

Modern Slavery Statement



Crest Nicholson is committed to operating in an ethical, responsible and transparent manner across our business and in our relationships with stakeholders.

This statement, for the financial year ending 31 October 2019, explains the policies and activities we have in place to mitigate the risk of all forms of modern slavery in our business and supply chain.

An Overview of our Organisational Structure and Operations

Crest Nicholson is a leading developer with a history of creating well-designed sustainable communities for over 50 years. Our core operations are run through five housebuilding divisions and two further business units that provide specialist skills for strategic land and major projects. We are a FTSE250 listed organisation and operate within the southern half of the UK.

Where we refer to 'Crest Nicholson' or the 'Group' in this statement, we mean Crest Nicholson Holdings Plc (company registration number 6800600). [Any and all subsidiaries of Crest Nicholson Holdings Plc](#) are covered by this statement.

Our Supply Chain

Our tier-one supply chain is predominantly UK-based, with some material suppliers based in Europe. This first-tier supply chain comprises different organisations that vary in the goods and services they provide. These can be divided into three main segments: material suppliers; sub-contractors and agency labour; and consultants.

Risks within our Operations

We consider the following areas of our business and operations to be at risk of modern slavery and human trafficking:

On-site labour – specifically there is a risk of modern slavery in the labour provided to Crest Nicholson indirectly through sub-contractors and agencies.

Materials used in construction – specifically there is a risk of modern slavery in the upstream supply chain where constituent parts of materials that Crest Nicholson procure directly from tier-one suppliers are produced outside the UK and Europe where there may be less stringent employer and human rights legislation.

Policies relating to Slavery and Human Trafficking

The Group has numerous policies that set out our approach to the identification and prevention of unethical practices and that support our efforts to ensure that slavery and human trafficking are not taking place in our business or supply chain.

- Procurement - Through our sustainable procurement policies we set out our commitment to specify sustainable materials and work with supply chain partners that demonstrate a high regard for, and promote, social responsibility.

Modern Slavery Statement



- Corporate Health and Safety – It is the policy of Crest Nicholson to ensure, so far as is reasonably practicable, the health, safety and welfare of its employees while they are at work and of others who may be affected by the Group’s operations and undertakings.
- Occupational Health and Safety - This policy augments our Corporate Health and Safety policy (above) and covers the safety of our employees while carrying out their roles as well as the promotion of general health and welfare among employees.
- Anti-Bribery and Corruption – The purpose of this Policy is to set down a clear code of conduct that ensures that everyone acting on behalf of Crest Nicholson fully understands and conducts themselves in accordance with the legal regulations relating to bribery and corruption.
- Whistleblowing – We encourage all workers, customers, suppliers and contractors to report any concerns or malpractice. This policy facilitates a more open and honest working environment by providing mechanisms and procedures that allow workers to make disclosures without fear of reprisal or retaliation. Concerns can be reported in a number of ways, including through an anonymous, confidential and free telephone service that the Group provides.

Directly Employed Staff

As an organisation that only operates within the United Kingdom, we have a range of human resource processes, all of which follow UK law and best practice guidelines, as well as abiding by the International Labour Organisation (ILO) conventions. These policies and our human resources practices help us strive to maintain the highest standards of direct employee recruitment. Every employee of the Group is contracted and undertakes employment of their own free will.

All directly employed staff are paid at or above the living wage. Apprentices are subject to a different pay scale, which we ensure is above statutory guidelines. As such, our wages meet or exceed minimum statutory requirements.

Our Supply Chain Code of Conduct and Contractual Terms

In 2018, we introduced a new Supply Chain Code of Conduct. The Code brings together, in one document, all of our expectations for supply chain partners relating to a variety of important social and environmental matters. This includes a requirement for supply chain partners, no matter the size of their organisation, to manage their business operations in a manner consistent with the *Modern Slavery Act 2015*, while also upholding the fundamental conventions for the International Labour Organisation. We reserve the right to carry out supply chain audits to ensure these standards are met.

Our contractual agreements were also updated in 2018 to include adherence to the new Code of Conduct as well as introduce specific terms relating to the *Modern Slavery Act 2015*. These terms enhance our existing requirements for all suppliers’ and subcontractors’ employees to have the legal right to work in the UK and for companies to meet all current employment legislation and provide all statutory employment benefits.

New subcontractors are also screened for the SMAS Worksafe Certificate, which certifies appropriate health and safety competence.

Modern Slavery Statement



Promoting and managing disclosure across our business

In 2017, we worked with a leading not-for-profit charity, *Stop the Traffik*, to develop a robust escalation procedure within our business to manage reported incidents of modern slavery in our operations and train our HR team to effectively oversee this process. Since 2017, this escalation procedure has been in place.

In 2019, our HR team received refresher training to ensure that they remain aware of the issues surrounding modern slavery in construction and the smooth operation of our escalation procedure.

Modern slavery posters continue to be visible on our sites to encourage employees and operatives to report their concerns to our whistleblowing hotline or a line manager, and potential victims to contact the [Modern Slavery Helpline](#).

Awareness and Training to Staff

In 2018, we launched an e-learning programme for employees about the risks of modern slavery in our industry, with particular focus on spotting the signs of modern slavery practices occurring on site in order to support an environment of active disclosure. This e-learning is mandatory for all production staff. It is also available to all office-based staff through our Intranet.

We have also included information about modern slavery in our corporate induction process for all personnel and developed an Intranet resource page that provides further information to employees about modern slavery in the construction industry, the *Modern Slavery Act 2015*, and the steps the business is taking to mitigate the risk of modern slavery occurring in our operations and supply chain.

Following the successful roll-out of the e-learning for production teams, we are exploring further training for our procurement teams, where there will be particular focus on those areas under their control where the risk of modern slavery exists.

Crest Nicholson will continue to review potential mitigation measures that will complement our current policies and procedures in order to mitigate the risk of instances of modern slavery occurring through our supply chain.

The board of directors of the Company approved this statement at its board meeting on November 28, 2019.

A handwritten signature in blue ink, appearing to read 'P. Truscott'.

Peter Truscott
Chief Executive Officer
November 2019