

LSL Group Modern Slavery Statement 2017

In accordance with the Modern Slavery Act 2015 (**Act**), LSL Property Services plc (**LSL**) has published this statement on behalf of its relevant subsidiary companies¹ (**LSL Group**) (**Statement**). This Statement sets out the steps that members of the LSL Group have taken during the financial year ending 31st December 2017 to prevent modern slavery and human trafficking from occurring within their businesses and supply chains.

Introduction

This Statement builds upon the first statement published on behalf of the LSL Group in June 2017. During the year the LSL Group, in line with its continuing commitment to conduct its business in a socially responsible way, focused its attention on identifying potential risks of modern slavery within its businesses and supply chains and on taking steps to manage and eliminate any such risks.

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 and financial services including pure protection and general insurance 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.

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 31st December 2017, LSL through its subsidiaries employed circa 5,084 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 services², 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).

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

² IT, accountancy, insurance, legal, marketing, consultancy 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

2017 saw the implementation of a dedicated anti-slavery and human trafficking policy (the **Policy**) which works in combination with LSL's established whistleblowing policy. Both policies form part of the LSL Group's Combined Ethics Policy which applies to all LSL Group employees.

The Policy has two main aims:

- to set out the responsibilities of the LSL Group and their employees in observing the Policy and to provide information and guidance to those working for the LSL Group in observing and upholding the Policy; and
- to provide information and guidance to those working for the LSL Group on how to identify and escalate potential modern slavery issues.

The Policy is subject to annual review and will be reviewed and updated as our understanding of the potential risks develop.

In addition, the LSL Group continues to implement provisions within its supply agreements which place prevention, control and notification measures on suppliers. This language is reviewed periodically.

LSL Group Due Diligence

The LSL Group continues to identify its supply chains as the main area of risk and exposure to modern slavery.

During 2017, the LSL Group continued with its risk assessment of significant suppliers (who were identified by reference to total expenditure). The results showed:

- the majority of LSL Group suppliers were considered "low" risk;
- no "high" risk suppliers were identified; and
- approximately 30 of the suppliers assessed were considered "medium" risk and therefore required further investigation.

"Medium" risk suppliers were asked to provide additional information about their business and supply chains, including any procedures they have in place to mitigate modern slavery risks. Responses from suppliers were varied and through 2018 the LSL Group will continue to assess these suppliers and review the risks associated to ensure that sufficient measures are in place to combat any identified risks.

LSL Group Areas of Risk

The LSL Board continues to believe 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 still consider 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.

Given the risk that stems from supply chains, LSL is developing a Supplier Code of Conduct which will be compulsory for all existing and new suppliers from 2018 onwards. The new Code of Conduct will set out standards relating to working hours, wages and benefits, health and safety in the work place and prohibits the use of forced, compulsory and child labour.

Other mitigation comes in the form of 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.

LSL Group Training

The LSL Group does not underestimate the importance of ensuring that its employees are well equipped to identify and report any potential incidences of modern slavery. During the last year bespoke training has been delivered to members of senior management, procurement leads and other key employees across the LSL Group.

All other LSL Group employees are made aware of the requirements under the Act and how to identify and report issues of modern slavery through the Policy.

KPI Monitoring

Set out below is a summary of the LSL Group’s performance against the KPIs set by the LSL Board in last year’s statement:

KPI from the 2016 Statement	Performance during 2017
<ul style="list-style-type: none"> • The number of employees who have received training on modern slavery risks. 	<ul style="list-style-type: none"> • Training was delivered to key management and procurement personnel across the LSL Group. • Over 1,000 employees also completed a modern slavery e-module.
<ul style="list-style-type: none"> • The number of suppliers we have carried out a risk assessment. 	<ul style="list-style-type: none"> • Each member of the LSL Group has now assessed their top 50 suppliers by spend (subject to various exclusions including those who have been dis-instructed).

Over the next year, the LSL Group intends to focus on the following:

- delivering a bespoke training programme to key individuals across the business;
- implementing a new supplier code of conduct which aims to combat modern slavery risks within the LSL Group supply chain; and

- continuing the LSL Group's programme of risk assessing its supplier portfolio.

This statement has been approved on behalf of the LSL Board on 26th April 2018

SignedAdam Castleton.....

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