



The British Land Company Plc (“British Land”) – Slavery and Human Trafficking Statement 2019

Modern slavery and human trafficking are grave forms of human rights abuses. British Land recognises the importance of respecting human rights and has been a signatory to the UN Global Compact since 2009. Respecting human rights is part of our [2020 Sustainability Strategy](#) and we are committed to taking steps to prevent modern slavery and human trafficking in our business and throughout our supply chain.

This is our fourth annual slavery and human trafficking statement (“Statement”) pursuant to section 54(1) of the Modern Slavery Act 2015 (MSA). This Statement sets out the steps we have taken during the financial year ended 31 March 2019 to prevent modern slavery and human trafficking in our business and our supply chains. This Statement covers The British Land Company Plc (‘British Land’) as well as our wholly owned subsidiaries and those joint ventures and funds managed by us.

ABOUT BRITISH LAND

British Land owns and manages a high-quality portfolio of commercial property in the UK. At 31 March 2019, the portfolio was valued at £16.2 billion (British Land’s share is £12.3 billion) and provides exposure to a broad mix of uses.

Around half our managed assets by value are in joint ventures or funds. In the majority of our partnerships, we provide asset management, development, corporate and financial services and we earn performance and management fees. British Land-managed joint ventures and funds all operate in line with British Land policies.

At 31 March 2019 British Land had 281 direct employees, all of whom are paid at or above the Real Living Wage. Our supply chain consists of approximately 1,400 direct suppliers. Our total spend with these third parties amounted to £504 million in FY19. Over half was spent on construction-related costs and the remainder on property-related and company running costs.

POLICIES

We have policies in place to protect our employees and their labour rights in our operations including policies around working hours, payroll, and Right to Work checks. Compliance with these policies is monitored by the Human Resources team and updates are made on an ad-hoc basis when there are changes in employment law. British Land’s Human Resources Director is responsible for these policies. Development and implementation of these policies is led by the Head of Employee Relations.

Our Sustainability Policy documents our commitment to treat our staff and suppliers with fairness, dignity and respect, and to support the protection of internationally recognised human rights. The [Sustainability Policy](#) is available on our external website and on our employee Intranet. This policy was approved by the Board of British Land.

¹ Includes 100% of the assets owned by the Group’s joint ventures and funds.

On joining the Company, each employee is provided with our Employee Handbook which states our expectation that our employees maintain high standards when it comes to ethical business conduct, and a requirement that our relationships with competitors, suppliers and clients must be based on high standards of personal and professional ethics.

Details of our confidential whistleblowing channel, which employees and third parties can use to report any concerns of unethical behaviour, are provided within the Employee Handbook and displayed prominently around the office. Internal communications make employees aware that they have a role to play in preventing modern slavery and human trafficking in our business and supply chain. They are encouraged to discuss the importance of ensuring fair and safe working practices and to report possible signs of modern slavery and trafficking through the whistleblowing channel. Our [Whistleblowing Policy](#) is also available on our external website and suppliers are encouraged to raise any concerns through the whistleblowing channel ([Suppliers – British Land](#)).

RISK AREAS

Our real estate portfolio is located entirely in the UK and our employees are primarily office-based professionals, putting them at low risk of modern slavery or human trafficking.

We consider people within our supply chain to be at higher risk than our own employees and manage this through our procurement function. The professionalisation of this function has enabled us to improve supply chain standards and transparency, particularly through greater due diligence during the supplier onboarding process.

Within our supply chain we continue to believe there are three areas of higher risk, namely:

1. the procurement of specific materials
2. fair treatment of workers on construction sites, and
3. procurement of labour services in relation to property management activities.

Each of these areas is explained in more detail below.

REDUCING RISK IN THE SUPPLY CHAIN

Our supply chain is broad and includes direct suppliers (e.g. legal advisors, property managers, construction contractors) as well as indirect suppliers (e.g. cleaning, security, construction materials manufacturers).

Approach to improving standards throughout our supply chain

We actively communicate our social and ethical standards to all our suppliers via our onboarding process, contracts, Supplier Code of Conduct and supplier events. Through our Sustainability Strategy and related initiatives, we leverage our scale and scope to engender more responsible supplier behaviour and practices.

Last year, we launched our new [Supplier Code of Conduct](#), formalising our expectations regarding supplier conduct. This has proved to be an important step in upholding Human Rights throughout our supply chain. Suppliers agree to the Code of Conduct when signing a new contract or when their existing contract is due for renewal. At 31 March 2019, 53% of strategic suppliers had completed this process.

The Code sets out our expectations of our suppliers and their obligations in areas such as:

- **Social:** health and safety, child labour, forced labour, working hours, payment, discrimination, freedom of association, right to collective bargaining, community engagement and apprenticeships.

- **Ethical:** conflict of interest, anti-bribery and corruption, fraud and money laundering, whistleblowing and privacy.
- **Environmental:** sourcing of materials, environmental management, air quality and waste management.

All new British Land suppliers must acknowledge their understanding of, and their obligations within, this Supplier Code of Conduct. A breach by a supplier of the Code of Conduct may be considered a material breach of the supplier's contract with British Land and a supplier shall provide British Land with reasonable access to all relevant information and premises for the purpose of assessing performance against the Supplier Code of Conduct.

Suppliers must also ensure any subcontractors they appoint uphold the Code of Conduct. These obligations are reflected in contractual documentation, through which we also specifically state that suppliers must prohibit child labour, forced labour and exclusive zero-hours contracts.

We work with our suppliers to manage the risk of human rights violations in procured labour. All of our UK suppliers are encouraged to pay their UK based employees at or above the Real Living Wage. All three of our London mixed-use campuses (Broadgate, Paddington Central and Regent's Place) are accredited 'Living Wage Employers' by the Living Wage Foundation. Employees (whether they are permanent employees or third-party contractors) at these campuses, receive the London Living Wage.

The introduction last year of our supplier portal has improved our ability to monitor a supplier's compliance with Living Wage, approach to preventing modern slavery and to apprenticeship programmes. The information provided is used to monitor ongoing supplier commitments.

All new suppliers are screened before being onboarded, which includes Anti-Bribery and Corruption-related checks. On a real time basis a third party specialist screens and monitors the complete supplier base and we are notified of any ethical, fiscal or reputational issues identified.

1. Procurement of specific materials

We seek sustainability certifications (e.g. BREEAM) on major developments. These certifications include aspects which incentivise responsible sourcing of construction materials, such as management of human rights in the production, transport and assembly of materials. 100% of our major developments are on track to achieve a "very good" or "excellent" rating. In 2014 we identified that stone extracted from certain countries brings a high risk in terms of forced and child labour. Since then, we have sought to source natural stone within the EU where governance structures to uphold the rule of law are considered strong. In our Sustainability Brief, we require a set of materials to achieve a responsible sourcing standard BES6001, which includes requirements to uphold labour rights in materials manufacture. Where this certification is not possible, we review suppliers' processes and their approach to environmental, social and ethical matters and require full documentation regarding the chain of custody of selected materials.

2. Fair treatment of workers on our construction sites

All development contractors are required to register with the Considerate Constructors Scheme (CCS), a non-profit making organisation designed to encourage best practices in areas including community, environment, safety and workforce. By registering with the CCS the contractors commit to providing a workplace where everyone is respected, treated fairly, encouraged and supported, health and safety of the workforce is cared for, and high standards of welfare is provided and maintained. CCS monitors these commitments through audits. The average score from British Land construction sites in FY19 improved to 38.2 out of 50 (2018: 36.9), compared to the industry average of 36.46 (2018:36.11).

We also require key construction suppliers to be certified through Achilles' Building Confidence programme, a UK-based industry scheme that includes audits of the suppliers' social and ethical practices. As of June 2019, suppliers receiving 99% of our construction spend had signed up to Building Confidence.

To increase transparency of working practices on our sites, last year we appointed an independent assessor to pilot Labour Practice Audits on two of our sites. Through one to one interviews with individuals working on site, these explored a range of potential issues. Although no concerns were identified on these sites with regards to modern slavery, these pilots proved an effective way of gaining insight and assurance regarding actual working practices.

This year, we have made Labour Practice Audits a key element of all projects with a construction value over £5m. Through unannounced one to one interviews with individuals working on site, these audits explored a range of potential issues with regards to modern slavery. No modern slavery concerns were identified on these sites during the year. However, we are working closely with our supply chain to address and share knowledge on the following three items that came to light through these audits:

- 1% of interviewees paid below London Living Wage
- 58% of interviewees reported not being asked for appropriate 'right to work' documentation
- 88% of interviewees were unaware their company had a Modern Slavery Policy

3. Procurement of Labour Services in relation to Property Management

The third area we believe to be higher risk is among the supply chain used in property management. We encourage suppliers of services such as cleaning and security to employ people who live close to our places. This increases local employment and builds closer relationships with the local communities that host our assets. [We are investigating effective ways to audit the employment practices at our sites to ensure the standards we expect throughout our supply chain are upheld].

TRAINING AVAILABLE TO STAFF

On joining the Company, all full time and fixed term employees receive training on human rights and modern slavery as part of the corporate induction programme. All employees are made aware of the Group's policies and procedures including those on health and safety, anti-bullying and harassment, whistleblowing, anti-bribery and corruption, sustainability, preventing slavery and human trafficking through the employee handbook, internal communications and periodic training.

We will continue to raise awareness of modern slavery and human trafficking with employees and contractors to ensure that they are able to identify and report suspected instances.

LOOKING AHEAD

We recognise that modern slavery and human trafficking requires constant commitment and vigilance. We will continue to identify opportunities to further reduce the risk of human trafficking and modern slavery, increase transparency in our operations and supply chain and respond effectively to new risks as they are identified.

We will also continue to manage and report on the performance indicators disclosed in this Statement in order to provide transparency regarding our programme's effectiveness.

This Statement was approved by the Board on 30 August 2019

A handwritten signature in blue ink, appearing to read 'S. Carter', is positioned at the top left of the page. The signature is fluid and cursive.

Simon Carter, Director and Chief Financial Officer

British Land Company PLC