

Modern Slavery Statement

6 July 2023

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1. Introduction

At Landsec, we strive to connect communities, realise potential and deliver sustainable places. We create places that make a lasting positive contribution to our communities and our planet. We bring people together, forming connections with each other and the spaces we create. And we provide our customers, partners and people with a platform to realise their full potential.

Globally, almost 50 million people were living in modern slavery in 2021, an increase of over 9% since 2016¹. Over half of these victims were in forced labour, with the construction sector ranking in the five highest risk sectors for prevalence of adult forced labour. The 2023 Global Slavery Index² estimates that in the UK in 2021 122,000 people were living in modern slavery, placing the UK among the countries with the lowest prevalence of modern slavery. However, despite the rise in referrals, according to Walk Free³, modern slavery likely remains heavily underreported. The UK's shift towards a more hostile and discriminatory environment towards migration as a result of Brexit, has also made it increasingly difficult for vulnerable people, including modern slavery victims, to access essential support and services.

As a real estate company who designs, builds and operates buildings in the UK, we support the UK government in its drive to end forced labour, modern slavery and human trafficking and are taking action to ensure that this is not taking place in our business or supply chain.

This statement is published in accordance with the Modern Slavery Act 2015, with reference to the Ethical Trading Initiative's Modern Slavery Statements Evaluation Framework. It describes the risks of slavery in our business and supply chain and how we respond to those risks through the policies, processes and actions that Landsec has undertaken to date and especially since our previous statement made in September 2022.

2. Our business and our supply chain

We are one of the leading real estate companies in the UK and our £10.2 billion portfolio spans 24.6 million sq ft (as at 31 March 2023) of well-connected retail, leisure, workplace and residential hubs as well as a significant pipeline of mixed-use development schemes.

2.1 Our Employees

Landsec directly employs 595 people across the UK (as of 31 March 2023). These employees fulfil a variety of real estate related roles across client facing, commercial, marketing, operational, development, ESG, procurement, risk, compliance and enabling functions.

2.2 Our supply chain

Our suppliers – anyone who provides goods and services to us – are a vital part of delivering our purpose and achieving our strategic objectives. As a real estate company that builds, invests and cares for buildings, we recognise that our supply chain is critical to the success of our company. We've identified 57 of our suppliers as strategic, defined as suppliers that if their business fails, our business fails.

¹[Forced labour, modern slavery and human trafficking \(Forced labour, modern slavery and human trafficking\) \(ilo.org\)](https://www.ilo.org/publications/ilo-2023-2024/forced-labour-modern-slavery-and-human-trafficking)

²<https://cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf>

³<https://www.walkfree.org/global-slavery-index/country-studies/united-kingdom/>



Over 95% of all our direct suppliers are based in the UK, with none of them located in countries that have a high prevalence of modern slavery as defined by the 2023 Global Slavery Index². Our construction suppliers source a broad variety of components and materials from companies all over the world on our behalf. Whilst these goods are not sourced directly by us, we specify common materials to be used on all our development and portfolio projects and list all prohibited materials within our Materials Brief.

3. Our modern slavery risk

Owing to our size, UK-based location and the nature of our Landsec direct employees, the inherent risk of modern slavery in the recruitment and engagement of employees is considered to be low. However we recognise that modern slavery and forced labour does occur in the real estate, facilities management and construction industries across the world and that there is a proportionately higher risk of modern slavery in our supply chain.

In particular:

- We work with service partners and managing agents who manage our buildings including providing security, cleaning and waste management services. Though these are all UK-based suppliers, there is a risk due to the inherent nature of the work and the diversity of the labour force employed.
- We work with main contractors on the construction of our new developments and refurbishments where we rely on them to resource the projects and purchase the materials often through their supply chains. Some of these materials may be sourced from countries with less stringent labour practices and employment laws than the UK.

To understand where the risk of modern slavery across our supply chain is higher, this year we grouped our strategic suppliers into categories of spend and applied an overall risk rating to each category against each of the eight themes within our Supply Chain Commitment. Of our 57 strategic suppliers, we identified 26 as higher risk of modern slavery due to them being in the construction and site services (e.g. facilities management) categories of spend. It is these suppliers where we will prioritise our modern Slavery training and checks.

4. How we manage our risks

4.1 Governance and policies

Modern slavery is managed in accordance with our governance for sustainability and risk management. The Board is accountable for our approach to sustainability, including modern slavery. Our Executive Leadership Team are responsible for setting our sustainability strategy ensuring we identify, prioritise and manage our risks. Our Sustainability Forum is responsible for executing the strategy and delivering actions needed to address our relevant modern slavery risks in collaboration with each of our business unit leadership teams.

Through the course of this year, we have professionalised our approach to strategic procurement and management of our supply chain with a real focus on depth of relationship and collaboration in order to better understand and manage our inherent risks, including those related to modern slavery. The work the team do helps to ensure we work with suppliers who uphold our ethical principles and consistently deliver value for our business, our communities and our planet.



Our approach to tackling modern slavery is supported by our Modern Slavery Working Group, which comprises representatives from our risk, procurement, sustainability and company secretary teams and meets on a quarterly basis.

This year we ensured our acquired entities were aligned with our HR and procurement policies and processes. We brought all of our U+I colleagues onto our HR system and introduced our policies to them as part of the integration process, including our employee code of conduct which details our Human Rights and Speak Up policies.

We also refreshed and updated our risk registers, which include modern slavery risk, across our Workplace and Lifestyle business areas (incorporating U+I).

With the refresh of our Speak Up Policy last year we raised awareness with our colleagues through a communications campaign, creating new posters which were shared across all our sites to ensure that our supply chain are aware of how to anonymously raise concerns including modern slavery.

Our Policies

Human Rights Policy	Our Human Rights Policy demonstrates how we are committed to respecting human rights in accordance with the UN Declaration of Human Rights. It sets out our core principles and states our expectation that everyone working on our behalf be treated fairly and with respect.
Supply Chain Commitment	Our Supply Chain Commitment sets out our requirements of how we will conduct business in an open, honest and transparent manner, and the behaviours and practices we expect of our suppliers and partners, including a commitment to prevent modern slavery in all its forms within our business activity.
Speak up Policy	Our Speak Up Policy sets out how Landsec employees or anyone working on our behalf can report concerns about suspected impropriety or wrongdoing in confidence and anonymously. If any modern slavery concerns were to be raised, we would investigate thoroughly.
Employee Code of Conduct	Our Employee Code of Conduct sets the overall ethical framework for everything we do and provides guidance to our employees on how to do the right thing and behave in the right way. It also highlights the key policies that all employees must follow. It shows us how we should come together as an organisation and as individuals to deliver our purpose by nurturing the right behaviours and culture.
Materials Brief	Our Materials Brief provides clear guidance for our design partners, to ensure human rights risks are designed out through the material selection process. The list sets out high risk material types and locations for extraction and manufacture, and is based on robust data sources including the Global Slavery Index and the Ethical Trading Initiative. It also explicitly requires our Tier 1 suppliers to ensure care and attention in the selection, sourcing and supervision of Tier 2 suppliers.
Right to Work Policy	Our Right to Work Policy is intended to provide best practice guidance to those assigned responsibility in performing right to work checks across our supply chain.

4.2 Supplier due diligence and monitoring

From construction to cleaning, we work with suppliers that share our values and help us to achieve the highest standards in our supply chain. As a minimum, we expect all our suppliers to comply with all applicable local laws and regulations providing safe working conditions, treating workers with dignity and respect, acting fairly and ethically, and using environmentally responsible practices where practicable.

We ensure all our strategic suppliers are aware and comply with our policies relating to modern slavery which form a contractual commitment and are regularly refreshed to ensure they are industry leading.



To further strengthen our approach to preventing modern slavery across our supply chain, last year, we launched our Supply Chain Commitment detailing how we do business, setting out our purpose, values and approach to sustainability and how we want to work with suppliers who uphold the same ethical principles as us, and help us achieve our sustainability commitments. It also sets out minimum requirements of our suppliers, requiring them to demonstrate how they uphold the principles of human rights and strive to eliminate modern slavery. Supplier compliance with our Supply Chain Commitment is discussed via our regular supplier relationship meetings.

100% of our strategic suppliers have committed to complying with the requirements and to working with us for a sustainable future. 53 suppliers have signed up to date, and our intention is to roll the commitment out more broadly to further construction, facilities management, and indirect suppliers with a target for an additional 240 suppliers to sign up in the coming year.

Furthermore, all new and renewing suppliers are asked due diligence questions related to human trafficking and modern slavery before they are onboarded and able to do business with us. As part of an update to the supplier onboarding process led by our procurement team, this year we have enhanced these requirements and ensured they are effectively communicated, monitored, and enforced. This has included adding detailed questions within our supplier onboarding questionnaire to assess and review what suppliers' processes are to identify their own modern slavery risks and what mitigation and remediation procedures they have in place.

In April 2023, we launched our new Sustainable Procurement Guidance which sets out our procurement principles to our colleagues to ensure we consider people, planet and profit for every purchasing decision. The document includes a section on 'Procuring ethically', detailing the considerations that should be taken to operate in line with our policies, ensuring the appropriate risks assessments and due diligence are undertaken regarding modern slavery.

4.3 Training and capacity building

Last year we joined the Supply Chain Sustainability School to support our supply chain and direct employees in meeting the requirements of our Supply Chain Commitment. The school offers a range of online resources covering all sustainability topics including modern slavery and is tailored to each category of spend within our supply chain. Based on the level of knowledge and sustainability risk in each category, action plans are developed to address the risk appropriately.

Having joined the Supply Chain Sustainability School, we identified modern slavery as a priority area for us and have therefore run a suite of 'deep-dive' workshops this year for colleagues in procurement, development and operational roles. This included a three hour 'Using Procurement & Supply Chain Management to Combat Modern Slavery' workshop which provided participants with an improved understanding of how to ensure that slavery is not present in our supply chain through maintaining transparency, how to apply supply chain mapping techniques in order to design and enhance our approach and knowledge of how to identify 'hotspots' within Landsec.

In May 2023, we also launched mandatory e-learning 'Introduction to Modern Slavery' training to all our employees. This provides all of our colleagues with an improved understanding of the Modern Slavery Act, information on how to identify the signs of slavery within our supply chain and how to report incidents of modern slavery via our Speak Up Policy..



4.4 Employee onboarding and recruitment

All colleagues receive an offer letter and contract detailing the terms and conditions of their employment and a comprehensive range of background checks are undertaken on all potential employees prior to employment. We consult and communicate with colleagues through a range of channels including our Employee Forum and Affinity Network Groups. We also require employees to comply with our Employee Code of Conduct. In addition, all employees have the right to join a union however we don't formally recognise any. All directly employed staff are paid the Real Living Wage or above.

5. Goals for the year ahead

To continue our progress and ensure that our Supply Chain Commitment is embedded across our business and our supply chain, our focus for the year ahead includes:

- Conducting labour practice checks on strategic suppliers identified as high risk of modern slavery
- Continuing to roll out mandatory modern slavery training to all our employees
- Providing access to modern slavery training to priority suppliers through the Supply Chain Sustainability School
- Expanding our Supply Chain Commitment more broadly to further construction, facilities management, and indirect suppliers with a target for an additional 240 suppliers to sign up in the coming year
- Continuing to raise awareness of our Speak Up Policy
- Reviewing our approach to modern slavery remediation to ensure that we have sufficient procedures and guidance in place to act quickly to protect the victim, record and report the incident if modern slavery is found on any of our sites.

We will measure progress annually, reporting updates in our 2024 Modern Slavery Statement.

6. Approvals

This is our eighth Modern Slavery Statement ("Statement") made pursuant to Section 54 of the Modern Slavery Act 2015 'Transparency in Supply Chains' ("Act"). The Statement relates to Land Securities Group PLC ("Landsec" or "the Company") and its subsidiaries and is made in respect of its financial year ended 31 March 2023. It sets out the steps Landsec has taken, and is proposing to take, to address the risk of modern slavery in our business and within our supply chain. For the purposes of this Statement, the Company's joint venture arrangements (where we are responsible for the operations of such arrangements) are treated as being part of our supply chain.

This statement was approved by the Board on 6th July 2023.

Mark Allan

Chief Executive Officer On behalf of Landsec

6th July 2023