

MODERN SLAVERY ACT 2015 TRANSPARENCY STATEMENT 2020 - 2021

During 2021, St. Modwen Properties plc delisted from the London Stock Exchange and began a new chapter as St. Modwen Properties Limited, under private ownership.

St. Modwen's purpose remains 'Changing Places. Creating Better Futures'. We continue our commitment to Responsible Business¹, and responsible business practices including those which address the risks of modern slavery².

From multiple sources including the Gangmasters and Labour Abuse Authority³, the Independent Anti-Slavery Commissioner⁴ and the Global Slavery Index⁵, we know that modern slavery exists across multiple sectors in the UK, and overseas. We strongly believe there is no place for modern slavery, or other forms of human rights abuses, in our business or our supply chain.

Working with our supply chain partners, we are committed to taking the necessary steps to identify and address the risks and importantly, where exploitation is occurring, we want to identify victims and ensure that they receive the support they require.

This statement, approved by our Board on 22 March 2022 is made by St. Modwen Properties Limited on behalf of its subsidiary companies. This statement has been published in accordance with the Modern Slavery Act 2015 and sets out the steps taken by St. Modwen to prevent modern slavery and human trafficking in its business and supply chains during the financial year to December 2021.

St. Modwen

Founded in 1966 and operating across England and South Wales, St. Modwen is an expert property developer with a strong track record of delivery.

Our efforts to tackle modern slavery are led at the Executive Committee by the Managing Director for Strategic Land and Regeneration, whilst the CEO (Sarwjit Sambhi) is responsible for final sign-off and direction at Board-level.

We have a direct workforce of c.600 employees, mostly on permanent contracts. Our direct employees are principally managerial and professional staff, supported by corporate and administrative functions, all operating across three dedicated business units:

- St. Modwen Homes is our award-winning housebuilding business, delivering high-quality new homes across the UK. We design and build homes before selling them to customers, using land from St. Modwen's portfolio or third parties.

¹ <https://www.stmodwen.co.uk/delivering-responsibly/>

² For a full definition, see <https://www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide/transparency-in-supply-chains-a-practical-guide#introduction>

³ <https://www.gla.gov.uk/>

⁴ <https://www.antislaverycommissioner.co.uk/>

⁵ <https://www.globallslaveryindex.org/>

- St. Modwen Logistics designs, builds, and owns high-quality warehouses for a range of customers including some of the world's biggest logistics and e-commerce organisations, as well as significant national and regional enterprises⁶.
- Strategic Land & Regeneration (SL&R) is a master developer, promoting and delivering sites for housebuilding, commercial and regeneration projects. We deliver development land to St. Modwen Homes, St. Modwen Logistics, and third-party housebuilders⁷.

Across our business units, we also manage a number of assets delivering retail, leisure and office space, where we provide facilities management and property maintenance support via a range of sub-contractors. All our assets and operations are within the UK.

Our Supply Chain

Our supply chain consists of c.150 tier 1 suppliers who provide us with the services, goods and materials for each of our business divisions.

In our Logistics and SL&R divisions, we generally use a mix of national and regional main contractors employed on turnkey construction contracts who provide both goods and services, including labour. Similarly, for the management of our assets, we use local and regional sub-contractors to provide the goods and labour for a range of facilities management and property maintenance services.

In St. Modwen Homes, our regionally based sub-contractors provide us with most of the materials plus the skilled and unskilled labour required for housebuilding. Our main direct purchases are bricks and blocks, manufactured or sourced within the UK, and imported sustainably certified timber.

In addition to the supply chains mentioned so far, we also procure a range of goods which are used within our business, for example for office furnishings, office supplies and workwear.

Our Policies and Processes

Our policies are signed off by our CEO and developed with external support as appropriate. We have several policies and processes relevant to modern slavery as follows:

- Anti-Slavery and Human Trafficking Policy
- Employee Code of Conduct
- Recruitment Process and Guides
- Grievance Policy and Guides
- Speak-up Policy and Guide
- Anti-bribery and Corruption Policy
- Procurement processes:
 - o Construction Contract Procurement Guide for Strategic Land and Regeneration
 - o Framework Agreement for St. Modwen Homes

⁶ <https://stmodwenlogistics.co.uk/>

⁷ <https://www.stmodwen.co.uk/what-we-do/strategic-land-regeneration/>

During 2020, we developed our Responsible Business approach which is made up of six core areas, including the Responsible Operating Practices and Partnerships Charter. The Charter incorporates our expectations with regards to modern slavery.

Risk Assessment

Whilst we believe that the risks of modern slavery are low in our direct workforce, we recognise that our supply chains are complex and multi-layered. In particular, the nature of construction, facilities management and housebuilding means that there are transient groups of indirect workers who will be deployed on our sites, sometimes on a temporary basis, and sometimes for short periods, depending on the specific activity they are undertaking.

In each of our divisional supply chains, there is a broad skill mix but a significant number of workers undertaking labour-intensive and low skill work consistent with those identified as being of higher risk of modern slavery by authorities such as the Gangmaster and Labour Abuse Authority⁸ and the Independent Anti-Slavery Commissioner⁹.

We have continued our focus on ensuring suppliers are aware of their responsibilities to monitor and mitigate the risk of modern slavery within the supply chain, by means of the supplier pre-qualification arrangements and through construction contracts and supplier terms and conditions.

Our Progress

In 2021 we commissioned Stronger Together¹⁰ to undertake an 'Organisational Progress Assessment' (OPA), to review our progress and identify areas for improvement. The OPA findings were presented to our Executive Committee, together with a high-level strategy and implementation plan to deliver our agreed vision of 'Evolving Good Practice'¹¹ by mid-2023.

To support our future plans and to demonstrate our commitment to tackling modern slavery, we were delighted to become Sponsors of Stronger Together's Construction Programme in October 2021, enabling us to collaborate with like-minded organisations and to develop capability in our organisation, our supply chain and across the sector.

Through attendance at monthly Programme meetings, we can further develop our understanding, as well as addressing and highlighting the challenges that the industry faces. Together with our fellow Sponsors, we collaborate to identify additional tools and resources to support our organisation and our supply chain partners.

Our first focus as a Sponsor, and in line with our implementation plan, is to increase awareness and engagement through our organisation and in our supply chain by utilising Stronger Together's 'Tackling Modern Slavery in Construction' workshops which are part-funded by our sponsorship.

⁸ 'Low paid low skilled work that is affected by seasonal or other trends are at particular risk from being exploited for their labour.' Gangmasters and Labour Abuse Authority, Strategic Plan 2017 - 2020

⁹ 'The sectors at highest risk are thought to be those that employ large numbers of low or semi-skilled workers, particularly those relying on a substantial migrant workforce such as agriculture, construction or hospitality', Independent Anti-Slavery Commissioner, Annual Report 2019 - 2020

¹⁰ <https://www.stronger2gether.org/>

¹¹ <https://www.antislaverycommissioner.co.uk/media/1428/iasc-operation-fort-review-june-2020-iasc-maturity-framework.pdf>

In a further demonstration of our commitment, we strengthened our industry-wide engagement by becoming signatories of the Gangmasters and Labour Abuse Authority's Construction Protocol, which aims to bring the sector together to eradicate slavery and labour exploitation in the building industry.

To enhance our efforts, we have engaged an independent expert consultant to provide us with focussed support for our implementation plan and to work with our Modern Slavery Working Group which was relaunched in 2021 as part of our revised strategy.

Our Modern Slavery Working Group is made up of senior representatives from each business and key corporate functions who will ensure the effective implementation of our strategy and engagement across the group. The first meeting of the newly formed Working Group involved a full-day training session to develop a comprehensive understanding of Modern Slavery and the various elements required of an effective strategy.

Subsequently, the Group has been developing our new Modern Slavery Policy, together with a supporting Guidance Document for managers and employees. The Guidance Document will be launched early in 2022 and will set out our approach to risk assessment, mitigation requirements and will sign-post resources for employees and our broader workforce.

To further support awareness and engagement, the Working Group has identified key operational staff to receive live online training during 2022, which will include our Incident Response Plan.

In addition to progressing our work internally, the Working Group has now reviewed our highest spend and potentially high-risk suppliers to prioritise key suppliers for further engagement and provide them with complimentary invitations to Stronger Together's workshops.

Our further engagement with potentially high-risk suppliers will involve the completion of self-assessment questionnaires which will then be used to develop jointly agreed corrective action plans, where appropriate. To simplify and facilitate this process, the Working Group has agreed to develop and implement a Group-wide system. We are also looking forward to learning from our supply chain partners and to identifying any best practice examples to introduce to our own business.

In the meantime, we have had no reported incidents of modern slavery in our business or our supply chain.

Managing Our Progress

The data we are gathering for our training needs analysis of our employees, and the risk assessment of our suppliers will help us to identify a set of key performance indicators to measure and manage our progress against targets and to provide effective reporting for our Board and external stakeholders.

Next Steps

Like many other organisations, we continue to meet the challenges of Covid-19 and the impact on our workforce, including the significant number of potentially vulnerable workers associated with our supply chain.

We have made solid progress in our efforts to address modern slavery this year, however, we know there is no room for complacency in dealing with this complex and dynamic issue.

We are moving forward with growing confidence and capability and a continuing determination to make it as difficult as possible for those looking to exploit vulnerable workers to do so in our business or in our supply chain.

Sign off

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes St. Modwen's slavery and human trafficking statement for the financial year ending 31 December 2021.

This statement was approved by the Board on 22 March 2022.

Signed by:



Sarwjit Sambhi, Chief Executive Officer
For and on behalf of St. Modwen Properties Limited

Date: 25/03/2022