

MODERN SLAVERY STATEMENT

CALA Group (Holdings) Limited and its group companies welcomed the introduction of the Modern Slavery Act 2015 last year and continue to support its objectives.

We are a privately owned, UK national house builder. We are headquartered in Scotland with eight regional offices located in the UK.

All of our operating sites are currently in Scotland and England.

The global annual turnover of the Group for the financial year ended 30 June 2017 was £747.9 million. The Group's main trading entity is CALA Management Limited, which also adopts this statement.

The Group currently employs approximately 980 people. We are committed to fair employment practices and to following all applicable employment laws.

Our supply chains include building contractors, sub-contractors, product suppliers and professional consultancies e.g. architects and land surveyors. Other suppliers to our business are professional services firms such as lawyers, accountants and other consultants.

The majority of our onsite construction is carried out through our sub-contractors and our building materials sourced through suppliers.

We seek to act ethically and with integrity in all of our business relationships. This is reflected in our Statement of Ethics, Anti-Bribery Compliance Policy and Guidelines for Service Providers and our Sustainability and Health & Safety policies. We carry out a thorough selection and verification process with our existing and prospective suppliers and service providers.

We are committed to improving our practices to combat forced labour and human trafficking in all its forms within our business and supply chains.

During the current financial year, we have continued to review our practices, policies and procedures.

During the financial year ending 30 June 2018 we intend to embark on a training programme for all of our staff as well as continuing to address and review of the risk of modern slavery within our business and supply chain. We will continue to raise awareness of modern slavery in our business, including to new employees as part of our induction programme.

We have specifically highlighted the issue of modern slavery to our employees through internal communications. They are required to report concerns and management are required to investigate and, where necessary, take appropriate action on any concerns expressed.

We want to work with suppliers and sub-contractors who share this commitment to tackling modern slavery. We will be reviewing our practices, policies and procedures to establish the best way of incorporating our policy on modern slavery, with the goal of ensuring that any third parties with whom we deal are making efforts to prevent forced labour and human trafficking in their business. This will include enhancement of our selection and verification process in order to highlight risks of modern slavery.

Across the Group, we use standard contractual documentation to govern our relationships with service providers, suppliers and sub-contractors. We are continuing to review these contracts with a view to including a contractual provision for our suppliers and service providers to comply with the Modern Slavery Act 2015.

This statement is made and published in accordance with section 54 of the Modern Slavery Act 2015. It has been approved by the board of directors of CALA Group (Holdings) Limited and CALA Management Limited and is signed by Alan Brown, Group Chief Executive.

A handwritten signature in black ink, appearing to read 'A Brown', with a long horizontal flourish extending to the right.

December 2017