

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

The Wates Group is proud of the ethical standards that we have embedded into our business over many years, and we believe that these standards are consistent with the underlying principles of the Modern Slavery Act 2015. Slavery and the trafficking of people have no place in the modern world. Wates has a zero-tolerance approach to slavery and human trafficking and we expect our supply chains to take the same stance. We are committed to developing, implementing and enforcing effective systems and controls to ensure that we address the threat of modern slavery within our business and in all of our business relationships, including in our supply chains.

THE WATES GROUP STRUCTURE

The Wates Group is an independent and family owned construction, house building, maintenance, building services and facility management services company. It is the ultimate parent company of a number of Group companies that in total employs approximately 4,000 people. Our work takes place predominantly in the UK but we also have an office in Abu Dhabi. The Wates Group has an annual turnover of approximately £1.6 billion, and the following Wates Group companies have a turnover in excess of £36 million:

- Wates Construction Limited
- Wates Group Services Limited
- Wates Living Space (Maintenance) Limited
- SES (Engineering Services) Limited.

This statement is made on behalf of Wates Group Limited and the individual Group companies referred to above in accordance with the requirements of the Modern Slavery Act 2015, and its contents take account of the activities and supply chains of them all.

To find out more about the nature of our business, please visit www.wates.co.uk.

OUR POLICY ON ANTI-SLAVERY AND HUMAN TRAFFICKING AND OUR CODE OF CONDUCT

The Wates Group Anti-Slavery and Human Trafficking Policy may be found [here](#) and our core values are underpinned by our [Code of Conduct](#). Appropriate action is taken to investigate any breach of our policy or our Code of Conduct.

Our Anti-Slavery and Human Trafficking Policy reflects a long-standing commitment to acting ethically and with integrity in all of our business relationships, supported by the development and implementation of effective systems and controls.

We are committed to ensuring, so far as we are able, that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our supply chains include sub-contractors, suppliers, labour agencies and professional services providers. We take a zero-tolerance approach to slavery and human trafficking and we expect our supply chain to comply with our values as set out in our Anti-Slavery and Human Trafficking Policy and Code of Conduct.

OUR ANTI-SLAVERY AND HUMAN TRAFFICKING ASSURANCE PROCESS

As part of an initiative to identify and mitigate risk in respect of slavery and human trafficking we have:

- Established a working group tasked with evaluating the risk of modern slavery occurring in our supply chain and implementing proportionate and effective systems and controls to ensure that we address the risk;
- Regularly evaluated the nature and extent of our exposure to the risk of modern slavery occurring in our supply chain by carrying out annual slavery and human trafficking risk assessments to enable us to apply a risk-based and proportionate approach to dealing with any issues;
- Updated our Anti-Slavery and Human Trafficking Policy based upon our risk assessments;
- Reviewed the contracts that we have with our supply chains and amended these to require compliance with the Act;
- Mandated, where appropriate, that our supply chains be registered with the Constructionline validation system, which requires our supply chains to confirm their compliance with the Act;
- Updated our pre-qualification questionnaires (which form part of our process for accepting our supply chains onto our approved supplier list) to include specific questions on modern slavery and human trafficking. The responses to these questionnaires are reviewed by our procurement team;
- Developed a third party auditing process for targeted, high risk projects in circumstances where we are procuring directly. We have obtained information on the measures that our high risk supply chains are carrying out to ensure that modern slavery and human trafficking is not taking place. Where we consider that these measures are not sufficient, we work with our supply chain to improve their approach;
- Held a modern slavery workshop with our key labour agencies;
- Commenced modern slavery compliance audits with our key labour agencies; and
- Widened the scope of the Wates Group whistle-blowing procedures to include the reporting of modern slavery and human trafficking issues, so that any individual may confidentially raise a potential issue.

TRAINING

We invest in educating our staff to recognise the risks of modern slavery and human trafficking in our business and supply chains. To ensure a high level of understanding of the risks we are providing training to our staff that is proportionate to the level of risk, including online and face-to-face training, where appropriate. Employees are encouraged to identify and report any potential breaches of Wates' Anti-Slavery and Human Trafficking Policy and Code of Conduct.

DEVELOPING FOR THE FUTURE

Continued internal monitoring of our supply chains remains a priority for the Wates Group. Those suppliers that have been identified as high risk are more heavily monitored to ensure that their working practices (and those of their supply chain) are compliant.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the slavery and human trafficking statement for the Wates Group and its Group companies for the financial year ending 31 December 2018.

This statement has been approved by the Board of Directors of Wates Group Limited and signed by David Allen, the Chief Executive of Wates Group Limited.

A handwritten signature in black ink that reads "D. O. Allen".

David Allen
Chief Executive, Wates Group Limited

For and on behalf of Wates Group Limited and its Group companies
Date: 27 June 2019