

SGS Transparency in Supply Chains Statement for the financial year ended 31 December 2023

SGS strongly opposes slavery and human trafficking in any form. This statement sets out the steps taken by SGS Holdco Limited, directly and through its subsidiaries, (together the SGS Group or "SGS") to ensure slavery and human trafficking is not occurring in any part of its business or supply chains.

The SGS Group includes Lakeside Centre Limited. SGS has assessed that both SGS Holdco Limited and Lakeside Centre Limited separately have an obligation to make a Transparency in Supply Chain statement (in accordance with s.54 of the Modern Slavery Act). This statement is intended to satisfy that obligation in respect of both companies.

1. SGS's organisation, business and supply chains

- 1.1. SGS is the owner of a number of shopping centres and retail parks, specifically the Lakeside Shopping Centre, Atria Watford (including Charter Place), the Braehead Shopping Centre and Retail Park, and the Victoria Centre in Nottingham.
- 1.2. Each of the shopping centres and retail parks is owned by a property company within the SGS Group. However, while SGS has directors to ensure proper governance, SGS did not, for the whole of the financial year ended 31 December 2023, have any employees. Instead, it outsources its functions to third party suppliers. Its key suppliers are Global Mutual Properties Limited ("GM"), which is responsible for asset management, Savills UK Limited ("Savills"), which is responsible for property management, and CSC Capital Markets as its corporate service provider.
- 1.3. All property management functions that would, in other organisations, be performed by employees are performed by Savills. Consequently, all relationships with suppliers to the shopping centres are also managed by Savills, with input from SGS and GM.

2. The Savills relationship

- 2.1. Savills' property management function provides services (including the people to perform those services) to SGS in respect of each of its sites. It has a property management agreement for each site, which determines the services that are to be provided by Savills and the obligations on Savills in doing so. The agreements include requirements to comply with applicable employment laws in the provision of the services and supervise compliance with statutory requirements in relation to the health, safety and welfare of occupiers of the properties. Prior to onboarding service suppliers, Savills undertakes due diligence including relating to modern slavery risk, and this due diligence is reviewed throughout the business relationship.
- 2.2. Savills plc has published its own s.54 Modern Slavery Statement, which identifies the steps it took in its last financial year to ensure slavery and human trafficking was not occurring in its business and supply chains. It notes that Savills believes the risk of modern slavery across its business is low, but that there are situations where a greater risk exists, such as the hiring of staff and procurement decisions where suppliers and contractors are appointed. A copy of the Savills' Slavery and Human Trafficking Statement can be found [here](#). We have summarised below key elements that helped prevent slavery or human trafficking in the SGS business or supply chains in the financial year ending 31 December 2023.
 - (a) **Policy:** The Savills Code of Conduct underpins its social, ethical and environmental commitments. It is applicable to all Savills staff and Supply Chain Partners. There is also a specific Slavery and Human Trafficking Policy, which sets out the steps that should be taken by individuals and business heads within Savills.
 - (b) **Due Diligence and Management of Suppliers:** Savills requires minimum ethical, environmental and social principles and standards when engaging with service partners. The policy applies to all supply chain activity involving its service partners. Savills supports the UN Global Compact, UN Declaration of Human Rights, the International Labour Organisation (ILO) Core Conventions and the UN Sustainable Development Goals, and as such, all service partners selected are expected to meet minimum environmental, social and ethical standards. There is also a Service Partner Code of Conduct, which requires Service Partners to deliver goods and services

responsibly to Savills' sites and clients. Under this policy, Savills expects all Service Partners to have accountability, ethics, transparency and respect for law and regulations, including modern slavery laws. The Service Partner Code of Conduct includes a requirement that service partners proactively support human rights and develop effective approaches to comply with the minimum requirements of the Ethical Trading Initiative (ETI) base code of labour practice:

- (i) Employment should be freely chosen
 - (ii) Freedom of association and the right to collective bargaining are respected
 - (iii) Working conditions are safe and hygienic
 - (iv) Child labour should not be used
 - (v) Living wages are paid
 - (vi) Working hours are not excessive
 - (vii) No discrimination
 - (viii) Regular employment is provided
 - (ix) No harsh or inhumane treatment
- (c) In addition, through Savills' supplier on-boarding and contracting process, suppliers to Savills are required to conduct their business in full compliance with all applicable laws, including compliance with the Modern Slavery Act, and to comply with the Savills Code of Conduct. Savills re-visits the questions in the due diligence questionnaire on an annual basis with the Sustainability Team and Operational Risks Team. The due diligence questionnaire also references Savills' code of conduct and core principles.
- (d) **Whistleblowing:** Savills has also adopted a Speak Up Policy which provides support to employees who have concerns, including about modern slavery violations, within the business or its supply chains. Savills encourages those with concerns to raise them with senior management at the earliest opportunity. Senior management are required to objectively investigate allegations and ensure appropriate actions are taken. The Policy sets out examples of concerns that should be reported, including failure to comply with any legal duty. Concerns can be reported through Safecall (an independent reporting service), an immediate manager, senior manager, Business Head, the relevant CEO or Managing Director of a subsidiary, or Group Legal and Company Secretary of Savills plc. Anyone who reports concerns in good faith is protected against any detriment arising from their report. Savills has a zero tolerance approach to any breach of this policy. Any breach may constitute gross misconduct and in terms of supply chain partners may result in termination of contract. During the last financial year, Savills has not received any reports of potential modern slavery in relation to sites owned by SGS.
- (e) **Training:** Modern Slavery Awareness Training is provided to relevant staff across Savills (UK) Ltd and Savills Management Resources Limited.
- (f) **Risk and response:** Savills considers the modern slavery risk in its business and supply chains to be low. However, it maintains a risk-based approach to assess the likelihood of the existence of Modern Slavery in its supply chains, and, if an issue should be identified, it is committed to, where appropriate, working collaboratively with the supplier to fully eradicate any instance of Modern Slavery, and in doing so seek to adopt an approach that produces the safest outcome for potential victims.

2.3. As the owner of shopping centres and retail parks, SGS is particularly aware of the risks of modern slavery in the retail sector and also in the construction sector. SGS takes these risks very seriously and, through GM and Savills, expects these risks to be mitigated. For example, the standard terms of a unit lease at the Lakeside Shopping Centre include a requirement to comply with applicable laws, which includes the Modern Slavery Act, in the use, occupation or otherwise in connection with the unit. Breach of this terms can result in the lease being forfeited.

3. **SGS' ESG Strategy ("the Strategy")**

- 3.1. During 2023, SGS implemented its ESG Strategy. Human Rights in Supply Chain and Fair Labour Practices were identified as priority items as part of the ESG Strategy formulation exercise.
- 3.2. A governance structure has been established, including Terms of Reference and an ESG Committee, which meets at least quarterly to review progress against targets and actions. The ESG Committee incorporates Asset Managers, Property Management Surveyors, Centre Directors and Operations representatives as well as the Savills Sustainability team. The Savills Sustainability team works with GM, the surveyors and centre teams on a day-to-day basis to execute the strategy. The ESG steering committee (which meets on a quarterly basis and provides direction and oversight) comprises representatives from GM, the Savills Sustainability team, the SGS senior team and at least one Board Director. Delegates from the ESG steering committee (usually a member from GM and a member of the Savills Sustainability team) then report quarterly to the full SGS Board.
- 3.3. A key pillar of the SGS Business Plan is to execute the ESG Strategy across the portfolio, including ensuring that social initiatives are in place that can be benchmarked, implemented and monitored against. To that end, Savills prepares quarterly reports specific to each shopping centre updating SGS on progress against its ESG Strategy.
- 3.4. SGS has developed a Social Value Reporting Framework and Social Value Tracker and Analysis to ensure all information is captured and monitored regarding the ESG social initiatives that take place. A Local Needs Analysis Report has also been drafted to highlight where social value initiatives should be focused. These reporting tools are primarily monitored by Savills and GM. Key messages will be included in quarterly reports to the ESG Steering Committee and the SGS Board.
- 3.5. As part of the overall ESG Strategy, there are specific ESG strategies for each of the 4 UK regional shopping centre assets. All of the SGS assets are committed to having a positive community and social impact, including a commitment to the Living Wage Foundation as a priority and annual action. Since the implementation of the Strategy, the site-specific initiatives are monitored through the ESG action plans and are reported to the SGS Board within the Asset Sustainability Plans on a quarterly basis.
- 3.6. The ESG Strategy's social deliverables include, but are not limited to, collaboration with community groups, occupier engagement, employee wellbeing, volunteering and partnering with an annually chosen charity.

4. **Further steps**

- 4.1. SGS reviews the ESG Strategy on a quarterly basis, with the next review taking place in July 2024.
- 4.2. SGS is committed to maintaining high standards of conduct by its suppliers and has no tolerance for slavery or human trafficking in its business or supply chains. Although no specific slavery or human trafficking has been identified or reported in the last financial year, SGS will continue to monitor its business and supply chain to ensure slavery and human trafficking is not occurring.

This statement was approved by the Board of SGS on 20 June 2024.

Signed by Jaap L. Tonckens on 20 June 2024

