

LSL Property Services plc (**LSL**) and its group of companies are all committed to conducting their businesses in a socially responsible way. LSL businesses seek to carry out their operations in accordance with appropriate ethical standards and to be honest and fair in their relationships with customers and suppliers. As part of this, LSL and its subsidiary companies are dedicated to ensuring that effective systems and controls are in place to safeguard against modern slavery and human trafficking occurring within their businesses or any of their supply chains.

### **LSL Group Slavery and Human Trafficking Statement**

In accordance with the Modern Slavery Act 2015 (**Act**), LSL has published this statement on behalf of its relevant subsidiary companies<sup>1</sup> (**LSL Group**) (**Statement**). This Statement sets out the steps that members of the LSL Group have taken during the financial year ending 31<sup>st</sup> December 2016 to prevent modern slavery and human trafficking from occurring within its business and supply chains. The initiatives included in this Statement will continue to be implemented and developed during 2017 and will be reported on during 2018.

### **LSL Group Businesses**

LSL through its subsidiaries is a leading provider of residential property services to its key customer groups.

- Services to consumers include: residential sales, lettings, surveying, conveyancing and mortgages, pure protection and general business brokerage services.
- Services to mortgage lenders include: valuations and panel management services, asset management and property management services.

For further information about LSL's services please visit [www.lslps.co.uk](http://www.lslps.co.uk).

LSL's financial reporting includes two divisions:

- Estate Agency (which includes Residential Sales and Lettings, Asset Management and Financial Services); and
- Surveying (which includes Surveying and Valuation Services).

As at 31<sup>st</sup> December 2016, LSL through its subsidiaries employed circa 4,990 people across the UK, where its business operations are entirely based.

### **LSL Group Supply Chains**

Members of the LSL Group have established direct relationships with a number of primarily UK-based suppliers who deliver a variety of services including: professional services<sup>2</sup> utilities and telecoms, and facilities management. As part of its service delivery, members of the LSL Group procure services not just for themselves, but also for the benefit of some of the customers of other group companies (including property management services and contractors).

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<sup>1</sup> This statement sets out the steps taken by your-move.co.uk Limited, Reeds Rains Limited, LSLi Limited and e.surv Limited

<sup>2</sup> IT, accountancy, insurance, legal, marketing and recruitment services

The vast majority of services are procured via specialist individuals employed or engaged by members of the LSL Group.

### **LSL Group Policies and Contractual Provisions**

The approach of members of the LSL Group to the promotion of human rights and ethical issues is contained within the LSL Group HR Policies, which includes a Combined Ethics Policy (**CEP**). The CEP applies to all individuals employed or engaged by LSL and its subsidiaries and includes an established Whistleblowing policy which employees can use to report suspected concerns within the LSL businesses and supply chains.

During 2016, a working group was established, which consisted of representatives from Estate Agency Division's procurement team, the in-house legal team (LSL Legal Services) and Group HR, which identified that the CEP would benefit from the inclusion of a dedicated anti-slavery and human trafficking policy. The LSL Group has reviewed its operations and developed the CEP to include an anti-slavery and human trafficking policy which has been published and will be further developed during 2017.

Since the enactment of the Act members of the LSL Group have taken steps to seek to ensure that any new agreements with suppliers include an express obligation for suppliers to comply with the Act, to implement due diligence procedures within its own supply chains and notify LSL in the event of any actual or potential incidence of modern slavery. In the event of a breach of these provisions, members of the LSL Group will seek to resolve any issues with its suppliers and it may also seek to terminate the relationship with the supplier where a resolution is not achieved. This provision is regularly reviewed and further amendments will be made.

### **LSL Group Due Diligence**

Members of the LSL Group have identified their supply chains as the main area of risk and exposure to modern slavery.

During 2016, a two-stage risk assessment was commenced to identify possible risks of modern slavery within supply chains which has continued to run into 2017. The initial risk assessments have focused on significant suppliers (who have been identified by reference to total expenditure). This initial stage of the risk assessment enabled members of the LSL Group to attribute a risk rating to each supplier. Where a supplier was considered "medium" or "high" risk, further investigation was conducted to enable greater understanding of about the possible risks associated with the supply chain and consider whether further action is required.

In addition to carrying out due diligence exercises on existing suppliers, the working group is identifying measures that members of the LSL Group will benefit from including the development of supplier due diligence arrangements which form part of procurement processes.

### **LSL Group Areas of Risk**

Overall exposure to modern slavery for members of the LSL Group is considered to be lower than other sectors given that the residential property services sector in which these businesses operate,

the types of services they procure and the fact that these business operations and those of the majority of its suppliers are primarily based in the UK.

Notwithstanding the above, members of the LSL Group are not complacent and understand that the procurement of recruitment and facilities services and the use of subcontractors are practices which may bring about increased risks of modern slavery within supply chains. Accordingly, members of the LSL Group are taking the steps to mitigate such risks, including:

- requiring suppliers to implement due diligence procedures for its own suppliers and subcontractors; and
- having in place stringent checks on our recruitment agencies and ensuring our own internal recruitment processes meet the minimum legal requirements.

As part of this, members of the LSL Group comply with all relevant legislation including the Immigration, Asylum and Nationality Act 2006 and ensure that all appropriate checks are carried out to maintain compliance.

In the event that further risks are identified, members of the LSL Group will consider such risks and take appropriate steps to address any emerging risks.

#### **LSL Group Training**

Members of the LSL Group understand the importance of training employees to enable them to be able to identify risks of modern slavery. LSL is putting in place a training programme to ensure that senior management, procurement leads and LSL Group employees receive sufficient information and/or complete appropriate training to understand the requirements under the Act and how to identify and report issues of modern slavery. Each group identified has a different role to play in combatting modern slavery and therefore the information and/or training shall be tailored accordingly.

#### **KPI Monitoring**

The LSL Board appreciate that the approach to combatting modern slavery will have to adapt over time in response to the findings following the completion of various risk assessments. The LSL Board intend to monitor the following KPI's over the next financial year to measure how effective the processes have been:

- the number of employees who have received training on modern slavery risks; and
- the number of suppliers we have carried out a risk assessment.

This statement has been approved on behalf of the LSL Board on 29 June 2017

Signed by Adam Castleton, Group Financial Officer on behalf of:

LSL Property Services plc

your-move.co.uk Limited

Reeds Rains Limited

LSLi Limited

e.surv Limited