

## **LSL Group Modern Slavery Statement 2019**

In accordance with the Modern Slavery Act 2015 (**Act**), LSL Property Services plc (**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 2019 to prevent modern slavery and human trafficking from occurring within their businesses and supply chains.

### **Introduction**

This Statement builds upon the last statement published on behalf of the LSL Group in June 2019 (for the financial year ending 31<sup>st</sup> December 2018). During the year the LSL Group, in line with its commitment to conduct its business in a socially responsible way, continued to focus its attention on identifying and monitoring 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](http://www.lslps.co.uk).

From 1<sup>st</sup> January 2019, LSL reports for financial reporting purposes in three segments: Estate Agency; Financial Services; and Surveying and Valuation Services. The Financial Services segment incorporates all LSL's Financial Services businesses. The Estate Agency segment primarily incorporates the results from the Estate Agency networks (Your Move, Reeds Rains, LSLi and Marsh & Parsons) and Asset Management. The Surveying and Valuation Services segment represents e.surv.

As at 31<sup>st</sup> December 2019, LSL through its subsidiaries, employed circa 4,772 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, Marsh & Parsons Limited and e.surv Limited

<sup>2</sup> 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**

LSL Group has a dedicated anti-slavery and human trafficking policy (the **Policy**) which works in combination with LSL Group'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 was reviewed during the 2019 financial year and will continue to be reviewed and updated annually in order to take account of changing areas of risk, specifically identified issues and industry trends.

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.

We expect our suppliers to adopt the same high standards as we do and to have fair employment practices. We continue to require all substantial suppliers and other selected suppliers to comply with our Supplier Code of Conduct (**Code**). The Code sets out the standards which we expect our 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. We may cease to engage suppliers if they fail to comply with the Code.

### **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 2019, the LSL Group maintained its programme of risk assessments of significant suppliers (who were identified by reference to total expenditure). The LSL Group has further restructured and consolidated supply chains and developed relationships with new suppliers. The results showed:

- the majority of LSL Group suppliers were considered "low" risk;
- no "high" risk suppliers were identified; and
- approximately [7] of the suppliers assessed were considered "medium" risk and therefore further investigation has been undertaken as to their operations, external and internal facing policies.

"Medium" risk suppliers are asked to provide additional information about their business and supply chains, including any procedures they have in place to mitigate modern slavery risks. The LSL Group

continues 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 assesses overall exposure to modern slavery for members of the LSL Group 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 this year continue to view the procurement of recruitment and facilities services and the use of subcontractors as practices which may bring about increased risks of modern slavery within supply chains.

To mitigate the risk that stems from supply chains, LSL Group is focused on increasing the visibility of the Code within its suppliers, promoting its aims and objective for anti-slavery and human trafficking and ensuring that the Code is properly adhered to.

LSL Group continues to place stringent checks and safeguards on our recruitment agencies and monitor our own internal recruitment processes to ensure that they 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**

LSL Group continues to strive to raise awareness and ensure that its employees are well equipped to identify and report any potential incidences of modern slavery. During the last year LSL Group has continued to deliver in-house training 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:

<b>KPI from the 2018 Statement</b>	<b>Performance during 2019</b>
<ul style="list-style-type: none"> <li>• continuing to raise awareness and understanding of potential modern slavery risks and how to manage those risks by developing and delivering annual refresher training to key individuals across the business with a particular focus on those individuals with procurement responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>• Training was delivered to senior management, procurement leads and other key employees across the LSL Group.</li> </ul>
<ul style="list-style-type: none"> <li>• building on our existing supplier</li> </ul>	<ul style="list-style-type: none"> <li>• The Code as developed in 2018 is</li> </ul>

<p>compliance management by requiring all suppliers and sub-contractors to confirm that they comply with the Act and the Code</p>	<p>continuing to be implemented with all substantial suppliers and sub-contractors and the Code revised/updated where appropriate.</p>
<ul style="list-style-type: none"> <li>• continuing LSL Group's programme of risk assessing its supplier portfolio, including reviewing and developing the risk assessment process and carrying out detailed mapping of supply chains</li> </ul>	<ul style="list-style-type: none"> <li>• LSL Group has carried out annual assessments of their top 50 suppliers by spend, including a number of new suppliers in different areas of the LSL Group.</li> </ul>

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

- Developing additional training programmes internally and externally, including targeted e-learning modules;
- Raising awareness of the Code with all employees and with suppliers;
- Targeting specific types of supplier activities for risk assessment, for example smaller suppliers retained for provision of manual service tasks (in addition to the annual risk assessment programme)
- Identifying opportunities for co-operation with industry and sector partners on prevention of modern slavery and human trafficking issues.

This statement has been approved on behalf of the LSL Board on 30<sup>th</sup> April 2020.

Signed .....Adam Castleton.....

by Adam Castleton, Group Financial Officer on behalf of:

LSL Property Services plc

your-move.co.uk Limited

Reeds Rains Limited

LSLi Limited

Marsh & Parsons Limited

e.surv Limited