

Modern Slavery and Human Trafficking Statement 2016

Capital & Counties Properties PLC (together with its subsidiary companies, “Capco”) is a London property company. Our key assets are the Covent Garden and Earls Court estates and Olympia London. Capco is creating value at Earls Court and growing value at Covent Garden through a combination of asset management, strategic investment and development. As at 31 December 2016, the property portfolio was valued at £3.7 billion and Capco employed 296 people, all of whom are based in the UK.

Capco is 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 Capco’s approach by describing the policy framework, due diligence and monitoring implemented to prevent all forms of modern slavery.

Our Approach

Capco’s Business Code of Practice states our 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 impacts, the quality of services and facilities we supply, our employment practices, procurement and corporate reporting. As outlined in our Anti-Corruption and Bribery Policy, we take a zero-tolerance approach to corruption and are committed to acting professionally, fairly and with integrity in all our business dealings.

Capco employees are expected to deliver their roles with integrity, following ethical business practices in line with Capco’s approach to corporate responsibility. This includes awareness of the risk of breaches of human rights, including modern slavery, forced labour and human trafficking. 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 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.

Our Employees

Due to our existing policies and procedures, we believe that there is minimal risk of modern slavery incidences relating to the recruitment and management of Capco’s directly employed employees.

Our Supply Chain

As a property company that purchases, manages and develops assets, 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.

Capco has a Procurement Policy and procedure to support employees in achieving best value and minimising risk when procuring goods, services and works. This is supported by a Supply

Chain Policy which 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 relationship with the supplier would be terminated.

Activities To Date

Capco is committed to being transparent with suppliers, to operating in a collaborative manner and to improving our suppliers' understanding of ethical and responsible business. In the year ended 31 December 2016 the following activities were undertaken:

- Collaborated with industry experts to complete a risk assessment of our supply chain to identify and better understand where the potential greatest risk of modern slavery may occur.
- Requested potential high-risk suppliers to respond to a Modern Slavery Act questionnaire. Responses were assessed and where a supplier response has been found to be limited, we have sought to engage with them further to encourage and understand their planned activities to prevent, manage and mitigate the risks of modern slavery within their supply chain.
- Updated our Supply Chain Policy to include specific reference to modern slavery.
- Extended our Whistleblowing Policy to state that suspected modern slavery violations can also be reported via the whistleblowing hotline.
- Completed a review of Capco's standard Terms & Conditions to ensure that all suppliers who engage with Capco are required to comply with all current legislation.

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

Future Activities

Capco aims to build on the work to date, with the following activities intended for 2017:

- Provide further information on our expectations relating to modern slavery to suppliers via our procurement weblink.
- Include consideration of prospective suppliers' approach to combatting modern slavery within the Procurement Policy and tender review process.
- Provide training on modern slavery and human trafficking to relevant employees and include training on this Policy as part of the formal induction process for new employees.

Training

Capco employees are periodically required to review and confirm their understanding of company policies. Training on modern slavery and human trafficking will be provided to relevant employees and included as part of the formal induction process for new employees.

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. In the year ahead we will continue to raise the awareness of modern slavery to our employees, engage with and review supplier performance.

Approval

This statement is 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 2016. This Statement was approved by the Board of Capital & Counties Properties PLC on 21 February 2017.

Ian Hawksworth
Chief Executive
Capital & Counties Properties PLC

There is a link to this statement on the Capco website and a copy is available upon written request.