

LSL Group Modern Slavery Statement 2023 (Statement)

In accordance with the Modern Slavery Act 2015 (Act), LSL Property Services plc (LSL) published this Statement on behalf of itself and its subsidiary e.surv Limited (e.surv) which is included within the scope of the Act.

This Statement sets out the controls relevant to members of the LSL group of companies (LSL Group) with a focus on the steps that have been taken during the financial year ending 31 December 2023 to prevent modern slavery and human trafficking from occurring within the businesses and supply chains.

This Statement replaces LSL's last statement which was published in May 2023 (in respect of financial year ending 31 December 2022).

Introduction

LSL recognises the continued existence of slavery and human trafficking in society, the significance of its impact on its victims and the wider society and the part organisations play in eradicating it from society and the businesses like the LSL Group.

LSL Group Businesses

The LSL Group is a leading provider of financial services, surveying and valuation and estate agency franchising services. The LSL Group provides services to mortgage intermediaries and estate agency franchisees, and valuation services to many of the UK's largest lenders. Details of the LSL Group's business model are included in the Purpose, Strategy, Culture, Values and Business Model section of LSL's Annual Report and Accounts 2023, which can be found at www.lslps.co.uk.

The LSL Group operates three Divisions:

1. Financial Services
2. Surveying & Valuation
3. Estate Agency Franchising

At the date of this Statement:

Financial Services provide compliance and other services to members of LSL's Financial Services Network, which includes the PRIMIS Mortgage Network¹ and The Mortgage Alliance (TMA)². The Financial Services Network is one of the UK's largest mortgage and insurance networks.

Surveying & Valuation includes e.surv, which also trades as Walker Fraser Steele in Scotland. It provides surveying and valuation services to many of the largest lenders in the UK. The Division also includes the asset management businesses - LSL Corporate Client Department (trading name of LSL Corporate Client Services Limited) and Templeton LPA Limited, who specialise in managing the sale of residential properties on behalf of corporate clients and property investors.

¹ PRIMIS Mortgage Network is the trading style of First Complete Limited; Advance Mortgage Funding Limited, Personal Touch Financial Services Limited and TenetLime Limited. All of these networks and directly authorised and regulated by the Financial Conduct Authority (FCA).

² TMA is a trading style of Advance Mortgage Funding Limited.

Estate Agency Franchising provides services including brand marketing, commercial and IT support to a network of 300+ territories across the UK. These territories are independently managed and operated by Estate Agency franchisees under a range of brands including Your Move and Reeds Rains.

The LSL Group also includes specialist businesses which support Estate Agency franchisees with related products and services:

- LSL Land & New Homes provides a complete range of services for house builders, developers and investors of all sizes, which can be used by all franchisees.
- Homefast provides conveyancing panel management and support services to the franchisees and their customers.

LSL Group Approach

The LSL Group creates employment opportunities directly and indirectly via supply chains. Human rights and modern slavery are at the core of the LSL Group's commitment to doing the right thing. LSL is committed to promoting the highest standards of integrity, personal conduct, ethics and fairness, in line with the UK regulatory environment it operates in.

Risk Assessment

LSL has previously identified supply chains as the greatest area of risk and exposure to modern slavery within the LSL Group. With the significant changes to parts of the LSL Group's business model that occurred during 2023, LSL recognises the need to revisit the Group's modern slavery risk assessment in light of the new structure. The LSL Group has recently created a Group Chief Risk Officer (Group CRO) role and this role will be operational from July 2024. The CRO will be responsible for the development of the Group Risk Framework including a review of modern slavery risks.

Divisional Supply Chains

The Divisions have in place established and direct relationships with a number of primarily UK-based suppliers who deliver a variety of services including professional services³, utilities and telecoms, and facilities management.

As part of service delivery, the Divisions will procure services. This could be for themselves, to benefit their own customers or those of other LSL Group companies (including property management services and contractors).

Supply Chain Due Diligence

Within the LSL Group steps are taken to assess and manage the risk of slavery and human trafficking taking place.

LSL expects its supply chain to adhere to international standards on human rights, including with respect to child and forced labour, land rights and freedom of association. e.surv

³ IT, accountancy, insurance, legal, marketing, consultancy and recruitment services.

undertake a risk assessment as part of its supplier due diligence processes, which includes modern slavery and human trafficking.

During 2024 the Surveying & Valuation Division has committed to reviewing its approach with a view to sharing areas of best practice to further develop supplier management across the LSL Group. As part of this it is engaging with suppliers to significantly enhance KPI's and the method through which LSL Group companies conduct supplier due diligence and risk assessment.

Colleague Arrangements

LSL protects and promotes the human rights of colleagues in the following ways:

1. Undertaking checks on new colleagues, confirming their identity and eligibility to work in the UK.
2. Providing clear and timely information to colleagues on their statutory rights, including sick pay, holiday pay and other benefits they are entitled to.
3. Paying its colleagues fairly. During 2023, it undertook to ensure all colleagues across the LSL Group are paid at least a Real Living Wage. During 2024, it will seek external validation of this through the Real Living Wage Foundation.
4. Maintaining regular communication with its colleague community, using its Colleague Engagement Forum and colleague surveys.
5. Regularly calculating and monitoring its gender pay gap within its Divisions and, for the first time, reviewing this group-wide in 2024.
6. Completing annual compliance training on modern slavery and human trafficking.
7. Making available grievance and whistleblowing channels for colleagues and ensuring whistleblower protection.

Policies

The prevention of modern slavery and human trafficking is included within the LSL Group Combined Ethics Policy (Policy). The Policy includes the whistleblowing policy and sits alongside the LSL Group's speak up policy. The Policy sets out responsibilities and provides information and guidance on the identification and escalation of matters relevant to the prevention of modern slavery and human trafficking. The Policy is reviewed on a tri-annual basis with reviews undertaken more frequently where required, and it applies to all LSL Group colleagues. A summary of the Policy is available at www.lslps.co.uk.

Training

LSL Group companies continue to strive to raise awareness and ensure colleagues are equipped to identify and report potential incidences of modern slavery or human trafficking.

During 2023, the LSL Group HR team continued to create and deliver in-house training to all colleagues, focussed on preventing and identifying modern slavery and human trafficking. Previous risks assessments have identified specific roles at increased risk of exposure and following a review in 2023, colleagues training and guidance was updated and delivered.

All LSL Group colleagues are made aware of the requirements under the Act and how to identify and report issues of modern slavery and human trafficking through the Policy. During 2023, e.surv colleagues made six reports setting out modern slavery concerns to an external body, and it will continue to take steps to ensure its colleagues have the confidence and awareness to identify vulnerabilities.

KPI Monitoring

Set out below is a summary of the LSL Group's performance (including e.surv's) against the KPIs set out in the Statement relating to 2022. By their nature they are qualitative and, as addressed below, consideration is being given as to how to engage with suppliers to help to significantly enhance these and the method through which supplier due diligence and risk assessment is conducted:

KPI from the 2022 Statement:

- (1) Enhance the e.surv supplier management framework in a scalable way, from onboarding, through in-life monitoring and off-boarding, including detection, tracking, auditing, transparency and establishing a framework to address supplier non-compliance.
- (2) Continue to develop the LSL Group's focus on significant risk areas through better understanding.
- (3) Benchmarking LSL Group practices against the national, regional and industry landscapes.

Performance during 2023:

Progress was impacted by the LSL Group restructure that took place during 2023. These commitments remain relevant and will be progressed during 2024. The appointment of the Group CRO will enable the progression of the work on the KPI's.

This Statement has been published on behalf of LSL and e.surv and has been approved on behalf of the LSL Board Group by the Group CEO on 28 June 2024.

Signed by:

David Stewart, Group Chief Executive Officer

LSL Property Services plc