

MODERN SLAVERY ACT 2015 – STATEMENT PURSUANT TO SECTION 54

INTRODUCTION FROM THE CHIEF EXECUTIVE

We are committed to improving our practices to combat slavery and human trafficking.

OUR BUSINESS, STRUCTURE AND SUPPLY CHAIN

We are a privately-owned property development business that manages the whole development process across the various projects that we deliver. We work with partners on each project, whether they are occupiers, landowners or investors. Stanhope Holdings Limited is the parent company of the Stanhope Group. The Group had 65 employees on average during the financial year ending 31 March 2023 and operates exclusively in the U.K. The Group had an annual turnover of £29.6m in the financial year ending 31 March 2023, so is making this statement voluntarily. This statement is made on behalf of the Group – details of the companies within the Group can be found in our latest company accounts at Companies House.

Our business is focused on office, residential and retail markets, primarily in London. Our projects include individual buildings, new estates and large-scale master planned, mixed-use developments.

Our supply chains include building contractors, sub-contractors, building product suppliers as well as professional consultancies providing design and other building-related services. Typically, we will administer the performance of such contracts for our partners, as their development manager. In certain circumstances, however, we will enter into direct contracts with these entities to provide works, goods and/or services.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our modern slavery policy reflects our commitment to acting ethically and with integrity in all our business relationships. We expect each entity in our supply chain to conduct due diligence on their suppliers, as it is not practical for us (and for every other participant in the chain) to have a direct relationship with all links in the supply chain.

This modern slavery policy can be found on our website (<http://www.stanhopeplc.com/>), and our policy is provided to our employees and suppliers.

RISK ASSESSMENT AND DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

We have carried out and regularly update a risk assessment of our business and supply chains, and analysed the following potential external risk areas:

- a. Country Risk – **low** - currently, Stanhope operates exclusively in the United Kingdom, although Stanhope does deal with international organisations (including within its supply chain), some of whom may be new to the UK market and not familiar with its laws and business practices.

- b. Sector Risk – **high** – construction is seen as a high risk sector, with its fragmented supply chains, opaque procurement processes and high demand for migrant labour.
- c. Transaction Risk – **medium** – Stanhope operates on the basis of repeat relationships with significant parts of its supply chain with which it has built strong relationships. Certain projects, however, involve a large number of contractors, including lower skilled trades with a consequent increase in the potential for labour exploitation.

Stanhope developments typically involve top tier contractors and consultants which are similarly committed to eradicating modern slavery in the construction industry. Stanhope carries out appropriate due diligence on its partners, contractors and consultants, and, to a reasonable extent, relies on these contractors and consultants to enforce its policies down through the supply chain, which are typically short supply chains for the construction industry.

EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We have zero tolerance to slavery and human trafficking. In the financial year ending 31 March 2023, we have taken the following steps:

- in collaboration with our construction partners, we have taken steps to monitor compliance with our and their policies and zero tolerance to modern slavery by undertaking, via a supply chain risk management company, third-party labour audits and interviews with workers on site at our project at Television Centre Plot H. A variety of different trades of workers were interviewed as part of the process, including scaffolders, carpenters, strikers, engineers and more. These engagement surveys did not reveal findings of concern around potential payments below the Living Wage or alleged deduction from wages; but have raised the following points:
 - Terms and conditions of employment having in instances only been received verbally, and
 - Appropriate ‘right to work’ documentation not having been required in one instance, or insufficiently strong documentation required in other instances not in line with Government guidance.

We have reviewed the findings of the workers interviews with our construction partners and are ensuring they respond accordingly.

- We formalised our commitment to fair pay by becoming a Living Wage Accredited employer. We are committed to ensuring that all staff working for us, directly and indirectly, can earn a wage that is enough to live on. This applies to our directly employed staff and regularly employed contractors, but equally crucially to indirectly employed staff within our value chain (i.e. deployed on our construction sites, our assets under managements, or otherwise employed in the delivery of contracts for Stanhope).
- We have continued to require that all our trade contracts, construction management agreements, building contracts and professional appointments contain provisions to require that counterparties comply with our company policy (or an equivalent policy) on modern slavery and also that they and their sub-consultants and sub-contractors pay its employees the Foundation Living Wage. This requirement, alongside requirement for third-party ethical labour practice audits and employment interviews to be conducted regularly on our construction sites by our partners to monitor compliance, are formally included in our 2022-updated Ethical Labour Policy;
- Macfarlanes LLP, our solicitors, delivered a training session in June 22 on modern slavery

and our company policy for all staff which was recorded and shared with all employees. This helped strengthen the identification, monitoring and management of risks of modern slavery and unethical work practices occurring in our industry.

In the financial year ending 31 March 2024 we intend to take the following steps:

- Macfarlanes LLP, our solicitors, will deliver a training session on modern slavery and our company policy for all staff. New employees are required to review the previous year's external training on modern slavery and our modern slavery policy as part of their induction.
- Continue to review and enhance our due diligence process on our partners and supply chain to determine what further steps we should take to monitor and enforce our zero tolerance to slavery and human trafficking.
- Undertake, by a specialist consultant on our behalf, an ethical labour risk mapping of our construction supply chain. This exercise will support us with managing ethical employment risk and driving social sustainability into the practices of the construction supply chain. This process will:
 - Identify the makeup of the workforce that sits within Stanhope's tier 1 and 2 construction supply chain;
 - Assess employment practices within the supply chain;
 - Provide us with insight into the strength and risk areas within the organisations that make our supply chain, and;
 - Advise us on future steps to engage with suppliers, reduce risk, and drive improvement.
- Continue to undertake employee training about modern slavery to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business and identify risk mitigation measures;
- Engage with our construction partners to check they have investigated and taken appropriate actions to address the findings of concern raised by our third-party labour audits and interviews with workers on site;
- continue to undertake third-party labour audits and interviews with workers on site at more of our projects;
- continue to engage with our supply chain to discuss the practical steps they take to address modern slavery risk at our construction sites.

This statement is voluntarily made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial year ending 31 March 2023. Board approval was given to this statement on 27 September 2023.



Signed:

David Camp, Chief Executive Officer

Date: 17th October 2023