



## **The British Land Company Plc (“British Land”) Slavery and Human Trafficking Statement 2021**

Modern slavery and human trafficking are grave forms of human rights abuse. British Land recognises the importance of respecting human rights and has been a signatory to the UN Global Compact since 2009. We are committed to preventing modern slavery and human trafficking in our business and throughout our supply chain.

This is our sixth annual slavery and human trafficking statement (“Statement”) pursuant to section 54(1) of the Modern Slavery Act 2015 (MSA). 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, valued on 31 March 2021 at £12.7 billion (British Land’s share: £9.1 billion).

Some of our managed assets are in joint ventures or funds. In most 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 2021 British Land and its subsidiaries had 613 direct employees, all of whom are paid at or above the Real Living Wage. Our supply chain consists of approximately 1165 direct suppliers. Our total spend with these third parties amounted to £632million in FY20. Broadly, this is spent on construction-related, 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 these are reviewed on an annual basis with ad-hoc updates 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.

Details of our confidential professional third-party whistleblowing channel, which employees can use to report any concerns of unethical behaviour, are provided on our intranet and posters are displayed prominently around our offices. 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. All staff must complete the Modern Slavery Awareness training designed to equip our employees with the skills and knowledge to spot early signs of potential issues in this area. Our staff 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 Approach to Whistleblowing](#) is also available on our external website.

### **TRAINING AVAILABLE TO STAFF**

On joining the British Land, each employee undergoes a corporate induction that outlines British Land’s expectation that our employees maintain high standards of 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

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 their induction, regular internal communications and periodic training.

Through training and communications 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.

## 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 we manage this risk 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.

Based on our due diligence and risk assessment methodology developed with Unseen, we continue to believe that our three areas of primary risk can be classified as:

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 and communications. Through our Sustainability Strategy and related initiatives, we leverage our scale and scope to engender more responsible supplier behaviour and practices. This is now explicitly stated within our new 2030 Sustainability Strategy, which highlights the importance we place on responsible business conduct and, specifically, preventing modern slavery.

This year we worked with Unseen to update and strengthen our [Supplier Code of Conduct](#), formalising our expectations regarding supplier conduct. This provides a clear framework for our supplier network in upholding Human Rights throughout our supply chain. All Suppliers are required to sign up to this code as part of the onboarding process. Suppliers are required to annually review the code to ensure they maintain compliance.

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. We advocate the Modern Slavery and Exploitation Helpline to support our people and suppliers.
- **Environmental:** sourcing of materials, environmental management, air quality and waste management.

All 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 our UK suppliers are strongly encouraged to pay their UK based employees at or above the Real Living Wage: 79% of hours worked by their staff in FY20 were remunerated at or above the Living Wage, an increase from 66% in 2019. All three of our London mixed-use campuses (Broadgate, Paddington Central and Regent's Place) are 'Living Wage Employers' accredited by the Living Wage Foundation. All employees working on our behalf through third party contractors at these campuses receive the London Living Wage. In the year ahead, we will continue to perform independent audits of third-party contractors at all three campuses to identify whether unethical employment practices exist and take appropriate action.

Our supplier portal has improved our ability to monitor a supplier's approach to preventing modern slavery. The information provided is used to monitor ongoing supplier commitments. Within our third-party contracts we reserve the right to audit against our Code of Conduct.

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 that have been identified.

In the event that we identified a breach of our supply chain policies or protocols, we would work with the impacted parties to undertake an investigation into the circumstances including root cause analysis and formulation of a remediation plan. The circumstances of the breach, the results of the investigation and any process improvements and enhancements implemented as a result would be reported to the Executive Risk Committee and then to the Board Audit Committee and/or the Corporate Social Responsibility Committee as appropriate depending on the nature and severity of the breach.

In 2020 we became a member of Unseen UK's Modern Slavery Business Helpline Portal [www.unseenuk.org/back2source](http://www.unseenuk.org/back2source), which is fed by situational data gathered from reported incidents to the Modern Slavery and Exploitation Helpline. This service allows members of the public to report a potential modern slavery incident anonymously. Over the last 12 months we have expanded our work with Unseen to:

- implement a risk assessment methodology enabling us to categorise our suppliers by risk groups
- access further information on our suppliers, increasing our ability to identify early warning signs
- undertake 20 independent compliance Code of Conduct audits with our highest risk category suppliers
- develop our Modern Slavery training e-learning to equip our staff to identify and respond to the signs of modern slavery and human trafficking.

### **1. Procurement of specific materials**

We seek sustainability certifications (e.g. BREEAM) on major developments. These certifications 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", "excellent" or "outstanding" rating.

We support sustainable sourcing of all materials in our portfolio. Project Teams are required to report third party certification and transparent chain of custody, and we will carry out audits to ensure compliance.

We require all materials to be sourced from the EU and UK wherever possible, where governance structures to uphold the rule of law are considered strong and for high-risk materials, we require a responsible sourcing standard such as BES 6001 and Cradle to Cradle which includes requirements to uphold labour rights in materials manufacturer.

Our requirements regarding ethical procurement of materials are detailed for our supply chain in the revised version of our (pg. 46) and Materials Schedule.

Where bespoke materials are specified which do not carry certification, we directly review the suppliers' processes, their approach to environmental, social, and ethical matters and require full documentation regarding the chain of custody. An example is the use of bespoke glazing on one of our current development projects.

### **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 a high standard of welfare is provided and maintained. CCS monitors these commitments through audits. The average score from British Land construction sites in FY21 improved to 40.2 out of 50 (2020: 38), compared to the industry average of 37.99 (2020:37.09).

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 May 2021, suppliers receiving 100% of our construction spend had signed up to this programme.

To increase our insight into working practices on our sites, we now run Labour Practice Audits at all our projects with a construction value over £5m. These provide an effective way of creating transparency into actual working practices within our construction supply chain. Through unannounced one to one interviews with individuals working on site, a range of potential issues associated with modern slavery are explored. No modern slavery concerns were identified on our sites during the year. However, the following items came to light:

- 5% of interviewees paid below London Living Wage (2019: 1%)

- 39% of interviewees reported not being asked for appropriate “right to work” documentation (2019: 58%)
- 26% of interviewees were unaware their company had a Modern Slavery Policy (2019: 88%)

We are working with the relevant suppliers to ensure all construction staff on our sites are paid the London Living Wage rate. We are also supporting suppliers in improving their oversight of appropriate documentation and awareness among their staff of Modern Slavery Policies

### **3. Procurement of Labour Services in relation to Property Management**

The third area we believe to be high risk is among the supply chain used in property management, particularly cleaners and security guards. This group of suppliers will be included in our Work Practice Audit programme and are made aware of the services available through our partnership with Unseen to encourage open and safe reporting of any such incidents. We encourage suppliers of these services 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.

### **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.

This Statement was approved by the Board on 13 July 2021.



**Simon Carter, Chief Executive Officer  
The British Land Company PLC**