

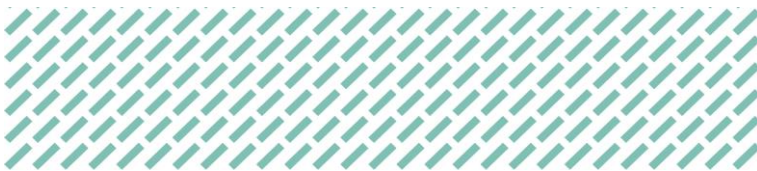
NHBC Modern Slavery Statement

Relating to the financial year 2024/2025

Contents

1. Introduction
2. Organisational policies
3. Assessing and managing risk
4. Due diligence
5. Training
6. Evaluation and effectiveness

Renewal date: September 2025



1. Introduction

In the financial year from 1 April 2024 to 31 March 2025 (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.

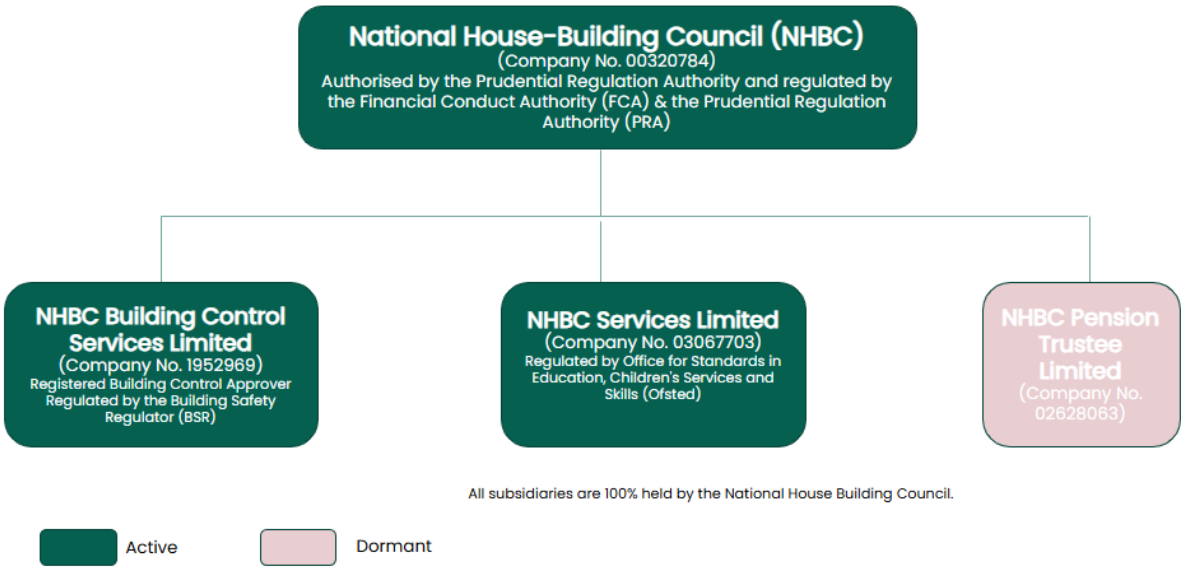
Organisation and supply chain structure

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.

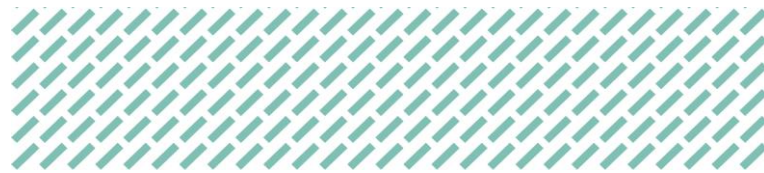
NHBC’s principal activities are the sale of warranty and insurance products for new-build homes, training and quality services, and inspection and building control services. Our core purpose is to raise standards in house building.

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.



Of NHBCs active supplier base of around 1,000 suppliers, the majority operate mainly within the UK, with a small number having a global reach. Our supply chain and approach to modern slavery is managed by our Procurement department who have experience in sourcing and managing risk. 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).



Governance

NHBC has a clear governance system in place to monitor and deliver the strategy, to mitigate and manage the risks of modern slavery within our own operations and supply chain. Our executive sponsor for modern slavery is NHBC's Chief Executive Officer. NHBC's Board is responsible for approving the Modern Slavery Statement which 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, designing and implementing controls and monitoring their effectiveness.

2. Organisational policies

Procurement Code of Conduct and Supplier Management Policy

The Procurement 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.

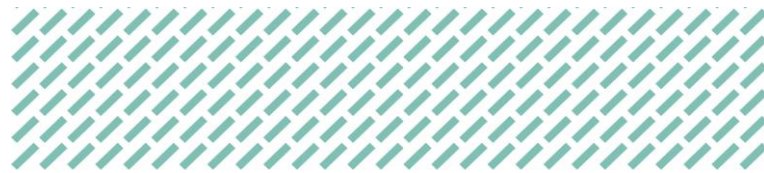
Any instances of actual or perceived non-compliance with the Policy/Code of Conduct must be reported via NHBC's Risk Management Framework. Perceived breaches of the Code of Conduct can also be reported to line management or via NHBC's confidential whistleblowing helpline.

Supplier Code of Conduct

During the year, a Supplier Code of Conduct was introduced at the onboarding stage requiring suppliers to agree to a statement of intent and standards relating to ethical supply chains, including modern slavery, forced labour and human trafficking, child labour, diversity, equity and inclusion and health and safety. Suppliers must comply with all applicable laws and regulations for the countries in which they operate. Suppliers 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.

All suppliers should have processes in place for reporting any concerns that employees, suppliers or customers may have around modern slavery. For any concerns within NHBC's organisation or supply chain NHBC's Procurement department can also be contacted directly via procurement@nhbc.co.uk. The Code of Conduct is regularly reviewed with input from NHBC's Legal department.



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 regulation 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.

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:

- remedial works contractors
- hospitality (hotels and meeting venues)
- consumables and PPE
- IT hardware
- cleaning

¹ As specified by the [Living Wage Foundation](#)



- catering.

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. During the year, high-risk category suppliers were identified, 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.

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 the Third-Party Risk Management Framework in alignment with NHBC's Procurement Code of Conduct.	Heads of department
	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

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.

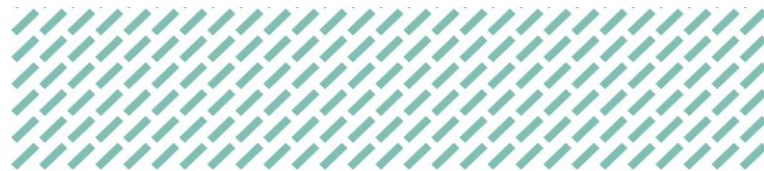
Completion levels are measured at a senior level within NHBC, and form part of NHBC's mandatory training course completion business performance indicators. NHBC suppliers are not currently requested to undertake any modern slavery training, however a training strategy for high-risk suppliers is to be developed within the next 12 months.

6. Evaluation and effectiveness

NHBC is committed to combating instances of modern slavery and human trafficking across our business and supply chain and believe that our processes and controls are operating effectively.

Modern slavery is included within the company-wide strategy to improve the sustainability of our business and supply chain. Development of an Ethical Supplier Strategy is in progress and will contain a communication and training plan to engage and collect data from our supply chain. It will detail clear approaches for the use of supplier data, including categorisation of suppliers to determine the treatment depending on risk level, including potential audits using SEDEX.

NHBC's whistleblowing helpline continues to be available to all NHBC colleagues and published on our internal and external websites. The service allows confidential and anonymous reporting



of concerns and allegations. The line is publicly available for concerns to be raised by anyone associated with NHBC.

Our Supplier Code of Conduct was introduced and is operating effectively, providing suppliers with a nationwide mechanism to report concerns related to modern slavery.

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

We aim to further improve our activities relating to modern slavery by

- Continuing internal and external communication to promote our whistleblowing helpline and whistleblowing process to encourage colleagues and suppliers to utilise this if needed. This includes further enhancing signage in high-risk areas within our own operations and supply chain.
- Developing a communication and training plan for supply chain engagement to improve data capture/quality and educate suppliers on expectations.
- Developing an Ethical Supplier Strategy to set out and clarify our expectations of the supply chain, aligned with our internal sustainability and ESG positions.
- Developing appropriate KPIs to measure modern slavery controls effectiveness.

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 in NHBC's supply chain were identified within FY 2024/2025.

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 2025.

Signed by:

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29/9/2025

Chief Executive Officer

Date: