

INTRODUCTION FROM THE CHIEF EXECUTIVE

In line with our commitment to operate ethically and in compliance with all relevant laws and regulations, we are continuing to improve our practices to combat slavery and human trafficking in our supply chain by working with both our suppliers and employees. This statement describes the positive steps we have taken and are continuing to take to ensure that slavery and human trafficking does not take place within our supply chain or any part of our business.

ORGANISATION'S STRUCTURE

Portakabin is a European manufacturer of portable and modular building solutions. We are a part of the Shepherd Building Group Limited (Company Number: 653663) which is also our ultimate parent company.

Portakabin has its head office in the UK. Portakabin has over 1750 employees and operates in ten countries: England, Scotland, Wales, N. Ireland, Ireland, France, Belgium, Germany, Luxembourg and the Netherlands. Portakabin has a global annual turnover in excess of £295m. Further details about Portakabin can be found at www.portakabin.co.uk.

OUR BUSINESS

Portakabin provides portable and modular buildings for sale and hire, and offsite manufactured permanent buildings for sale for temporary, semi-permanent and permanent use across a range of sectors and for a variety of applications, from offices, nurseries and classrooms to hospital wards, call centres and laboratories. Portakabin has its head office in York and operates its business from a network of hire centres.

OUR SUPPLY CHAINS

Our supply chains are responsible for sourcing and purchasing a wide range of materials and the provision of a variety of subcontractor services. Materials include items such as steel, timber and bulk chemicals for our manufacturing process and others such as furniture, electrical, ironmongery and windows for our assembly and fit-out of finished units.

The provision of subcontractor services for delivery and installation includes roofing, cladding, flooring, groundworks, plumbing and mechanical and electrical. As well as on site subcontractor services include catering, cleaning, consultants, IT, and telecoms support services.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. This stance is in line with our Business Ethics policy.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk we are continuing to implement measures to ensure that suppliers and subcontractors are engaged via a controlled process and are subject to approval by the central Procurement function before they contracted to supply materials or provide sub-contract services.

This engagement process clearly sets out the standards and expectations that we expect all of our supply chain partners to achieve with regards to slavery and human trafficking. Suppliers are asked to sign a Supplier Code of Conduct.

We have processes that enable us to identify and mitigate any potential risks within the supply chain. These processes are under constant review for their effectiveness.

We have systems in place to protect whistle blowers. We continue to hold Achilles accreditation.

SUPPLIER ADHERENCE TO OUR VALUES

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we require our suppliers and subcontractors to adhere to our Supplier Code of Conduct. All suppliers are asked to return a written declaration to confirm their compliance with the Modern Slavery Act 2015.

In addition, Portakabin have recently undertaken a review of our contracting processes and are in the process of updating our contractual terms, which include a commitment to not use slave labour or participate in human trafficking.

TRAINING AND AWARENESS

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we have made available to our employees an eLearning module to raise awareness of what Modern Slavery and Human Trafficking is and how each and every employee can seek to ensure that it does not take place in our business or our supply chain.

Communications have been made to all employees to provide a high level overview of the meaning of Modern Slavery and Human Trafficking and the zero tolerance stance of Portakabin in regard to this matter.

In 2018 we launched "Leading in Portakabin", a 1 day introduction to leadership which covers our Business Responsibility commitment to our Customers and Partners. This includes our desire to achieve a transparent and ethical supply chain and zero slavery.

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We have brought this statement to the attention of those in our procurement & purchasing functions and given the opportunity to provide feedback, to raise queries and to have them answered.

Our central procurement team are currently carrying out an assessment of the risk of non-compliance in our supply chain. They are also discussing with the Quality function how we can update and improve the supplier auditing process to ensure compliance to the standards agreed. We require our suppliers to adhere to our policies (including Business Ethics Policy, Anti-Bribery and Corruption Policy, and Equal Opportunity and Diversity Policy) and seek express acknowledgement of this through our Supplier Code of Conduct.

FURTHER STEPS

Following a review of the effectiveness of the steps we have taken to ensure that there is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat slavery and human trafficking in our supply chains:

- Following on from work undertaken in 2018 around the improved Supplier Engagement process we intend to review and, to the extent necessary based on legal advice, update our contracting processes to ensure that our suppliers are bound to comply with our policy against slavery and human trafficking, and include the ability to terminate relationships for any non-compliance;
- Having developed a Supplier Code of Conduct which requires compliance from all of our suppliers our focus now switches to measuring the effectiveness;
- We will be refreshing and recommunicating our Responsible Business Approach reemphasising a zero tolerance approach to slavery in our supply chain and our business as a whole;
- We will require appropriate employees to complete training to understand the risks of modern slavery and human trafficking;
- In 2019 we will launch a competency matrix in Portakabin which will provide clear direction of mandatory training within the business. This will include Modern Slavery awareness; and
- we will continue to communicate and cascade information on modern slavery across the business in order to raise awareness.

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

This statement was approved by the board on 15 May 2019.

A handwritten signature in black ink, appearing to read "D.C.", is positioned above the printed name of the Chief Executive.

**Derek Carter
Chief Executive
Portakabin Limited**