

HEADCROWN GROUP PLC
MODERN SLAVERY ACT

Introduction

This statement sets out Headcrown Group plc's actions to understand potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there are no activities which are associated with slavery or human trafficking within its own business and its supply chains. This statement relates to actions and activities during the financial year ending 30th September 2019.

As part of the UK construction industry, our organisation recognises that it has a responsibility to take a robust approach to slavery and human trafficking.

We are absolutely committed to preventing slavery and human trafficking in our corporate activities, and to ensuring that our supply chains are free from slavery and human trafficking.

Organisational Structure and Supply Chains

This statement covers the activities of Headcrown Group plc and its subsidiaries. However, given the localised nature and operational independence of the Group's subsidiaries, we also require the local management to undertake their own reviews and to amend their own policies with regard to this important area.

The majority of our services are delivered through an extended local supply chain, providing both labour, plant and materials.

Countries of operation and supply

The organisation operates solely in the UK.

High-risk activities

The following activities are considered to be at high risk of slavery or human trafficking:

- Involvement of slave labour in the production of certain materials imported from overseas.
- Forced labour in work package or trade labour gangs.

Responsibility

Responsibility for the organisation's anti-slavery initiatives is as:

- **Policies:** The Group board of directors is responsible for the establishment of the policy.
- **Risk assessments:** Risk assessments are undertaken by the relevant buying departments and the managers responsible for vetting our subcontractors.
- **Investigations/due diligence:** Investigations and due diligence will be undertaken by the buying departments and the managers involved with procurement.
- **Training:** Training will be organised through the local HR departments and will focus on training our senior managers.

Relevant Policies

Headcrown Group plc operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations:

- **Whistleblowing Policy:** The Group encourages all its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains, of the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The organisation's whistleblowing procedure is designed to make it easy for workers to make disclosures, without fear of retaliation. Employees, customers or others who have concerns are encouraged to contact their HR Manager, the Chairman or Managing Director of the relevant business or the Chairman of the Group.
- **Supply Chain Code of Conduct:** The Group is committed to ensuring that its supply chain adheres to the highest standards of ethics. Suppliers and subcontractors are required to demonstrate that they provide safe working conditions, treat workers with dignity and respect, and act ethically and within the law in their use of labour. Headcrown Group plc's subsidiaries works and their respective supply chains to ensure that they meet the standards of the code and improve their worker's working conditions. However, serious violations of our Supply Chain Code of Conduct will lead to the termination of the business relationship.
- **Agency Working Policy:** Our organisation uses only specified, reputable employment agencies to source labour and always verifies the practices of any new agency it is proposing to use before accepting workers from that agency. All our labour are required to be CSCS accredited, which we believe reduces the risk of slave labour.

Due Diligence

We will undertake due diligence exercises with our supply chain as our policy and knowledge develops. The Group's due diligence and reviews include:

- Evaluating the modern slavery and human trafficking policies of supply chain members;
- Understanding the steps taken by our supply chain in investigating, identifying and preventing human slavery and trafficking within their recruitment practices;
- Participating in collaborative initiatives focused on human rights in general, and slavery and human trafficking in particular; and
- Invoking sanctions against any supplier or subcontractor that fails or breaches the legislation requirements in the UK, or who seriously violate our Supply Chain Code of Conduct, including the termination of the business relationship.

Awareness-raising Programme

As well as training staff, The Group's subsidiaries raise awareness of modern slavery issues by putting up posters across the organisation's premises and sites. The posters explain to staff:

- The basic principles of the Modern Slavery Act 2015;
- How employers can identify and prevent slavery and human trafficking;

- What employees can do to flag up potential slavery or human trafficking issues to the relevant parties within the organisation; and
- What external help is available, for example through the Modern Slavery Helpline.

Board Approval

This statement has been approved by the Group's Board of Directors, who will review and update it annually.

CARL BRIAN
CHAIRMAN, HEADCROWN GROUP PLC
DECEMBER 2018