



Countryside Properties PLC

Modern Slavery Statement for the Financial Year 2018/19 (year end 30 September 2018)

Introduction

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (the 'Act') and sets out the steps that Countryside Properties PLC, its subsidiary companies and their relevant joint ventures (together 'Countryside') have taken and are continuing to take to ensure that modern slavery and human trafficking is not taking place within any part of our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Countryside has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within our business or supply chain.

An overview of our organisation structure

Countryside is a leading UK home builder and urban regeneration partner, operating in and around London and the South East of England, and with a presence in the North West of England and West Midlands. Following the acquisition of Westleigh Group Limited ('Westleigh') in April 2018, it has expanded its operations in the Midlands and into Yorkshire. Countryside is divided into Housebuilding and Partnerships divisions, each with separate management structures, supported by several functions that are centralised at the Group head office. Countryside does not operate outside of the UK.

1. Our supply-chain

Our supply chain consists of hundreds of third party suppliers, contractors and sub-contractors on whom we rely to execute our projects, through the supply of goods and services. The suppliers vary in size from large corporations to individual tradesmen. The supply chain is predominantly UK-based, with some material suppliers based in Europe.

One of the central functions is a materials procurement team, who control a database of all Countryside's Suppliers on behalf of the business divisions. This database consists of National and Regional companies either sourced centrally or regionally dependent upon location and market conditions. Those materials and orders are then managed by the regional business divisions. Due diligence as to their compliance with Countryside policies and the maintenance of the database is managed by the central procurement team.

2. Our high-risk areas

Many of Countryside's suppliers, contractors and sub-contractors are smaller businesses and are not required in law to make formal declarations relating to the Act. Countryside recognises that these suppliers/contractors, along with their suppliers and sub-contractors (including those outside the borders of the United Kingdom) present the most risk to its business in relation to the Act.

With regard to materials used in construction, there is a risk of modern slavery in the upstream supply chain where materials used by Countryside are procured from suppliers outside the UK and Europe, where employer and human rights legislation is less stringent.

3. Countryside's policies

We operate a number of internal policies which require that we conduct business in an ethical and transparent manner. These include:

- Anti-slavery policy - which sets out Countryside's stance on modern slavery and explains how employees can identify any instances of this and where they can go for help.
- Recruitment policy – which includes the requirement to conduct eligibility checks for the right to work in the UK for all employees to safeguard against human trafficking or individuals being forced to work against their will.
- Anti-Bribery and Corruption policy – which sets strict limits for the giving or receiving of gifts or hospitality and requires transparency for all employees through quarterly disclosure.
- Whistleblowing policy – which facilitates a third-party confidential line in cases where an individual discovers information which they believe shows serious malpractice or wrongdoing within the Company (the individual is able to disclose this information without fear of reprisal).
- Code of Conduct - which explains the manner in which all Countryside employees and agents must behave and how we expect our suppliers and contractors to act.

Actions taken to combat modern slavery

1. Obligations on our suppliers – contractor assessment

Countryside operates a supplier policy and maintains a preferred supplier list. We conduct due diligence on all new suppliers before allowing them to become a preferred supplier. Countryside's Modern Slavery & Human Trafficking policy forms part of our contract with all new suppliers and they are required to confirm that no part of their business operations contradicts this policy. We reserve the contractual right to terminate any supplier contract in the event of breach of this requirement.

Given that many of Countryside's suppliers are long-standing, we have also written to all such suppliers asking them to make the same confirmations to us that we require from new suppliers.

The confirmations we require from all preferred suppliers are:

1. They have taken steps to eradicate modern slavery within their business;
2. They hold their own suppliers to account over modern slavery;
3. They pay their employees at least the national minimum wage / national living wage (as appropriate); and
4. We may terminate the contract at any time should any instances of modern slavery come to light.

2. Contract terms

Our standard supplier terms include bespoke robust anti-modern slavery provisions (including an obligation on our suppliers to obtain similar commitments from their suppliers).

3. Training and awareness

We have conducted training for all of our procurement/buying teams so that they understand the signs of modern slavery and what to do if they suspect that it is taking place within our supply chain. Refresher training will take place at regular intervals and all new managers with recruitment responsibility receive training in this area. Training is also available to all employees on Countryside's learning portal.

Posters and fliers have been rolled out across both business Divisions to make all workers aware of the warning signs of modern slavery and how to report these internally so that they can be investigated.

Site inductions for all workers on our construction sites include checking the right to work.

4. Our performance indicators

For 2017/18, Countryside reported that the effectiveness of the steps being taken to ensure that slavery and/or human trafficking is not taking place within our business or supply chain would be tested against:

- Number of reports received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified; or
 - Number of reports received from within our supply chain to indicate that modern slavery practices have been identified.
- To date, no reports have been received.

Areas of focus and improvement during 2017/18

A principal area of focus during 2017/18 has been the integration of Westleigh into the Countryside Group. A programme has commenced to align Westleigh's processes, procedures and training with those in Countryside. This year, Westleigh has published its own Modern Slavery Statement (see <https://www.westleigh.co.uk/modern-slavery>). From next year, Westleigh will comply fully with all Countryside policies and procedures and will become part of Countryside's Modern Slavery Statement.

A key protection against the risk of modern slavery on building sites is stringent application of the requirement for all site workers to hold valid Construction Skills Certification Scheme (CSCS) cards. The CSCS card ensures eligibility to work (whether for reasons of age, nationality or skills). A new induction process for all new site workers has been implemented during 2018, which includes a strict prohibition on paper copies which are more easily forged.

In May 2018, a programme was run across all Countryside sites to raise awareness of the risk of modern slavery. The programme included 'tool box' talks, poster campaigns and a video (provided by the Gangmasters and Labour Abuse Authority), for all site staff to be aware of the risk and educating employees and third-party contractors working on site of the signs of potential modern slavery. A further 'awareness campaign' is planned for all new Westleigh group sites during October.

In measures to address supply-chain risk:

- A programme of visits to key overseas suppliers is being implemented, during which anti-modern slavery measures are reviewed;
- The pre-qualification criteria for the take-on of any new supplier has been strengthened with regard to the requirements for detecting and combatting modern slavery; and
- A standard questionnaire has been developed and circulated to all existing high-risk sub-contractor trades (like cleaners, security and labour agencies) to both communicate Countryside's zero tolerance policy, and better understand the sub-contractor's degree of preparedness to counter modern slavery.

This statement was approved by the Board of Countryside Properties PLC and the subsidiary companies listed below and in accordance with the requirements of the Act it will be reviewed and updated annually.

Ian Sutcliffe
Group Chief Executive

21 November 2018

COMPANIES ON BEHALF OF WHICH THIS SECTION 54 MODERN SLAVERY STATEMENT IS MADE:

Countryside Properties PLC
Countryside Properties (Uberior) Limited
Countryside Properties (UK) Limited
Millgate Developments Limited
Countryside Zest (Beaulieu Park) LLP
Acton Gardens LLP