

LSL Group Modern Slavery Statement 2018

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 2018 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 2018. 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.

To reflect the increased importance of LSL's Financial Services businesses, the LSL Board has decided to update financial reporting effective from 1st January 2019. From 1st January 2019 LSL will report three segments: Estate Agency; Financial Services; and Surveying and Valuation Services. The Financial Services segment will incorporate all LSL's Financial Services businesses. The Estate Agency segment will primarily incorporate the results from the Estate Agency networks (Your Move, Reeds Rains, LSLi and Marsh & Parsons) and Asset Management. The Surveying and Valuation Services segment is unchanged.

Some sections of LSL's financial reporting for the financial year ending 31st December 2018 contain information based on two segments (Estate Agency and Surveying and Valuations Services) and others contain information based on the new three segment reporting, to reflect the changes effective from the 1st January 2019.

As at 31st December 2018, LSL through its subsidiaries employed circa 5,463 people across the UK, where its business operations are entirely based.

¹ 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

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).

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 last reviewed during the 2018 financial year and will continue to be reviewed and updated annually 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.

We expect our suppliers to adopt the same high standards as we do and to have fair employment practices. To assist with this in 2018 we developed a Supplier Code of Conduct (**Code**) compliance with which is compulsory for all existing and new suppliers. 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 2018, 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;

² IT, accountancy, insurance, legal, marketing, consultancy and recruitment services

- no “high” risk suppliers were identified; and
- approximately 17 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 2019 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 again this year 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.

To mitigate the risk that stems from supply chains, LSL developed the Code in 2018 and has made it compulsory for all existing and new suppliers to comply with this.

Other mitigation comes in the form of continuing to have 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 LSL Group has continued to deliver and develop bespoke 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:

KPI from the 2017 Statement	Performance during 2018
<ul style="list-style-type: none"> • Delivering a bespoke training programme to key individuals across the business. 	<ul style="list-style-type: none"> • Training was delivered to senior management, procurement leads and

	other key employees across the LSL Group.
<ul style="list-style-type: none"> Implementing a new supplier code of conduct which aims to combat modern slavery risks within the LSL Group supply chain. 	<ul style="list-style-type: none"> In 2018 we developed the Code with which we expect all existing and new suppliers to comply.
<ul style="list-style-type: none"> Continuing LSL Group's programme of risk assessing its supplier portfolio 	<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:

- 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;
- building on our existing supplier compliance management by requiring all suppliers and sub-contractors to confirm that they comply with the Act and the Code; and
- 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.

This statement has been approved on behalf of the LSL Board on 30 April 2019.

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

Marsh & Parsons Limited

e.surv Limited