

Modern Slavery Act 2015

Transparency Statement

This modern slavery and human trafficking statement is made by St. Modwen Properties PLC on behalf of the companies within its group ("**St. Modwen**") pursuant to section 54 of the Modern Slavery Act 2015 (the "**Act**").

St. Modwen has zero tolerance to slavery and human trafficking in all its business activities. We are committed to the prevention of slavery and human trafficking in all its forms and will not tolerate or condone it within any part of our business or supply chains.

This statement describes the steps that the St. Modwen has taken in the financial year ended 30th November 2016 (the "**2016 financial year**") towards seeking to ensure that slavery and human trafficking is not taking place in in any part of our business or supply chains.

1. Structure and Supply Chains

St. Modwen is the UK's leading regeneration specialist. With extensive experience in dealing with complex and challenging sites, St. Modwen is focused on the long-term development of commercial property and residential land.

Commercial development activity

St. Modwen is a UK-focused commercial property owner and developer. It procures its construction projects via UK-based regional and national main contractors for various commercial and infrastructure projects.

Residential development activity

Our residential business includes our own UK-based housebuilding activity, predominantly undertaken through St. Modwen Homes. St. Modwen Homes procures the construction programme for its houses via a traditional network of local trade contractors. You can find out more about St. Modwen Homes at www.stmodwenhomes.co.uk

2. Policies and Supply Chain Due Diligence

We do not currently have in place any specific policies designed at combating modern slavery within our business our supply chains. However, St. Modwen's standard construction documents (main building contracts, trade contracts and professional consultant appointments) all place an obligation on the contractor or consultant (as applicable) to comply with UK legislation, including the Act.

In addition, the roll out of framework agreements with our key professional consultants and the release of the updated JCT contracts in September 2016 have provided St. Modwen with the opportunity to reinforce those contractual obligations with specific provisions relevant to the Act.

As part of our efforts during the 2016 financial year to monitor and reduce the risk of slavery and human trafficking occurring within our supply chains we have also started a process to obtain a written statement of compliance from our main contractors in respect of adherence with the requirements of the Act. St. Modwen is also implementing a compliance programme with its key supply chain partners under which it is reinvigorating its pre-qualification process to require each contractor to provide:

- an annual declaration from the relevant contractor confirming their compliance with the provisions of the Act;
- a copy of the contractor's annual modern slavery statement (where required to produce one in accordance with section 54 of the Act); and
- a copy of the contractor's anti-slavery and human trafficking policy (if applicable).

The intention of implementing these measures is to highlight to our contractors the seriousness with which we regard the issue of compliance with the Act and also to gain greater visibility over our contractors and suppliers to ensure they share the same commitment to combating modern slavery and human trafficking as St. Modwen. If a contractor cannot provide this information (despite being required to produce it under the Act), or we consider that their approach and policies towards combating modern slavery are inadequate, this will impact on whether we decide to work with them as a partner.

Also, if we were to find evidence that one of our contractors or suppliers had failed to comply with the Act then we would require the relevant contractor or supplier to remedy such non-compliance and we would consider terminating our relationship should we see no improvement in the way their business is conducted.

3. Risk Assessment and Future Plans

St. Modwen acknowledges that the prevalence of a flexible labour force within the construction industry (often involving the use of temporary or migrant workers) potentially creates a higher risk of exploitation, particularly where cost is such a key driver. Given the nature of the construction industry, St. Modwen itself has little direct control or transparency over the identity of its contractors' workforce or the working and living conditions at the bottom of the supply chain. Therefore, in order to mitigate these risks, we only engage with reputable, well-established and UK-based main contractors who pass our pre-qualification processes in respect of the Act and can meet their contractual obligations in terms of compliance. We then require them to flow down those requirements to their own suppliers and contractors to drive higher standards further down the supply chain.

We regularly evaluate the nature and extent of our exposure to the risk of modern slavery occurring in our supply chain, and in terms of actions for the financial year ending 30th November 2017, we aim to carry out more detailed mapping of our supply chains, in particular

in relation to the St. Modwen Homes business, in order to identify where potential risk areas may lie so that we can implement appropriate systems for monitoring compliance with the Act.

4. Training, Effectiveness and KPIs

We have not implemented any specific KPIs or mechanisms to monitor our effectiveness as a business at combating modern slavery and human trafficking. Neither have we rolled out any specific training during the previous financial year in relation to these issues. However, we have received declarations of compliance and details of modern slavery statements and policies from 12 of the 17 contractors we identified as St. Modwen's key supply chain partners. We hope to increase that number in the financial year ending 30th November 2017.

5. Sign Off

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 2016 financial year.

Signature:



Rob Hudson, Director
St. Modwen Properties PLC

Date: 31st May 2017