

Slavery and Human Trafficking Statement

INTRODUCTION

Knight Square Holdings Limited (“KSHL”) is the parent company of Knight Square Limited (“Knight Square, we, us, our”). Knight Square has two main operating businesses:

- FirstPort Limited, a full service residential property management company with four decades of experience (“FirstPort”); and
- Appello Limited, our technology driven care-at-home business (“Appello”).

This is our third Modern Slavery Statement published in response to the Modern Slavery Act 2015 (the “Act”). Since our second Statement in June 2018, we have maintained our zero-tolerance approach to modern slavery and human trafficking. We are committed to undertaking business ethically, with a zero tolerance for modern slavery and human rights violations, child and forced labour or human trafficking in any form, in our own organisation and our supply chain.

This statement is for the period 1 January 2018 to 31 December 2018 published in compliance with the Act. It sets out steps taken by the Business Units to prevent human trafficking and slavery in the organisations and supply chains.

FirstPort and Appello operate separately, and are known for the purpose of this statement as the “Business Units”. Both Business Units are organised through a number of Subsidiaries (Subsidiary being defined at Section 1159 of the Companies Act 2006). The Business Units have over 3,000 employees and operate solely within the United Kingdom. KSHL has a global annual turnover of **£72,411,00** (year ending 31st December 2018). Further details of our business structure can be found on Knight Square’s website at www.knightsquare.com.

RESPONSIBILITY

The Chief Executive, on behalf of the board is responsible for this statement. Individual Business Unit directors are accountable for compliance with the Act. Divisional Business Unit managers are responsible for their local supplier relationships and compliance with the requirement of the Act.

This statement will be reviewed and published annually on our website.

ABOUT OUR BUSINESS UNITS & SUPPLY CHAIN

FirstPort operates solely in the UK and looks after 196,000 homes on behalf of customers, landlords, developers and other property owners. It has over 2,500 employees and an annual turnover of £56,393,000 (year ending 31st December 2018).

FirstPort’s vision is to be the leading residential property manager, as judged by others, and they put customers at the heart of everything they do.

Principle activities include managing residential properties across the UK ranging from the common parts of large estates, to blocks of flats, retirement housing and residential lettings.

FirstPort introduced a centralised procurement function in June 2017 to manage an annual supplier spend of approximately £150m in respect of services, parts, materials and utilities. By the end of 2017, £30m (20%) was procured centrally with £120m (80%) procured locally at development level. They did this using an online procurement system providing access to approved contractors selected and vetted by FirstPort.

By 31 December 2018 £65m (45%) of the procurement was done centrally, and it is forecast that by 31 December 2019 £120m (80%) will be procured centrally.

FirstPort’s procurement strategy will continue to focus on working with suppliers that have leading Health and Safety and corporate governance standards, whilst also offering value for money and exceptional customer service.

These requirements align with FirstPort's 'Four Pillars' approach, which ensures all sites are delivering: Strong Health & Safety, Healthy Estate Finances, High Site Standards and Great Customer Communications.

In the previous years the supplier base has been reduced from 8,500 suppliers to 5,500. This is forecast to reduce to 4,000 by the end of 2019. There is a goal to reduce its supplier base further over the coming years. This will make the management of suppliers more efficient, and is aligned to business growth plans.

Appello is a company which provides technology enabled care services, including a telecare monitoring services to retirement homes. As well as providing services to the retirement homes managed by FirstPort, Appello also provides services to other providers of retirement accommodation. Appello has an annual turnover of £16,018,000 and manages its own procurement independently.

POLICIES ON SLAVERY AND HUMAN TRAFFICKING & BUSINESS CODE OF CONDUCT

We are committed to ensuring that there is no modern slavery or human trafficking in the Business Units' supply chains (which includes business partners, suppliers, sub-contractors and other third parties who provide or deliver any goods or services to the Business Units).

The Business Units act ethically and with integrity in all business relationships, and have effective systems and controls to prevent slavery or human trafficking taking place in their supply chains.

The Business Units only work with companies who share their principles and who are happy to work to its policies on health and safety, ethics, prevention of tax evasion and anti-bribery and corruption. They work with suppliers to support any improvements needed, however, they will also take appropriate action if they suspect that suppliers or sub-contractors are not meeting their standards.

Suppliers and sub-contractors are required to maintain their own ethical sourcing policies and apply these standards to their own business, across their workforce and suppliers.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk, the Business Units currently have systems in place to:

- Identify and assess potential risk areas when considering taking on new suppliers; this includes a robust pre-qualification process for new and existing suppliers with a questionnaire specifically designed to identify risk of slavery and human trafficking in its supply chains.
- Mitigate the risk of slavery and human trafficking occurring in supply chains. General terms and conditions have also been updated to ensure full compliance with the Act.
- Continue to monitor potential risk areas in r supply chains, and ensure all new contracts contain audit rights.
- Protect whistle blowers - the Business Units continue to each operate a confidential Whistleblowing Helpline run by an external third party which enables staff and members of its supply chain to report any concerns, including any concerns regarding slavery and human trafficking. Any issues reported are investigated promptly. We had one report in 2018 as stated above and the matter was dealt with swiftly. We confirm there have been no other reports concerning Modern Slavery and Human Trafficking for the period stated in this statement.

SUPPLIER ADHERENCE TO THE MODERN SLAVERY ACT 2015

The Business Units each have a zero-tolerance approach to slavery and human trafficking. To ensure contractors comply with the Modern Slavery Act 2015, the Business Units continually monitor supply chains and those suppliers that do not meet the required criteria are struck off the approved contractor list.

During 2018, a whistle-blower advised us that a supplier in one of the Business Unit's (FirstPort) supply chain was employing workers who were not entitled to work in the UK as they did not have the correct right to work documentation. This was investigated thoroughly and the supplier was struck off from our supplier list as they were unable to verify the right to work

documents for their workers.

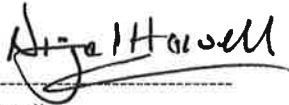
TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in the supply chains of each Business Unit, we are continuing to work on the creation of a training plan for key employees within each Business Unit. A new eLearning platform has been integrated into the business and we have launched a specific modern slavery module which is mandatory for all colleagues.

OUR CONTINUED COMMITMENT

We recognise the importance of maintaining constant vigilance to identify and address any issues associated with slavery and human trafficking in the Business Units and throughout their supply chains. We're committed to continuing to enhance our capacity to identify, prevent and mitigate any actual or potential risks.

This statement was approved by the board of KSHL on 31 May 2019 and is made pursuant to Section 54 of the Modern Slavery Act 2015.



Nigel Howell
Chief Executive Officer

Knight Square Holdings Limited

Date: 04/06/19.

