

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 has over 60 employees and operates exclusively in the U.K. The Group had an annual turnover of £27m in the financial year ending in March 2018 (March 2017: £31m).

Our business is focused on office, residential and retail markets, primarily in London. Our projects include individual buildings, new precincts 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 enter into direct contracts with these entities to provide works, goods and/or services. In certain circumstances, however, we will administer the performance of such contracts for our partners, as their development manager.

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.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

We have carried out 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 for labour exploitation, with a large workforce that includes a significant proportion of workers from overseas. In 2013 over 50 potential victims of trafficking in the construction industry were referred to the UK authorities, with the real number likely to be much higher.
- 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.

SUPPLIER ADHERENCE TO OUR VALUES

We have zero tolerance to slavery and human trafficking. We require those in our supply chain to comply with our values and we have begun to put in place a supply chain compliance programme. This consists of:

- our company policy regarding modern slavery, which sets out the responsibilities of those working for us in upholding our position on modern slavery and provides guidance on how to recognise and deal with modern slavery and human trafficking issues;
- provisions in our trade contracts, construction management agreements, building contracts and professional appointments which require that counterparties comply with the Modern Slavery Act 2015 and with our company policy; and
- internal training sessions on the company policy for our project delivery teams,

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, we provide training to our staff on the risks posed by these issues, and our company policy.

This statement is 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 2018.



Stanhope Holdings Limited

Date: 26th September 2018