

Modern Slavery and Human Trafficking Statement 2022

Capital & Counties Properties PLC (called Shaftesbury Capital PLC, with effect from 6 March 2023) (together with its subsidiary companies, "Capco") is one of the largest listed property companies in central London. Our key asset is the landmark Covent Garden estate. We create and grow value through a combination of creative asset management and strategic investments. Capco's assets were valued at £2.2 billion as at 31 December 2022 (Group share) and Capco employ around 70 people, all of whom are based in the UK.

Our purpose is to invest in and create world-class places, focusing on central London. Our values, which include acting with integrity and holding ourselves to the highest standards, underpin Capco's culture and the way we operate our business. Using our vision, long-term approach and responsible stewardship, we deliver economic and social value, and generate benefits for our stakeholders.

Capco remains committed to combatting modern slavery, servitude, forced or compulsory labour and human trafficking in every part of its business and supply chains. This statement sets out how we do this by describing the policy framework, due diligence and monitoring implemented by Capco to prevent all forms of modern slavery.

Our Approach

In line with Capco's values, our Business Code of Practice (akin to a code of conduct) states our strong commitment to embedding high ethical standards throughout the business and to operating, as a minimum, in accordance with all applicable laws and regulations. We apply these high standards to our engagement with stakeholders, our approach to managing our environmental impact and commitment to become net zero carbon by 2030. As well as the quality of services and facilities we supply, our employment practices, procurement and corporate reporting. As outlined in our Financial Crime Policy, which is available on our website, we take a zero-tolerance approach to bribery and corruption and are committed to acting professionally, fairly and with integrity in all our business dealings. We expect those who work with, or for, Capco to comply with their tax obligations.

Capco employees are expected to deliver their roles with integrity and to follow ethical business practices in line with Capco's approach to high standards of personal and professional ethics. This includes being aware of the risk of breaches of human rights, including modern slavery, forced labour and human trafficking and taking action against it. A range of HR policies and procedures support the recruitment and management of employees in a fair and positive manner. We operate a Whistleblowing Policy and an independent Whistleblowing hotline to encourage staff, and those affiliated with the business, to report any suspected wrongdoing, in the knowledge that their concerns will be taken seriously and investigated in confidence. We have not received any modern slavery related complaints or allegations of labour abuse during the financial year ended 31 December 2022.

Capco does not have a stand-alone human rights policy, as the standards we expect to be adhered to are integrated within a number of our policies and procedures, which relate to both our own employees and those of our supply chain. Capco's Environment, Sustainability and Community ("ESC") Strategy is aligned with the UN Sustainable Development Goals ("SDGs"). The ESC Strategy and the relevant SDGs can be accessed on our corporate website.

Our Employees

We have policies and procedures in place to protect our directly employed employees and their labour rights. We have ensured that applicable policies and procedures remained effective and appropriate during 2022. All Capco employees are paid above the London Living wage. As a UK employer that is subject to UK employment legislation, with well developed internal controls within our business, we believe that there continues to be a minimal risk of modern slavery incidences relating to the recruitment and management of Capco's directly employed employees.

Capco's Anti-Harassment and Bullying Policy and Equal Opportunities Policy are published on our corporate website. The former ensures our employees are treated with dignity and respect, free from harassment and bullying. We have an inclusive and respectful approach and believe that every person at Capco has a part to play in delivering our objectives and generating value.

Our Supply Chain

As a company that purchases, invests in, manages and develops property and public realm, we procure a wide range of goods, services and works to support the delivery of our business strategy. Capco considers that the highest potential risk areas in relation to modern slavery are in its supply chain. To mitigate the risks that could be associated with our business and our supply chain, Capco has put in place policies, procedures and processes to avoid incidences of modern slavery and human trafficking. A large part of our supply chain spend comprises professional services from suppliers based in the United Kingdom, which we have assessed to be of low potential risk in relation to modern slavery. We ensure that the providers of managed services to our offices and estates pay the London Living Wage to those working with Capco.

Capco has a Procurement Policy and procedures to support employees in achieving best value whilst minimising risk when procuring goods, services and works. A working group regularly monitors the effectiveness of the Procurement Policy. Capco's Supply Chain Policy (which is available to view on our corporate website) sets out the ethical standards we require our suppliers to uphold and specifically addresses modern slavery and human trafficking. Should we believe that a supplier is not undertaking adequate action to prevent modern slavery or human trafficking, or is practising in breach of Capco's policies or legislation, then the contract or engagement with the supplier would be terminated immediately.

Capco is also a Client Partner of the Considerate Constructors Scheme ("the CCS"). The CCS requires Client Partners to adhere to its guidance on modern slavery and human trafficking awareness and ethical sourcing. We encourage the contractors we engage to be registered with the CCS and we expect compliance with all aspects of the CCS Code on our registered sites, including the CCS guidance on modern slavery.

Training

On joining Capco all permanent and fixed term contract employees are made aware of modern slavery and human trafficking, as part of the formal induction process. All employees are made aware of the Group's policies and procedures including those on financial crime, whistleblowing, diversity and inclusion, health and safety and anti-bullying and harassment. All employees are required to review and confirm their understanding of company policies on an annual basis. Bespoke training on modern slavery and human trafficking will continue to be provided to relevant employees and included as part of the formal induction process for new employees.

Activities To Date

Capco remains committed to being transparent with suppliers, to operate in a collaborative manner and to promote to our suppliers the importance of conducting business in an ethical, socially and environmentally responsible manner.

During the year ended 31 December 2022 the following activities were undertaken to raise awareness of the risk of modern slavery and human trafficking:

- Provided bespoke mandatory training to all employees on Anti-Harassment and Discrimination.
- Provided bespoke mandatory training on inclusive recruitment to those employees with line manager responsibilities.
- Continued to promote its ESC Strategy amongst its stakeholders. The ESC Strategy is underpinned by four pillars, which were designed with reference to the UN SDGs. The goals are a call for action by countries, in a global partnership. They recognise that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality and spur economic growth.
- Ensured the Sustainable Development Framework for Projects and Development was being implemented during the year, via engagement with our appointed supply chain. The Framework details the standards we expect to be achieved by our appointed supply chain on new construction and major refurbishment projects. The Framework reflects the evolving standards for responsible development that is environmentally and socially considerate.
- Continued to ensure that best practice advice from the Gangmasters Labour Abuse Authority (“GLAA”) Construction Protocol was provided to our suppliers where relevant, with our direction that this be provided to the wider supply chain.
- Capco remains an active member of the Construction Clients Leadership Group (“CCLG”) and participates in a working group to raise industry awareness of the risk of modern slavery in the construction sector and drive best practice.
- We contacted all of our suppliers to emphasise the importance of health, safety and well-being to Capco.
- Remained a Construction, Logistics and Community Safety (“CLOCS”) champion, committed to actively promoting and implementing the national CLOCS standard on our development sites, which includes our small works projects at Covent Garden.
- Consideration of prospective suppliers’ approach to combatting modern slavery continued to be integral to the Capco Procurement Policy and tender review process.
- Further information on our expectations relating to modern slavery continued to be provided to suppliers via our wider suite of corporate policies, which key suppliers are required to confirm acceptance of on an annual basis.
- We deliver bespoke training on modern slavery and human trafficking to relevant employees, and continued to include training on the statement and Capco’s Procurement Policy in our induction process for new employees.
- Continued to raise awareness of the issue of modern slavery and human trafficking with those responsible for procurement within the business to ensure that they are able identify and report any suspected instances. This included providing further guidance on matters to be considered when procuring goods or services from higher-risk sectors.
- We proactively monitor our supply chain and ensure any potential high-risk suppliers complete a Modern Slavery Act questionnaires.

To date, Capco has identified no occurrences of modern slavery or human trafficking in our supply chains.

Future Activities

Capco recognises that tackling modern slavery and human trafficking requires constant monitoring and vigilance. During the year ahead we aim to continue to build on the work to date. Capco will continue its work as an active member of the CCLG Working Group to drive engagement between the construction industry and government on the key issues of regulation, enforcement and prevention during 2023 and beyond.

In 2023, we will continue to build upon the diversity, equality and inclusion training delivered to our employees during 2022.

We intend to further our ongoing engagement with our applicable suppliers on modern slavery by encouraging them to train their own suppliers on the relevant policies they have in place and raise awareness of modern slavery and human trafficking throughout the supply chain.

Evaluating Performance

Whilst we believe that the risk of modern slavery within our direct operations is low, we recognise the need to set best practice standards for our supply chain and to regularly monitor and evaluate their performance. We remain committed to demonstrating strong environmental, social and governance practices, in conjunction with our ESC Strategy. In the year ahead we will continue to raise the awareness of modern slavery with our employees, engage with and review supplier performance.

Approval

This statement is Capco's seventh statement made pursuant to section 54 of the UK Modern Slavery Act 2015 'Transparency in Supply Chains' (the "Act") and constitutes Capco's modern slavery and human trafficking statement for the financial year ended 31 December 2022. This statement covers the activities of Capco, and all its subsidiary entities and specifically those subsidiary entities referenced below.

This Statement was approved by the Board of Capital & Counties Properties PLC on 27 February 2023.

Ian Hawksworth
Chief Executive
Capital & Counties Properties PLC

There is a link to this statement, and Capco's previous statements, on the Capco website and copies are available upon written request.

This statement is made on behalf of all subsidiaries within the Capital & Counties Properties PLC ("Capco") Group, and specifically the entities cited below:

Capital & Counties CGP
Covent Garden Group Holdings Limited

