



The British Land Company Plc (“British Land”) – Slavery and Human Trafficking Statement 2017

Modern slavery and human trafficking are grave forms of human rights abuses. British Land recognises the importance of respecting human rights and has been a signatory to the UN Global Compact since 2009. Respecting human rights is part of our [2020 Sustainability Strategy](#) and we are committed to taking steps to prevent modern slavery and human trafficking in our business and our supply chain.

This is our second annual slavery and human trafficking statement (“Statement”) pursuant to section 54(1) of the Modern Slavery Act 2015 (MSA). This Statement sets out the steps we have taken during the financial year ended 31 March 2017, as well as the activities we have started to take, to prevent modern slavery and human trafficking in our business and our supply chains. 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. In addition, our property management subsidiary Broadgate Estates publishes its own Statement available at: broadgatestates.co.uk/terms-conditions

About British Land

British Land is one of Europe’s largest publicly listed real estate investment company, focused on London office space and high quality retail around the UK. As at 31 March 2017 we owned or managed a portfolio valued at £19.1 billion¹ (British Land’s share is £13.9 billion). Our Offices portfolio comprises three office-led campuses in central London as well as high quality standalone buildings and accounts for 49% of our portfolio. Our Retail portfolio is focused on Regional and Local multi-let centres and accounts for 48% of our portfolio.

As a group we operate through wholly owned subsidiaries, joint ventures or funds. Around half our assets by value are in joint ventures or funds. In the majority of our partnerships, we provide asset management, development, corporate and financial services and we earn performance and management fees. The British Land managed joint ventures and funds all operate in line with our policies.

Our strategy is to provide places which meet the needs of our customers and respond to changing lifestyles – Places People Prefer. We do this by creating great environments both inside and outside our buildings and use our scale and placemaking skills to enhance and enliven them. This expands our buildings’ appeal to a broader range of occupiers, creating enduring demand and driving sustainable, long term performance.

British Land has 219 direct employees (as at 31 March 2017), all of whom are UK-based and paid at or above the Living Wage Foundation’s Living Wage, an independently calculated wage based on the minimum amount that employees and their families need to live on.

Our supply chain consists of approximately 1,400 direct suppliers. Our total spend with these third parties amounted to £460million in FY17. Nearly half was spent on construction related costs and the remainder on property related and company running costs. In the last few years we have invested heavily in our professional procurement team.

Our risk areas

Our real estate portfolio is located entirely in the UK. We believe that our own employees are at low risk of modern slavery and human trafficking as the workforce consists primarily of office-based professional skilled labour. We consider our most significant risk areas to be in our supply chain.

In particular, we believe our risks to be higher in relation to construction, in the areas of procurement of materials and labour services in connection with property management. We use a bespoke analysis of our supply chain (our [Sustainability Risk Maps](#)) to understand the risks associated with the procurement of supplies and services we use in our business and by our supply chain including 'Labour practices and fair play'.

We are currently updating the Risk Maps to reference more directly human rights and the MSA. We plan to review these on a periodic basis, reflecting changes to our business and external risk factors.

Our 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. Our compliance with these policies is confirmed every two years by our internal auditor. 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. This policy was developed by the Head of Sustainable Places, supported by the Head of Procurement and approved by the Board of British Land.

Our corporate values include a commitment to act with integrity, phrased as 'do what is right, not what is easy'. On joining the Company, each employee is provided with our Employee Handbook which sets our expectation that our employees maintain high standards when it comes to 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.

Our Employee Handbook also describes our confidential whistleblowing channel, which employees and third parties can use to report any concerns of unethical behaviour. Our [Whistleblowing Policy](#) is available on our external website.

We will undertake a review of our Employee Handbook to further strengthen our commitment to prevent modern slavery and human trafficking in our business and supply chains. We will issue new guidance to our employees on how concerns can be reported through our whistleblowing mechanism.

Reducing risk in our 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).

We communicate our social and ethical standards to our suppliers. And through our Sustainability Strategy and related initiatives, we leverage our scale and scope to encourage more responsible supplier behaviours and practices.

Our [Supply Chain Charter](#) requires that suppliers comply with relevant legislation for employment, health and safety, and working hours. In addition, suppliers shall prohibit child or forced labour, exclusive zero-hours contracts, and unpaid work of any kind. The Charter sets out that suppliers shall respect the rights of freedom of association and collective bargaining, follow working hours that comply with benchmark industry standards, and make grievance procedures fully available to staff.

This year we will update our Supply Chain Charter to strengthen our commitment to take corrective and/or mitigating action if we suspect human rights and modern slavery abuses in our supply chain.

In the past year we have taken steps to cascade our labour requirements throughout our supply chain by requiring all new direct suppliers to comply with our Supply Chain Charter as part of their contractual obligations. We have also strengthened our tendering processes to enable us to assess the ability of suppliers to comply with the Charter as part of our award criteria.

We work with our suppliers to manage the risk of human rights violations in our procured labour. All of our suppliers are legally required to pay their employees the UK National Living Wage, and we work with suppliers for our London campuses to ensure that they pay the Living Wage Foundation's Living Wage. This year we are pleased that our three London mixed-use campuses (Broadgate, Paddington Central and Regent's Place) have been accredited the 'Living Wage Employers' by the Living Wage Foundation. Employees (whether they are permanent employees or third party contractors) at these campuses, receive a minimum hourly wage of £9.75, the London Living Wage.

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 high standards of welfare is provided and maintained. CCS monitors these commitments through audits. The average score from BL constructions sites in FY17 is 36.7 out of 50, compared to the industry average of 35.56.

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 June this year, 90% of our construction contractors have signed up to Building Confidence.

We seek sustainability certifications (e.g. BREEAM) on major developments. These certifications include aspects which incentivise responsible sourcing of construction materials, such as management of human rights in the production, transport and assembly of materials. As at 31 March 2017, 30% of our portfolio by value has a sustainability rating of "very good" or "excellent" and 100% of our development pipeline is on track to achieve similar sustainability ratings. In 2014 we identified that stone extracted from certain countries outside of the EU brings a high risk in terms of forced and child labour. In response, we have since 2014 required all natural stone to be sourced from within the EU, where governance structures to uphold the rule of law are considered strong. In our Sustainability Brief, we require a set of materials to achieve a responsible sourcing standard BES6001, which includes requirements to uphold labour rights in materials manufacture.

Going forward, we will strengthen our processes to allow us to monitor supplier compliance with the Supply Chain Charter to assure ourselves that our key suppliers are compliant with our Charter. In June this year, we implemented an online supplier portal that requires suppliers to answer compliance questions on Living Wage, apprenticeships, and modern slavery. The information provided through this process will be used to monitor ongoing supplier commitments. We will also arrange for training on human rights and how to spot abuses to relevant suppliers.

Training available to staff

We provide ongoing guidance and training to support employee understanding of expected behaviours. Earlier this year we discussed modern slavery and areas where we risk exposure at an internal training session attended by a majority of our development managers. In addition, all new employees receive sustainability training as part of the corporate new employee induction programme, and this training includes awareness of British Land's MSA statement.

We intend to further improve our employee induction programme by adding more detailed content on human rights and modern slavery.

We will continue to raise internal awareness of modern slavery and human trafficking with employees and contractors to educate them on how to identify and report suspected instances. We also intend to roll out targeted training for Procurement, HR and Compliance staff.

Our efforts to raise awareness of these issues are not focused solely on our own employees. In June this year we provided training on the MSA at a contractor working group meeting. We will continue to identify opportunities to provide training to our remaining contractors through these meetings.

Looking ahead

We recognise that responding to an issue as serious as modern slavery and human trafficking requires constant commitment and vigilance. Over the next twelve months, we will continue to seek opportunities to further reduce the risk of human trafficking and modern slavery in our operations or supply chain. In addition to the commitments made in this Statement, we will appoint a third party advisor to assist us in identifying risks and improvements. Our updated Sustainability Risk Maps will aid us in this endeavour and enable us to better target higher risk areas for due diligence and risk mitigation activities.

We will also continue to manage and report on the performance indicators disclosed in this Statement in order to measure our programme's effectiveness over time. Our website provides further detail on our activities to address modern slavery risks in our operations and supply chain:

<http://www.britishland.com/about-us/suppliers>

We will update the information contained on this link on a regular basis to transparently account for progress made.

This Statement was approved by the Board on 14 September 2017.

**Lucinda Bell, Chief Financial Officer
British Land Company PLC**



¹ Includes 100% of the assets owned by the Group's joint ventures and funds.