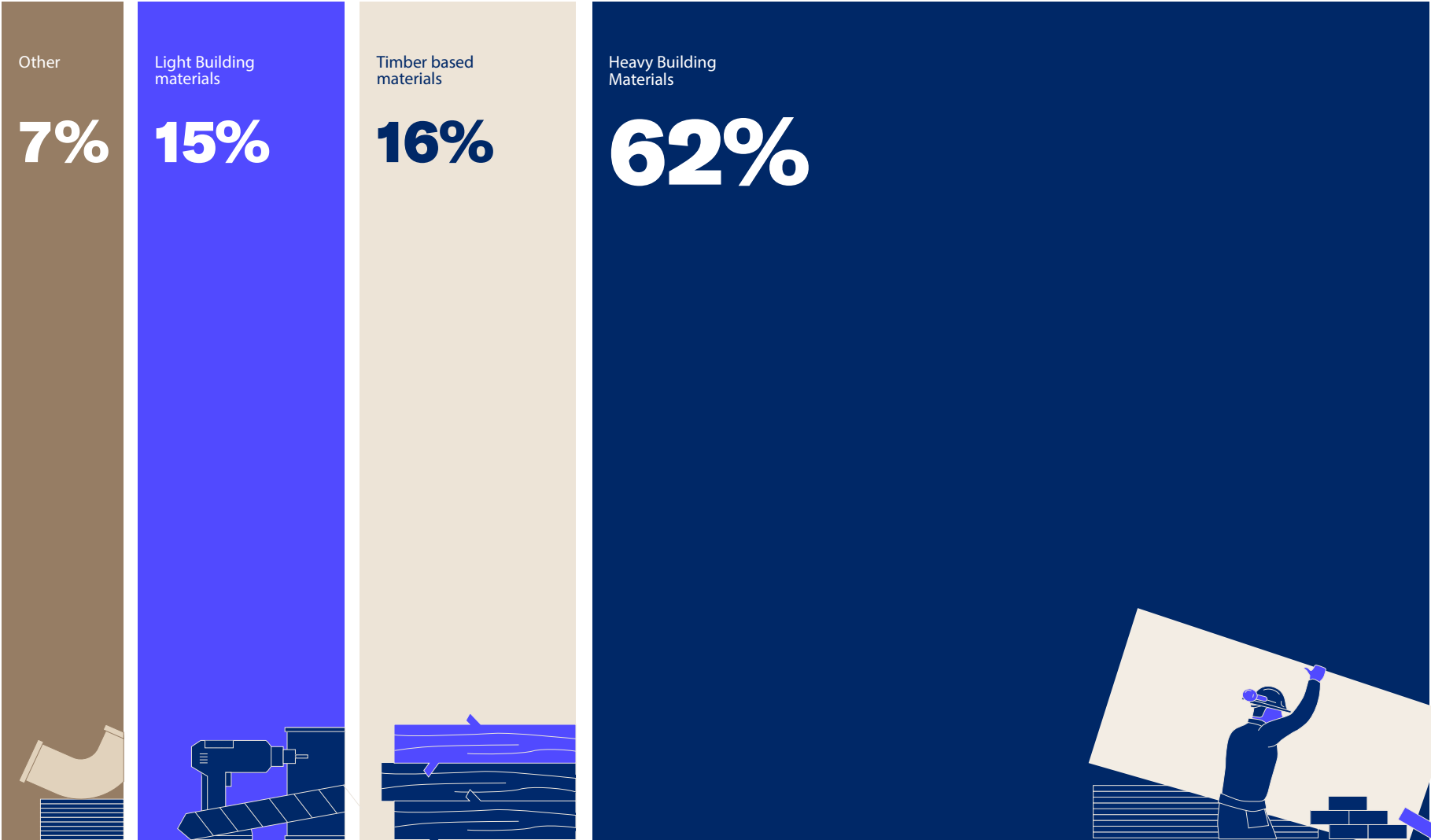


PERCENTAGE SPEND PER BUSINESS CATEGORY

In STARK Group, we partner with more than 15,000 tier 1 suppliers who provide resale goods, representing over EUR 6,3 billion in spend. Importantly, around 400 of these suppliers account for 80% of our total expenditure reflecting a concentrated supplier base where focused engagement can drive meaningful impact.

The largest share of spend originate from product categories in the Heavy Building Materials product group (62%), which includes cement products, plasterboard, bricks, tiles, concrete products, and insulation. Timber Based Materials (16%) and Light Building Materials (15%) contribute almost equally while remaining spend (7%) are linked to Other Products.

SPEND PER CATEGORY





OUR BUSINESS MODEL

HOW WE CREATE VALUE

Building homes, commercial spaces and community buildings is complex and hard work. We aim to make it easier for our customers and suppliers. Doing this well creates ripple effects for our industry and the communities where we operate.

KEY RESOURCES

Purpose-driven people More than 18,500 employees with backgrounds as tradespeople, retailers, distributors etc.

Products More than 400,000 SKU numbers sourced and sold

Partnerships Trusted relationships with +450,000 tradespeople, 15,000 suppliers and the building industry at large

Culture & expertise Continuous training of employees and more than 125 years of heritage

Brand & reputation Suite of leading brands acknowledged by tradespeople and the building industry at large

OWN OPERATION

SOURCE

We source at scale and break truckloads into smaller quantities and mix needed at building sites. Keeping stock of a market-leading assortment in warehouses and branches secures high levels of availability close to customers, product integrity and competitive prices

SELL

We offer a comprehensive product mix and full availability. Our offerings include competitive pricing, product and sustainability advice, product documentation and credit options to bridge liquidity gaps

DISTRIBUTE

Through our network of branches and hubs close to customers, we distribute building materials, significantly reducing the time tradespeople spend on procurement. Also, our modified trucks and direct delivery capabilities enable us to efficiently manage the complex distribution of heavy and often fragile materials to building sites

VALUE CREATED

Better housing & built environments More and better housing, office spaces and renovated, energy-efficient buildings for high quality of life and a built environment that supports net-zero future and social well-being

Efficient building industry Reduced complexity, more speed and best prices when distributing heavy building materials procured in different mixes for delivery within a short timeframe

Customer value Advice, service and credit for professional tradespeople

Value for employees A great place to work offering career opportunities in an engaging and safe working environment for a brand that employees take pride in

Shareholder value Competitive total returns through high ESG performance and above-average market growth and value creation





STARK DUE DILIGENCE APPROACH

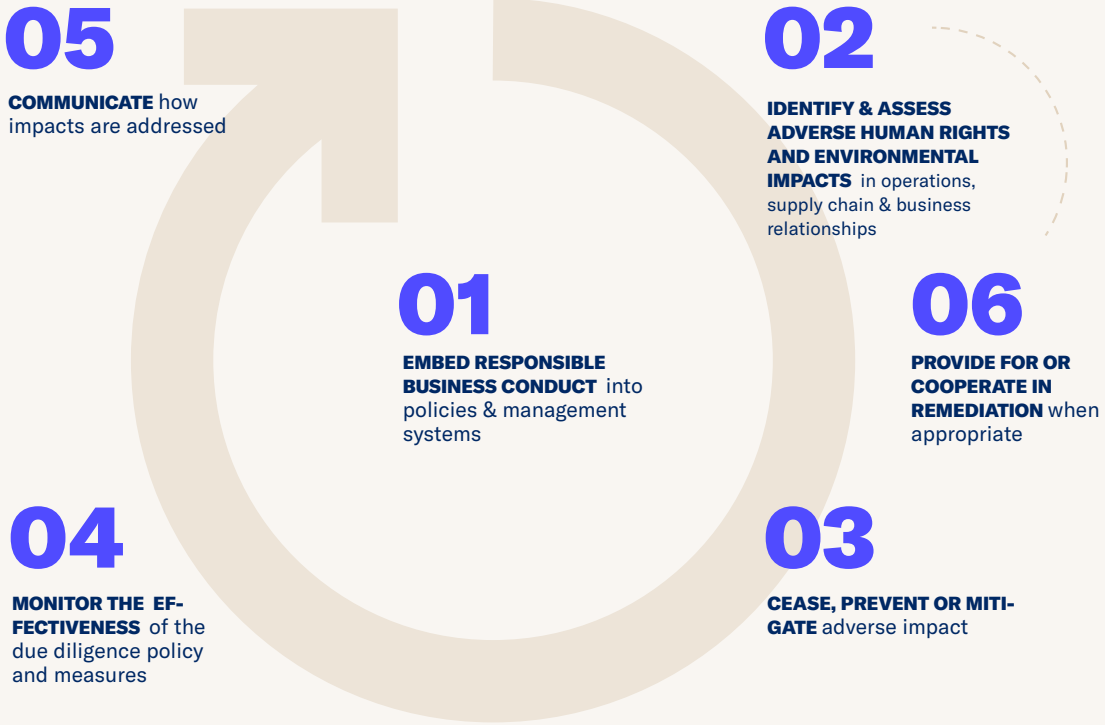
We apply a risk-based due diligence approach to proactively identify, assess, and mitigate environmental and human rights risks across our supply chain.

We aim to align our processes with international frameworks, including the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the OECD Due Diligence Guidance for Responsible Business Conduct.

Our due diligence practices are embedded in key policies and are supported by our Sustainable Sourcing team. All suppliers are expected to comply with our Supplier Code of Conduct, which is integrated into our standard legal terms.

Our process prioritises engagement with suppliers that present higher risk indicators and supports continuous improvement through dialogue and collaboration.

DUE DILIGENCE PROCESS





GOVERNANCE

This report outlines the measures taken by STARK Group to address the risks of modern slavery and human rights violations during the reporting period from 1 August 2024 to 31 July 2025 and sets out priorities for 2025/26.

Our Executive Committee hold overall responsibility for ensuring that our commitments to responsible business conduct, are upheld across all markets. Group Sustainability and Sustainable Sourcing provide strategic direction and policy alignment, while functional teams across the organisation are responsible for implementation within their areas of responsibility.

We established a dedicated Sustainable Sourcing team within Group Sourcing in 2025. The team brings together expertise in supply chain sustainability, supplier

data and ESG risk assessments, as well as compliance with the EU Deforestation Regulation and other emerging legislation. The Sustainable Sourcing team work closely with sourcing and category teams to integrate sustainability into procurement decisions and supplier performance monitoring. For more information see the STARK Group Annual Report, which now incorporates sustainability reporting.

We operate a decentralised operating model which empowers local leadership teams to implement Group-wide policies in ways that reflect local market conditions and regulations.

Below are specific examples of how our decentralised model works in our Business Units in the UK and Norway respectively.

→ STARK Building Materials UK

In the UK, overall responsibility for Modern Slavery is held by the UK Executive Committee, chaired by CEO. Executive responsibility for the UK Modern Slavery Working Group is with General Counsel.

The UK Modern Slavery working group includes representatives from Procurement, HR, Sustainability, Supply Chain, Compliance and Communications. Group Sustainable Sourcing are also represented to ensure consistency with Group-wide supplier due diligence approaches. The team is responsible for planning and implementing awareness and training activities as well as being the first point of contact for modern slavery concerns.

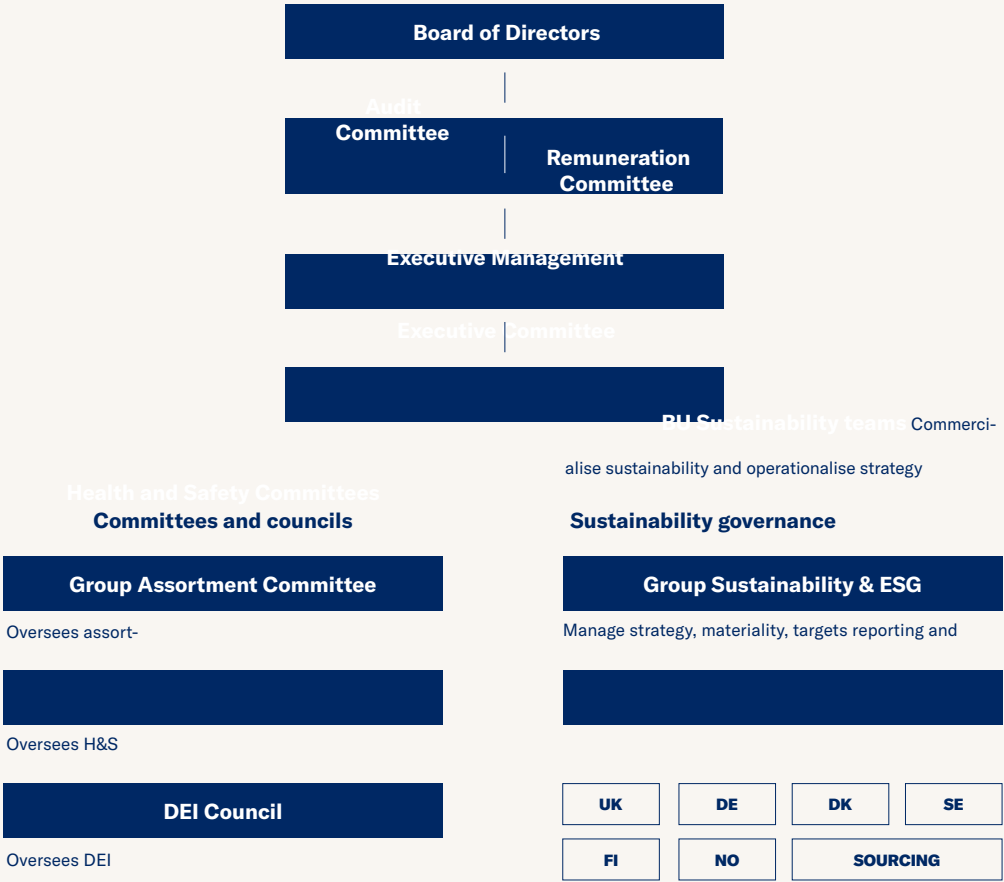
Publication according to the **UK Modern Slavery Act** must take place "as soon as possible after the end of the financial year" – and no later than six months after the end of the financial year (31st of January). For FY25 STARK UK have published their own

→ Neumann Bygg

In Neumann, the day to day responsibility for Modern Slavery due diligence sits with the Sourcing function and is owned by the Sourcing Director. This responsibility is supported by the HSEQ Director and the Sustainability Manager, who provide subject matter expertise and ensure alignment with health and safety, environmental, and sustainability requirements. Together, they oversee the operational implementation of supplier due diligence activities, risk identification and follow up, and act as the primary contact point for issues or concerns related to modern slavery within sourcing activities.

For the **Norwegian Transparency Act**, publication must take place no later than 30 June each year.

GOVERNANCE MODEL





POLICY OVERVIEW

We are committed to upholding human rights and preventing modern slavery through a robust policy framework.

All key policies are available at www.stark-group.dk/sustainability/policies

Our Code of Conduct is available at www.starkgroup.dk/newsroom/publications

Policy	Description	Applies to
Human Rights Policy	Our Human Rights Policy outlines our commitment to respecting internationally recognized human rights across our value chain. We aim to continuously improve our practices in alignment with global standards such as the UN Guiding Principles on Business and Human Rights, the OECD Guidelines, and the International Bill of Human Rights. The policy emphasizes due diligence, stakeholder engagement, and responsible sourcing, and we expect our suppliers and business partners to uphold the same standards.	The policy applies to STARK Group operations as well as our upstream and downstream value chain. Affected stakeholders include our own workforce, workers in the value chain, and consumers and end-users.
People Policy	Our People Policy outlines our commitment to respecting international labour rights, ensuring fair treatment, and fostering a positive and inclusive workplace across all STARK Group business units. The policy supports fair wages, health and safety, and diversity, while also promoting wellbeing and work-life balance.	The policy applies across all STARK Group operations, and the affected stakeholders are our own workforce.
Health and Safety Policy	STARK Group's Health & Safety Policy reflects our commitment to ensuring a safe and healthy work environment for all employees, customers, and stakeholders. We comply with all relevant laws and operate a management system based on ISO 45001 to promote consistent safety standards.	The policy applies to all STARK Group operations as well as our upstream and downstream value chain. Affected stakeholders include our own workforce, workers in the value chain, and consumers and end-users.
Diversity, Equity & Inclusion Policy	Our DE&I Policy outlines our commitment to fostering a diverse, equitable, and inclusive workplace across all STARK Group entities. We view DE&I as business-critical rather than a compliance requirement, and believe it strengthens our performance, innovation, and long-term relevance.	The policy applies across all STARK Group operations, and the affected stakeholders are our own workforce.
Sustainability Policy	Our Sustainability Policy outlines our commitment to responsible sourcing, climate action, and sustainable construction across our operations and value chain. The policy addresses key material impacts across applicable standards and is embedded within a broader Sustainability Framework, with structured processes for monitoring, continuous improvement, and stakeholder engagement.	The policy applies to all STARK Group entities and employees and covers upstream and downstream activities across all geographies.

Policy	Description	Applies to
Sustainable Sourcing Policy	Our Sustainable Sourcing Policy outlines our commitment to responsible business conduct across our supply chain. We aim to minimize environmental and social impacts, promote transparency, and support long-term value creation through robust due diligence and supplier engagement. The policy supports our net zero targets and complements our Human Rights, Environmental & Climate, and Supplier Code of Conduct policies.	The policy applies to all STARK Group operations as well as our upstream value chain.
Supplier Code of Conduct	Our Supplier Code of Conduct outlines the expectations we have for all suppliers and their sub-suppliers regarding responsible business conduct. It is based on international standards including the amfori BSCI and BEPI Codes of Conduct, and covers 13 social compliance and 8 environmental performance areas.	The policy applies to STARK Group's upstream value chain. Affected stakeholders include workers in the value chain.
Whistleblower Mechanism (Speak Up!)	Our Speak Up! Whistleblower Policy supports our commitment to ethical and responsible business conduct. It provides a secure and confidential channel for employees, customers, and third parties to report suspected misconduct, including fraud, harassment, and violations of laws or company policies.	The policy applies to all STARK Group operations as well as our upstream and downstream value chain. Affected stakeholders include our own workforce, workers in the value chain, and consumers and end-users.
Code of Conduct	It covers how to act responsibly in daily business, treat colleagues and partners with respect, ensure equal opportunities and a safe, harassment-free workplace, protect confidential information, and uphold zero tolerance for corruption and improper gifts.	The policy applies to our own workforce across STARK Group.
Responsible Timber Policy	Our Responsible Timber Policy outlines our commitment to sourcing timber and timber-based products responsibly across our operations and value chain. We prioritise certified timber from recognised schemes such as FSC™ and PEFC and work to increase the share of certified products across our assortments.	The policy applies to all STARK Group operations and covers our upstream value chain. Affected stakeholders include our own workforce, workers in the value chain, and consumers and end-users.



IDENTIFYING RISKS

We employ a risk-based due diligence process to proactively identify, assess, and address potential risks related to modern slavery and human rights in our operations and supply chain. Risk assessments are carried out, focusing especially on countries and sectors that present the greatest vulnerabilities or risks.

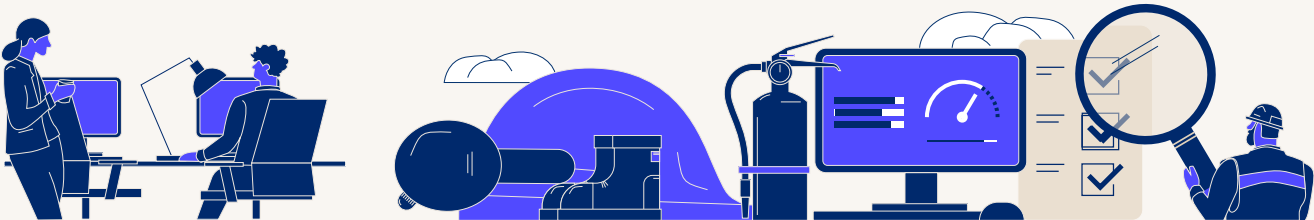
Our double materiality assessment covers all business units and our entire value chain, from our suppliers, through our operations and markets. The findings are utilized as the basis of the further identification of modern slavery and human rights risks.

This section provides an overview of the results of our 2024/25 double materiality assessment. The figure illustrates our inherent exposure to IROs, without factoring in existing controls. This approach ensures that all material topics are fully considered when reviewing our ESG governance, policies, actions, targets, and performance.

MATERIAL IMPACTS, RISKS, AND OPPORTUNITIES

SOCIAL	IROs	UP-	OPERATI-	DOWNSTREAM
S1 Own workforce	I/R R O I/R • Workforce discrimination • Employee data privacy • Attractive working conditions and Inclusive employment • Accidents, incidents, fatalities and lost workdays			
S2 Workers in the value chain	I R • Poor working conditions and health and safety standards in the supply chain • Due diligence obligations			
S3 Affected communities	I • Indigenous peoples' rights			
S4 Consumers and end-users	I/R O O • Inadequate product information • Upskilling suppliers • Digital climate tools			

High impact
 Impact
 No impact





SALIENT HUMAN RIGHTS ACROSS OUR VALUE CHAIN

We have identified a set of salient human rights that are most at risk of being negatively impacted through our own operations and our value chain. These rights reflect where our activities, business relationships and sourcing practices may pose the greatest potential risk to people. We prioritise these areas to focus our due diligence, preventive actions and remediation efforts where they matter most.

OUR FOCUS AREAS



THE RIGHT TO HEALTH, SAFETY AND WELLBEING

Health and safety is always a key priority for STARK Group, whether it involves our employees, customers or the communities in which our businesses operate. We aim for an accident-free workplace, and all our employees must support continuous improvements in health, safety and well-being throughout our operations. We maintain a health and safety management system and business units are certified according to ISO45001 or similar, where relevant.



NON-DISCRIMINATION AND EQUALITY

STARK Group works to ensure equal treatment and opportunities for all employees and to advance diversity, equity and inclusion. STARK Group supports freedom of expression and does not discriminate on gender, transgender identity or other expressions, age, culture, nationality, ethnicity, physical abilities, disabilities, hidden disabilities, political and religious beliefs, sexual orientation, or other factors.



THE RIGHT TO FORM OR JOIN A TRADE UNION AND TO BARGAIN COLLECTIVELY

STARK Group is committed to the freedom of association and the right to collective bargaining.



FAIR COMPENSATION AND WAGES

STARK Group pays fair wages based on market levels, performance and, where relevant, collective bargaining agreements. We expect the same of our suppliers as outlined in our Supplier Code of Conduct.



THE RIGHT NOT TO BE SUBJECT TO HARASSMENT

STARK Group has zero tolerance towards bullying, harassment and discrimination and is committed to creating an inclusive culture free from these behaviours.



DATA PRIVACY

The right to privacy, including the security of personal data is a priority for STARK Group whether it involves our employees, customers or other stakeholders.



THE RIGHT NOT TO BE SUBJECT TO FORCED, COMPULSORY OR CHILD LABOUR

STARK Group does not tolerate any form of forced labour including compulsory labour, child labour, unreasonable working hours and human trafficking.



OWN OPERATIONS

We operate in countries with some of the highest global standards for human rights protection. The countries where we operate, score among the top globally for respect of human rights.

Our World in Data publishes the Human Rights Index annually based on data from the V Dem (Varieties of Democracy) project. V Dem’s methodology relies on multiple independent country experts whose evaluations are aggregated to ensure comparability across countries and over time. This makes the dataset a consistent and widely used foundation for tracking global human rights developments.

Index Scores for STARK Group locations:

0.96	Sweden, Denmark, Ireland
0.95	Finland
0.94	Norway, and Germany
0.91	Austria
0.88	UK

As a result, the inherent risk of human rights violations within our own operations is considered low, supported by both external data and our internal governance systems.

Our employees share their views through the annual engagement survey, daily cross-functional collaboration, and 1:1 meetings with managers. Key interest areas include working conditions, job purpose, career development, and fair treatment. These views are integrated into our double materiality assessment through HR-led workshops.

SUPPLY CHAIN

Our business model depends on a global supply chain, where poor working conditions and low labour standards in certain regions present a risk of human rights violations, such as unsafe environments and failure to respect fundamental labour rights. These risks mainly relate to workers in the upstream value chain, especially those involved in manufacturing and raw material extraction, and may impact vulnerable groups like migrant workers, women, and young workers.

We conduct assessments based on country risk as well as category risk assessments as we understand that certain industries including textile and electronics have higher risk of modern slavery including forced labour and child labour. In 2025 we selected strategic product categories and conducted a research-based assessment to identify key sustainability related risks in the supply chain. This analysis enabled us to establish a clear understanding of where social and operational risks are most likely to occur, ensuring that these insights can be aligned in our category strategies.



MANAGING AND MONITORING RISKS

STARK Group manages risks of modern slavery and broader human rights impacts through a risk based due diligence approach guided by our Supplier Code of Conduct, external partnerships, and our expanding digital tools and data systems.

Our dedicated Sustainable Sourcing team are responsible for developing and implementing supplier due diligence processes. The team works closely with category and sourcing teams and plays a central role in identifying and mitigating risks, improving data quality, and deepening supplier engagement.

Supplier expectations and continuous improvement

Our Supplier Code of Conduct is embedded as a contractual clause in our standard contract. Suppliers are expected to participate in self-assessments, questionnaires, interviews, and capacity-building activities when relevant. Continuous improvement and collaboration are emphasized, with disengagement considered only as a last resort if suppliers fail to meet requirements or cooperate on remediation. In 2025 no cases of forced labour have been identified.

Strengthening due diligence through partnerships and new Supplier Code of Conduct

In 2025, we expanded our external partnerships by joining amfori and Ethical Trade Denmark. These collaborations provide valuable platforms for knowledge sharing and continuous improvement in ethical sourcing practices.

Following our membership in amfori, we have updated our Supplier Code of Conduct to align with both the BSCI (Business Social Compliance Initiative) and BEPI (Business Environmental Performance Initiative) Codes of Conduct. This ensures that our expectations cover both social and environmental responsibilities across our supplier base. The updated Supplier Code of Conduct is publicly available on the STARK Group website.

To support implementation, we conducted internal training sessions for over 120 sourcing colleagues, raising awareness of the revised Code and its role in supplier due diligence. In parallel, we have begun mapping our existing suppliers to the amfori platform to identify key risks and strengthen oversight. A significant share of our non-EU suppliers are already on the amfori platform with accessible BSCI onsite audits results.

Through active dialogue with selected suppliers, we are deepening our understanding of their practices in relation to both BSCI and BEPI requirements. We are also working to make these insights accessible to relevant teams, so they can be integrated into day-to-day sourcing decisions and processes, further embedding sustainability into our procurement activities.

Human rights due diligence under the EU Deforestation Regulation (EUDR)

As part of our implementation of the EU Deforestation Regulation (EUDR), we conducted a risk-based assessment of all relevant suppliers to identify potential risks related to modern slavery, forced labour, and broader human rights impacts. Our approach combines geographic risk evaluation with supplier-specific assessment.

In 2025 we invested in a new digital platform, Osapiens, to organize this work. Through Osapiens, country-level risks are assessed using internationally recognized indices covering governance quality, political stability, conflict levels, economic conditions, rule of law, civil liberties, press freedom, cybersecurity, and socio-economic indicators. These include data from sources such as the Bertelsmann Stiftung, Freedom House, The Heritage Foundation, the IMF, OECD, the World Bank Group, the World Justice Project, Reporters Without Borders, and the Uppsala Conflict Data Program. Together, these metrics provide a comprehensive view of structural risks in the regions from which our suppliers source.

In addition, we are building a supplier-specific system for gathering information through a dedicated questionnaire. This will enable us to assess company practices, labour conditions, traceability systems, and internal governance. By integrating both geographic and company-level insights, we develop an overall risk profile for each supplier. This ensures that our EUDR

efforts not only focus on deforestation risk but also strengthen our broader commitment to preventing modern slavery and protecting human rights within our supply chain.

Certification as a complementary risk mitigation measure

FSC™ and PEFC certification schemes support responsible forest management by embedding social safeguards within their standards, including requirements on workers’ rights, health and safety, and the prohibition of forced and child labour, aligned with ILO Core Conventions. Through chain of custody certification, these schemes also enhance traceability and transparency across the supply chain. While certification alone does not eliminate risk, FSC and PEFC provide an important risk mitigation measure that complements our EUDR due diligence approach and reinforces our commitment to protecting human rights and preventing modern slavery.

Building internal capability on human rights

In 2025, we participated in the UN Global Compact’s Business and Human Rights Accelerator programme, with a focused objective of developing a supply chain-related human rights action plan. This engagement has helped strengthen our approach to identifying, addressing, and mitigating human rights risks among value chain workers.

To further support this work, we joined the UN Global Compact Denmark Human Rights Network, which



MANAGING AND MONITORING RISKS – CONTINUED

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provides a valuable platform for sharing knowledge and best practices, particularly in relation to workers in the value chain. We delivered targeted human rights training to our Group Sourcing teams to raise awareness of human rights principles and their practical relevance in supplier engagement. In addition, we conducted similar training sessions with Sustainability Managers across all Business Units to ensure a consistent and informed approach across the organisation.

STARK Group Compliance Training
STARK Group strengthens responsible business conduct through mandatory Compliance training in our e learning platform. These courses help ensure that all employees have a shared understanding of key rules, expectations, and internal guidelines that support good governance and consistent ways of working. Mandatory e-learning for STARK UK colleagues reached 82% compliance, while Neumann reached 92%.

Several compliance modules are mandatory, and completion is followed up to make sure everyone stays up to date. The training supports both everyday decision making and risk prevention so we protect our colleagues, customers, and the company, while maintaining a strong culture of integrity and accountability.

The Code of Conduct training emphasises STARK Group’s values—Passion, Decency and Pride—which

guide us in doing business the right way. It also includes an overview of our key policies, several of which address human rights and modern slavery, including our Human Rights Policy, Supplier Code of Conduct, Sustainability Policy and Responsible Timber Policy. The completion rate of Code of Conduct training across Business Units is 82%.

PARTNERSHIPS AND MEMBERSHIPS TO SUPPORT DUE DILIGENCE



AMFORI
Through our membership of amfori, we strengthen responsible sourcing practices and support fair, sustainable trade across our global supply chain



ETISK HANDEL DANMARK
As a member of Ethical Trade Denmark, we commit to promoting ethical trade and responsible supply chains



UN GLOBAL COMPACT
Our membership of the UNGC underscores our commitment to responsible business



FSC™
As a member of the FSC Denmark board in FY24&25, we played an active role in advancing responsible forestry and promoting sustainable sourcing globally. [fsc.org/en](https://www.fsc.org/en)



PEFC
Through our participation in PEFC working groups, we help drive sustainable forest management and responsible sourcing

FSC™ and PEFC Licence no.	
STARK Group	FSC™-N002910 PEFC/09-44-48
STARK United Kingdom	FSC™-C004856 PEFC/16-37-1047
STARK Deutschland	FSC™-C100156 PEFC/04-31-1576
STARK Danmark	FSC™-C004720 PEFC/09-31-026
STARK Suomi	FSC™-C189454 PEFC/02-31-194
Beijer Byggmaterial	FSC™-C118054 PEFC/05-37-215
Neumann Bygg	PEFC/03-31-41



KEY PERFORMANCE INDICATORS

STARK Group defines KPIs that track both activities (inputs) and outcomes or effectiveness (results) of the due diligence system. KPIs are reviewed regularly and evolve as the maturity of the system increases.

We assess and address modern slavery risks through contractual supplier requirements, systematic ESG risk scoring across our supply base, and ongoing training of our workforce. These measures allow us to identify risk exposure, prioritise action, and monitor the effectiveness of our due diligence over



ACCOUNTING PRINCIPLES

ENTITY-SPECIFIC METRICS

Supplier Code of Conduct commitment

The percentage of new targeted suppliers committed to STARK Group’s Supplier Code of Conduct, calculated based on signed contracts entered during the reporting year. Commitment is confirmed through inclusion of the Supplier Code of Conduct in STARK Group’s standard legal terms and conditions.

ESG Risk Score

A supplier-specific indicative score assigned by Dun & Bradstreet that reflects exposure to environmental, social, and governance risks. The score is used to assess STARK Groups general exposure to risks in the supply chain and give an indication of supplier sustainability performance.

ENTITY-SPECIFIC DISCLOSURES

Parameter	Unit	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	Development since previous year
New targeted suppliers who has signed legal terms and conditions, including fulfilment of STARK Group's Supplier Code of Conduct	%	100	100	100	100			0pp
Number of suppliers with ESG risk score	Number	14,828	10,847	5,097				37%
% spend covered by ESG risk score	%	92	84	45				8pp
% of suppliers covered by ESG risk score	%	73	62	31				11pp
Average ESG risk score	Score 1-5	2.6	2.6	2.4				0
Trained on Code of Conduct	% of total workforce	80	73					7pp



DUE DILIGENCE AND SUPPLIER OVERSIGHT IN STARK UK

In STARK UK, the top 550 suppliers, accounting for more than 90% of cost of goods for resale, are required to sign up to the Terms and Conditions of Purchase, which include clauses on responsible purchasing and compliance with the STARK Supplier Code of Conduct.

The Goods Not For Resale team was established in STARK UK the prior year and has taken significant steps to strengthen compliance, governance, and ethical sourcing across key service provision areas, including waste management, security, cleaning, and both soft and hard facilities management. Enhanced controls have been implemented to ensure the use of approved preferred suppliers who align with corporate policies, UK regulatory requirements, and human

rights and modern slavery standards. This structured approach enables deeper due diligence, improved supplier oversight, and greater transparency within high-risk sectors, supporting proactive identification, mitigation, and monitoring of potential human rights risks across the supply chain.

In January 2025 STARK UK launched the sponsorship of Stronger Together’s Construction & Property

programme at our annual Supplier Conference, which was attended by around 135 goods for resale suppliers. Stronger Together’s CEO presented at the conference describing key risks within the sector and had an exhibition stand to encourage further engagement. The sponsorship enabled free training for these suppliers which was attended by 11 companies. The same offer will be available during 2026 due to the continuation of the Stronger Together sponsorship.

During September 2025, STARK UK trained 25 procurement and supply chain colleagues including all Category Directors, Category Managers and some Category Assistants. Delivered face to face, this

training was provided by Stronger Together and was specifically aimed at the Construction sector. The training will continue in 2026 for procurement/ supply chain new starters and a broader range of personnel.

Awareness was raised through engagement in Stronger Together’s Anti-Slavery Day campaign. Internally communications were shared which included posters for displaying in branches.





TRANSPARENCY AND COMMUNICATION

We aim to communicate in a transparent, fact-based and accessible manner, acknowledging both our progress and the ongoing challenges.

Our communication approach reflects the principle that meaningful engagement is not only about highlighting positive achievements but also about openly discussing identified risks, areas where improvements are needed, and the specific steps we take to address them.

To support our communication with relevant stakeholders, we provide updates through several channels. Our approach includes:

- Regular dialogue with stakeholders such as own workers, suppliers, and relevant organisations to ensure their perspectives inform our decisionmaking.
- Maintaining dedicated sections on our corporate website where we publish updated information on our human rights and modern slavery work, including policies; human rights policies, environmental and

social standards, and Supplier Code of Conduct, along with updates when necessary.

- Integrating due diligence findings into our annual reporting to ensure full visibility of risks, progress, and actions taken.
- Communicating through internal and external channels e.g. supplier forums to share insights, highlight ongoing initiatives, and clarify expectations. Stakeholders interested in the activities of Neumann can contact apenhetsloven@neumann.no.

In case of situations involving severe risks, we prioritise direct and personal communication with affected stakeholders and engage openly in dialogue to ensure that their concerns are understood and incorporated into our response.



DIALOGUE

Regular dialogue with stakeholders such as workers, suppliers, communities, and relevant organisations to ensure their perspectives inform our decision-making.



UPDATED INFORMATION

Maintaining dedicated sections on our corporate website where we publish updated information on our human rights and modern slavery work, including policies; human rights policies, environmental and social standards, and Supplier Code of Conduct, along with updates when necessary.



VISIBILITY

Integrating due diligence findings into our annual reporting to ensure full visibility of risks, progress, and actions taken.



SHARE INSIGHTS

Communicating through internal and external channels e.g. supplier forums to share insights, highlight ongoing initiatives, and clarify expectations. Stakeholders interested in the activities of Neumann can contact apenhetsloven@neumann.no.



GRIEVANCE MECHANISM AND REMEDIATION

We ensure that all stakeholders, including employees, suppliers, and external parties, have access to safe, confidential, and anonymous channels for reporting concerns related to modern slavery, human rights violations, or other misconduct.

The Speak Up! Whistleblower System which can be accessed starkgroup.whistleblownetwork.net is available to everyone and guarantees protection against retaliation. All reports are investigated promptly and thoroughly, and remedial actions are taken as appropriate to address and resolve any identified issues.

During 2024/25, 90 cases were reported. No severe human rights were reported.

The effectiveness of grievance mechanisms is reviewed regularly to ensure continuous improvement. STARK Group is committed to providing access to remedy for affected individuals or communities, collaborating with suppliers and partners to implement corrective actions and, where necessary, remediation plans. This approach aligns with international standards and supports a transparent, responsible supply chain.



SPEAK UP!

We want our company to be perceived as honest and trustworthy by our employees, customers, suppliers, business partners and society in general. The Code of Conduct is our way of doing good business responsibly. It builds on our culture and values and directs us to appropriate behaviour. Combined with our values and common sense, the Code of Conduct provides the basis for all our behaviour.

To support our efforts to act ethically and responsibly, STARK Group has created a whistleblower line called Speak Up! to encourage employees and others to speak up about any conduct that is not in line with the STARK Group’s values to safeguard our integrity.

[Read more](#)

WHISTLEBLOWER CASES

Parameter	Unit	2024/25	2023/24	2022/23	2021/22	2020/21	2019/20	Development since previous year
Cases reported through Speak Up!	Cases	90	71	32	5	12		27%
Cases dismissed	Cases	26	42	17				-38%
Reported to the local Human Resources department	Cases	43	17	11				153%
Resulted in disciplinary actions	Cases	10	6	3				67%
Dismissal	Cases	3	3					0%
Reported other	Cases	6	3					100%



PRIORITIES FOR 2025/26

To STARK Group, addressing human rights risks—including modern slavery—is not merely a matter of legal compliance. As a leading distributor in the building materials sector, we recognise that with our scale and influence comes a responsibility to act with care, integrity, and respect for people throughout our value chain. Our commitment is grounded in our values and in the belief that long term business success must go hand in hand with decent working conditions, human dignity, and responsible sourcing.

We therefore continuously review and strengthen our policies, supplier requirements, and due diligence processes to ensure that our operations and supply chain reflect our values and our responsibility to people and society. To maintain alignment with evolving sustainability and due diligence expectations, STARK Group will focus on a number of targeted initiatives during the 2025/2026 financial year.



TRAINING
Continue human rights and modern slavery training for employees.



TOOL
Evolve supplier risk assessment and management tool.



MONITORING
Improve KPI's to monitor progress.



ENFORCING
Continue to require all suppliers to sign the Supplier Code of Conduct.



SPEAK UP!
Promote the Speak Up! system for confidential reporting and regularly review grievance outcomes.



PREPARING
Preparing for EUFLR and CSDDD

In accordance with the requirements of the UK Modern Slavery Act and the Norwegian Transparency Act, we attest that we have reviewed the information contained in this statement for the entities listed in Appendix 1. Based on our knowledge and having exercised reasonable due diligence, we attest that the information presented in the report is true, accurate, and complete in all material aspects as required by the relevant legislation.

This statement was reviewed and approved by the Executive Management of STARK Group A/S and the board of Neumann Bygg AS, representing all reporting entities listed in Appendix 1, on the 15th of June.

We have the authority to bind STARK Group A/S and its subsidiaries.

For FY25 STARK UK have published their own report, which can be found [here](#).



APPENDICES

Appendix 1:
LIST OF BUSINESS UNITS

Entity	Description
STARK Group A/S (registration number 41952725)	Parent company located in Denmark
Reporting entities under UK Modern Slavery Act	
STARK Building Materials UK Ltd	The main UK operating entity of STARK Group
Reporting entities under the Norwegian Transparency Act	
Neumann Bygg AS	The main Norwegian operating entity of STARK Group
Fagflis AS	Subsidiary to Neumann Bygg AS
Additional STARK Group entities	
STARK Danmark A/S	The main Danish operating entity of STARK Group
Beijer Byggmaterial AB	The main Swedish operating entity of STARK Group
STARK Deutschland GmbH	The main German operating entity of STARK Group, covering Germany and Austria
STARK Suomi Oy	The main Finnish operating entity of STARK Group



APPENDICES

Appendix 2:
REPORTING CRITERIA

	The UK Modern Slavery Act 2015 (for STARK UK) ¹	The Norwegian Transparency Act (Åpenhetsloven) ²	UN Global Compact / UNGP – Due Diligence Requirements	Page reference
General	The organisation's structure, its business and its supply chains;	A general description of the enterprise's structure, area of operations.	Overview of operations and value chain to identify salient human rights risks across full value chain.	p. 3
Guidelines and policies	- Its policies in relation to slavery and human trafficking; - Its due diligence processes in relation to slavery and human trafficking in its business and supply chains;	Guidelines and procedures for handling actual and potential adverse impacts on fundamental human rights and decent working conditions.	Human rights policy commitment approved at the highest governance level. Due diligence processes covering identification, action, tracking and communication. Processes to enable remediation of negative impacts.	p. 8
Identified risks	- The parts of its business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk;	Information regarding actual adverse impacts and significant risks of adverse impacts that the enterprise has identified through its due diligence.	Identification of actual and potential human rights impacts, prioritising the most severe risks.	p. 9
Mitigating risks	- Its effectiveness in ensuring that slavery and human trafficking is not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate; - The training about slavery and human trafficking available to its staff.	Information regarding measures the enterprise has implemented or plans to implement to cease actual adverse impacts or mitigate significant risks of adverse impacts, and the results or expected results of these measures.	Actions to prevent, mitigate or remediate impacts and track their effectiveness through KPIs and qualitative indicators.	p. 12
Governance and publication requirements	If the organisation is a body corporate other than a limited liability partnership, must be approved by the board of directors (or equivalent management body) and signed by a director (or equivalent); If the organisation has a website, it must— (a) publish the slavery and human trafficking statement on that website, and (b) include a link to the slavery and human trafficking statement in a prominent place on that website's homepage.	The enterprises shall in annual reports inform of where the account can be accessed. The account shall be updated and published no later than 30 June of each year and otherwise in case of significant changes to the enterprise's risk assessments. The obligation to report pursuant to Section 5 of the Transparency Act applies to the last completed financial year. It shall be signed in accordance with the rules in Section 3-5 of the Accounting Act.	Highest governance level must be involved in approving and embedding the human rights policy. Companies must communicate formally on due diligence, proportionate to size and impact severity. Reporting should be public, regular, and accessible.	p. 7 & 18

1) Modern Slavery Act 2015 section 54 2)
The Norwegian Transparency Act



Introduction

Due Diligence

Priorities
2025/26

Appendices


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