

MODERN SLAVERY POLICY & STATEMENT

VERSION 1: AUGUST 2017



ABOUT THIS POLICY

SDL Property Services Group Limited (SDL) and its subsidiary companies are all committed to conducting their businesses in a socially responsible way. SDL businesses seek to carry out their operations in accordance with appropriate ethical standards and be honest and fair in their relationships with customers and suppliers. As part of this, SDL is dedicated to ensuring that effective systems and controls are in place to safeguard against modern slavery and human trafficking occurring within our businesses or any of our supply chain.

SDL GROUP SLAVERY AND HUMAN TRAFFICKING STATEMENT

In accordance with the Modern Slavery Act 2015 (“Act”), SDL has published this statement on behalf of its relevant subsidiary companies (“SDL”). This statement sets the steps that members of the SDL Group have taken during the financial year ending 31st March 2017 to prevent modern slavery and human trafficking from occurring within its business and supply chains. The initiatives included in this statement will continue to be implemented during 2017 and will be reported on during 2018.

SDL Group Businesses

SDL through its subsidiaries is a leading provider of property services to its key customer groups:

- Services to Consumers include: Estate Agency - sales (including auctions). Property Management – lettings, build to rent and estate management. Financial Services - mortgage, protection and general insurance brokerage services. Surveying – homebuyers and building surveys.
- Services to Mortgage Lenders include: valuation and panel management services
- Services to Mortgage Brokers include: mortgage network services for appointed representatives and directly authorised firms and software distribution

SDL’s financial reporting includes five divisions:

- Agency
- Auctions
- Surveying
- Estate Management
- Financial Services

As at 31st March 2017, SDL through its subsidiaries employed circa 600 people across the UK, where its business operations are entirely based.

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SDL Group Supply Chains

Members of the SDL Group have established direct relationships with a number of primarily UK-based suppliers who deliver a variety of services including: professional services, utilities and telecoms and facilities management. As part of its service delivery, members of SDL 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 SDL Group.

SDL Group Policies and Contractual Provisions

The approach of members of SDL Group to the promotion of human rights and ethical issues is contained within SDL HR Policies which include but not limited to:

- Anti-Bribery and Corruption Policy
- Equal Opportunities Policy
- Recruitment Policy
- Whistleblowing Policy
- Grievance including Anti-Bullying and Harassment Policy
- Environmental Policy

The SDL HR policies apply to all individuals employed or engaged by SDL and our subsidiaries. Employees can use the whistleblowing policy to report suspected concerns within the SDL businesses and supply chains.

Since the enactment of the Act members of the SDL Group have taken steps to seek to ensure that any new agreements with suppliers include an express obligation for suppliers to comply with the Act, to implement due diligence procedures within its own supply chains and notify SDL in the event of any actual or potential incidence of modern slavery. In the event of a breach of these provisions, members of the SDL Group will seek to resolve any issues with its suppliers and it may also seek to terminate the relationship with the supplier where a resolution is not achieved. This provision is regularly reviewed and relevant amendments made.

SDL Group Due Diligence

Members of the SDL Group have identified our supply chains as the main area of risk and exposure to modern slavery.

During 2017, a two-stage risk assessment will commence to identify possible risks of modern slavery within supply chains. The initial risk assessment will focus on significant suppliers (those identified by reference to total expenditure). The initial stage of the risk assessment will enable SDL Group to attribute a risk rating to each supplier.

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Where a supplier is considered “medium” or “high” risk, further investigation will be conducted to enable greater understanding of the possible risks associated with the supply chain and further actions put in place where appropriate.

In addition to carrying out due diligence exercise on existing suppliers, SDL is identifying measure that we will benefit from including development of supplier due diligence arrangements which form part of the procurement processes.

SDL Group Areas of Risk

Overall exposure to modern slavery for members of the SDL Group is considered to be lower than other sectors given that the property services sector in which our business operate, the types of services we procure and the fact that our business operations and those of the majority of our suppliers are primarily based in the UK.

Notwithstanding the above, the SDL Group is not complacent and understand 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.

Accordingly, SDL is taking steps to mitigate such risks, including:

- Requiring suppliers to implement due diligence procedures for its own suppliers and subcontractors
- Having in place stringent checks on our recruitment agencies and ensuring our own internal recruitment processes meet the minimum legal requirement

As part of this, SDL Group complies with all relevant legislation including the Immigration, Asylum and Nationality Act 2006 and ensures that all appropriate checks are carried out to maintain compliance.

In the event that further risks are identified, SDL Group will consider such risks and take appropriate steps to address any emerging risks.

SDL Group Training

SDL Group understand the importance of training employees to enable them to be able to identify risks of modern slavery. SDL is putting in place a training programme to ensure that senior management, procurement leads and SDL Group employees receive sufficient information and/or complete appropriate training to understand the requirements under the Act and how to identify and report issues of modern slavery. Each group identified has a different role to play in combatting modern slavery and therefore the information and/or training shall be tailored accordingly.

KPI Monitoring

The SDL Board appreciates that the approach to combatting modern slavery will have to adapt over time in response to findings following the completion of various risk assessments.

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The SDL Board intend to monitor the following KPIs over the next financial year to measure how effective the processes have been:

- The number of employees who have received training on modern slavery risks
- The number of suppliers we have carried out a risk assessment on

This statement and policy has been approved on behalf of the SDL Board on 31 August 2017.

Signed by Colin Anderton, Group Financial Officer on behalf of:

SDL Property Services Group Limited

SDL Group Services Limited

Direct Valuations Limited

JV Limited

Maurice McNeill Iona Limited

Central Scotland West Limited

Central Lettings Solutions Limited

CP Bigwood Management LLP

CP Bigwood Management Limited

Graham Penny Auctions Limited

Graham Penny Auctions (Nottingham) Limited

Pure Financial Advisory Limited

Stonebridge Mortgage Solutions Limited

Humphreys of Chester Limited

SDL Estate Management Limited

SDL Estate Agency Corporate Limited