



MODERN SLAVERY ACT 2015 TRANSPARENCY STATEMENT 2023

St. Modwen's purpose 'Changing Places and Creating Better Futures' has continued to guide us in our development of quality places to live and work, and we do so with a continuing 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 International Labour Organisation⁵, 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, identify victims and ensure that they receive the support they require.

This statement, approved by our Board on 26 June 2024 is made by Lis Super Topco Limited. 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 31 December 2023.

St. Modwen

Operating across England and South Wales, St. Modwen is an expert logistics and housebuilding developer with a rich 50-year history and a strong track record of delivery.

Our efforts to tackle modern slavery are led at an Executive Level by the Managing Director for St. Modwen Developments, whilst the CEO (Sarwjit Sambhi) is responsible for final sign-off and direction at Board-level.

In the financial year to 31 December 2023 we had a direct workforce of over 600 employees, mostly on permanent contracts. Our direct employees are principally managerial and professional staff, supported by corporate and administrative functions, operating across three dedicated business units and two corporate groups:

- St. Modwen Homes delivering award-winning, quality new homes and sustainable communities across the UK.
- St. Modwen Logistics creating future-proofed warehousing and logistics spaces where business can thrive. We deliver value to occupiers through comprehensive estate management, by providing facilities management and property maintenance across the estates parks supported via a range of sub-contractors.
- St. Modwen Developments is a master developer, promoting and delivering sites for housebuilding, commercial and regeneration projects. We also manage a number of assets delivering retail, leisure, and office space, where we provide facilities management and property maintenance supported via a range of sub-contractors.

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.ilo.org/global/topics/forced-labour/publications/WCMS_854733/lang--en/index.htm



All our assets and operations are within the UK.

Our Supply Chain

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

In the Logistics and Development businesses, we 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.

For St. Modwen Homes, our regionally based sub-contractors provide us with most of the materials plus 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 and services which are used within our business, for example office furnishings and supplies, workwear, and facilities management services.

Our Policies and Processes

Our policies, including our Modern Slavery Policy, are signed off by our CEO and developed with support from external expertise where appropriate.

We have additional policies and processes relevant to modern slavery as follows:

- 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

Our Responsible Business approach comprises six areas, including Responsible Operating Practices and our Partnerships Charter which 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 activities, facilities management and housebuilding means that there are transient groups of indirect workers deployed on our sites, sometimes on a temporary basis, and for short periods.

In our supply chain, there is a broad skill mix but it includes a significant number of workers undertaking labour-intensive and lower skilled work consistent with those groups of workers



identified as being at a higher risk of modern slavery by authorities such as the Gangmaster and Labour Abuse Authority⁶ and the Independent Anti-Slavery Commissioner⁷.

Our risk assessment has therefore been based upon the likelihood of vulnerable workers being on our sites or within the workforce of those supply chain partners providing us with goods and materials. In response, we have developed appropriate mitigation on our sites and prioritised direct engagement with suppliers based on our opportunity to influence change; by selecting those suppliers who constitute a higher proportion of our procurement spend.

We continue to ensure our suppliers are aware of their responsibilities to monitor and mitigate the risk of modern slavery, by means of the supplier pre-qualification arrangements and through construction contracts and supplier terms and conditions.

Our Progress

Having worked with Stronger Together⁸ to identify areas for improvement in our approach to tackling modern slavery, our Executive Committee agreed our vision of being at the level of 'Evolving Good Practice'⁹ on the Maturity Framework, created by the Office of the Independent Anti-Slavery Commissioner. 'Evolving Good Practice' is characterised on the Maturity Framework as follows:

- External challenge or working groups informing strategy
- Going beyond auditing – deep dives and unannounced visits
- Cascading ethical standards throughout supply chains
- In-depth training for staff in key roles such as procurement
- Commitment to worker engagement
- Implementing the Employer Pays Principle

In the financial year ending 31 December 2023 we continued our sponsorship of Stronger Together's Construction Programme to collaborate with like-minded organisations and develop capability in our organisation, our supply chain and across the sector. We also engaged an independent expert consultant to provide us with focussed support for implementation and to work with our Modern Slavery Working Group; made up of senior representatives from each business and key corporate functions to implement our strategy.

This financial year, the Working Group launched internal communications to further champion our Modern Slavery Policy, which is accompanied by a comprehensive Guidance Document for managers and employees. The Guidance Document sets out our approach to tackling modern slavery and supports implementation of our strategy by providing information, practical guidance, and links to internal and external resources. The Guidance Document covers the following:

- Understanding modern slavery
- Raising awareness and engagement
- How to assess and address risks

⁶ '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

⁷ '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

⁸ <https://www.stronger2gether.org/>

⁹ <https://www.antislaverycommissioner.co.uk/media/1428/iasc-operation-fort-review-june-2020-iasc-maturity-framework.pdf>



- How to take action on sites
- Spotting the signs of modern slavery
- Raising concerns and seeking help for potential victims
- Opportunities for improvement

The document includes a checklist which can be used on all our sites as an easy reference tool to ensure compliance with the standards we have put in place.

The Policy and Guidance Document are supported by a mandatory online learning module for all employees, with links to further resources. The learning module forms part of the induction requirements for all new employees and a mandatory refresher course was launched for all employees in 2023. 94.44% of employees had completed this course as at 31 December 2023.

Certain key operational staff also received further live and interactive online training during 2023, which includes an exercise to develop operational capability in spotting the signs and responding to potential incidents.

In 2023 we also launched a site risk assessment tool to help our managers judge the potential level of risk during the construction process or ongoing operation of a site. This tool enables managers to identify when they need to increase the level of vigilance, revisit mitigation activities such as refreshing posters and leaflet distribution, deliver toolbox talks and proactively observe potentially vulnerable workers to identify any signs of exploitation.

Since vulnerable workers are likely to include those whose first language is not English, we continue to provide the services of Clear Voice, a telephone interpreting service provided by Migrant Help. We have provided access to this service across our sites to ensure that independent interpreting is available as required to respond to worker concerns.

In 2023, to ensure that we are implementing effective mitigation measures on our St. Modwen-managed sites, the scope of inspections by our existing site audit team (on a six-week cycle) was expanded to include checking for evidence of awareness of modern slavery risk management by site teams and contractors, to check for compliance with our site standards.

Supply chain capability continued to be developed, with Self-Assessment Questionnaires being issued to key high-risk suppliers. In Logistics, this was leading to invitations to attend a bespoke workshop to support the development of corrective action plans to improve due diligence and mitigation. In St. Modwen Homes, there is a larger pool of regional and national suppliers and sub-contractors with significant variations in size, complexity, and maturity of organisations. A set of modern slavery questions were developed for the St. Modwen Homes supplier selection and on-boarding system to help us to identify those suppliers who present the highest potential risk with the best opportunity to affect change. The intention is that corrective action plans would then be developed with suppliers where required, although in 2023 no areas of concern were revealed as a result of those questionnaires being completed.

During 2023 St. Modwen Homes also implemented the use of a third party "neutral vendor"¹⁰ of temporary agency workers to coordinate the appointment of our agency labour, which we recognise as presenting a higher risk of modern slavery given the transient nature of those roles. Datum RPO enforce comprehensive contractual terms requiring suppliers to comply with their obligations in

¹⁰ <https://info.datumrpo.com/blog/taking-a-holistic-approach-to-eradicating-modern-slavery>



relation to modern slavery. They also ensure that all agency suppliers complete their Modern Slavery Questionnaire before onboarding and have a dedicated audit team to review these documents and conduct in-depth audits with each supplier.

In 2023 we had no reported incidents of modern slavery in our business or our supply chain.

Managing Our Progress

If we measure our progress against the Maturity Framework, we believe that we are comfortably at the level of 'meeting basic expectations' as follows:

- Our modern slavery statement demonstrates our areas of improvement.
- We have actively identified areas of high-risk in the business and supply chains by upskilling our staff to understand where the risks are to be found.
- We are engaging with those suppliers we believe to be at highest risk of engaging vulnerable workers and are measuring their due diligence and mitigation via self-assessment questionnaires.
- We have developed capability in our supply chain by inviting the highest-risk suppliers to attend Stronger Together workshops at no cost, part-funded by our Sponsorship of the programme.
- We have further developed capability across our business by providing live, interactive online workshops for operational staff to ensure they understood the prevalence of modern slavery, understand more about vulnerable workers and how to spot the signs of exploitation then what to do if they have suspicions or must react in an emergency.
- We have included a modern slavery incident response plan within our management system.
- We have our own whistleblowing hotline and actively promote the Modern Slavery Helpline, including the Unseen App for reporting concerns.

In 2023 we continued to make progress towards 'Evolving Good Practice' by:

- Inviting an independent expert consultant to join our working group and support us in our strategy implementation.
- Cascading our ethical standards through our supply chains, starting with our highest risk suppliers in Logistics.
- Providing online and live in-depth training to staff in key roles.
- Producing a Guidance Document for employees and ensuring that we are promoting information on modern slavery to workers across our sites.
- Including a commitment to the Employer Pays Principle in our Modern Slavery Policy.

Summary

We know that many factors are contributing to the numbers of vulnerable workers in the UK, and we remain vigilant to implementing effective systems to identify and mitigate the risks in our business and in our supply chain.

Whilst have made progress, we are not complacent. We will continue to learn and are determined to meet the challenges presented by this complex and ever evolving issue.

We continue in our efforts 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.



Signature

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 2023.

This statement was approved by the Board on 26 June 2024.

Signed by:

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Tom Olsen, Chief Financial Officer
For and on behalf of Lis Super Topco Limited

Date: 26 June 2024