



NHBC Modern Slavery and Human Trafficking Statement

Relating to the financial year 2025/2026

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Renewal date: September 2027

1 Organisational structure, business and supply chains

In the financial year from 1 April 2025 to 31 March 2026 (inclusive), the National House-Building Council (NHBC) continued its commitment and activities to combat instances of slavery and human trafficking within its business and supply chain.

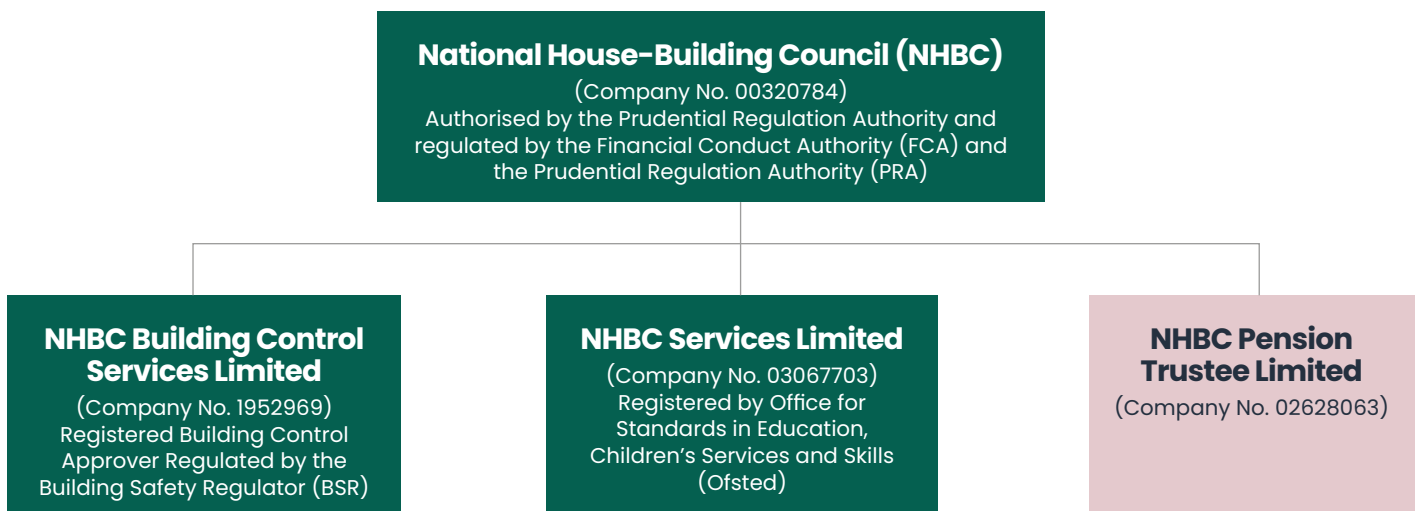
Organisation structure

NHBC is the UK's leading provider of warranty and insurance for new-build homes. NHBC is authorised by the Prudential Regulation Authority (PRA) and dual regulated by the PRA and the Financial Conduct Authority (FCA).

As a non-profit distributing private company limited by guarantee with no shareholders, NHBC operates independently of government and the home-building industry. Profits generated from our trading activities are used to bolster our capital base and reinvest in the business.

NHBC's principal activities are the sale of warranty and insurance products for new-build homes, training and quality services, and inspection and building control services. Our core purpose is to raise standards in house building.

NHBC operates solely within the UK, with a diverse workforce of around 1,400 colleagues across England, Scotland, Wales and Northern Ireland. NHBC, along with its subsidiaries, forms part of the NHBC Group of companies.



All subsidiaries are 100% held by the National House Building Council.



Supply chain structure

Of NHBC's active supplier base of around 1,400 suppliers, the majority operate within the UK. A small number have a global reach, mainly in North America and within IT and technology fields. Our supply chain and approach to modern slavery is managed by our Procurement department, which has experience in sourcing and managing risk, including a dedicated third-party risk manager. NHBC's supply chain fits into three main categories:

1. the settlement of claims activities (eg remedial works contractors and consultants who carry out work in relation to NHBC's Buildmark warranty and insurance products)
2. business-to-business services (eg marketing and events, IT and telecommunications, travel, car fleet, consultancy and other professional services)
3. operational services – all other procurement of goods and services (eg personal protective equipment, cleaning, catering, stationery and maintenance of NHBC's offices).

NHBC has good visibility of its tier 1 (direct) suppliers, who are contracted and onboarded directly and, where high-risk, monitored through Supplier Ethical Data Exchange (SEDEX). While NHBC has strong visibility of its Tier 1 suppliers, visibility beyond Tier 1 is inherently more limited, particularly where direct suppliers engage subcontractors or labour providers. We recognise this as an area of increased supply chain risk and will continue to enhance our understanding through a phased programme of supply chain mapping and risk assessment, initially focusing on remedial work contractors.

Governance

To mitigate and manage the risks of modern slavery within our own operations and supply chain, NHBC has a clear governance system in place to monitor and deliver the strategy. Our executive sponsor for modern slavery is NHBC's Chief People Officer, and NHBC's Board is responsible for approving the Statement that is published annually on our website and the UK Government's Modern Slavery Statement registry. NHBC's Head of Procurement is responsible for managing modern slavery risk within NHBC's supply chain, while the Head of Talent and Inclusion is responsible for managing risk within our own operations and employment practices, both in terms of designing and implementing controls and monitoring their effectiveness.

The information in this statement has been compiled from NHBC's procurement records and the supplier data held on the SEDEX platform, from the Global Slavery Index, from input provided by internal policy owners across Procurement, HR and Risk, and from training-completion data held in our internal systems. A draft of the statement was reviewed through NHBC's governance process before being approved by the Board.

2 Organisational policies

Procurement Code of Conduct and Supplier Management Policy

The Procurement Code of Conduct and Supplier Management Policy (Policy) applies to NHBC and its subsidiaries. It is a mandatory policy and commits all employees and contractors to ensure that NHBC's procurement activities are sourced ethically, environmentally and socially responsibly. The Policy is reviewed regularly and approved by NHBC's Board Risk Committee.

All procurement activities must be undertaken in adherence to the principles outlined in the Procurement Code of Conduct. These include:

- fostering an awareness of human rights
- fraud and corruption issues
- managing business relationships where unethical practices may come to light and taking appropriate action to report and remedy them
- undertaking due diligence on appropriate supplier relationships in relation to forced labour and/or other human rights abuses
- continually developing knowledge of forced labour.

Any instances of actual or perceived non-compliance with the Policy/Code of Conduct must be reported via NHBC's Risk Management Framework. Perceived breaches of the Code of Conduct can also be reported to line management or via NHBC's confidential whistleblowing helpline.



Supplier Code of Conduct

Our Supplier Code of Conduct sets out our minimum standard that must be followed by all employees when carrying out sourcing and supplier relationship management activities on behalf of NHBC for any organisation that provides us with goods or services. We expect all colleagues to appropriately manage business relationships with suppliers where unethical practices may come to light and take appropriate action to report and remedy them.

We currently mandate that due diligence on appropriate supplier relationships in relation to modern slavery, forced labour and human trafficking, child labour, diversity, equity and inclusion and health and safety is undertaken and that requirements and responsibilities as set out within NHBC's Financial Crime Policy are followed. Suppliers must also comply with all applicable laws and regulations for the countries in which they operate.

All suppliers should have processes in place for reporting any concerns that employees, suppliers or customers may have around modern slavery and are required to promptly report any violations of this Code of Conduct to procurement@nhbc.co.uk. No violations with the Code of Conduct have been reported to date.

NHBC reserves the right to assess and monitor supplier compliance with this Code of Conduct. This may include conducting audits and assessments, requiring corrective actions for non-compliance and terminating relationships with suppliers who fail to meet expectations. The Code of Conduct is regularly reviewed with input from NHBC's Legal department.

Remedial Works Contractor (RWC) Contract Policies

The settlement of claims activities, including remedial works contractors and consultants who carry out work in relation to NHBC's Buildmark warranty and insurance products, forms a large part of NHBC's supply chain. RWCs have been categorised as a high-risk supplier within our supply chain mapping, and we therefore ensure that a modern slavery clause is within all RWC contracts. This includes not engaging in child labour, forced labour, the exploitation of vulnerable people or human trafficking (slavery and human trafficking); ensuring all employees and agency workers are paid in compliance with all applicable employment laws and minimum wage requirements; and that RWCs take reasonable steps to prevent slavery and human trafficking in connection with their business.

NHBC reserves the right to assess and monitor supplier compliance with this clause. NHBC expects our RWCs to be able to demonstrate that the representations and warranties given are true and accurate and respond to all requests for information. This may include conducting audits and assessments, requiring corrective actions for non-compliance and terminating relationships with suppliers who fail to meet expectations.

HR Recruitment Policy

NHBC continues to undertake thorough background checks in accordance with its Recruitment Policy before employment commences. All NHBC roles continue to be paid at least the real Living Wage¹.

Financial Crime Policy

NHBC is committed to high ethical standards and ensuring that we comply with financial crime-related laws and regulations to prevent our services from being used for the purposes of financial crime including fraud, money laundering, terrorist and proliferation financing, sanctions, bribery, corruption, tax evasion and market abuse. Processes have been implemented to control the risk of financial crime, including regular risk assessments, mandatory training for employees, due diligence of third-party relationships, gifts and entertainment and conflicts of interest procedures and a whistleblowing portal. These support the outcomes of maintaining a culture of integrity and ethics, as well as seeking to prevent, detect and report financial crime.

The Chief Risk Officer is accountable to the Board, providing regular reporting on financial crime matters, including a quarterly report to the Audit Committee evidencing the effectiveness of controls and the management of financial crime risk associated with our activities.

Whistleblowing Policy

NHBC seeks to foster a culture that encourages colleagues to report suspected wrongdoing as soon as possible, knowing that their confidentiality will be respected and their concerns will be taken seriously and investigated appropriately without fear of reprisal, even if they turn out to be mistaken. This includes providing an independent and confidential whistleblowing helpline overseen by the Risk and Compliance department, with the Audit Committee receiving reports on issues raised.

The publicly available policies referred to above are available on our website, including our Modern Slavery Statement (nhbc.co.uk/modernslaverystatement) and our Whistleblowing Concerns page (nhbc.co.uk/whistleblowing-concerns). In addition, as part of our supplier due diligence process, suppliers are required to read and confirm their adherence to our Supplier Code of Conduct.



3 Assessing and managing risk

NHBC's Risk Management Framework seeks to ensure that all material risks are identified, assessed, managed, monitored and reported. NHBC's risk appetites define the amount of risk we are willing to accept in the pursuit of our objectives and set boundaries within which we are prepared to operate. These are supported by quantitative and qualitative measures used by management and the Board to understand risk exposure and to implement measures where exposure falls outside of appetite. This approach is supported by a policy framework that specifies minimum standards in relevant risk areas. Some relevant policies are referred to in Section 2 – Organisational policies.

Risk responsibilities across the organisation reflect the 'three lines of defence' model, with ownership of risk in the first line. Oversight, guidance, challenge and assurance are provided by the second line Risk and Compliance function, with independent assurance activity carried out by Internal Audit acting as our third line of defence.

We continue to monitor our supply base against the global slavery index, which allows us to identify hotspots within the supply chain. NHBC has exposure to eight out of the 18 industries identified as high risk by the Global Slavery Index. The supplier types within those eight industries identified as presenting a particularly elevated risk for NHBC are:

Global Slavery Index industry	Industry translation for NHBC	NHBC supplier link
Construction	Remedial works contractors	Preferred supplier list claims RWCs
Services hospitality	Hospitality (hotels and meeting venues)	Inntel Travel online booking system
Manufacturing and electronics	Consumables and PPE	J&K Ross Ltd
Manufacturing and electronics	IT hardware	Storm Technologies Ltd
Services – cleaning	Cleaning	GVO Services Ltd
Services – catering	Catering	Wilson Vale Ltd

NHBC has signed up to the Supplier Ethical Data Exchange (SEDEX) software platform, which allows us to onboard and monitor suppliers identified as operating in high-risk sectors and enhances NHBC's ability to identify risks within supply chains effectively. High-risk category suppliers were identified during the year and the Procurement team is now in the process of onboarding these suppliers into SEDEX. It is anticipated that there will be scope to carry out external audits for suppliers within the platform based on level of risk. Within the next 12 months, we plan to collect data to inform the ethical supplier strategy to determine our future approach.

This supply-chain risk assessment was last refreshed in 2026. It is reviewed at least annually as part of preparing this statement and is updated in-year where a material change in our supply base, or a new risk indicator, makes this necessary.

Our own operations

As well as our supply chain, we consider the risk of modern slavery within our own operations. NHBC operates solely in the UK with an employed, professional workforce of around 1,400 colleagues, is regulated by the PRA and FCA, pays at least the real Living Wage, and carries out right-to-work checks as part of recruitment. Our whistleblowing channels are available to all colleagues. Taken together, these factors mean the risk of modern slavery within our direct workforce is assessed as lower than in parts of our supply chain.

The areas of higher relative risk within our own workforce are the use of agency and temporary labour and any directly employed lower-paid roles. Where services such as cleaning and catering are provided by third parties, these are addressed through our supply-chain due diligence.

NHBC has identified the risk of failing to source goods or services responsibly and ethically and outlined controls and control owners below. They are included in the Policy:

Risk description	Control	Control owner
NHBC fails to source goods or services responsibly and ethically	Adherence to the Procurement Policy, processes, procedures and the Outsourcing and Third-Party Risk Management Framework in alignment with NHBC's Procurement Code of Conduct.	Heads of departments
	Ongoing in-contract life supplier due diligence.	Head of Procurement
	Risk-based monitoring and review programme to ensure Procurement Policy is adhered to.	Head of Procurement
Own-operations modern slavery risk assessment		Head of Talent and Inclusion



4 Due diligence

NHBC takes a risk-based approach to due diligence, such that suppliers providing goods and services to NHBC meeting specified criteria are required to complete a due diligence questionnaire (DDQ) as part of NHBC's Procurement Process. As part of the DDQ, suppliers are required to review and confirm their alignment with NHBC's Supplier Code of Conduct (see section 2 above).

5 Training

Mandatory e-learning courses on modern slavery and other topics such as financial crime have been issued to all NHBC employees, not just those responsible for procurement and supplier relationship management activity, to raise awareness in both work and home life.

This e-learning is built and maintained in-house by our Learning and Development team with content reviewed by Risk and Procurement, and is reviewed annually to keep it aligned with current Home Office guidance.

Completion levels are measured at a senior level within NHBC and form part of NHBC's mandatory training course completion business performance indicators. NHBC suppliers are not currently requested to undertake any modern slavery training, but a training strategy for high-risk suppliers is in development.

Modern slavery e-learning is refreshed every two years. During FY2025/26, mandatory modern slavery training was completed by 100% of colleagues assigned the e-learning. Of those who completed the training, 30% were in building inspection roles, which are considered higher risk for identifying potential indicators of modern slavery.

6 Evaluation and effectiveness

Strategy

Modern slavery is included within the company-wide business and sustainability strategies and is considered as part of our financial crime risks. Work to develop a proportionate Responsible Procurement Strategy is still in progress due to the need to align it with other sustainability and business strategy initiatives that are due to be introduced this year, including our net zero transition plan and corporate strategy refresh. The Responsible Procurement Strategy will detail clear approaches for the use of supplier data, including categorisation of suppliers to determine the treatment depending on materiality and risk level.

NHBC continues to ensure prompt payment in accordance with contractual payment terms to its supply base to reduce the risk of organisations becoming vulnerable, which could in turn contribute to modern slavery offences.

Whistleblowing

NHBC offer three ways to blow the whistle internally. These include a freephone line dedicated to NHBC and manned by specially trained people to record concerns, a confidential website for those who do not wish to report over the phone, and an internal phone and email contact for our Chief Risk Officer. These are published on our internal website (the Hub) and updated appropriately. These channels are supported by NHBC's EthicsPoint arrangements and provide colleagues and others with a confidential and, where appropriate, anonymous means of raising concerns, including allegations relating to slavery and human trafficking.

Additional posters were added around NHBC buildings last financial year and remain visible for all colleagues, with particular focus in higher-risk areas such as cleaning and supply rooms. As our Modern Slavery Statement is now embedded within our sustainability strategy, we decided to enhance awareness this year through increasing virtual awareness through our internal website and communication platforms. To continue to promote our whistleblowing helpline and whistleblowing process, we updated our internal whistleblowing pages and sent out additional comms to remind all colleagues of our policy and procedures and where to find additional support.

NHBC's whistleblowing helpline is also published on our external websites and is therefore publicly available for concerns to be raised by anyone associated with NHBC. A Compliance monitoring review during the 2025/26 financial year found good awareness of the helpline.



Supplier Code of Conduct and RWCs

During the financial year, the Supplier Code of Conduct was updated and introduced at the supplier onboarding stage along with the introduction of modern slavery and other human rights abuses into the RWCs' contracts. The Code of Conduct now provides suppliers with a nationwide mechanism to report concerns related to modern slavery, along with an internal email address to raise issues directly with NHBC's Procurement team. No non-compliances with the Code of Conduct have been reported to date.

We have started the process of mandating that suppliers from high-risk categories sign up to our Code of Conduct, starting with suppliers from cleaning and catering companies. This allows us to track the number of suppliers that have agreed to our Supplier Code of Conduct and establish a baseline for the introducing of more-detailed KPIs. This financial year we have included a KPI to increase the number of high-risk suppliers signed up to this Code of Conduct within our sustainability strategy. We have also included a further KPI on increasing the number of suppliers who have a modern slavery statement or who agree to the principles of ours.

Both the Code of Conduct and RWC contracts are due to be reviewed in line with commitments made within NHBC's sustainability strategy. We will outline additional expectations for suppliers and strengthen current expectations within the next financial year.

Training

Training and communication of a sustainable supply chain are part of a wider business strategy that aims to align ethical procurement with wider sustainability practices within NHBC. Internal and external training on supply chain ethics and sustainability are part of a business-wide sustainability communication and training plan that aims to engage and collect data from our supply chain.

Targets

We intend to continue to improve our commitment and activities relating to modern slavery by reviewing our approach and working towards targets, including:

- further action to be taken to promote our whistleblowing helpline and whistleblowing process externally to our supply chain
- delivering the communication and training plan for supply chain engagement to improve data capture/quality and educate suppliers on expectations
- developing a Responsible Procurement Strategy to set out and clarify our expectations of the supply chain, aligned with our internal sustainability positions
- carrying out a risk assessment for our RWCs to enable flagging before they are accepted onto our register and give focus to ensuring communication of our whistleblowing policies and processes are communicated to our customers and contractors.

Alignment with the December 2025 statutory guidance

The Home Office updated its statutory guidance, Transparency in supply chains: a practical guide, on 1 December 2025, setting out levels of best practice rather than new mandatory requirements. We have assessed this Statement against that guidance. NHBC already meets a number of the Level 1 points and is continuing to progress towards best practice. The areas we will continue to develop are principally: mapping our supply chain below tier 1; framing our risk assessment around risk to workers as well as risk to NHBC; remediation, building on the current route to report a concern; and outcome-focused KPIs with baselines and targets. A full gap analysis has been completed and we will report progress in our next Statement.



Statement locations

NHBC external website: Modern Slavery Statement | NHBC Government Modern Slavery Registry:
NATIONAL HOUSE-BUILDING COUNCIL modern slavery statement summary (2024) – GOV.UK
(modern-slavery-statement-registry.service.gov.uk)

No modern slavery incidents were identified in NHBC's supply chain during FY 2025/2026. We recognise that this alone is not proof that our approach is fully effective, and we are continuing to strengthen how we identify and respond to concerns as an area of ongoing improvement.

Over the same period, no concerns relating to modern slavery were raised through our whistleblowing channels and the supplier reporting mechanism and no non-compliances with the Supplier Code of Conduct were reported.

NHBC is committed to ensuring that its processes and approach are appropriate, effective and reflect the risks within its business.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes NHBC's modern slavery and human trafficking statement for the financial year ended 31 March 2026.

A handwritten signature in black ink, appearing to read 'Craig Pocock'.

Craig Pocock,
Chief People Officer

September 2026