Peabody Group - Modern Slavery and Human Trafficking Statement 2025

As a responsible employer and business, and as an organisation dedicated to improving the lives of our residents and the communities we serve, Peabody is committed to doing everything we can to prevent slavery and human trafficking. This statement sets out how we deliver that commitment, understanding and mitigating the risks of slavery or human trafficking taking place within our business or supply chain, and demonstrating compliance with the Modern Slavery Act 2015. It is intended to provide our stakeholders with information to make an informed choice about their dealings with us.

1. Organisational Structure, Our Business and Supply Chains

Peabody was established in 1862 by the American banker and philanthropist, George Peabody. We are one of the oldest and largest housing associations in London and the South East. In April 2023, Peabody merged with Catalyst Housing Limited, another housing association with similar values and goals, including a commitment to do everything possible to eliminate modern slavery and human trafficking. Following that merger, the Peabody Group, which operates exclusively within the United Kingdom, is responsible for 108,000 homes and 220,000 residents across London and the South East. We have 17,500 care and support customers.

Regulated by the Regulator of Social Housing, Peabody provides quality homes and works with communities to strengthen neighbourhoods and support people when they need it most.

Peabody Trust is the parent entity of the Peabody Group. It has approximately 50 subsidiaries of various tiers, which between them carry out the full range of activities undertaken across the group This statement has been prepared to cover the activities of Peabody Trust and its subsidiaries, including Town and Country Housing (TCH), Peabody Developments Limited, Peabody Construction Limited and Catalyst By Design Limited; as well as other subsidiaries of Peabody Trust, as set out on Peabody's website.

2. Organisational Policies

The Group has strategies, policies and procedures in place which help detect and prevent slavery and human trafficking. These cover our workforce, our supply chain, and our residents as well as the wider communities we work with across London. They include:

- paying the Real Living Wage as a minimum to all Peabody Group employees;
- encouraging colleagues not to work in excess of the number of hours permitted by law;
- a Recruitment Policy which includes requirements for all new employees to provide verified documents (such as a passport) before their start date to verify their legal right to work in the UK;
- policies on Equality, Diversity and Inclusion, Safeguarding Children, Safeguarding Adults, Domestic Abuse and Violence Against Women and Girls, including specialist training and support for front-line employees;

- the requirement that all employees and suppliers adhere to Peabody's updated Code of Conduct and related policies, which include provisions against bribery, and requirements in relation to workplace behaviour and equality and diversity;

- a Whistleblowing Policy which protects employees and contractors from negative repercussions if they make a report in good faith about an apparent breach of legislation or Peabody's Code of Conduct, and requires that all such reports will be properly investigated and acted upon, as necessary. Our policy makes it easier for anyone with concerns to provide us with information, with confidence that we will take it seriously and treat it confidentially; and

- a Social Value Policy which delivers a cohesive approach for optimising social value (with a 20% weighting for social value now standard policy in all above threshold tenders) throughout all our commissioning and purchasing activity. This supports the United Nation's Sustainable Development Goals detailed in the '2030 Agenda for Sustainable Development' and adopted by all United Nation Member States in 2015. This is monitored and reported on according to outcomes provided by the UK Social Value Bank, via the HACT Social Value Insight tool. Social value delivery supports a broad remit of our community investment, care, inclusion and harm reduction work.

- TCH has its own Contractor Code of Conduct, which states "We do not tolerate forced, debt bonded, indentured labour practices or human trafficking. TCH does not allow harsh or inhumane treatment, including corporal punishment or the threat of corporal punishment. We expect our suppliers and others to meet these expectations". The Code of Conduct also provides that "forced, bonded (including debt bondage) or indentured labour, involuntary prison labour, slavery or trafficking of persons shall not be used".

Peabody regularly reviews its policies and practices to make sure they are compliant with legislation and in line with organisational needs and best practice. The Peabody Code of Conduct and related policies apply to all board and committee members, employees, involved residents, contractors, consultants, and agency staff. They are designed to assist employees and others working with Peabody to understand their responsibilities and obligations and provide guidance on expected behavior in the workplace. As a housing association and organisation active in community work across London, Essex, Kent and the Home Counties, Peabody is well placed to identify signs of slavery and human trafficking, and as such we place value on the training our front-line employees receive to help them spot issues when going into homes and meeting residents.

Peabody has zero tolerance of any threat of physical or sexual violence, harassment or intimidation against employees or Board Members, or their families or close associates.

3. <u>Assessing and Managing Risk</u>

In February 2025, Peabody become the first housing association to be awarded the respected Good Business Charter accreditation, underscoring our commitment to ethical business practices and social responsibility. The Good Business Charter is an independent UK-based certification recognising responsible business behaviour across ten key areas, including employee wellbeing, diversity and inclusion, environmental responsibility, and commitment to customers. To earn the accreditation, Peabody was required to demonstrate our performance

in all ten areas - showing we operate with integrity, fairness and respect for all stakeholders, including employees, residents, suppliers and the environment.

The Good Business Charter also obliges Peabody to include adherence to the Ethical Trading Initiative Base Code in our standard terms and conditions.

When procuring third-party suppliers, Peabody is governed by the Procurement Act 2023, which includes compliance within the selection process for above-threshold procurements. These obligations are placed on the lead supplier and their respective supply chain partners. Any failure to meet this requirement will lead to the disqualification of the applicant. For below-threshold contracts or agreements, clauses are included within the Group's standard terms and conditions seeking assurance from suppliers that they comply.

Peabody's Procurement Policy and Procedures requires all suppliers with a spend above £25,000 per annum to register with our Supply Chain Compliance scheme which continuingly assesses our supply chain, providing visibility of a suppliers' stance / policies and alerting us when they expire or do not meet the relevant standards. This approach supports our Contract Management Framework which requires all colleagues to monitor compliance with the requirements of the Act on an ongoing basis.

Peabody's Group Procurement Team now includes roles specific to Supplier Relationship Management whose responsibility it is to work with colleagues to enhance our contract management expertise through training and direct support, to improve reporting from our suppliers against Key Performance Indicators (KPIs) and ensure that compliance is adhered throughout the life of the contract.

In relation to our development activities, Peabody has a strong view that combatting modern slavery and human trafficking should be a priority for all in the construction industry. Actions to date by our development team have included:

- conducting a review along with our Procurement team to ensure that our compliance requirements within our contractors' framework are sufficiently robust;
- requesting and reviewing Modern Slavery statements, policies, and updates from our existing contractors;
- updating our Employer's Requirements to include a specific requirement for contractors to provide posters on site signposting modern slavery helplines;
- rolling out an appropriate e-learning module which all colleagues in our Development team are required to take annually;
- reviewing further measures on a continuous basis, such as a protocol for monitoring via monthly site meetings and site inspections; and
- conducting a continuous review of our Development Control Manual to consider, amongst other things, further detail on understanding and how to act if any particular instances are detected on site.

Actions undertaken by our customer-facing teams who are involved in providing services to our customers include:

- checking for signs of modern slavery and human trafficking during home or site or scheme visits, as well as any other welfare concerns which the residents or members of their households or our contractors or members of the public, may have;

- where we have concerns, we undertake a review to investigate the matter (using specialist and/or independent advice where required) and report the matter to the relevant authorities in line with our policies and procedures and wider safeguarding approach; and
- thoroughly investigating reports of subletting and taking robust action against it. Peabody will support prosecutions where it is appropriate and issue money claims to prevent profiteering from subletting social housing.

4. Due Diligence in relation to Modern Slavery

In one instance, concerns were raised when an environmental caretaker failed to attend work. Messages were received stating they were unwell, followed by a resignation notice. The line manager found the communication suspicious and out of character, suspecting impersonation. The individual had worked for Peabody for 10 years, but it is likely that right-to-work documents provided at the time of employment were false, and that the individual was exploited by a criminal gang and may have been a victim of modern slavery.

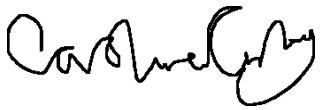
The police, Home Office, and HMRC were informed immediately on discovery. An internal review of the original right-to-work checks and the robustness of current controls was completed, but this appeared to be an isolated incident.

We do not knowingly support or deal with any business involved in slavery or human trafficking.

Conclusion

This statement has been reviewed by Peabody Trust's Board on 29th July 2025. The Board is satisfied that it meets the requirements of the Modern Slavery Act 2015 as set out above and demonstrates Peabody's commitment to this area as a responsible employer and business.

Signed:



Caroline Corby
Chair of the Board