

## ANNUAL SLAVERY AND HUMAN TRAFFICKING STATEMENT

The 2015 Modern Slavery Act ('the Act') came into force on 29 October 2015. This statement is made pursuant to Part 6 of the Act and sets out the steps Annington Limited ('the Company') and its subsidiaries have taken to ensure that slavery and human trafficking is not taking place in our supply chains or in any part of the business.

Modern slavery is a term used to encompass slavery, servitude, forced and compulsory labour, bonded and child labour and human trafficking. Victims are coerced, deceived and forced against their free will into providing work or services. Human trafficking is where a person arranges or facilitates the travel of another person with a view to that person being exploited. Modern slavery is a crime and a violation of fundamental human rights.

Annington conducts an annual review of its business and operations including risks associated with modern slavery. This work identified that Annington remains a low risk business but that the areas of highest risk exists around our contracting activities and the possible use of slave / trafficked labour on site or within the Company's supply chain. When considering the risks associated with the various areas of the business the Company's established policies covering Slavery and Human Trafficking, Whistle-Blowing, Supplier Code of Conduct and Sustainable Procurement form the backbone of the review.

Within Annington's core refurbishment and new build operations, the scale of work carried out each year varies considerably due to two factors. Firstly the numbers of sites and homes returned to Annington by the MoD and secondly the condition in which they are handed back. In order to manage this and the fact that the release of properties to Annington is entirely at the discretion of the MoD, Annington has determined that the most effective and efficient method of procuring the refurbishment work is to outsource it to pre-selected contractors and suppliers. The year April 2017 to March 2018 saw the MoD hand the lowest number of properties back to Annington since 1996.

During the year Annington ensured that it remained compliant with the legislation by ensuring all new contractors completed the updated pre-qualification questionnaire which covers modern slavery legislation and that all engaged contractors certify that they have the relevant policies and procedures in place and that they will abide by the Annington Supplier Code of Conduct.

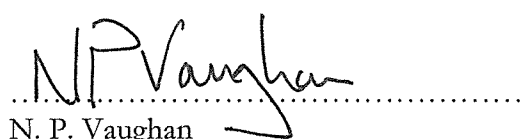
Annington continues to raise awareness of slavery and trafficking issues amongst its staff and contractors through training. Training on slavery and human trafficking for all staff is delivered as part of the Company's annual training programme, so that they can understand the risks involved and know how to make the organisation aware of issues so they can be addressed.

Annington will continue to monitor and assess its performance in this area through the following measures:-

- Engagement with contractors to raise awareness of the Modern Slavery Act and our Supplier Code of Conduct. This is done continuously through pre-commencement meetings with contractors to ensure they are aware of Annington's policies and are abiding by their own policies
- Continuing to focus on our supplier due diligence process to ensure that we engage appropriately with any new suppliers and contractors.

Annington strictly prohibits the use of modern slavery and human trafficking in our operations and supply chain and is committed to implementing systems and controls and delivering training aimed at ensuring that modern slavery is not taking place anywhere within its organisation or in any of its supply chains. The Property Director has responsibility for ensuring that the contractors and suppliers used in the refurbishment of properties comply with Annington's policies, including our Slavery and Human Trafficking policy. The Commercial Director has responsibility to the Annington board for oversight of the Act across the Group.

This statement represents Annington's statement in accordance with Section 54 of the Modern Slavery Act 2015 for the financial year 1 April 2017 to 31 March 2018 and has been approved by the Board of Directors.

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N. P. Vaughan

Director

on behalf of the Board of Annington Limited

12 June 2018