



**Standard Life** 

## Introduction

Modern slavery refers to forced labour, bonded labour, human trafficking and child slavery. These issues occur across the world and we are wholly opposed to such practices. Therefore we welcome the UK's Modern Slavery Act 2015 in response. We have a responsibility to be alert to the risks and do what we can to help tackle this issue. This report sets out the steps Standard Life Group (Standard Life plc and its subsidiaries) has taken during the year ending 31 December 2016.



**Keith Skeoch**  
Chief Executive

## Business structure, organisation and suppliers

We are a global investment company. Through our collective skills and expertise, we help people manage their money and invest for their future.

We are headquartered in the UK and employ 6,300 people internationally (with the majority of around 85% based in the UK). We support around 4.5 million customers and clients across the globe.

We work with around 2,000 suppliers who provide us with goods and services ranging from stationery products, catering and training services to fully managed outsourced services. The majority of goods and services we procure are sourced through UK entities or subsidiaries.

We will not knowingly support or deal with any business involved in modern slavery and have taken steps during 2016 to raise awareness of modern slavery with our key suppliers. In the event that we did become aware of any modern slavery issues within any of our supply chains, this would be treated as of significant concern at the most senior levels in our organisation and appropriate action taken.



[Global code of conduct](#)

[Supplier code of conduct](#)

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## Policies

We have a number of policies and statements which collectively demonstrate our approach to modern slavery issues.

### Human rights statement

Our approach to human rights is reflected in how we treat our people and customers, our influence through our supply chain, our contribution to society and our investment process.

### Global Code of Conduct

Our Global Code of Conduct describes the principles and standards that we hold ourselves to and ask all our employees to consider in every decision and action that they take. Our code states that "Standard Life promotes ethical practices and policies. We all have a duty to protect people from being abused and exploited, which includes taking reasonable steps to ensure that we invest in companies and work with partners and suppliers that apply the same high standards to protect against human rights abuses."

### Third Party Management and Outsourcing policies

These policies, which are included in our enterprise risk management framework, both reference the Modern Slavery Act.

### Whistleblowing hotline

We have an independent and confidential speak up service which is available to our employees and through our Supplier Code of Conduct, to our suppliers to report illegal, unethical or dishonest behaviour including human rights violations like modern slavery. All reports received are investigated and appropriate action taken.

## Due diligence and risk assessment

Standard Life is aware that heightened modern slavery and human trafficking risk exists in relation to certain territories, and in relation to the production of certain goods and supplies. With this in mind, we have classified our suppliers based on: spend with them, the goods or services they provide, their geography and industry risk. We have adopted a materiality approach by trying to understand where the risks of modern slavery are greatest and prioritising our activity accordingly. We have targeted our top 500 suppliers to highlight the Modern Slavery Act and its requirements and have requested, following data verification, assurance from 397 that they are complying with the code. This is not a one-off exercise. The questionnaires will be issued on an annual basis. Modern Slavery will also be a standing agenda item with a number of our suppliers during regular governance meetings. Additionally, we will reinforce our commitment to addressing any exposures to modern slavery issues within our new **Supplier Code of Conduct** which will set out our expectations from suppliers.

Through the issue of the modern slavery questionnaire we also provide our suppliers with contact names within our Procurement function with whom they can raise any specific questions or concerns in relation to the Modern Slavery Act and its application.

We will also contact our relevant charity partners to highlight the Modern Slavery Act and its requirements, and to offer our insight as they develop their approach.

## Training

From 2017 we will provide training for all our employees on modern slavery as part of mandatory e-learning to raise awareness and remind them of the mechanisms available to them to raise any concerns that they may have.

## Investment approach

A key additional way we believe we can drive change is through how we invest - incorporating **environmental, social and governance considerations** into our evaluations and engagements with investee companies at Standard Life Investments.

## Real estate investments

We incorporate modern slavery considerations into the management of our real estate investments. For Standard Life Investments' real estate investments and SIPP Property Investments, our Managing Agents are sent the same annual questionnaire as our suppliers highlighting the Modern Slavery Act and its requirements and requesting assurance that they are complying with the code.

## Measurement

Our key performance indicators to measure our progress are:

1. Modern slavery questionnaires issued to our top 400 suppliers and follow up action taken as appropriate.
2. Sampling of questionnaire responses and modern slavery statements to identify both gaps and opportunities to re-inforce the actions we take in response to the Modern Slavery Act.
3. Modern slavery training delivered to all our people in 2017.

This Standard Life Group Modern Slavery Statement, which was approved by the Board of Directors of Standard Life plc, has been approved by the Board of Standard Life Investments Limited and is signed by:



**Keith Skeoch**  
**Chief Executive**

4 April 2017

