

**Policy Owner:** Group Company Secretary

### **Corporate Sustainability**

At LSL we place strong emphasis on being a responsible business, and by embedding sustainable practices into our operations we aim to deliver a lasting, positive impact for all stakeholders.

Through our sustainability programme and commitments, we aim to be recognised as a responsible employer, by upholding good governance, supporting our colleagues, and strengthening connections with local communities. The Combined Ethics Policy is an important foundation of our wider Sustainability Programme.

### **Our Purpose, Mission, Vision and Values**

#### *Purpose*

Empowering smart property decisions

#### *Mission*

We deliver trusted property services powered by data and expertise to enable people and businesses to thrive

#### *Vision*

The UK's most trusted platform connecting people to property

#### *Values*

Trust: Trust is at the heart of everything we do – we build trust by keeping our word and delivering on our commitments.

Expertise: We apply and grow our expertise to deliver trusted guidance and better outcomes for our colleagues and customers.

Collaborate: We collaborate by sharing, supporting and working together to achieve more.

Innovate: We look for ways to get better and improve things, in ourselves and in our business.

### **1.1 Introduction:**

Set out below is LSL Property Services plc's (LSL) combined ethics policy (Policy), which applies to the LSL group of companies (LSL Group or LSL Companies).

The Policy is made up of a set of requirements which apply to all Colleagues and it is made up of the following policies:

- a. Anti Corruption and Bribery (including Hospitality)
- b. Anti-slavery and Human Trafficking
- c. Conflicts
- d. Tax Evasion
- e. Whistleblowing
- f. Fraud

This Policy also takes into account the requirements of all relevant laws and regulations, including:

- a. The Bribery Act 2010 (Bribery Act)
- b. The Companies Act 2006 (Companies Act)
- c. The Criminal Finances Act (2017)
- d. The Estate Agents Act 1979
- e. The Financial Services and Markets Act 2000 and the FCA Handbook
- f. The Modern Slavery Act 2015
- g. The Public Interest Disclosure Act 1998
- h. The Economic Crime and Corporate Transparency Act 2023

LSL expects all Colleagues to abide by and adhere to LSL's internal guidelines and procedures and any statutory or regulatory requirements at all times. Colleagues must ensure that they read, understand and comply with this Policy.

This Policy does not form part of your employment contract and it may be amended at any time. Please note that any breach of this Policy will be taken seriously and may result in disciplinary action.

### 1.2 Policy Review Arrangements

The policy is subject to triennial review by the LSL Board, unless there is a change of law or other event that triggers an earlier review.

### 1.3 LSL Board – Responsibility for the success of this Policy:

**This Policy was reviewed and adopted by the LSL Board on 11 September 2025**

The LSL Board has overall responsibility for ensuring that all parts of this Policy comply with LSL's legal and ethical obligations and the LSL Board regularly reviews the effectiveness of actions taken in response to concerns raised under this Policy.

The Policy Owner is responsible for maintenance of this Policy (including conducting regular reviews of the Policy and the risks referred to in the Policy).

The people identified in the table on page 3, together with independent review by the LSL Internal Audit Team, are responsible for:

- a. Implementing the Policy
- b. Monitoring its use and effectiveness (including auditing awareness of the Policy and auditing internal control systems and procedures to ensure they are effective in countering bribery and corruption)
- c. Operation of an independent malpractice reporting service (the Whistleblowing policy)
- d. Assessment of reported incidents for investigation
- e. Advice and assistance as required with the implementation of the Policy.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this Policy and are given adequate and regular training on it.

All Colleagues are responsible for the success of this Policy. Colleagues are invited to comment on this Policy and suggest ways in which it might be improved. Comments, suggestions and queries should be addressed to the Group Company Secretary.

Adherence to this Policy will be monitored by the management teams of each of the LSL Companies together with LSL's Internal Audit Team and compliance reported to the LSL Board and Audit & Risk Committee.

### 1.3 Definitions:

Unless expressly stated otherwise, the following definitions will apply to this Policy:

- |    |                           |  |
|----|---------------------------|--|
| a. | <b>Bribery Act</b>        | Bribery Act 2010   |
| b. | <b>Companies Act</b>      | Companies Act 2006   |
| c. | <b>Colleague(s)</b>       | all individuals working at all levels and grades, including senior managers, officers, directors, employees (whether permanent, fixed-term, temporary or on zero hours contracts), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with any LSL Company wherever located |
| d. | <b>Modern Slavery Act</b> | Modern Slavery Act 2015  |
| e. | <b>LSL</b>                | LSL Property Services plc  |
| f. | <b>LSL Company</b>        | any company in the LSL Group from time to time   |
| g. | <b>LSL Group</b>          | LSL and its subsidiaries from time to time   |
| h. | <b>Policy</b>             | this combined ethics policy  |

**1.4 Key contacts:**

NOTE: Any Colleague who breaches all or any part of this Policy may face disciplinary action, which could result in dismissal for gross misconduct. Further, each LSL Company reserves its rights to terminate any contractual relationship with other Colleagues if they breach all or part of this Policy.

**1.5 Personal information provided in connection with this Policy:**

Any personal information provided in connection with this Policy will be processed for the purpose of compliance with legal and regulatory obligations. For more detailed information on how the LSL Group will handle any personal information provided, Colleagues should refer to the Employee Privacy Notice issued by LSL's Group People Team and which is available on People Matters.

## 2. Anti-Bribery and Corruption (including Hospitality):

### 2.1 Policy statement:

It is LSL's policy to conduct all of LSL Group business in an honest and ethical manner. The LSL culture is based on its people accepting accountability for their actions, doing the right things and delivering on customer expectations in the right way, through being open, challenging themselves and supporting others.

All LSL Companies have a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all business dealings and relationships wherever they operate and implementing and enforcing effective systems to counter bribery and corruption.

LSL Companies will uphold all UK laws relevant to countering bribery and corruption (including the Bribery Act) and the purpose of LSL's anti-corruption and bribery policy is to:

- a. set out the responsibilities of all LSL Companies, and of those working for the LSL Group, in observing and upholding the LSL policy on bribery and corruption; and
- b. provide information and guidance to those working for LSL Companies on how to recognise and deal with bribery and corruption issues.

Please also see LSL's Hospitality, Gifts, Sponsorship and Donations Purchasing Policy which is available on People Matters.

The LSL Group will from time-to-time review and identify particular bribery risks which may be relevant to LSL Group businesses and will put in place measures to address those risks, including the adoption and implementation of this Policy.

### 2.2 Anti-bribery and corruption law:

It is a criminal offence to offer, promise, give, request, or accept a bribe. The Bribery Act 2010 provides that individuals found guilty can be punished by up to ten years' imprisonment and/or a fine. Further, if an LSL Company was found to have taken part in corruption or failed to prevent bribery it could face an unlimited fine, be excluded from tendering for public contracts and face damage to its reputation. LSL Companies therefore take their legal responsibilities very seriously.

This section of the Policy forms part of the framework by which LSL manages the risk of bribery and corruption within the Group. In this part of the Policy, **third party** means any individual or organisation the Colleague comes into contact with during the course of their work, and includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisors, representatives and officials, politicians and political parties.

### 2.3 What is bribery and corruption?

Bribery is offering, promising, giving or accepting any financial or other advantage, to induce the recipient or any other person to act improperly in the performance of their functions, or to reward them for acting improperly, or where the recipient would act improperly by accepting the advantage. It can be offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

An **advantage** includes money, gifts, loans, fees, hospitality, services, discounts, the award of a contract or anything else of value.

A person acts **improperly** where they act illegally, unethically, or contrary to an expectation of good faith or impartiality, or where they abuse a position of trust. The improper acts may be in relation to any

business or professional activities, public functions, acts in the course of employment, or other activities by or on behalf of any organisation of any kind.

**Corruption** is the abuse of entrusted power or position for private gain.

#### **2.4 Gifts and hospitality:**

The Group allows colleagues to accept or offer reasonable and appropriate hospitality or entertainment from or to third parties. Colleagues are permitted to entertain or benefit from hospitality or promotional events provided that such events are transparent, proportionate and represent bona fide hospitality and promotional expenditure. The giving and receiving of gifts, hospitality or promotions, must be in accordance with the Hospitality, Gifts, Sponsorship and Donations Purchasing Policy ("Hospitality Policy") and with all relevant and applicable laws, including the Bribery Act.

The Bribery Act does not prohibit bona fide hospitality and promotional, or other business expenditure which seeks to:

- a. establish or maintain good business relationships with business partners;
- b. improve or maintain the image or reputation of a commercial organisation; or
- c. support marketing or the presentation of products or services effectively.

Bona fide hospitality or promotional or other legitimate business expenditure is recognised as an established and important part of doing business and neither the Government nor the Regulators are seeking to prohibit hospitality and promotional or other similar business expenditure which is intended for these legitimate purposes. However, LSL recognises that hospitality and other promotional expenditure could be employed as a bribe and that bribes are sometimes disguised as legitimate business expenditure.

The procedures set out in the Hospitality Policy are designed to seek to ensure transparency and conformity with relevant laws (including the Bribery Act). Hospitality registers are maintained across the Group and compliance is monitored by the People Team with the Gifts and Hospitality Policy. Any significant or persistent non-compliance issues are raised with the Group Company Secretary who would escalate to the Board as appropriate. The Audit & Risk Committee will also receive confirmation from Internal Audit on its review of the procedures to ensure compliance with the policy as part of the internal audit cycle.

#### **2.5 'Facilitation payments' and 'kickbacks':**

LSL Companies do not make, and will not accept, "facilitation payments" or "kickbacks" of any kind (i.e. payments which are essentially a bribe because the payment is intended to induce improper conduct). Sponsorships are not allowed unless specifically authorised (see below).

If a Colleague is asked to make a payment on behalf of any LSL Company, they should always be mindful of what the payment is for, the reason behind the payment and whether the amount requested is proportionate to the goods or services provided. The Colleague should always ask for a receipt which details the reason for the payment. If they have any suspicions, concerns or queries regarding a payment, they should raise these with the General Counsel.

Facilitation payments (which are also known as back-handers or grease payments) are types of bribes and should be seen as such. They are typically payments made in return for a business favour or advantage. A common example is where a Government official is given money or goods to perform (or speed up the performance of) an existing duty. Facilitation payments were illegal before the Bribery Act came into force and they are illegal under the Bribery Act, regardless of their size or frequency. All Colleagues must avoid any activity that might lead to, or suggest, that such a payment will be made or accepted by any LSL Company.

Kickbacks are typically payments made in return for a business favour or advantage.

Colleagues must avoid any activity that might lead to a facilitation payment or kickback being made or accepted by any LSL Company or on its behalf, or that might suggest that such a payment will be made

or accepted. If a Colleague is asked to make a payment on LSL's behalf, they should always be mindful of what the payment is for and whether the amount requested is proportionate to the goods or services provided. Colleagues must always ask for a receipt which details the reason for the payment. Where Colleagues have any suspicions, concerns or queries regarding a payment, they must raise these with the General Counsel.

**Sponsorships** are provided for a social purpose or as a marketing or promotional opportunity. They can take a variety of forms including advertising or charitable donations. The risk with sponsorships is that they can be used inappropriately to bribe or enable facilitation payments, or kickbacks. An abuse of sponsorship may appear as, for example, making a sponsorship payment to obtain or retain business. LSL does not allow sponsorship by a Group Company unless signed off by a donating company Director for any expenditure below £7,500. Please refer to the Group's Hospitality Policy for the process to be applied for any expenditure exceeding £7,500 or more for a single sponsorship.

## **2.6 Political and charitable donations:**

LSL Companies do not make contributions to political parties and only make charitable donations that are legal and ethical. This policy is not intended to prohibit or restrict the ability of any individual or Group company making a donation to charitable causes such as sponsoring a colleague to run a marathon. No Group company should agree to any donation being offered or made without the prior approval of a Director of the relevant LSL Company.

## **2.7 Potential risk scenarios: "red flags":**

The following is a list of possible red flags that may arise during the course of working for the LSL Group and which may raise concerns under various anti-bribery and anti-corruption laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If a Colleague encounters any of the following red flags while working for any LSL Company, they must report them promptly to their line manager, the General Counsel or make a report using the procedure set out in the Whistleblowing Policy (see below at section 6):

- a. become aware that a Colleague or third party engages in, or has been accused of engaging in, improper business practices;
- b. learn that a Colleague or third party has a reputation for paying bribes, or requiring that bribes are paid to them, or has a reputation for having a special relationship with foreign government officials;
- c. a Colleague or third party insists on receiving a commission or fee payment before committing to sign up to a contract with any LSL Company, or carrying out a government function or process for any LSL Company;
- d. a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- e. a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts its business;
- f. a third party requests an unexpected additional fee or commission to "facilitate" a service;
- g. a third party demands lavish entertainment or gifts before commencing or continuing contractual negotiations or provision of services;
- h. a third party requests that a payment is made to "overlook" potential legal violations;
- i. a Colleague or third party requests that you provide employment or some other advantage such as sponsorship to a friend or relative;

- j. receive an invoice from a third party that appears to be non-standard or customised and not consistent with normal business practices;
- k. a third party insists on the use of side letters or refuses without a legitimate and understandable explanation to put terms agreed in writing;
- l. notice that any LSL Company has been invoiced for a commission or fee payment that appears large given the service stated to have been provided;
- m. a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to us; or
- n. are offered an unusually generous gift or offered lavish hospitality by a third party.

## **2.8 Colleague responsibilities:**

The prevention, detection and reporting of bribery and other forms of corruption are the responsibility of all those working for LSL or under LSL's control. All Colleagues are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

Colleagues must also ensure that they or someone acting on their behalf, does not:

- a. give, promise to give, or offer, a payment, gift, sponsorship or hospitality with the expectation or hope that a business advantage will be received, or to reward a business advantage already given;
- b. give or accept a gift or hospitality during any commercial negotiations or tender process, if this could be perceived as intended or likely to influence the outcome;
- c. accept a payment, gift or hospitality from a third party that they know or suspect is offered with the expectation that it we will provide a business advantage for them or anyone else in return;
- d. accept hospitality from a third party that is unduly lavish or extravagant under the circumstances;
- e. offer or accept a gift to or from government officials or representatives, or politicians or political parties;
- f. threaten or retaliate against another individual who has refused to commit a bribery offence or who has raised concerns under this Policy; or
- g. engage in any other activity that might lead to a breach of this Policy.

Colleagues must notify their line manager or the General Counsel or make a notification via Whistleblowing channels as soon as possible if they believe or suspect that a conflict with this Policy has occurred, or may occur in the future. For example, if a client or potential client offers something to gain a business advantage with any LSL Company, or indicates to that a gift or payment is required to secure their business. Consideration should also be given to whether the item should be raised as a risk event in the Protecht risk management system; if you are unsure about this please contact your Divisional risk team or the Group risk team.

## **2.9 Record-keeping:**

All LSL Companies must keep financial records and have appropriate internal controls in place which will evidence the business reason for making payments to third parties.

Colleagues must declare and keep a written record of all hospitality or gifts declined, accepted or offered, which should be consolidated within a Divisional log and will be subject to managerial, People Team and periodic Internal Audit review. These records will include receipts, correspondence (including emails and letters) and diary entries/notes.

Colleagues must ensure all expenses claims relating to hospitality, gifts or expenses incurred to third parties are submitted in accordance with the applicable expenses policy and specifically record the reason for the expenditure. In relation to hospitality events hosted by LSL Companies, records should include details of attendees.

All accounts, invoices, memoranda and other documents and records relating to dealings with third parties, such as clients, suppliers and business contacts, should be prepared and maintained with strict accuracy and completeness. No accounts must be kept "off-book" to facilitate or conceal improper payments.

**2.10 How to raise a concern:**

Colleagues are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If Colleagues are unsure whether a particular act constitutes bribery or corruption, or if Colleagues have any other queries, these should be raised with their line manager or the General Counsel or . Alternatively, concerns can be reported by following the procedure set out in the Whistleblowing policy which is detailed at section 6 below.

**2.11 What to do if you are a victim of bribery or corruption:**

It is important that Colleagues tell their line manager and the General Counsel as soon as possible if they are offered a bribe by a third party, are asked to make one, suspect/believe that this may happen in the future, or believe that they are a victim of another form of unlawful activity or that any breach of this Policy has occurred or may occur. As an alternative, the Colleague can report the circumstances using the Whistleblowing policy (see section 6).

**2.12 Protection:**

In the event that circumstances arise where a Colleague refuses to accept or refuses to offer a bribe, or a Colleague raises concerns or report another's wrongdoing, there is potential for the Colleague to be concerned and to worry about possible repercussions. LSL aims to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

LSL is committed to ensuring no one suffers any detrimental treatment as a result of refusing to take part in bribery or corruption, or because of reporting in good faith their suspicion that an actual or potential bribery or other corruption offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

If a Colleague believes that they have suffered any such treatment, they should inform the Group Chief People Officer, the General Counsel or another manager immediately. If the matter is not remedied, they should raise it formally using LSL's Grievance Procedures.

**2.13 Training and communications:**

Colleagues will receive training on this Policy and on how to implement and adhere to it. LSL's zero-tolerance approach to bribery and corruption must also be communicated to all suppliers, contractors and business partners at the outset of business relationships with them and as appropriate thereafter.



### **3. [Anti-Slavery and Human Trafficking:](#)**

#### **3.1 [Policy statement:](#)**

Modern slavery is a crime and violation of fundamental human rights. All LSL Companies have a zero-tolerance approach to modern slavery and are committed to acting ethically and with integrity in all their business dealings and relationships and enforcing effective systems and controls to ensure modern slavery is not taking place anywhere in the LSL Group's business or any of its supply chains.

Each LSL Company shall uphold all UK laws relevant to countering modern slavery (including the Modern Slavery Act) and the purpose of LSL's anti-slavery and human trafficking policy is to:

- a. set out the responsibilities of all LSL Companies, and of those working for the LSL Group, in observing and upholding the LSL policy on anti-slavery and human trafficking; and
- b. provide information and guidance to those working for LSL Companies on how to recognise and deal with anti-slavery and human trafficking issues.

#### **3.2 [The law:](#)**

It is an offence to hold another person in slavery or servitude, to require another person to perform forced or compulsory labour or to arrange or facilitate the travel of another person with a view to them being exploited. If an individual is found guilty they may, on conviction on indictment, face up to life imprisonment or, on summary conviction, face up to 12 months' imprisonment and/or a fine.

The Modern Slavery Act also imposes a duty on larger organisations (those with an annual turnover of £36 million or more) to produce an annual statement on the steps they have taken to ensure their business and supply chains are free of modern slavery. A number of LSL companies fall under this duty and therefore the Group produces a statement on their behalf. The annual LSL Group statement must be approved by the relevant boards of directors, signed by relevant director(s) and published on each relevant LSL company's websites (each with a link to the statement in a prominent place on the home page).

A failure by the Group to produce an accurate and robust statement may attract criticism and negative publicity from key LSL stakeholders and others in the community and has the potential to attract negative publicity and reputational damage.

#### **3.3 [What is modern slavery?](#)**

Modern slavery is a crime which takes a variety of 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 in order to exploit them for personal or commercial gain.

#### **3.4 [Areas of risk for LSL companies:](#)**

The principal areas of risk, related to modern slavery, include:

- our supply chains;
- employee recruitment through agencies;
- general employment practices.

LSL manages these risk areas through the procedures set out in this section 3 of the Combined Ethics Policy.

#### **3.5 [LSL Group procedures:](#)**

##### **3.5.1 [Anti-slavery statement](#)**

In compliance with the requirements under the Modern Slavery Act, LSL shall ensure the publication of a clear annual statement setting out the steps LSL businesses have taken to ensure modern slavery is not taking place within LSL's businesses and supply chains.

### **3.5.2 Supply chains**

Relevant LSL businesses have taken a variety of steps to ensure the potential for modern slavery within its supply chains is significantly reduced. Such steps include:

- conducting risk assessments on existing LSL suppliers;
- conducting due diligence on new suppliers as part of the procurement process;
- requiring that all LSL suppliers comply with a Supplier Code of Conduct which sets out the standards which LSL expects suppliers to comply with in relation to working hours, wages and benefits, health and safety in the work place and prohibits the use of forced, compulsory and child labour; and
- including anti-slavery provisions within supplier contracts which prohibit suppliers and their employees from engaging in slavery and human trafficking.

### **3.5.3 Colleague recruitment**

LSL's Group People Team follows Group policies in its recruitment practices and seeks to only engage with reputable recruitment agencies.

To ensure the potential for slavery and human trafficking is reduced as far as possible, LSL undertake due diligence checks of recruitment agencies before appointing them to a panel of list of approved agencies. These checks include:

- a. conducting background checks;
- b. investigating reputation;
- c. ensuring the staff it provides have the appropriate paperwork (e.g. work visas); and
- d. ensuring the agency provides assurances that the appropriate checks have been made on the person(s) they are supplying.

LSL's Group People Team regularly reviews its panel of recruitment agencies.

#### **3.5.3.1 General employment**

LSL businesses will ensure that all staff have a written contract of employment in place and that the individuals have not had to pay any direct or indirect fees to obtain work. LSL businesses will also always check to ensure staff are legally able to work in the UK. As part of its monitoring procedures, LSL businesses will check the names and addresses of all staff (for example, a number of people listing the same address may indicate high shared occupancy, often a factor for those being exploited).

LSL businesses will provide information to all new recruits on their statutory rights including sick pay, holiday pay and any other benefits they may be entitled to. In the event that during any recruitment process, a member of staff suspects that someone is being exploited, Group People Team should be notified and they will follow LSL's reporting procedures.

### **3.6 Potential risk scenarios - "red flags":**

The following is a list of possible red flags that may arise during the course of working for the LSL Group and which may raise concerns under various anti-slavery and anti-human trafficking laws. The list is not intended to be exhaustive and is for illustrative purposes only.

If a Colleague encounters any of the following red flags while working for any LSL company, they must report them promptly to their line manager, the General Counsel or make a report using the procedure set out in the Whistleblowing Policy (see below at section 6):

- a. learns that a third party has a reputation for engaging in practices which would or may constitute modern slavery;
- b. an individual shows signs indicating that they may be a slavery or human trafficking victim. Signs could include:
  - i) a person not being in possession of their passport or other travel or identity documents;

- ii) a person acting as though they are being instructed or coached by another;
- iii) a person showing signs that their movements are being controlled or being unable to move freely;
- iv) a person allowing others to speak for them when addressed directly;
- v) a person showing signs of malnourishment and/or abuse;
- vi) a person being dropped off or collected from work;
- vii) a person having limited contact with their families or with people outside of their immediate environment;
- viii) a person showing signs of fear or anxiety; and/or
- ix) a person having limited social interaction or contact with people outside their immediate environment.

### **3.7 Colleague responsibilities:**

The prevention, detection and reporting of modern slavery is the responsibility of all those working for LSL or under LSL's control. All Group Colleagues are required to avoid any activity that might lead to, or suggest, a breach of this Policy.

Colleagues must notify their line manager, the Group Chief People Officer, the General Counsel or via the Whistleblowing channels set out in section 6 as soon as possible if they believe or suspect that a conflict with this Policy has occurred, or may occur in the future. For example, if a Colleague hears that a supplier has a reputation of modern slavery or suspects that a supplier's employee is showing signs of being a victim of modern slavery.

### **3.8 How to raise a concern:**

Colleagues are encouraged to raise concerns about any issue or suspicion of malpractice at the earliest possible stage. If Colleagues are unsure whether a particular act constitutes modern slavery, or if Colleagues have any other queries, these should be raised with their line manager, the Group Chief People Officer or the General Counsel. Alternatively, concerns can be reported by following the procedure set out in the Whistleblowing policy which is detailed at section 6 below.

### **3.9 What to do if you are a victim of modern slavery:**

It is important that Colleagues inform their line manager, the Group Chief People Officer or the General Counsel as soon as possible if they suspect/believe that they are a victim of any form of unlawful activity under the Modern Slavery Act or that any breach of this Policy has occurred or may occur. Alternatively, colleagues can report the circumstances using the Whistleblowing policy (see section 6).

### **3.10 Protection:**

Colleagues who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. LSL aims to encourage openness and will support anyone who raises genuine concerns in good faith under this Policy, even if they turn out to be mistaken.

LSL is committed to ensuring no one suffers any detrimental treatment as a result of reporting in good faith their suspicion that a modern slavery offence has taken place, or may take place in the future. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

If a Colleague believes that they have suffered any such treatment, they should inform the Group Chief People Officer, the General Counsel or another manager immediately. If the matter is not remedied, they should raise it formally using LSL's Grievance Procedures.

### **3.11 Training and communications:**

Colleagues will receive training on this Policy and on how to implement and adhere to it. Colleagues who are involved in managing recruitment and LSL's supply chains shall receive specialist training on modern slavery. LSL's zero-tolerance approach to modern slavery must also be communicated to all suppliers, contractors and business partners at the outset of business relationships with them and as appropriate thereafter.

#### **4. Conflicts Policy:**

##### **4.1 Policy statement:**

The LSL policy on the management of conflict of interest is designed to help everyone conduct themselves in accordance with ethical, professional and legal standards.

All Colleagues in any part of the LSL Group are expected to avoid situations in which his/her financial or other personal interests or dealings are, or maybe, in conflict with the interests of the LSL Group.

Colleagues should not engage in any business activity outside of their work which could be considered to be detrimental to, or in competition with, LSL's own activities.

A Colleague's personal interest might conflict with that of an LSL Company in circumstances that are not always avoidable.

In all cases where a potential conflict of interest might occur, the Colleague should seek advice from his/her line manager.

Examples would be any business or financial arrangement with an associate, friend, relation or close acquaintance who does business with the relevant LSL Company, or a company which introduces business, or supplies goods or services to the relevant LSL Company.

##### **4.2 The law:**

###### **a. Estate Agency:**

The Estate Agents Act 1979 (EAA 1979) regulates LSL's estate agents businesses. Its purpose is to ensure that the estate agents and associated staff working within the UK act in the best interests of their clients and that both buyers, sellers, landlords and tenants are treated honestly, fairly and promptly.

###### **b. Financial Services:**

Similarly the Financial Conduct Authority (FCA) monitors Colleagues in regulated roles and regulated companies to ensure that staff are fit and proper in terms of their business activity. Careful consideration is therefore given to the honesty, reputation and integrity of all Colleagues, as well as competence, capability and financial soundness.

The LSL Group is fully committed to the regulatory regime imposed by the FCA under the Financial Services and Markets Act 2000. Undertaking regulated business in accordance with the FCA's principles including the delivery of appropriate Customer Outcomes internally and externally, in every aspect of our business, is paramount.

###### **c. Surveying:**

For surveying Colleagues, in all cases the Royal Institution of Chartered Surveyors (RICS) rules of conduct published in respect of conflicts of interests apply. In particular, please note that a valuer is not permitted to act for two or more parties in the same transaction save with the prior written consent of the parties concerned.

##### **4.3 Management of conflicts:**

Management of conflicts of interest is necessary to ensure that there can be no opportunity for self-interest. The provisions of this Policy are intended to protect LSL Group customers, LSL Companies and their Colleagues from the impact of any conflict of interest.

**Note: it is the responsibility of all Colleagues, prior to purchasing, selling, letting a property or receiving/providing financial advice or other professional services to ensure that they have established if the agent/provider is a related LSL Company. Please refer to the Group Company Secretary if you are unsure.**

##### **4.4 Definition of 'connected person':**

In this Policy, a *connected person* is defined as either a Colleague, their relation(s), partner, spouse or associate(s), or any other person (i.e. a friend), where the relationship could influence the behaviour of

either the Colleague, or the relevant company, when selling, purchasing, letting a property, providing financial advice or professional services.

**Note: the definition is taken from the Estate Agents Act 1979. The definition is very wide – therefore if in doubt, be prudent and declare an interest. It is the Colleague’s responsibility to declare this.**

#### **4.5 General procedures for Property Management Activities (including Land & New Homes and Asset Management):**

This Policy and the LSL Group procedures adheres to the requirements of the Estate Agents Act, which outlines personal interest and reflects the FCA’s sales conduct principles.

The following legal obligations are imposed by the Estate Agents Act in relation to selling, purchasing or letting a property, or providing financial advice:

The process that follows provides for a senior member of the relevant LSL Company to conduct all negotiations on behalf of a Colleague with a ‘Personal Interest’. The provision is intended to protect the LSL Company, its Colleagues and most importantly, its customers, from any conflict of interest. The intention therefore, is to ensure that at all times the best interests of LSL’s customers are upheld and to ensure that LSL’s efforts successfully stand up to any scrutiny.

It is the obligation of all Colleagues of any part of the LSL Group to disclose themselves as a connected person when dealing with any LSL estate agency businesses. Colleagues (and any other ‘connected person’) who have a personal interest in a property purchase or sale, or have a vested interest as a landlord or tenant in relation to lettings, should immediately disclose themselves as a connected person so that all parties are aware of the situation.

##### **a. Residential Sales**

###### **(i) Sellers**

- Any Colleague should reveal promptly any personal interest, which they or a ‘connected person’ have in a sale..
- The personal interest clause must be shown on the sales particulars.
- Any potential purchaser should be made fully aware of the connected person at an appropriate stage i.e. customer registration/viewings, either verbally or in writing.
- Any notes should also show clearly that the offering buyer’s solicitor has been informed verbally and also in writing of the personal interest i.e. the appropriate clause on the Memorandum of Sale.
- 

###### **(ii) Buyers**

- Any Colleague employed by any LSL Company should reveal promptly, any personal interest, which they or a ‘connected person’ have in the purchase. The individual should notify this to the Area/Regional Manager or above (e.g. Sales Director, Residential Director or Managing Director) and this should be recorded onto the customer’s file.
- The property should be marketed in the usual manner, which includes advertising and contacting all potential buyers.
- The seller must be aware of the buyer’s status when the viewing is arranged. This should be recorded either electronically or manually.
- Should a Colleague or ‘connected person’ wish to make an offer, this must be handed to the Area/Regional Manager, Sales Director, Residential Director or Managing Director or, if it is that level of Management wishing to make an offer on the property, then the matter should be escalated to the next level of Management.

- It is the responsibility of the Area/Regional Manager, Sales Director, Residential Director or Managing Director to conduct all negotiations including issuing of all correspondence, up to and including the Sale Agreed stage.
- The branch can then process the sale (except if there is cause for re-negotiation, which should again be escalated to the appropriate manager or director).

**Note: All Colleagues, their relatives and associates (see the definition of connected persons above) may not buy 'corporate properties' (e.g. repossessions) through any LSL Company, whether they are directly instructed (e.g. by solicitors, lenders or non-LSL corporate clients) or through an LSL asset management business.**

(iii) **Franchisees**

- The above process applies and all selling/purchasing should be referred to the business account manager for the area.

(iv) **Financial consultants/Mortgage advisors**

- It is prohibited for Financial Consultants/Mortgage Advisers to give advice on the purchase of any property in which they have a personal interest.

**b. Residential Lettings**

(i) **Landlords**

- A Colleague should reveal promptly any personal interest, which they or a 'connected person' have in letting out a property. The individual should notify this to the Area Lettings Manager or above (e.g. Regional Lettings Manager/Director or Lettings Director) and this should be recorded onto the customer file.
- Any interest or connection with any contractors should also be disclosed on the 'Approved Contractor form'.
- Another colleague should prepare all property details.
- The personal interest must be stated on both the property particulars and the Lettings list.
- The Area Lettings Manager/Lettings Director must conduct all negotiations.
- In the case of Integrated Lettings the Area Director, Sales Director, Residential Director or Managing Director will ensure the above is carried out but they must also notify the Lettings Director of the personal interest.

(ii) **Tenants**

- A Colleague should reveal promptly any personal interest, which they or a 'connected person' have in renting a property. The individual should notify this to the Area Lettings Manager or above (e.g. Regional Lettings Manager/Director or Lettings Director) and this should be recorded onto the customer file.
- The Area Lettings Manager, Regional Lettings Manager/Director or Lettings Director must conduct all negotiations.
  - A declaration must be made in the standard letter advising the landlord that a suitable applicant has been found.
- In the case of Integrated Lettings the Area Director, Sales Director, Residential Director or Managing Director must carry out the above and also notify the Lettings Director of the personal interest.

(iii) **Franchisees**

The above process applies and all letting/renting should be referred to the business account manager for the area.

**4.6 General procedures for the Financial Services Division:**

Colleagues of the Financial Services Division are required to follow the Financial Services Conflicts of Interest Policy. Details of this policy are available via the Financial Services Division Chief Risk Officer (Helen Martin - Helen.Martin@lsl-fs.co.uk).

**4.7 General Procedures for the Surveying Division:**

- The Valuer must ensure that, in the course of his/her professional activities, the interests of a client do not conflict with those, a) of another client, or b) of himself/herself, the surveying company or any associate.
- Where a conflict arises, or could be reasonably foreseen, and the Valuer nevertheless is willing to act, or to continue to act, he/she shall forthwith disclose the relevant facts in writing to the clients concerned and obtain their written agreement that he/she is permitted to accept instructions to act, or to continue to act, as the case may be.
- Valuers may be disqualified under RICS regulation and other relevant regulatory frameworks, therefore shall refer the matter to a colleague or Regional Manager in the first instance, or alternatively decline instructions.

**4.8 Failure to comply:**

Non-compliance to any of the above will result in a full investigation. Should any Colleague be found to have deliberately breached this procedure they may be subject to disciplinary action. This, if substantiated, may constitute gross misconduct and may result in summary dismissal.

## **5. [Tax Evasion Policy:](#)**

### **5.1 [Policy statement:](#)**

LSL is committed to acting professionally, fairly and with integrity in all our business dealings and relationships wherever we operate and implementing and enforcing effective systems to counter tax evasion facilitation.

It is LSL's policy to conduct all LSL Group business in an honest and ethical manner. We take a zero-tolerance approach to facilitation of tax evasion, whether under UK law or under the law of any foreign country.

The purpose of this policy is to:

- a. set out the responsibilities of all LSL Companies, and of those working for the LSL Group, in observing and upholding our position on preventing the criminal facilitation of tax evasion; and
- b. provide information and guidance to those working for LSL Companies on how to recognise and avoid the facilitation of tax evasion.

### **5.2 [What is the Corporate Criminal Offence of Failing to Prevent the Facilitation of Tax Evasion?](#)**

Tax evasion means the offence of fraudulently evading or cheating the public revenue of tax that is lawfully owed, and is a criminal offence. The offence requires an element of fraud, which means there must be deliberate action, or omission with dishonest intent. Tax evasion facilitation means being knowingly concerned in, or taking steps with a view to, the fraudulent evasion of tax (whether UK tax or tax in a foreign country) by another person, or aiding, abetting, counselling or procuring the commission of that offence. Tax evasion facilitation is a criminal offence, where it is done deliberately and dishonestly.

Under the Criminal Finances Act 2017, a separate criminal offence is automatically committed by a corporate entity or partnership where the tax evasion is facilitated by a person acting in the capacity of an "associated person" to that body. For the offence to be made out, the associated person must deliberately and dishonestly take action to facilitate the tax evasion by the taxpayer.

If the associated person accidentally, ignorantly, or negligently facilitates the tax evasion, then the corporate offence will not have been committed. The LSL Company does not have to have deliberately or dishonestly facilitated the tax evasion itself; the fact that the associated person has done so creates the liability for the LSL Company.

As an employer, if the LSL Group fails to prevent its employees, workers, agents or service providers facilitating tax evasion, the LSL Group can face criminal sanctions including an unlimited fine, as well as exclusion from tendering for public contracts and damage to the Group's reputation. We therefore take our legal responsibilities seriously.

Tax evasion is not the same as tax avoidance or tax planning. Tax evasion involves deliberate and dishonest conduct. Tax avoidance is not illegal and involves taking steps, within the law, to minimise tax payable (or maximise tax reliefs). In this policy, all references to tax include national insurance contributions (and their equivalents in any non-UK jurisdiction).

### **5.3 [Responsibilities in respect of facilitation of tax evasion:](#)**

This policy applies to all persons working for, or on behalf of, the LSL Group in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, interns, agents, brokers, franchises, panel firms, contractors, external consultants, third-party representatives and business partners, sponsors, or any other person associated with us, wherever located.

In this policy, third party means any individual or organisation that a person working for, or on behalf of, the LSL Group comes into contact with during the course of their work for the LSL Group. This includes actual and potential clients, customers, suppliers, distributors, business contacts, agents, advisers, and government and public bodies, including their advisers, representatives and officials, politicians and political parties.



It is not acceptable for LSL Group Colleagues (or someone on their behalf) to:

- a. engage in any form of facilitating tax evasion or foreign tax evasion;
- b. aid, abet, counsel or procure the commission of a tax evasion offence by another person;
- c. fail to promptly report any request or demand from any third party to facilitate the fraudulent evasion of tax, or any suspected fraudulent evasion of tax by another person, in accordance with this policy;
- d. engage in any other activity that might lead to a breach of this policy; or
- e. threaten or retaliate against another individual who has refused to commit a tax evasion offence or who has raised concerns under this policy.

Colleagues must ensure that they read, understand and comply with this policy. The prevention, detection and reporting of tax evasion are the responsibility of all those either working for LSL or under LSL's control. All Colleagues are required to avoid any activity that might lead to, or suggest, a breach of this policy.

All Colleagues must notify the General Counsel or make a notification under the Whistleblowing policy (as set out in section 6) as soon as possible if they believe or suspect that a conflict with this policy has occurred or may occur in the future.

#### **5.4 Potential risk scenarios: "red flags":**

The following is a list of possible red flags that may arise during the course of working for the LSL Group and which may raise concerns related to tax evasion. The list is not intended to be exhaustive and is for illustrative purposes only.

If a Colleague encounters any of these red flags while working for us, they must report them promptly using the procedure set out in the Whistleblowing Policy (see below at section 6):

- a. become aware, in the course of their work, that a third party has made or intends to make a false statement relating to tax, has failed to disclose income or gains to, or to register with, HMRC (or the equivalent authority in any relevant non-UK jurisdiction), has delivered or intends to deliver a false document relating to tax, or has set up or intends to set up a structure to try to hide income, gains or assets from a tax authority;
- b. become aware, in the course of their work, of an attempt to evade stamp duty land taxes payable on a property transaction;
- c. become aware, in the course of their work, that a third party has deliberately failed to register for VAT (or the equivalent tax in any relevant non-UK jurisdiction) or failed to account for VAT;
- d. become aware, in the course of their work, that a third party has deliberately failed to account for all other taxes including corporation and income tax;
- e. a third party requests payment in cash and/or refuses to sign a formal commission or fee agreement, or to provide an invoice or receipt for a payment made;
- f. become aware, in the course of their work, that a third party working for the LSL Group as an employee asks to be treated as a self-employed contractor, but without any material changes to their working conditions;
- g. a supplier or other subcontractor is paid gross when they should have been paid net, under a scheme such as the Construction Industry Scheme;
- h. a third party requests that payment is made to a country or geographic location different from where the third party resides or conducts business;
- i. a third party to whom an LSL Company has provided services requests that their invoice is addressed to a different entity, where the LSL Company did not provide services to such entity directly;
- j. a third party to whom an LSL Company has provided services asks us to change the description of services rendered on an invoice in a way that seems designed to obscure the nature of the services provided;
- k. receive an invoice from a third party that appears to be non-standard or customised;
- l. a third party insists on the use of side letters or refuses to put terms agreed in writing or asks for contracts or other documentation to be backdated;
- m. the LSL Group has been invoiced for a commission or fee payment that appears too large or too small, given the service stated to have been provided; and

- n. a third party requests or requires the use of an agent, intermediary, consultant, distributor or supplier that is not typically used by or known to the LSL Group.

#### **5.5 How to raise a concern:**

Colleagues are encouraged to raise concerns about any issue or suspicion of tax evasion at the earliest possible stage.

If a Colleague becomes aware of any fraudulent evasion of tax by another person in the course of their work, or you are asked to assist another person in their fraudulent evasion of tax (whether directly or indirectly), or if they believe or suspect that any fraudulent evasion of tax has occurred or may occur, they must notify their manager or report it in accordance with our Whistleblowing Policy as soon as possible.

If a Colleague is unsure about whether a particular act constitutes tax evasion, they should raise it with their manager or via a Whistleblowing channel as soon as possible. Colleagues should note that the corporate offence is only committed where they deliberately and dishonestly take action to facilitate the tax evasion. If the Colleague does not take any such action, then the offence will not be made out. However, a deliberate failure to report suspected tax evasion, or "turning a blind eye" to suspicious activity could amount to criminal facilitation of tax evasion.

#### **5.6 Protection:**

Individuals who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any detrimental treatment as a result of:

- a. refusing to take part in, be concerned in, or facilitate tax evasion or foreign tax evasion by another person;
- b. refusing to aid, abet, counsel, or procure the commission of a tax evasion offence or a foreign tax evasion offence by another person; or
- c. reporting in good faith their suspicion that an actual or potential tax evasion offence or foreign tax evasion offence has taken place or may take place in the future.

Detrimental treatment includes dismissal, disciplinary action, threats, or other unfavourable treatment connected with raising a concern. If a Colleague believes that they have suffered any such treatment, they should inform the Group Chief People Officer, the General Counsel, or another manager immediately. If the matter is not remedied, they should raise it formally using LSL'S Grievance Procedures.

#### **5.7 Breaches of this Policy:**

Any Colleague who breaches this policy may face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

The LSL Group may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

## **6. Whistleblowing Policy:**

### **6.1 Policy statement:**

LSL is committed to conducting its businesses with honesty and integrity, and it expects all Colleagues to maintain high standards. However, all organisations face the risk of things going wrong from time to time, or of unknowingly harbouring illegal or unethical conduct. A culture of openness and accountability is essential in order to prevent such situations occurring or to address them when they do occur.

Having a Policy in place that encourages individuals to raise concerns is a core part of LSL's ethical and supportive business culture. Whistleblowing policies that offer effective protection from retaliation, as well as policies that support anti-bribery and corruption legislation are essential components of this. Such policies are important, for example, when attempts to resolve things internally have not worked. LSL seeks to create an environment in which individuals feel safe to raise concerns (such as being negatively labelled, side-lined for promotion or bonuses, and even loss of employment). LSL seeks to ensure there are no negative repercussions as a result of raising any concerns.

This Whistleblowing Policy encourages and enables individuals to raise any matters of concern in confidence and – if they wish – anonymously.

The Board will routinely review LSL's whistleblowing arrangements, including this Policy and the reports arising from its operation and it will also ensure that arrangements are in place for the proportionate and independent investigation of matters notified/raised pursuant to the whistleblowing arrangement and for follow-up action to take place.

### **6.2 Policy Aims:**

The aims of LSL's Whistleblowing Policy are:

- a. To encourage Colleagues to report suspected wrongdoing as soon as possible, in the knowledge that their concerns will be taken seriously and investigated as appropriate, and that their confidentiality will be respected.
- b. To provide Colleagues with guidance as to how to raise those concerns.
- c. To reassure Colleagues that they should be able to raise genuine concerns in good faith without fear of reprisals, even if they turn out to be mistaken.

### **6.3 The law - duty of notification:**

All Colleagues have a responsibility to ensure the success of the LSL Group and of this Whistleblowing Policy. They therefore have a right and are encouraged to raise, in confidence, any suspicions of malpractice affecting any part of the LSL Group. This Whistleblowing Policy has been designed in line with the Public Interest Disclosure Act 1998 and the Enterprise and Regulatory Reform Act 2013. It aims to encourage management and staff to report their suspicions and guarantee anonymity, where it is requested, and wherever it is appropriate. Colleagues are invited to comment on this Whistleblowing Policy and suggest ways in which it might be improved. Comments, suggestions, and queries should be addressed to the Group Company Secretary.

### **6.4 Whistleblowing Policy:**

**Whistleblowing** is the disclosure of information which relates to suspected wrongdoing or dangers at work. This may include circumstances which have occurred, are occurring or are likely to occur:

- a. Criminal activity;
- b. Failure to comply with any legal or profession obligation or regulatory requirements;
- c. Miscarriages of justice;
- d. Danger to health and safety;
- e. Damage to the environment;
- f. Bribery under our Anti-Corruption and Bribery Policy;
- g. Offences under the Modern Slavery Act;
- h. Fraud or financial mismanagement;

- i. Breach of LSL Group internal policies and procedures;
- j. Conduct likely to damage the reputation or financial well-being of any part of the LSL Group;
- k. Unauthorised disclosure of confidential information;
- l. Tax evasion;
- m. Anti-competitive behaviours (e.g. agreeing price fixing arrangements with a competitor);
- n. Negligence; and/or
- o. The deliberate concealment of any of the above matters.

Examples of circumstances which are reportable include the following – **please note: this is a non-exhaustive list:**

- 1. Following a problem with one of the computer servers, you become aware that the security of some client contact information may have been compromised. You see that the colleague dealing with the issue has deleted the relevant warning emails and is keeping quiet about what has happened.
- 2. There are a number of apparent mistakes in a financial report you are given, which suggest to you that fraud is taking place and money is going missing. You can't be certain, but you have become suspicious as there is no other obvious reason for the irregularities, and you have noticed the same type of very unusual error in other figures presented to you by the same person, and when asked about these, they have been unable to offer you a reasonable explanation.
- 3. You become aware that as part of Health and Safety reporting, a member of staff is falsely reporting that asbestos checks, fire alarm testing and fire evacuation procedures had been carried out.
- 4. Electrical wires are hanging out of a photocopier plug socket and colleagues have suffered an electric shock when plugging in the equipment. Local management insist the photocopier cannot be relocated in the office and are not prepared to incur the cost to make the socket safe.
- 5. You know that a colleague has failed to pass a significant test required for regulatory compliance, but note that they are still being permitted to conduct business by their manager.

LSL encourages all Colleagues to come forward if they have material suspicions of dishonesty, unethical, dangerous or criminal behaviour, as set out above; and ensures that the Group's terms of employment and non-disclosure/confidentiality agreements do not prevent the reporting of suspected wrong doing. Under such circumstances, individuals will not be informing, but will be acting in the interests of all Group Colleagues and are helping to safeguard the future of the LSL Group.

A **whistleblower** is a person who raises a genuine concern relating to any of the circumstances outlined above. If any Colleague has any genuine concerns related to suspected wrongdoing or danger affecting any of LSL's activities (a **whistleblowing concern**) they should report it under this Whistleblowing Policy.

This Policy should not be used for complaints relating to personal circumstances, such as the way an Colleague has been treated at work. In those cases they should use the relevant Grievance Procedure or the Anti-harassment and Bullying Policy as appropriate.

If a Colleague is uncertain whether something is within the scope of this Policy, they should seek advice from LSL's General Counsel.

While individuals must be able to explain the reasons for their suspicions, they are not required to 'prove' that their suspicions are well founded. Concerns must be reasonably believed to be substantially true, to fall into one of the categories set out above and to be in the public interest by the individual raising them. These concerns will be investigated and if appropriate feedback may also be given to the individual raising the concern.

Each LSL Company will endeavour to protect the individual raising the concern from discrimination, victimisation and/or dismissal because of their concern. Colleagues who genuinely believe that an incident or malpractice has occurred and who report their concerns will not be subject to any detrimental treatment because of this report. The Public Interest Disclosure legislation protects against this and anyone responsible for detrimental treatment will be subject to the relevant LSL Company's disciplinary procedures.

Any individual who makes a complaint for malicious purposes or makes an allegation which they do not believe to be substantially true, will have disciplinary action taken against them in accordance with the relevant People policies.

#### **6.5 Anonymity:**

LSL recognises that disclosures made may involve highly confidential and sensitive matters and that they may prefer to make an anonymous disclosure. However, LSL regrets that it cannot guarantee that it will investigate all anonymous allegations. Proper investigation may prove impossible if the investigator cannot obtain further information from the individual, or provide feedback. It is preferable for whistleblowers to reveal their identity and measures can be taken to preserve confidentiality, where requested by the Colleague.

#### **6.6 Confidentiality:**

LSL hopes that Colleagues will feel able to voice whistleblowing concerns openly under this Whistleblowing Policy. However, if Colleagues want to raise their concern confidentially, LSL will make every effort to keep their identity secret. If it is necessary for anyone investigating to know their identity, LSL will discuss this with the Colleague.

LSL do not encourage staff to make disclosures anonymously. Proper investigation may be more difficult or impossible if LSL cannot obtain further information from the Colleague. It is also more difficult to establish whether any allegations are credible. Whistleblowers who are concerned about possible reprisals if their identity is revealed should come forward to one of the contact points listed in this Whistleblowing Policy and appropriate measures can then be taken to preserve confidentiality. If the Colleague is in any doubt they can seek advice from Protect (formerly Public Concern at Work), the independent whistleblowing charity, who offer a confidential helpline. Their contact details are:

- Whistleblowing Advice Line: 020 3117 2520
- <https://protect-advice.org.uk/contact-us/>
- [whistle@protect-advice.org.uk](mailto:whistle@protect-advice.org.uk)

All personal data collected and processed under this Policy will be handled in compliance with the UK General Data Protection Regulation (UK GDPR) and the Data Protection Act 2018. Information provided in a Whistleblowing report will only be used for the purposes of investigating and resolving the concern, meeting legal or regulatory obligations, and ensuring the effective operating of this policy. LSL will keep a secure record of whistleblowing reports, the steps taken to investigate them and their outcomes. Records will be retained only for as long as necessary in accordance with the relevant Company data retention policy. All records will be stored securely with access restricted to authorised personnel only.

#### **6.7 Notification procedure:**

Colleagues are encouraged to raise any concerns with their line manager. This can be done in person or in writing. The line manager may be able to agree a way of resolving the Colleague's concern quickly and effectively or they may refer the matter for investigation in accordance with this Whistleblowing Policy.

However, where the matter is more serious, or the Colleague feels that the line manager has not addressed their concern, or where they prefer not to raise it with them for whatever reason, Colleagues should contact one of the following:

- a. Via an email
- b. Via the General Counsel by telephone, e-mail or by letter. If the Colleague wishes to remain anonymous, they can send a letter marked private and confidential.

- c. Notifications can also be made to the Chair of the LSL Board by letter to the Group Company Secretary (address above).

All whistleblowing notifications will be acknowledged promptly and we will aim to acknowledge them within 7 days of receipt. Investigations will be completed and formal feedback provided as soon as practicable following receipt of a report. We will aim to keep those Colleagues reporting issues informed of the progress of the investigation and its likely timescale.

Following receipt of a notification and where the identity of the Colleague is known, LSL will arrange a meeting with the Colleague as soon as possible to discuss their concern. The Colleague may bring a colleague or union representative to any meetings under this Whistleblowing Policy. The companion must respect the confidentiality of your disclosure and any subsequent investigation. LSL will take down a written summary of the Colleague's concern and provide them with a copy after the meeting. LSL will also aim to give the Colleague an indication of how the concern will be dealt with.

As a principle, the decision to progress a complaint will rest with the individual. This procedure does not replace LSL's Harassment or Equal Opportunities Policy, which should be used as appropriate. LSL reserves the right to investigate any complaint and take appropriate pursuant to any regulatory or legal requirements.

#### **6.8 External disclosures:**

The aim of this Whistleblowing Policy is to provide an internal mechanism for reporting, investigating and remedying any wrongdoing in the workplace. In most cases Colleagues should not find it necessary to alert anyone externally.

The law recognises that in some circumstances it may be appropriate for Colleagues to report concerns to an external body such as a regulator. It will very rarely, if ever, be appropriate to alert the media. LSL strongly encourages Colleagues to seek advice before reporting a concern to anyone external. The independent whistleblowing charity, Protect, operates a confidential helpline. They also have a list of prescribed regulators for reporting certain types of concern.

Whistleblowing concerns usually relate to the conduct of LSL's Colleagues, but they may sometimes relate to the actions of a third party, such as a customer, franchisee, supplier or service provider. The law allows concerns to be raised with a third party, where there is a reasonable belief that it relates mainly to their actions or something that is legally their responsibility. However, LSL encourages Colleagues to report such concerns internally first. Colleagues should contact their line manager or one of the other individuals set out in this Whistleblowing Policy for guidance.

#### **6.9 Investigation procedure:**

On receipt of the notification, LSL will carry out an initial assessment to determine the scope of any investigation and inform the Colleague of the outcome of the assessment. You may be required to attend additional meetings in order to provide additional information. In some cases, LSL may appoint an investigator including Colleagues with relevant experience of investigations or specialist knowledge of the subject matter. The investigator(s) may make recommendations for change to enable LSL to minimise the risk of future wrongdoing. The investigation of all whistleblowing reports will be conducted by an independent person.

All Management have a responsibility to investigate whistleblowing reports in accordance with this policy and any failure to comply with this policy including to investigate in accordance with the policy, may lead to disciplinary action.

LSL will aim to keep the Colleague informed of the progress of the investigation and its likely timescale. LSL will also invite the whistleblower to an interview and they may attend the interview accompanied by a colleague or trade union representative.

Sometimes the need for confidentiality may prevent LSL from giving any Colleagues including the whistleblower specific details of the investigation or any disciplinary action taken as a result. Colleagues must treat any information about the investigation as confidential. If LSL conclude that a whistleblower

has made false allegations maliciously or with a view to personal gain, the whistleblower may be subject to disciplinary action.

**6.10 If a Colleague is not satisfied:**

While LSL cannot always guarantee the outcome the whistleblower is seeking, LSL will try to deal with concerns fairly and in an appropriate way. By using this Whistleblowing Policy, Colleagues can help LSL to achieve this.

If any Colleagues including the whistleblower is not happy with the way in which a concern has been handled, they can raise it with one of the other key contacts listed in this Policy. Alternatively, they can contact the LSL Chair via the Group Company Secretary.

**6.11 Protection and support for whistleblowers:**

It is understandable that whistleblowers are sometimes worried about possible repercussions. LSL aim to encourage openness and will support Colleagues who raise genuine concerns under this Policy, even if they turn out to be mistaken.

Colleagues must not suffer any detrimental treatment because of raising a genuine concern. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If a Colleague believes that they have suffered any such treatment, they should inform the Group Chief People Officer or their line manager immediately. If the matter is not remedied, they should raise it formally using the Grievance Procedure.

Colleagues must not threaten or retaliate against whistleblowers in any way. Anyone involved in such conduct may be subject to disciplinary action. In some cases, the whistleblower may have a right to sue Colleague personally for compensation in an employment tribunal.

LSL recognises the stress and personal risk that whistleblowers may face. If a Colleague believes they require additional support they can access to the Employee Assistant Programme [DETAILED TO BE INSERTED] or the Group Chief People Officer. If legal advice is required, Colleagues should contact the General Counsel.

## **7. Fraud Policy:**

### **7.1 Policy statement:**

LSL has a zero-tolerance approach to fraud. It is committed to preventing, detecting and reporting fraud and, in co-operating with other organisations, to reduce opportunities for fraud. If an individual suspects a fraudulent activity is taking place, they should also consider the following provisions:

### **7.2 The law:**

This Fraud Policy is concerned with protecting the LSL Group and its Colleagues when reporting any fraud claims.

- There are several fraud offences, both at common law and in statute which can be committed by an individual.
- A company can have criminal liability for fraud where it is carried out by a senior manager.
- A company can also be liable for an offence if it fails to prevent fraud occurring, under the corporate criminal offence of Failure to Prevent Fraud. If found liable the LSL Company could be subject to a potentially unlimited fine.

This policy includes considerations of all relevant law and legislation, including:

- a. Police and Criminal Evidence Act 1984
- b. Data Protection Act 1998
- c. Public Interest Disclosure Act 1998
- d. Proceeds of Crime Act 2002
- e. Economic Crime and Corporate Transparency Act 2023

### **7.3 Policy objectives:**

The LSL Group manages fraud risk by: -

- Defining, setting and maintaining cost effective control procedures to identify and deter fraud
- Investigating all incidences of actual, attempted or suspected fraud and all major control breakdown
- Encouraging all individuals to be vigilant
- Raising fraud-awareness at all levels both internally and with those associated with LSL
- Ensuring key controls are complied with
- Providing individuals with effective confidential reporting mechanisms and encouraging their use
- Taking action against individuals perpetrating fraud against any LSL Company and against those individuals and other parties who perpetrate fraud with the intention of benefitting LSL Companies or their clients
- Co-operating with the Police and other appropriate authorities in the investigation and prosecution of those suspected of fraud
- Monitoring and reviewing the effectiveness of fraud controls

### **7.4 What is 'fraud'?**

The following actions are amongst those considered to fall within the definition of fraud: -

- a. Theft of company assets/property, including information and identity fraud
- b. Theft of third party assets (e.g. client monies)
- c. Forgery or alteration of company documents
- d. Destruction or removal of company records
- e. Falsification of expense claim forms
- f. Wilful abuse of commission schemes
- g. Manipulation of sales/valuation processes for personal gain
- h. Unauthorised disclosure of confidential information to outside parties
- i. Misappropriation or use of company assets for personal gain
- j. Undertaking or assisting an illegal activity
- k. Acceptance of bribes or gifts to favour third parties
- l. Knowingly generating or paying false claims or invoices
- m. Making false or misleading statements to win business or clients
- n. Failing to disclose information in order to win business
- o. Obtaining services dishonestly



An example of an indirect benefit to a company could include an increased opportunity to fulfil its contractual obligations.

**Please note: the above list is indicative of fraudulent action and is neither exhaustive nor exclusive.**

## 7.5 What is the corporate criminal offence of Failure to Prevent Fraud?

### a. Offence

The Economic Crime and Corporate Transparency Act 2023 (ECCTA 2023) creates the offence of Failure to Prevent Fraud (FTPF). The offence is committed when a person associated with a relevant large organisation commits a fraud offence intending to benefit the organisation or its clients. If found liable the LSL Company could be subject to a potentially unlimited fine.

### b. Defences

It is a defence for the organisation to prove that when the fraud offence was committed either:

- The body had reasonable prevention procedures in place, or
- It was not reasonable in all the circumstances to expect the body to have any prevention procedures in place.

### c. It is important to note:

- **The scope of fraud is wide. Benefits of fraud are not necessarily financial (e.g. enhanced reputation is a benefit). Also, non-financial acts or omissions can themselves constitute fraud - for example making misleading statements, abuse of position or failing to disclose relevant information.**
- Actionable fraud does not always involve loss to the LSL Group:
  - LSL Companies can be liable where they benefit from fraud carried out by associated persons
  - LSL Companies can be liable where their clients benefit from fraud
- **LSL Companies can be liable for fraud carried out by third parties who are “associated persons”.** These can be employees, agents, subsidiaries and those who provide services for or on behalf of the LSL Company. This can be a large source of risk for the LSL Group and relevant LSL businesses have taken a variety of steps to ensure the potential for fraud by its associated persons is significantly reduced. Colleagues need to be mindful of whether they are engaging with a company or person who could be an associated person and should seek advice from LSL Legal Services to assist determining who is an associated person in the event of any doubt.
- Fraud doesn’t actually have to result in a benefit – the intention to create a benefit is potentially sufficient to create liability.
- Benefits of fraud can be direct or indirect.
- The actions of aiding, abetting, counselling or procuring the commission of fraud can also fall within the scope of fraud offences for which LSL Companies can be liable. An example of aiding and abetting fraud for the benefit of a company would be where a company’s employee encourages a client to make incorrect statements about the business it has with the company. The employee aids and abets the client to commit fraud with the intention of benefitting the company; the company could be liable for a failure to prevent fraud.

## 7.6 Colleague responsibilities and reporting procedures:

The prevention, detection and reporting of fraud and other forms of corruption are the responsibility of all those working for LSL or under LSL’s control. All Colleagues are required to avoid any activity that might lead to, or suggest, a breach of this Policy. Colleagues must ensure that they or someone acting on their behalf, does not engage in activity which could be fraudulent, or aid, abet, counsel or procure the commission of fraud within any LSL company.

### a. What, when and who to report to

Instances of fraud should be reported immediately via the risk event reporting process.

Some instances of fraud may be sensitive, in these instances you may prefer to notify / seek advice from your local risk team, Group General Counsel or Group Chief Risk Officer.

Alternatively, you can raise any concerns via whistle-blowing channels (see section 6).

If you need any further information on the above, please contact your local risk team, Group General Counsel or Group Chief Risk Officer.

#### **7.7 Protection:**

Individuals who raise concerns or report another's wrongdoing, are sometimes worried about possible repercussions. We aim to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

We are committed to ensuring no one suffers any detrimental treatment as a result of:

- a. refusing to take part in, be concerned in, or facilitate fraud by another person;
- b. refusing to aid, abet, counsel, or procure the commission of a fraud offence by another person; or
- c. reporting in good faith their suspicion that an actual or potential fraud offence has taken place or may take place in the future.

Detrimental treatment includes dismissal, disciplinary action, threats, or other unfavourable treatment connected with raising a concern. If a Colleague believes that they have suffered any such treatment, they should inform the Group Chief People Officer, the General Counsel or another manager immediately. If the matter is not remedied, they should raise it formally using LSL'S Grievance Procedures.

#### **7.8 Breaches of this Policy:**

Any Colleague who breaches this policy may face disciplinary action, which could result in dismissal for misconduct or gross misconduct.

The LSL Group may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

#### **7.9 Investigation Procedure:**

Where the fraud relates to internal staff member, any suspicions raised will be investigated objectively and confidentially. Responsibility for the investigation will be independent of the line manager for the area in which the fraud has occurred or is suspected (where appropriate line management can also be engaged in investigations). It is important for individuals to provide as much information as possible when reporting a concern to enable the investigating manager to be fully appraised of the situation.

In addition: -

- The rights of individuals will be respected at all times
- Investigations and/or disciplinary actions will be carried out in accordance with the Group's People policies
- LSL Companies will seek to prosecute anyone who commits fraud and will seek to recover assets through legal means
- The investigation processes and findings made will only be divulged on a need-to-know basis
- Staff reporting fraud will be expected to explain the reasons for their suspicions, however they are not required to prove suspicions are well founded
- Where reasonable suspicion that fraud against any group company has taken place, LSL is entitled to investigate the matter thoroughly using recognised investigative techniques.

#### **7.10 Oversight and Remediation:**

The LSL Group Risk Framework Policy, sets out the control and oversight functions used by the LSL Group to prevent, detect and assist in the remediation of fraud and fraud-related issues.

The LSL Board regularly undertakes a review of fraud and whistleblowing reports and arrangements. The LSL Audit & Risk Committee also undertakes a regular review of the LSL fraud register which includes instances notified via the whistleblowing arrangements. These reviews will also consider root causes and any remediation steps.

**7.11 Training and communications:**

Colleagues will receive training on this Policy and on how to implement and adhere to it. LSL's zero-tolerance approach to fraud must also be communicated to all suppliers, contractors and business partners and other associated persons at the outset of business relationships with them and as appropriate thereafter.