

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

Introduction

The Modern Slavery Act 2015 has introduced an obligation on organisations to produce an annual statement of the measures taken to ensure that there is no modern slavery (including human trafficking) taking place within an organisation or its supply chain.

Avant Homes' structure and business

The Avant Homes Group is one of the UK's leading privately-owned housebuilders operating in Scotland, the North East of England, Yorkshire and the Midlands. We have offices in each of these regions and have over 570 employees.

At Avant Homes we are committed to driving unethical practices out of the supply chain, including by taking appropriate and proportionate steps to mitigate the risk of modern slavery and human trafficking occurring both within our own business and our supply chain.

Our supply chain

We have a supply chain which comprises suppliers and sub-contractors, including major national companies, regional companies, small and medium enterprises and local businesses. Our suppliers and sub-contractors may in turn source services and goods from other suppliers and sub-contractors, a small proportion of which may be sourced from outside the UK.

Our policies

Corporate responsibility is an integral part of the Group's culture and we work to ensure that we comply with all legal and regulatory requirements and follow best practice. We are also focussed on ensuring that our suppliers and business partners adopt similar values.

We have a robust framework of policies, procedures and contractual requirements in place which already contribute towards the prevention of slavery or human trafficking within the Group and our supply chain. These include our recruitment, reporting of improper activities, ethics, health and safety and procurement policies, which have been updated to ensure that they specifically incorporate references to address the issues relating to modern slavery and human trafficking.

Due Diligence

As part of the Group's initiative to identify and mitigate risk, it continues to keep under review its existing business and supply chain to identify the key risk areas and the level of risk within the Group's operations. We have also carried out a review of our internal policies and have undertaken a due diligence review to ensure that our suppliers and sub-contractors are fully accountable for compliance with the legislation. We build long standing relationships with our suppliers and sub-contractors and make clear our expectations to our business partners of the importance of adhering to the highest standards of corporate responsibility.

Risk Assessment

Although the Group does not operate or directly source materials from high risk markets, such as emerging economies, the Group is not complacent. We expect all of those in our supply chain and our contractors to comply with our values, including those businesses which do not have an annual turnover of over £36 million, and which are not covered by the Modern Slavery Act, to ensure that the highest levels of compliance are embedded across the whole supply chain.

We procure the majority of our directly sourced materials from UK based organisations that are required to comply with UK laws on forced labour. However, we have amended our standard terms and conditions of supply and sub-contract to place an obligation on our suppliers and sub-contractors to comply with the Modern Slavery Act 2015. Failure to comply with the legislative requirements will entitle the Group to terminate a contract.

We undertake stringent and extensive due diligence checks when recruiting staff and carry out checks to ensure that all employees have the right to work in the UK before employment commences. We also ensure that agency labour is recruited through reputable agencies, which operate on a regional or national level and which are required to have procedures in place to minimise the risk of recruiting forced or compulsory labour.

We also undertake extensive pre-qualification checks prior to appointing suppliers and sub-contractors to work with the Group.

The Group also has a whistleblowing policy and culture in place where concerns about illegal acts can be reported on a confidential basis.

As part of the Group's ongoing programme of review, we may also review or reconsider additional policies, procedures and requirements if appropriate.

Policy effectiveness and monitoring

We use the following key performance indicators to measure how effective we have been, to ensure that slavery and human trafficking is not taking place in any part of our business or our supply chain:

- Audit of the pre-qualification process for all suppliers and sub-contractors
- Audit of each regional business to ensure that the Group's revised terms and conditions of purchase and sub-contract have been issued to all suppliers and sub-contractors
- Group monitoring of the recruitment process and control of the payroll system
- Monitoring of the appointment of temporary and agency labour by each regional business to ensure that reputable agencies are used

Training

To ensure an understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we are incorporating training on the Modern Slavery Act into our rolling programme of training to relevant members of staff within the key departments in the business, particularly the commercial, procurement, construction and human resources departments.

Board Approval

This is Avant Homes' statement on slavery and human trafficking under section 54 of the Modern Slavery Act 2015 for the financial year ending 30 April 2017, which has been produced in line with the guidance issued by the Home Office under the Act.

This statement has been prepared on behalf of all subsidiary organisations within the Group and has been formally adopted by all such subsidiaries as their own statement for the purposes of section 54.

This statement was reviewed and approved by the Avant Homes Group Board 27th October 2017 and will be reviewed and updated, as appropriate, on an annual basis.

Colin Lewis

27th October 2017