



MODERN SLAVERY STATEMENT

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and sets out the steps we have taken to ensure that our business as well as our supply chains are free from slavery and human trafficking during the financial year ending 31 March 2018/19.

We are committed to preventing slavery and human trafficking occurring in any of its corporate activities, as well as seeking to ensure that our supply chains are also free from such practices.

Our organisational structure and operations

Caledonian Modular Limited is a market leader in the offsite construction industry and operate across multiple sectors; MOD, Commercial, Retail, Hotel, Student Accommodation, Health and Education sectors.

We currently employ 215 people and operate in the United Kingdom.

Nature of our supply chain

We procure a wide range of goods and services via a diverse and varied supply chain along with the provision of sub-contractor services, including property related services (construction and maintenance), building materials, facilities management services, communications and IT services, temporary/agency staff, various professional services and office equipment and supplies.

Policies relating to slavery and human trafficking

Our Anti Slavery Policy reflects our commitment to implementing and enforcing effective procedures and controls to minimise the risks of human trafficking and other modern slavery practices infiltrating our business operations or supply chains and to acting ethically and with integrity in all our business activities and relationships.

As part of our initiative to identify and mitigate risk we require our suppliers, as part of our tender procedures, to complete a self assessment Pre-Qualification Questionnaire (PQQ), which includes questions targeted at slavery and human trafficking risk. The PQQ is used to determine the risk profile of suppliers for supplier sustainability issues. Suppliers completing a PQQ are also expected to provide evidence to support their responses to address areas such as discrimination, freedom of information, forced labour and child labour. We endeavour to work with suppliers who treat their obligations towards modern slavery with the same importance that we do.

Our recruitment processes are robust and transparent. We have procedures in place for the vetting of new employees and ensure that we are able to confirm their identities and that they are paid directly into an appropriate personal bank account.

Our whistleblowing procedure and policy provides a mechanism for our employees to report suspected breaches.

Risk assessment/due diligence processes

As part of our initiative to identify and mitigate the risks of slavery and human trafficking occurring within our supply chains we have taken the following actions:

- We have considered each part of our business and have assessed where the greatest risks of slavery and human trafficking arise.
- All new suppliers and sub-contractors complete our pre-qualification process. These requirements require our supply chain to demonstrate the steps taken to ensure that slavery and human trafficking is not taking place in any part of their business.

- For existing suppliers and sub-contracts, we have discussed the background to the Modern Slavery Act 2015 and asked them to demonstrate the steps they have taken to ensure that any form of slavery or human trafficking is not taking place in any part of their business.
- We shall be mindful of imported products from outside the UK/EU which may be potentially more at risk for slavery/human trafficking issues.
- As part of our Supplier Risk Assessment and on-going monitoring of our supply chain we carry out regular reviews to ensure suppliers are assessed and the information held on our supply base is up to date. This may include supplier audits or on-site assessments dependant on the nature of the goods or services being provided and also on the industry sector in which the supplier operates. The frequency of these audits or on-site assessments will be dependant on the risk profile of the contract and/or supplier.
- We conduct regular site visits to our key suppliers' premises.

We have systems in place to:

- Identify and assess potential risk areas in our supply chains.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains.
- Monitor potential risk areas.

Staff guidance/training

We have cascaded our anti slavery policy out to all staff to ensure that they understand the risks of modern slavery and human trafficking. This area is also covered as part of our induction process. Our staff are integral to ensuring our business guards against modern slavery, particularly members of the Procurement team and training will be provided by the Head of Procurement. Our employees are encouraged to identify and report any potential breaches of our anti-slavery policy and we have in place protection for those who whistle-blow in relation to an issue on modern slavery.

Monitoring

We intend to use the following key performance indicators to monitor how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains:

- Continually assessing risk
- Mindful of production/delivery deadlines which might mean influx of labour
- Identified targets for the number/percentage of suppliers giving us information on their procedures

Future action

We will continue to monitor the effectiveness of our actions to combat slavery and human trafficking within our business and supply chain over the course of the next financial year. We aim to develop a Supplier Code of Conduct which will require compliance from all our suppliers. We shall continue to update our policies and procedures as required to ensure we maintain appropriate safeguards against any mistreatment of persons involved in our supply chain or own business. We will ensure that any new members of the procurement team receive training whilst existing members will be refreshed periodically.



Paul Lang
Chief Executive Officer

1 November 2018