



Modern Slavery Statement

2020



We support the UK government in its drive to end forced labour, modern slavery and human trafficking. We also support the recommendations of the Independent Review of the Modern Slavery Act 2015, in particular the call for broader mandatory disclosures of the actions taken by businesses to address modern slavery in their supply chain.

This statement is published in accordance with the Modern Slavery Act 2015. It describes the activities Landsec has undertaken since our previous statement made in September 2019 to address and prevent modern slavery across our business and our supply chain.

At a glance

~600
employees

117
properties in the UK

2,000+
suppliers

170
partners

Our business

Our £12.8 billion portfolio spans 24 million sq ft of well-connected retail, leisure, workspace and residential hubs, with a growing focus on London. We employ approximately 600 people directly, all based in the UK. Most of our employees are in professional and managerial roles based at our head office in London and our destinations around the country.

Our network of suppliers

At Landsec, we're committed to ensuring that all forms of work in our supply chain associated with our projects and contracts are voluntary and fair, and that the health, safety and wellbeing of all workers is a priority. We recognise that we can't tackle modern slavery alone and it's crucial that we collaborate with our supply partners to drive positive change across our value chain.

We work with around 170 UK-based companies on a contracted or annual basis, usually referred to as our 'partners'. This includes maintenance services such as cleaning and security, construction contracting services and professional and financial services. We also source goods and services from a wider network of over 2000 suppliers.

Our construction partners also source a broad variety of components and materials from companies all over the world on our behalf. Whilst these goods are not sourced directly by us, they are specified and procured in accordance with our guidelines.

Our response to Covid-19

2020 has been dominated by the impact of Covid-19 and it is more important than ever that we continue to look after the welfare of those working in an environment we control. Our business is about providing great places to work and therefore this is a core part of how we do business and fundamental to our values. Our response to the pandemic has been driven by a need to ensure we do the right thing and look after our employees, partners, customers and communities.

During the past year, in addition to delivering against our planned actions and goals, we have taken extra steps to address the risks of modern slavery across our business. This includes steps to ensure that all work is undertaken willingly and that the health and safety measures at our assets and sites are adequate and appropriate for the current environment. We have provided increased cleaning regimes, implemented signage, and re-arranged our spaces to enable and encourage social distancing.

In the year ahead, we will continue to balance our longer-term actions and goals with the shorter term demands brought about by Covid-19.

Our progress this year

In 2019 we said we would:

Talk to our employees about the effects and signs of modern slavery, including delivery of a modern slavery briefing to drive understanding and awareness of the issue.

Continue to guide our design partners through the process of assessing and minimising modern slavery risk when specifying materials, and produce a detailed document to address responsible procurement, alongside health and environmental criteria.

Increase engagement with specialist bodies and evaluate membership opportunities.

Conduct further engagement surveys with our construction partners to seek out and tackle modern slavery issues on our sites.

Raise awareness about modern slavery risk with our customers and stakeholders.

What we achieved:

In addition to providing general updates during the year, we held a modern slavery awareness session for our employees at our head office in collaboration with our homeless charity partner, The Passage which was well received. The session was designed to increase general awareness about modern slavery and how to 'spot the signs' in different areas of our operational and development activity.

We published our **Prohibited Materials List**, to strengthen our fight against modern slavery in the sourcing of construction materials. The list is based on the Walkfree Global Slavery Index and the Ethical Trading Initiative, to enable us to assess materials and geographical areas at risk, and promote sourcing of responsible materials.

This year we are working with business-led initiative 'Stronger Together', who collaborate with companies across different sectors to reduce modern slavery risk including forced labour and labour trafficking.

We carried out engagement surveys of people working for our construction partners at three of our construction sites. The results of these surveys are disclosed on the following page.

Some of our planned engagement surveys on our development sites were postponed because of Covid-19 and we intend to carry these out by the end of this year.

In March our Sustainability Director spoke at a modern slavery event hosted by Investor Forum, a not-for-profit member organisation for the UK institutional investment industry. Our attendance at the event reflects our ongoing commitment to this agenda and to sharing the actions we are taking to address modern slavery across our business.

In the year ahead

We will:

- Perform an updated modern slavery risk analysis that reflects the risks brought about by Covid-19.
- Collaborate with business-led initiative 'Stronger Together' to drive further improvements in our due diligence.
- Deliver an internal 'spot the signs' communications campaign and bespoke modern slavery training to our employees and supply partners.
- Continue to increase the level of engagement surveys on our construction sites.

Our risk assessment

In 2017, we carried out a modern slavery and trafficking risk assessment across all our activities.

Although the assessment showed the risk of modern slavery or human trafficking in the recruitment and engagement of our employees to be low, it identified two areas of concern in our supply chain:

- Labour exploitation in cleaning, security and construction services. This is due to the inherent nature of the work and the diversity of the labour force employed to carry out these activities.
- Labour exploitation during extraction and manufacturing of materials abroad that are then used in the manufacturing of construction products.



At a glance

0
cases of modern slavery found

98%
of supply chain workers interviewed said they are happy with the safety precautions in place on site

89%
of supply chain workers interviewed being paid at least the Real Living Wage

0
cases of discrimination found

Our due diligence

During 2020, we again carried out due diligence to monitor and learn more about the risks described above and to provide data on our supply chain. This due diligence targeted high-risk areas of our supply chain including construction labour in the UK. An experienced and accredited third party organisation held anonymised interviews with people working at three of our construction sites.

This year due to disruptions relating to the Covid-19 pandemic several of our planned engagement surveys on our construction sites were postponed. In August 2020 we resumed our due diligence activities and will disclose the data from any further site visits carried out in this financial year in our 2021 statement.

In total, 91 individuals were interviewed across the three sites. The surveys covered a range of issues including debt bondage, labour exploitation, fair payment, health, safety and discrimination. Each survey also requested specific information about hourly wage rates.

No cases of modern slavery were found in this survey process, but this work is ongoing. In the year ahead, our goal is to extend our due diligence activities to increase our focus on the modern slavery risk at construction delivery partners outside of the UK.

The findings from the surveys and our responses are as follows:

Right to work

In total, 61% of people surveyed confirmed that they had been asked to provide original documents to prove their right to work in the UK. However, the remainder stated that they had not

been required by their direct employer to provide any documentation to demonstrate their right to work, or that although they had been asked to provide evidence of their identity, other less reliable documents had been accepted, including photocopies of original documents.

We acknowledge this is an industry wide issue which needs increased focus and procedure from employers to rectify. In response we are engaging our supply partners where concerns have been raised, requiring all files to be reviewed and rectified in accordance with the Home Office's 'acceptable documents' guidelines. We have also published our Right to Work Policy this year to further set out our expectations and best practice guidance.

Real Living Wage

89% of people surveyed confirmed they are being paid at least the Real Living Wage. No-one stated they were being paid under the National Minimum Wage for their age group.

We are having ongoing discussions with our key partners to drive further performance improvements and resolve any discrepancies in worker pay rates.

Conflict at work

This year no-one stated they have suffered from discrimination, however one worker stated that they felt that they had been the victim of verbal abuse.

Health and safety

97% of those surveyed stated that they were happy with the welfare facilities provided on site and 98% said they are happy with the safety precautions in place on site. We continue to work closely with our supply partners to protect and support the health and safety of all those working on our sites.

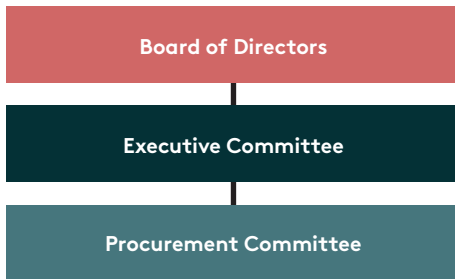
Governance

Robust governance of modern slavery issues across our business is critical in ensuring effective communication and implementation of our policies and delivering impactful activity to tackle modern slavery.

Our Procurement Committee is responsible for all aspects of our relationships with our supply partners and plays a crucial role in advocating fair treatment of suppliers across our business. The Committee, chaired by our Group General Counsel & Company Secretary, reports to the Executive Committee and has representation from our Sustainability, Development and Procurement Teams.

The Committee meets quarterly to review and guide supply chain performance and progress, including the results from annual engagement surveys as well as any corrective actions required.

The Group General Counsel & Company Secretary is responsible for supply chain and procurement related issues in our organisation. If any significant modern slavery related issues are identified these are also reported to our Executive Committee along with progress updates throughout the year.



Partnerships and collaboration

We recognise the crucial role that collective action across business and government plays in driving responsible business practices and eradication of modern slavery.

By working in partnership with other organisations, both within our sector and wider, we are helping maximise our positive impact and continually improving our own approach to assessing modern slavery risk.



Stronger Together

This year we are developing a partnership with Stronger Together, a multi-stakeholder initiative aiming to reduce modern slavery. We know that working with Stronger Together is another important step for us in engaging our peers across the construction industry, helping tackle modern slavery together.



Gangmasters & Labour Abuse Authority

Gangmasters and Labour Abuse Authority (GLAA)

Last year we joined the GLAA Construction Protocol committing to attendance of its quarterly forum. As a signatory, we have committed to work in partnership with our industry peers to protect workers' rights and prevent labour exploitation, raising awareness and sharing information.



UN Global Compact

In May 2019 we became a signatory of the UN Global Compact, with our Chief Executive signing our Letter of Commitment addressed to the UN Secretary-General. This voluntary initiative brings together leading businesses ready to commit to universal sustainability principles and take steps to support the UN Sustainable Development Goals. Several of the targets are linked to human rights and labour standards. This includes target 8.7 under the 'Decent work and economic growth' goal which aims to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour.



The Home Office and Transparency in Supply Chains (TISC) Reporting

We have registered on the Home Office modern slavery contact database and TISC Modern Slavery Act Compliance Tracker. The goal of the database and tracker is to support partner organisations in going beyond compliance with transparency in their supply chains and provides authentication of modern slavery statements. These actions will increase our transparency and visibility, while helping drive action against modern slavery across business.

Commitments, policies and guidance

To drive progress in tackling modern slavery across our business and network of suppliers we have a suite of policies, guidance documents and commitments. These are embedded across the business to ensure collective action to achieve our goals.

While we recognise that our suppliers have their own processes in place to address modern slavery risk, all organisations are required to complete a pre-qualification questionnaire declaring their compliance with our modern slavery related policies and Supplier Code of Conduct to become an approved supplier with Landsec. We encourage our partners to work collaboratively with us to embody these policies through our shared projects and contracts.

Our commitments

Our three commitments relating to tackling modern slavery are:

- By the end of 2020, ensure everyone working on our behalf, in an environment we control, is treated equally, protected from discrimination and paid at least the Real Living Wage.
- Maintain an exceptional standard of health and safety in all the working environments we control.
- Source core construction products and materials from ethical and sustainable sources.

Addressing policy non-compliance

On an annual basis, we ask partners to confirm their awareness of and adherence with our policies. In cases where our standards are not being met, we work closely with partners to help improve practices and rectify key issues. If issues are not rectified or we suspect ongoing non-compliance with any of our policies, a request for suspension may be raised.

Any Landsec employee, having received Senior Manager consent, can send a request for supplier suspension to our CFO. Once approved, it will be discussed by the Procurement Committee for a final decision.

Our policies

Sustainability Policy

Our Sustainability Policy helps us comply with legislation, regulations and codes of practice. It also plays an important role in integrating sustainability considerations into our working environment, making sure all our employees and supply partners are committed to delivering our goal.

Health and Safety Policy

Our Health and Safety Policy defines how we aim to provide safe and healthy working conditions throughout our operations. The policy outlines how we are preventing work-related injury and ill health and promoting the wellbeing of our employees, contractors and service partners.

Human Rights Policy

Our Human Rights Policy demonstrates how we are committed to respecting human rights in accordance with the UN Declaration of Human Rights. It sets out our core principles and states our expectation that everyone working on our behalf be treated fairly and with respect.

Procurement Policy

Our Procurement Policy ensures that all of our goods and services are sourced fairly, in accordance with the law and in a way that is compliant with legislation relating to matters such as anti-competitive behaviour, anti-bribery and health and safety regulations.

Right to Work Policy

Our Right to Work Policy is intended to provide best practice guidance to those assigned responsibility in performing right to work checks across our supply chain.

Our guidance

Employee Code of Conduct

Our Employee Code of Conduct sets out how we will behave and how we will treat our stakeholders, including our supply partners. It encourages our people to make the right decisions and to live our values. The code details our overarching sustainability policy, and those that support it including our Human Rights Policy.

[click here for the latest version](#)

Supplier Code of Conduct

We ask all our partners to commit to our Supplier Code of Conduct which outlines our non-negotiables on how we expect our suppliers to behave and treat their own employees. This includes provision of safe and healthy working conditions and the protection of workers' rights against forced, illegal or child labour.

[click here for the latest version](#)

Sustainability Brief for Developments

Our Sustainability Brief is designed to facilitate a dialogue with our supply partners through our development process from start to finish. The brief sets out what our commitments mean for our partners and how we will measure success including ensuring the Real Living Wage is paid to everyone working on our sites.

[click here for the latest version](#)

Prohibited Materials List

Our Prohibited Materials List for materials provides clear guidance for our design partners, to ensure human rights risks are designed out through the material selection process. The list sets out high risk material types and locations for extraction and manufacture, and is based on robust data sources including the Global Slavery Index and the Ethical Trading Initiative. The former to risk-assess materials and areas, and the latter as a control mechanism to promote sourcing responsible materials.

[click here for the latest version](#)

Effectiveness

Our goal is to work collaboratively with supply partners, creating opportunities to better prevent modern slavery and improve working conditions on our sites. We do this by working closely with partners through contracts and projects, supporting them to deliver on our goals. This applies only to partners where we have an ongoing relationship which can lead to improvements over time. Examples of how we measure effectiveness include:

- Health and safety performance on site, including health factors for workers and safe working practices
- Statement and evidence of policies and procedures that support and assist employees
- The percentage of materials which are responsibly sourced, measured against our commitment.

Performance against a number of these KPIs including our 2020 Real Living Wage commitment is disclosed in our annual report and on our corporate website.

Effectiveness of our responsible sourcing processes is measured through independent certifications, including the materials credit process in BREEAM which addresses construction materials, and FSC Project Certification which addresses sustainable timber sourcing. These certifications are supported by additional due diligence for high risk manufacturing sites, where we conduct engagement surveys to ensure workers are working in safe and healthy conditions, and are treated fairly.

To review health and safety performance, 100% of our managed sites are also covered by our ISO 45001 health and safety management system, which is externally certified. Internal auditing is also carried out biannually for supply partners for all sites through a Property Health Check.

Whistleblowing hotline

Our whistleblowing hotline allows anyone working on our behalf to report concerns about suspected impropriety or wrongdoing in confidence and anonymously.

This operates as an independent third-party reporting facility, which can be contacted online or through a telephone hotline.

If issues of modern slavery are reported, they are immediately referred to our Group General Counsel and Company Secretary and to the Gangmasters and Labour Abuse Authority.



Landsec

**Speak up
in confidence.**

If you've heard or witnessed someone at a Landsec site or property working against their will, or being forced to work, you should raise your concerns.

You can call or email our 24/7, anonymous service to report anything suspicious, knowing your conversation won't be recorded.

Call or email our whistleblowing hotline:
0800 374199
landsec@expolink.co.uk

Training and awareness

We recognise the importance of raising awareness of modern slavery and do this by providing training to our employees. This year we delivered modern slavery awareness briefing open to all employees. This awareness session built upon role specific training we delivered to employees last year in our development, engineering and Health & Safety teams.

In the coming year we will be looking to deliver more bespoke training to employees from across the business as well as our supply partners developed in collaboration with 'Stronger Together'.

Conclusion

Through our activities described within this statement, we are confident that our approach to tackling modern slavery is targeted at high risk areas and is appropriate to the nature of our business activities.

We recognise that the impact of Covid-19 could lead to increased exploitation of workers and we will be performing an updated risk analysis in the year ahead to provide us with clear actions to address this.

We continue to promote positive, collaborative and transparent business relationships with our partners and will drive this through projects and contracts in the year ahead. Next year, we will report on our progress and achievements against these intentions along with areas identified for improvement.

This statement is published in accordance with the Modern Slavery Act 2015. It describes the activities Landsec has undertaken since our previous statement made in September 2019 to address and prevent modern slavery across our business and our supply chain.

This is our fifth Slavery and Human Trafficking Statement ("Statement") made pursuant to Section 54 of the Modern Slavery Act 2015 'Transparency in Supply Chains' ("Act"). The Act introduced a number of measures to combat slavery and human trafficking and improve the transparency of reporting on modern slavery, including a requirement on companies with an annual turnover of at least £36m to report annually on its workforce and supply chain, and specifically to confirm that workers are not enslaved or trafficked.

The Statement relates to Land Securities Group PLC ("Landsec" or "the Company") and its subsidiaries and is made in respect of its financial year ended 31 March 2020. It sets out the steps Landsec has taken, and is proposing to take, to address the risk of slavery and human trafficking taking place in our business and within our supply chain. For the purposes of this Statement, the Company's joint venture arrangements (where we are responsible for the operations and such arrangements) are treated as being part of our supply chain.

This statement was approved by the Board on 22nd September 2020



Mark Allan
Chief Executive