

Modern Slavery Statement

Purpose and scope of this Statement

This Statement is made pursuant to section s54 of the Modern Slavery Act 2015 ("the Act") and constitutes our slavery and human trafficking statement for the financial year ending 31 March 2025. In this Statement slavery and human trafficking is referred to as modern slavery. This Statement applies to all legal entities that form part of The Karbon Home Group (The Group). The Groups' subsidiaries are listed at the end of this Statement.

Introduction to Karbon Homes

Since our formation in 2017, we've focused on delivering our three strategic aims - to provide as many good quality homes as we can, to deliver excellent service to our customers, and to shape strong, sustainable places for our communities.

Karbon provides homes and services which form the foundations for people and places to fulfil their potential. As a housing association, we own or manage almost 35,000 properties across the North-East of England and Yorkshire and develop more homes every year. We provide social rented, affordable, specialised, and market rented homes, along with the development of shared ownership and market sale homes to meet our customers' aspirations.

We always make the effort to understand our customers. We believe that everyone deserves respect. Everyone's voices should be heard. And everyone deserves someone in their corner now and then. We believe that by focusing on our three strategic aims, combining a sound business head with a strong social heart, and staying true to our values, we can build strong foundations for even more people.

Our commitment

Modern slavery and human trafficking are an issue that exists in both developed and developing economies and across business sectors. Karbon has a zero-tolerance approach to slavery, servitude, forced labour and human trafficking (modern slavery), and is committed to conducting business with honesty, integrity and treating everyone with dignity and respect. Our existing policies, processes and contracts show that we embrace the principles and aims of the Modern Slavery Act 2015.

We are strongly opposed to modern slavery. We will do what we can to prevent and combat such abuses in our business, in our supply chains and in connection with the customers we support.

We act ethically and with the highest standards of integrity, quality, probity, openness, and accountability in all our business operations and relationships.

We are committed to being open and transparent in how we conduct our business and interact with customers and other stakeholders, and we publish a range of information relating to our approach to transparency and sharing information.

We will continue to develop, implement, and enforce processes and controls that seek to ensure modern slavery is not taking place within our business, our supply chains, or in connection with the customers we support.

We will not knowingly deal with any business involved in modern slavery. If any is found in a supplier we are working with, we will act collaboratively with them to resolve and prevent further occurrences. Our relationship with our supplier/s may be terminated if a serious breach occurs, or if sufficient improvement is not made.

In our own business

We believe the risk of slavery and human trafficking within our operations is low. We will continue to be vigilant and where a compliance breach is identified, we will act promptly, involve the appropriate agencies and feedback lessons learnt to minimise the risk of an incident occurring again.

We have a staff Speak Out policy which enables all employees or others with serious concerns over any aspect of our work to come forward and express those concerns. If there is a case to answer, the person concerned would be reported to the relevant authorities and the matter will be dealt with under our Disciplinary Policy.

Our policies, training, internal controls, and regular reporting provide visibility, and assurance that risks are minimised. We are not aware of any incidents during the year. However, we will continue to be vigilant and where a compliance breach is identified, we will act promptly, involve the appropriate lead agencies and feedback lessons learnt to minimise the risk of an incident occurring again.

Our supply chain

We engage with a wide variety of organisations for a broad range of goods and services which are primarily corporate, construction and property maintenance-related, but also to meet some more specialist requirements. Our procurement activities take place in England and our contractors and suppliers are predominantly UK based, though their materials suppliers are often not.

Our customers

We have a role to play to keep our customers, and the people who live with them safe, so they may live free from abuse and neglect. We operate on the basis that safeguarding is everyone's responsibility and have robust procedures in place so that appropriate action is taken when concerns are raised. Safeguarding training is

mandatory for all customer facing staff, as they are more likely to witness or receive safeguarding concerns.

Some of the people we house are vulnerable to modern slavery, particularly those that are lonely or isolated or those with a substance use addiction. The form the modern slavery may take includes financial control & abuse, cuckooing and forced criminality. If requested to do so, we help the police to gather intelligence so that enforcement action may be taken against the criminals, and where our tenants were found guilty of using their property for slavery, we would take appropriate action. We additionally support the police and multi-agency partnerships to assist the victim, by enabling or providing rehousing, or where it was appropriate to do so, by improving the security of the property.

Policies on modern slavery

We have an extensive and robust framework of policies, procedures and contractual requirements in place which should already contribute towards the prevention of slavery or human trafficking within our organisation and our supply chains. These include but are not limited to::

- Allocations
- Anti-bribery and anti-corruption
- Anti-Fraud, Anti-Theft and Anti-Corruption Policy
- Anti-Money laundering
- Conflict of Interests
- Contractor Code of Conduct
- Dignity and Respect at Work
- Disciplinary
- Domestic Abuse
- Gifts and Hospitality
- Health and Safety
- Procurement
- Recruitment
- Speak Out
- Tenancy Fraud

This financial year the Group have introduced the new Procurement Act which requires all contracting authorities to increase their transparency throughout the life of their contracts. This new source of data will strengthen and support the awareness of modern slavery across our supply chains and issues with suppliers in related sectors. We will continue to review and update relevant policies and procedures as necessary, so that we take effective and proportionate steps to ensure there is no modern slavery in our business or our supply chains.

The Group has robust People and Organisational Development policies and procedures in place and an employee Code of Conduct to ensure the fair treatment of all colleagues. We comply with all applicable employment legislation relating to employee terms and conditions, including payroll, the use of agency employees and we invest in supporting the health and wellbeing of our staff.

Our Safeguarding Adults and Children Policy includes specific reference to modern slavery and how to respond to and escalate any concerns.

Our Tenancy Fraud and Allocations & Lettings policies are clear that staff must take appropriate action to ensure that customers living in our homes 'are who they say they are'.

Due Diligence processes

Karbon is committed to ensuring that modern slavery and human trafficking does not take place in any part of our own business or supply chains. As part of our initiative to continually identify and mitigate risk, we have in place systems to:

- Identify and assess potential risk areas in our supply chains, by requiring new suppliers to declare that they are not involved in modern slavery or human trafficking and have not been subject to any investigation in connection with any offence involving slavery or human trafficking.
- Mitigate the risk of slavery and human trafficking occurring in our supply chains, by including provisions in our template contract documentation requiring our suppliers to take appropriate steps to ensure that there is no slavery or human trafficking in their supply chains.
- We continue to review our procurement policies regarding tenders and contracts to ensure they reflect best practices and to mitigate against the risk of modern slavery; and
- We have formed links with other housing associations to share information about best practices in tackling modern slavery.

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our employees and all our employees within the Group Procurement department have undertaken Ethical Procurement and Supply training which incorporates modern slavery issues.

Risk Assessment

There are several ways we assess and manage the risk of modern slavery in our own operations. We have policies and processes in place to minimise the risk of modern slavery among the colleagues we employ directly, and our People, plus Procurement functions are working together to minimise the risk of modern slavery among colleagues who are not directly employed by us.

Karbon encourages its employees and suppliers (where permitted by law) to report certain matters confidentially or anonymously without fear of retaliation, including circumstances that may give rise to slavery or human trafficking concerns (please refer to our Speak Out, Safeguarding, Anti-Social Behaviour and Domestic Abuse policies).

Measuring effectiveness

We will continue to use performance indicators to measure how successful we have been in ensuring that modern slavery is not taking place in any part of our business or supply chains, this performance indicators include.

Internally

- the delivery of mandatory training for employees engaged in recruitment and procurement activities.
- updating of supplier contracts to reflect obligations for Modern Slavery Act compliance.
- Continue to review of the effectiveness of the steps we have taken to ensure that there is no slavery or human trafficking in our supply chains:

Externally

- monitor and report the number and type of issues identified on screening suppliers and sub-contractors.
- the number of whistleblowing reported breaches in the past year.

Training for staff

Modern slavery training is included as part of our Procurement training, which is available to all staff via our learning management software. In addition we provide advice and guidance to those teams who have direct responsibility for relevant supply chains, plus our 'customer facing' teams who regularly enter homes to ensure a high level of understanding of the risks of modern slavery. For example, we provide essential safeguarding guidance which covers how to spot the signs and indicators of modern slavery.

Compliance

We have not identified any breaches of the Act in our business or our supply chains during 2024/25. This Statement was approved by the Board. It will be reviewed on an annual basis.

This statement has been published pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Karbon's slavery and human trafficking statement for the financial year 2025/2026. It has been approved by the Board of Directors and will be reviewed annually.

Date of approval: 30/09/2025

Related links

www.gov.uk/homeoffice/modern-slavery-business-guidance

Group Structure

The Group is made up of several legal entities. Karbon Homes Limited is the parent organisation of the Group. Karbon Homes Limited is registered with the Regulator of Social Housing (RSH) as a private registered provider of affordable housing. It is the parent of 54 North Homes Limited which is also registered with the RSH.

Both associations are charitable and are registered as community benefit societies under the Cooperative and Community Benefit Societies Act 2014.

The Group also engages in activities through its limited company subsidiaries, Prince Bishops Homes (commercial residential lettings), Next Level Developments (residential development), Karbon Developments Limited (development services), Enterprise Durham Partnership (Social enterprise), Karbon Land Ventures (development services) and Karbon Solutions Limited (a cost sharing vehicle). These subsidiaries are companies limited by shares, other than Enterprise Durham Partnership which is a company limited by guarantee.

54 North Homes Limited is the corporate trustee of three alms-houses which are registered charities under the Charity Commission.

Leazes Homes Limited is a Registered Society under the Co-operative and Community Benefit Societies Act 2014.