

Modern Slavery and Human Trafficking Statement 2018

The Modern Slavery Act 2015 ("the Act") requires Telford Homes Plc to prepare annually a Modern Slavery and Human Trafficking Statement and publish it on its website. The statement must include the following:

1. The organisation's structure, its business and its supply chains;
2. Its policies in relation to slavery and human trafficking;
3. Its due diligence processes in relation to slavery and human trafficking in its business and supply chains;
4. 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;
5. 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; and
6. The training about slavery and human trafficking available to its staff.

1. The organisation's structure, its business and its supply chains

Telford Homes Plc is an AIM listed residential developer operating across London. The business was formed in 2000 and has been built on a platform of honesty, integrity and family values. It now has over 300 employees.

Telford Homes Plc acts as the principal contractor on its projects. Its supply chain consists of:

- Consultants and designers
- Material suppliers from whom materials are purchased directly
- Sub-contractors who carry out works that include labour, plant and purchasing materials on behalf of Telford Homes Plc
- Plant suppliers from whom Telford Homes Plc hires some construction plant directly
- Labour agencies who provide temporary staff including site operatives

Each organisation of Telford Homes Plc's supply chain is required to complete a prequalification questionnaire in order to be assessed and to gain acceptance onto the approved supplier list. To maintain an approved status, suppliers must complete an annual renewal questionnaire.

2. Its policies in relation to slavery and human trafficking

Telford Homes Plc is committed to reducing the risk of modern slavery and/or human trafficking in all parts of the business, and engage with its supply chain to ensure they have adopted similar policies and practices, specifically:

- Comply with relevant legislation and regulatory requirements – we have introduced a new policy to strengthen our assurance
- Make its supply chain aware that we promote the requirements of the legislation

- Consider the risk of modern slavery and human trafficking when making procurement decisions
- Develop awareness across our business of potential modern slavery and human trafficking issues
- Incorporated modern slavery and human trafficking requirements into sub-contractor terms and conditions
- Evaluate tenders with appropriate weight given to modern slavery and human trafficking points
- We employ supply chain prompt payment terms so as not to place unnecessary demands upon them to fulfil their legal obligations
- Require our supply chain to take their own actions to prevent the possibility of modern slavery and human trafficking activities

3. Its due diligence processes in relation to slavery and human trafficking in its business and supply chains

To investigate and where appropriate cease trading with any organisation within our supply chain, who do not demonstrate their commitment to ensuring that modern slavery and human trafficking is not evident in their supply chain.

Further to the commitment made in our previous Statements, we have materially increased our database from 300 to 500 organisations during the last financial period. We have engaged with all of these subcontractors, consultants, designers, plant providers, labour agencies and material suppliers. We have received responses from all companies and have categorised them into relevant risk profiles. We are engaging more rigourously with those perceived to be of a higher risk, and in certain cases due to non-disclosure, organisations have been removed from the supply chain database. Telford Homes Plc will only enter into contract with new members of its supply chain who have satisfactorily responded to the relevant questionnaire and pre-qualification requirements.

Telford Homes Plc will continue to annually monitor all members of its supply chain. During 2018 our processes will be further enhanced through the application and use of the 'Builders Profile' database, a fully integrated pre-qualification supply chain management tool. This tool is being increasingly used by the sector to appraise health, safety, ethics (including modern slavery and human trafficking), sustainability and commercial competencies. Through its collaborative use, we believe we will gain improved supply chain visibility thereby minimising the potential of modern slavery and human trafficking within the construction sector.

4. 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

In relation to direct risk of slavery and trafficking on its sites we have implemented new procedures and induction processes to:

- Designate appropriate managers and new starters to undertake suitable training
- We ask all site operatives to provide evidence of their CSCS cards to aid audit processes
- All site inductions include awareness on modern slavery
- Posters are displayed within prominent locations on all sites raising awareness of modern slavery
- Ensure that all Telford Homes Plc's staff responsible for recruitment are or will be trained to be aware of issues around third-party labour exploitation and signs to look for
- Encourage workers to report cases of hidden third-party labour exploitation

In relation to the business as a whole we shall:

- Not use any individual or organisation to source and supply workers without confirming that workers are not being charged a work finding fee
- Ensure that labour sourcing, recruitment and worker placement processes are under the control of trusted and competent staff members
- Adopt a proactive approach to reporting suspicions of hidden worker exploitation to the Gangmasters and Labour Abuse Authority and police
- Provide information on tackling "Hidden Labour Exploitation" to its workforce
- Require labour providers and other organisations in the labour supply chain to adopt policies and procedures consistent with the above
- In addition to the use of the Builders Profile tool, we are committed to co-operating with our peers and specifically members of the Homes Supply Chain Sustainability School (the School), and the 'pooling' of our resources to improve the management of high-risk trades. By way of example, the Homes Partners Modern Slavery Hotspotting workshop will be undertaken in the autumn 2018

5. 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

Where appropriate an increasing number of Telford Homes Plc's supply chain are implementing their own policies and processes to ensure compliance with the Act.

Whilst undertaking our due diligence process we have not identified any slavery or human trafficking issues on our sites, nor through our supply chain. However, being part of a high-risk sector, we will continue to be diligent in assessing risk, by way of example, through the use of the Builders Profile tool and the School.

6. The training about slavery and human trafficking available to its staff

During 2018, the Company has engaged with the School as its partner to deliver Modern Slavery and Human Trafficking training – this is in addition to the training provided by Stronger Together during 2017. Training sessions continue with the Company's management, and increasingly training is being extended to relevant staff across the

business. In order to ensure staff are kept regularly updated and informed on Modern Slavery, training sessions and new e-module tutorials are programmed through the School over the next two years. During 2018, free of charge training has been offered to all of our high-risk subcontractors, with the sessions provided by the School.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Telford Homes Plc's modern slavery and human trafficking statement for the financial year ended 31 March 2018, and to date.



John Fitzgerald
Managing Director

27th September 2018