

Annex 1



**Homes England  
Modern Slavery Act  
Policy & Statement 2022/2023**

## PUBLISHED DOCUMENT VERSION CONTROL

Version	Date	Name	Comments
V1	March 2016	HCA Modern slavery statement	Original Version produced by Homes and Communities agency
V2	March 2017	HCA Modern slavery statement	Second annual MSA (Modern Slavery Act) Policy and Statement produced by Homes and Communities agency
V3	June 2018	Homes England (Op Risk)	Third annual MSA (Modern Slavery Act) Policy and Statement (first produced by Homes England Operational risk)
V4	April 2019	Homes England Financial Crime Compliance	Fourth annual MSA (Modern Slavery Act) Policy and statement produced by Homes England Financial Crime compliance as FCC has taken over responsibility for the policy from Operational risk.
V5	March 2020	Homes England Financial Crime Compliance	Fifth annual MSA (Modern Slavery Act) Policy and statement produced by Homes England Financial Crime compliance
V6	July 2021	Homes England Financial Crime Compliance	Sixth annual MSA (Modern Slavery Act) Policy and statement produced by Homes England Financial Crime compliance
V7	June 2022	Homes England Financial Crime Compliance	Seventh annual review of MSA (Modern Slavery Act) Policy and statement produced by Homes England Financial Crime Compliance

## Contents

<i>PUBLISHED DOCUMENT VERSION CONTROL</i> .....	2
<b>Introduction</b> .....	4
<b>Relevant Guidance and Information</b> .....	6
<b>Expectation and Encouragement</b> .....	6
<b>Public Reporting of Non-compliance</b> .....	6
<b>Victim Support</b> .....	6
<b>Construction Industry Toolkit</b> .....	7
<b>The Gang Masters and Labour Abuse Authority – GLAA works in partnership to protect vulnerable and exploited workers</b> .....	7
<b>Modern Slavery and Human Trafficking Public Statement 2022/23</b> .....	8
<b>Key Statement Highlights for 2021-2022</b> .....	9
<b>Governance - Management Responsibility</b> .....	10
<b>Policy Review and Statement Approach</b> .....	11
<b>Risk Management</b> .....	12
<b>Risk assessment - Assessing our Risk</b> .....	12
<b>Risk Environment &amp; Risk Mitigation</b> .....	13
<b>Our approach ensures</b> .....	14
<b>Advancing Responsible Business Practices in Land, Construction and Real Estate Use and Investment</b> .....	16
<b>Annex A: Scope of our procurement activities.</b>	

## Modern Slavery Act 2015

### Homes England's Policy and Statement 2022/23

#### Introduction

We are the government's housing accelerator. We have the appetite, influence, expertise, and resources to drive positive market change. By releasing more land to developers who want to make a difference, we are making possible the new homes England needs, helping to improve neighbourhoods and grow communities. We welcome partners who share our ambition to challenge traditional norms and build better homes faster.

We are committed to the effective management and application of public funds in accordance with Managing Public Money<sup>1</sup> carried out in the spirit of, as well as to the letter of, the law:

- In the public interest
- To high ethical standards
- Achieving value for money

The Code of Conduct, for our staff, is an endorsement of the Nolan Principals – Principals of Public Life<sup>2</sup>.

- Selflessness
- Integrity
- Objectivity
- Accountability
- Openness
- Honesty
- Leadership

We recognise that Modern Slavery is a crime and a violation of fundamental human rights. We are aware that modern Slavery takes various forms, including slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another to exploit them for personal or commercial gain.

Modern slavery is the term used within the UK (United Kingdom) and is defined within the Modern Slavery Act 2015<sup>3</sup>.

The Act categorises offences of Slavery, Servitude and Forced or Compulsory Labour and Human Trafficking (the latter of which comes from the Palermo Protocol<sup>4</sup>).

Homes England continues to adopt a zero tolerance to modern slavery, human trafficking, all forms of servitude and forced and compulsory labour.

We fully support the government's objectives to eradicate all forms of modern slavery and human trafficking.

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<sup>1</sup> <https://www.gov.uk/government/publications/managing-public-money>

<sup>2</sup> <https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>

<sup>3</sup> <https://www.legislation.gov.uk/ukpga/2015/30/contents/enacted>

<sup>4</sup> [https://ec.europa.eu/home-affairs/pages/glossary/palermo-protocol\\_en](https://ec.europa.eu/home-affairs/pages/glossary/palermo-protocol_en)

We continue to set exacting standards of impartiality, integrity, transparency, and objectivity. We will ensure that our activities and those of our contractors operate to the highest level of ethical standards operating under sound governance arrangements.

Our annual statement, attached to this Policy, provides details of our activities, supply chains and actions we continue to take to support government.

We require all organisations we engage with to ensure their goods, materials, and labour-related supply chains are unambiguous:

- Fully comply with the Modern Slavery Act 2015; and are
- Clear, transparent, accountable, and auditable; and are
- Free from ethical ambiguities.

We call upon all organisations we engage with to influence their global supply chains by improving transparency, accountability, and training so that together we can help the government eradicate the injustice and brutality of modern slavery and human trafficking.



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Peter Freeman  
Chairperson  
07 July 2022



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Peter Denton  
Chief Executive  
07 July 2022

## **Relevant Guidance and Information**

### **Expectation and Encouragement**

We expect all Delivery Partners, organisations within our Frameworks and other companies we engage with to ensure their goods, materials, and labour-related supply chains:

- Fully comply with the Modern Slavery Act 2015; and are
- Transparent, accountable, and auditable; and are
- Free from ethical ambiguities.
- Provide modern slavery training both internally to staff and externally to their contractors and sub-contractors

### **Public Reporting of Non-compliance**

Individuals who have reasonable suspicion or evidence of non-compliance with the Modern Slavery Act in connection with any Homes England supply chain or third-party contractor we engage with are encouraged to report their concerns to the Assistant Director Financial Crime Compliance using the following email address [modern.slavery@homesengland.gov.uk](mailto:modern.slavery@homesengland.gov.uk).

Alternatively, if you hold information that could lead to the identification, discovery, and recovery of victims of modern slavery or human trafficking in the UK (United Kingdom), you can contact the **Modern Slavery Helpline on 08000 121700** or alternatively follow the link to the National reporting mechanism.

<https://www.gov.uk/government/publications/how-to-report-modern-slavery/how-to-report-modern-slavery> and <https://www.gov.uk/government/publications/human-trafficking-victims-referral-and-assessment-forms>

### **Victim Support**

If you think you are a victim of modern slavery or human trafficking, use the victim support link to contact the Modern Slavery Helpline. Trained operators will help you to understand what is available including information, advice, and ways to access government-funded support.

The Modern Slavery Helpline is confidential, but, if you do not want to give your name, that is fine. Modern slavery website <https://www.victimsupport.org.uk> and **Support line: 0808 168 9111**

### **Construction Industry Toolkit**

Stronger Together is a multi-stakeholder initiative aiming to reduce modern slavery, particularly hidden forced labour / labour trafficking and other hidden third-party exploitation of workers. Supported by the Chartered Institute of Building (CIOB), this toolkit is part of a specialist, in-depth industry programme supporting construction companies in tackling modern slavery. <https://www.ciob.org/>

**The Gang Masters and Labour Abuse Authority (“GLAA”) – GLAA works in partnership to protect vulnerable and exploited workers**

The GLAA<sup>5</sup> are a Non-Departmental Public Body (NDPB) governed by an independent board.

The role of the GLAA is to protect vulnerable and exploited workers. Through the intelligence they receive from inspections, the public, industry, and other government departments, they investigate reports of worker exploitation and illegal activity such as human trafficking, forced labour and illegal labour provision, as well as offences under the National Minimum Wage and Employment Agencies Acts

The GLAA will investigate all aspects of labour exploitation in England and Wales but will also work with partner organisations such as the Police, the National Crime Agency (NCA) and other government law enforcement agencies to target, dismantle and disrupt serious and organised crime across the UK.

Reporting abusive practice can be undertaken by visiting the GLAA website: <https://www.gla.gov.uk>

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<sup>5</sup> <https://www.gla.gov.uk/>

**Modern Slavery and Human Trafficking Public Statement 2022/23**

1. This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 for the financial year ending 31 March 2022. Responsibility for the preparation and publication of this statement resides with the Assistant Director Financial Crime Compliance.
2. This is our seventh annual statement, and it contains a summary of progress undertaken during 2021/22. Earlier statements (prior to 2017/18) were published by the Homes and Communities Agency. Year 6 progress was reported in our previous statement dated 31 March 2021.
3. We continue to engage with many private and public sector organisations in pursuit of our regulatory interventions and our investment, procurement, and land disposal activities.
4. Our activities are usually undertaken at arm's length and take place solely in England
5. Our Investment and Development models are to support housing and economic growth using delivery partners, including registered providers of social housing, house builders and developers in both the public and private sector; and direct intervention by providing loans to builders and developers, including small and medium-sized enterprises (SMEs).
6. Homes England occasionally undertakes activities by partnering with local authorities and developers within a special purpose or joint venture partnership organisation and often, where appropriate, we will undertake direct development using delivery partners or construction companies procured for that purpose.
7. We maintain a number of professional services and development framework agreements and our framework partners are made available to the wider public sector. We also maintain many other frameworks for exclusive use including site security and legal services.
8. The nature of Homes England's activities, engagement and intervention within the construction industry means there is a genuine reputational risk if we are seen to support or associate with a corrupt delivery partner or investment / grant recipient.
9. The scope of our activities is summarised at Annex A below.



## **Key Statement Highlights for 2021-2022.**

### 1. In the financial year 2021/22 Homes England:

- Continued to engage with the Office of the Independent Anti-Slavery Commissioner and the Gangmasters and Labour Abuse Authority to inform, benchmark and endorse our risk approach.

We were endorsed as a partnership organisation by the GLAA in June 2019.

- Maintained and developed relationships with UK (United Kingdom) law enforcement bodies including the National Crime Agency; the Metropolitan Police and the Modern Slavery Police transformation unit, to identify opportunities for intelligence sharing and collaborative working.

- We have sought assurance from our contracting partners and SME developers (below £36 million annual turnover) regarding their position safeguarding against modern slavery.

Due to the restrictions placed upon us all by the Covid restrictions we have been unable to undertake site visits. Recognising this, we have maintained and communicated a questionnaire to over 200 of our development partners

We have continued to focus and signpost on the preventative tools available, and the proactive actions SME's can deliver to prevent exploitation. We have heard about their voluntary standards, risk assessments, training, and the labour sources they access. This preventative activity has continued throughout this reporting period with the introduction of a new Dynamic Purchasing System (DPS).

- The introduction of the DPS has provided Homes England with the tools to ensure that those entities that contract with us are compliant with and aware of the requirements of the Modern Slavery Act 2015. A failure to comply precludes access until the entity reapplies and is found to be compliant.

As the DPS process has matured, examination of the DPS data has allowed Homes England an opportunity to assess, through analysis, the level of compliance that our development contractors have. Therefore, providing the agency with additional assurance that our development partners are compliant with modern slavery legislation and best practice

- In this reporting year we have delivered an e-learning platform. The platform allows the delivery of modern slavery training to all staff along with the flexibility to refresh content when there is a requirement to do so.

External training to our panel firms and framework partners across England has been affected by COVID restrictions. Into 2022 as we emerge from Covid restrictions we will once again provide our framework partners and panel surveyors with the training and support they require. Despite this we have continued to ensure that our compliance and monitoring surveyors are trained sufficiently by their parent organisations to pro-actively identify and report suspicious activity or welfare concerns relating to modern slavery and human trafficking. Our monitoring surveyors continue to accompany our investment teams whenever they visit our sites. This is appropriate.

- We have sought to share best practice and embed change by utilising technology available to communicate our message, which has.
  - Enabled our partners to have the tools to identify indicators of modern slavery and to be equipped to be able to escalate their concerns to enforcement bodies.
  - Raised awareness with Homes England's supply and partner delivery chains of the requirements under the Modern Slavery Act 2015.
  - Developed additional methods to communicate training delivery in the form of a "webinar." This has enabled us to expand our delivery and increase risk awareness. This has been applicable not only within our workforce but to our panel firms, contractors, and partner agencies, and was shared during 2021/22.
- Procurement is a powerful tool to influence business practice. Homes England utilises the Cabinet Office Procurement guidelines for commercial and procurement professionals. Our procurement planning, utilising the procurement checklist, has allowed us to further understand the risks we face, identify high and medium risk contractors through analysis of their business area, location, commodity type and map our supply chain effectively. Working collaboratively with our central procurement team has enabled us to decide on the level of risk and therefore what level of contract management is appropriate.
- In collaboration with our Commercial Team, we have continued to build upon and developed specific compliance conditions within our invitations to tender, contracts, and legal agreements. The DPS is an example of this collaboration.
- During this financial year (2021/22) we have reported our activities to our Executive Leadership Team allowing for appropriate governance. This continued "top-down" responsibility and governance for this Policy and Statement and its' endorsement from our Executive Leadership Team and Board.
- During this reporting period Homes England have neither identified nor have we been made aware of any instances of modern slavery taking place within the scope of our business activities.

### **Governance - Management Responsibility**

2. Responsibility for the preparation and publication of this policy resides with Homes England Financial Crime Compliance Team.

We have:

- Reconfirmed management responsibility for this Policy and Statement and received unanimous endorsement from our Executive Leadership Team.
  - Prepared and published this fourth Homes England annual statement.
  - Raised awareness of the content of our published statement and the Modern Slavery Act by notifying organisations in our Frameworks, Delivery Partnerships, and other companies with which we regularly engage.
3. Our Policy and Statement are approved at board level.

## **Policy Review and Statement approach**

4. During the reporting period we have continually reviewed our Policy and Statement benchmarking against our activities to establish whether the approach we take embraces best practice.

We have:

- Evaluated the risk of non-compliance in line with our expanding business activities and delivery profile.
- Continued to assess emerging case law and best practice. This has included a detailed examination of the Independent Review of the Modern Slavery Act 2015 and have prepared our business to operationalise its recommendations
- Benchmarked our activities against statements and action plans; undertaken by similar-sector public and private organisations. This includes examination and comparison of Section 54 statements from companies involved in the development of housing; the wider construction industry; major banks; local authorities and other public sector organisations with similar property-related and supply chain risk.
- Continued to maintain and develop relationships with UK law enforcement. The purpose has been to identify opportunities for intelligence sharing, collaborative working, training, and staff development.

## **Risk Management**

5. Homes England's approach has been to widen our risk assessment across business lines, benchmarking our activities and policy statement with other organisations with similar supply / reputation risk issues and engage with leading anti-slavery organisations.
6. The actions detailed within the Policy and this Statement form part of Homes England's compliance risk mitigation strategy.

In terms of continued risk management, Homes England has again completed a review of this Policy and Statement measuring against our activities to establish whether the approach we have taken follows emerging best practice by:

- Assessing and interpreting recent or emerging case law and best practice including a review of the Modern Slavery Act 2015 – Transparency in supply chains and Cabinet Office procurement directives.
- Ensuring our statement is proportionate and appropriate in both content and size we compared and benchmarked statements across the wider sector, including those produced by house builders / construction companies, banks, local authorities, and other public and private sector organisations with property-related risks.

## **Risk assessment - Assessing our Risk**

7. Earlier Statements concentrated on the risk associated with third party procurement activities, including land sales to large house builders or developers. As each large company is required to comply with the Modern Slavery Act, Homes England historically placed significant reliance on their own supply chain risk assessments and activity monitoring.
8. Over the past 5 years Homes England's business activities have significantly expanded, along with our understanding of modern slavery risk across the construction sector.
9. Our earlier assessments have determined that:
  - Our primary risk is with an association with a delivery partner, framework participant or investment recipient, regardless of size, with an ambiguous or non-compliant supply chain.
  - and
  - Where we provide loans to SMEs, our assessment has identified a specific risk in certain foreign supply chains, as noted in the next section.
10. Our analysis has reconfirmed that our primary risk is an association with a delivery partner, framework participant or company with an ambiguous or non-compliant supply chain
11. Continued assessment of our risk environment indicates that our primary risks remain constant and our controls to mitigate against these risks whilst mature and should be agile to respond are always evolving.
12. Our analysis of information provided by HMG, NGO's (GLAA) and law enforcement agencies together with examination of open-source material will continue to allow us to further focus our response to modern slavery by concentrating resources on our sites in those geographical hot spots where modern slavery is considered most prevalent.

## **Risk Environment & Risk Mitigation.**

13. During our business activities, the potential risk of modern slavery arises from the following key scenarios:
  - The risk that we procure goods or services for our own consumption where there is an unethical supply chain.
  - The risk that we partner alongside organisations with an unethical supply chain, or we engage, invest, lend, or sell land to organisations with an unethical supply chain.

14. This risk is mitigated by.

- Using vetted and monitored framework panels or suppliers demonstrating compliance with the requirements of the Modern Slavery Act.
- Reputational risk is mitigated by an up-front compliance requirement in our tender and procurement documentation, enforced at delivery by contractual conditions and agreements; and including appropriate termination clauses. This is supported by pre-procurement dialogue and monitoring throughout the duration of the contract.
- Customer due diligence research to identify organisations and individuals with criminal convictions or a higher potential risk of non-compliance.
- Applicants are required to provide details of their development scheme; this provides us with an opportunity to identify potential supply chain risks within the development specifications.
- Introduced new processes and procedures in relation to procurement and due diligence, including Homes England's contractual arrangements with the inclusion of a mandatory undertaking from our contractors that they will comply with the provisions of the MSA (Modern Slavery Act) 2015; confirmation of the applicability and enforceability of clauses and conditions included in our legal agreements and contracts.
- Requesting management information from our panel firms in relation to the training they provide both internally to their staff and externally to their contractors. These requests have provided Homes England the assurance of being able to measure the compliance of our contractors against our procurement controls.

15. Furthermore, for those companies who do not produce an annual MSA (Modern Slavery Act) statement, (due to their turnover being below £36 million), Homes England has requested that these contractors we engage with produce a statement detailing that it has considered its obligations regarding the suitability of its workforce and its supply chains.

This is consistent with the recommendations contained in the independent review of the Modern slavery Act 2015 annual report

Our approach ensures

## We have:

A clearer understanding of the supply chain risks across our business lines.

Established that SME participants are at a higher risk in certain component supply chains. To support investment decisions applicants are required to provide a Project Delivery Plan, which enables us to discuss and clarify supply chain anomalies

Identified a specific risk emanating from the manufacture and installation of offsite construction components, where the country of origin was unable to verify the welfare of labourers within the supply chain. Consequently, we refused to provide investment until an alternative and ethical supply chain was sourced.

Re-affirmed compliance requirements with the Modern Slavery Act in our tender and procurement documentation.

Reviewed existing compliance conditions in existing contracts and agreements, including termination clauses.

Identified how we can use our framework panel of compliance and monitoring surveyors to provide escalation and notification of suspicious activity or welfare concerns.

Engaged with other organisations to establish our approach is appropriate and proportionate and to raise awareness across the sector.

## We will:

Continue to be vigilant when assessing areas of potential risk within our supply chain and that of our delivery partners, framework participants and investment and grant recipients.

Act promptly where a compliance breach has been identified or flagged

Increase awareness with third parties we engage with by promoting and signposting industry led on-line guidance and compliance tool kits, as supplied by CIOB, RICS and others.

Continue to provide more training and awareness both internally and externally and help in the identification of new areas of risk arising from our wider business activities.

Increase our understanding of risk within the sector; and specifically, SME and equity participation risk. To succeed, we will examine all available information provided by LEA and NGO (nongovernmental organizations) partners.

Analysis will allow us to identify our sites and SME's that are of a higher risk of modern slavery and to tailor our monitoring activities and support to those risk hotspots.

Roll-out new contractual arrangements, requiring monitoring surveyors to act as Homes England's 'eyes and ears' when checking development progress: and I provide guidance and clarity on how to report suspicious activity or welfare concerns.

Work with other organisations across the sector to identify additional methods to promote and support the government's aim to eradicate the injustice and brutality of modern slavery and human trafficking.

Seek data sets and shared information from our law enforcement partners to help us identify areas and locations of high criminal activity to assist our risk assessment process.

Fully implement the recommendations of the review of the Modern Slavery Act 2015

Measure and report progress on the actions above within our 2023/24 statement.

16. In conclusion, our due diligence processes are robust and help us to uncover areas in our construction and supply chains where the risk of modern slavery are greatest.
17. Modern slavery and human trafficking are criminal activities, and the signs are often difficult to identify. Ethical audits can only get us so far, therefore we go further with the package of measures contained in this statement.

## **Annex A: Scope of our Commercial/ Procurement activity**

Homes England Commercial activity take place in England; and our contractors and suppliers are predominantly UK and EU based.

We typically host between 40 and 60 Competitive procurements annually, each with an award value in excess of £10,000; our total annual procurement spends for 2021/22 was £129 million.

We place general reliance upon the Crown Commercial Service (“CCS”) and government procured supply chains for our consumable goods and operationally focused services (IT, energy, fleet and temporary staff). In a typical year we procure around £25 million for these goods and services through CCS.

In our own right we maintain a number of professional services and development Framework Agreements, which are made available to the wider public sector. We also maintain several other frameworks for exclusive use including site security and legal services.

Our Frameworks enable users to draw-down professional multi-disciplinary services and development expertise. This includes the services of development or construction companies, with their associated goods, materials and labour-related supply chains. We currently have 5 professional services frameworks available to the wider public sector. These have a cumulative value of £335m (Property £150m, multi-Disciplinary £100m, Asbestos £10m and Land Survey £5m and Research and Economics £70m). We also maintain several frameworks for our own use including Legal. Both the Property and Legal frameworks are currently being re-procured at this moment.

In September 2021 our DPP3 Framework was replaced with a flexible Dynamic Purchasing System (DPS). The Delivery Partner DPS is similar to a Framework but remains open for housebuilders and developers to join as sites become available. This more flexible approach will help diversify the housing market and enable us to work with a wider range of housebuilders large and small.

In addition to the above-mentioned CCS and Framework purchasing, we procure around £40m worth of services, supplies and works directly from small and medium-sized enterprises (SME companies), predominantly based in the UK or the EU.

We do not maintain goods, materials, or direct-labour supply chain frameworks.

Existing Statements are referred to in our invitations to tender and legal agreements. We have modified the policy to highlight guidance and information, relevant to organisations we engage with and a wider public audience, we will continue to build upon this guidance. This includes links to the Chartered Institute of Building’s (CIOB) construction industry toolkit and the UN / Royal Institution of Chartered Surveyors (RICS) ‘Advancing Responsible Business Practices in Land, Construction and Real Estate Use and Investment’; and a victim support link together with information relating to the Gang masters and labour abuse authority (GLAA).



In common with many organisations, our employees occasionally stay in UK hotels when conducting business away from the office. Accommodation and travel arrangements are organised through a government procured travel agent with a publicly stated risk-assessed supply chain procedure.

We occasionally procure meeting and conference venues to support our general business activities, and these are selected to ensure good value for money. We note that the hotel and hospitality trade recognise the risk of modern slavery within their sector and a Stop Slavery Hotel Industry Network is being developed by the industry.

### **Procurement and Tender Process Improvements**

Existing tender documentation includes the mandatory exclusion of any bidder who has been convicted of an offence under the Modern Slavery Act 2015.

To comply with government procurement regulations, we have introduced a new electronic tendering (e-tendering) system. The initial phase of e-tendering continues to use the existing tender documentation and templates as attachments; however, we are exploring methods to embed key compliance questions into the software application to make use of the inbuilt evaluation functionality. Standard tender documentation has been updated during the current financial year for the following – updated guidance from CCS and changes to the PAS91 questionnaire which forms part of our standard suitability assessment (for construction process). We have continued to incorporate improvements to our equality and diversity questions during 2021/22.

We have adopted the Cabinet Office's standard Selection Questionnaire (SQ) across all our procurement activities which includes compliance and exclusion requirements across a broad range of matters including Modern Slavery.

The new Procurement Bill due in 2023, in its current form, does not specifically draw attention to how technical considerations such as Modern Slavery are managed.

### **Due Diligence Improvements**

As part of Homes England's Know Your Customer (KYC) due diligence process, the Agency subscribes to World-Check – this database provides wide-ranging information on organisations, including details of financial crime, bribery, corruption, human rights crimes and environmental crime convictions. Homes England uses World-Check information to help inform its decision-making process and when on boarding new customers in a wide range of its business activities. Homes England central procurement team have sought improve its existing on-boarding capabilities with the addition of further detective and prevention tools that have enhanced enhance existing processes.

Homes England procurement activities take place in England; our contractors and suppliers are predominantly UK and EU based.

