

# MODERN SLAVERY ACT STATEMENT

## Our business

Old Mutual provides investment, savings, insurance and banking services to 18.9 million customers in Africa, the Americas, Asia and Europe. Originating in South Africa in 1845, Old Mutual has been listed on the London and Johannesburg Stock Exchanges, among others, since 1999.

Old Mutual has announced a strategy of managed separation, which will entail separating its four businesses into standalone entities. The four businesses are:

**Old Mutual Emerging Markets:** an attractive business with a dominant position in South Africa, well-placed to capitalise on sub-Saharan African growth as a diversified financial services provider with strong operations in key East and West African markets.

**Nedbank:** one of South Africa's four largest banks with very strong corporate, commercial and property finance franchises, and a growth opportunity in the retail market, as well as pan-African optionality through its stake in Ecobank Transnational Inc (ETI).

**Old Mutual Wealth:** a leading, integrated wealth management business, focused on the UK upper and middle market, with strong prospects in a rapidly growing £3 trillion market.

**OM Asset Management:** an institutionally focussed, multi-boutique asset management business, delivering strong, diversified growth in attractive asset classes through organic initiatives and acquisitions.

For the year ended 31 December 2016, Old Mutual reported an adjusted operating profit before tax of £1.7 billion and had £395 billion of funds under management. For further information on Old Mutual plc and the underlying businesses, please visit the corporate website at [www.oldmutualplc.com](http://www.oldmutualplc.com)

For the purposes of the Modern Slavery Act and given our strategy of managed separation we have focused our compliance on Old Mutual Wealth, and the UK markets within it.

## Policies

Old Mutual undertook an external risk and responsibilities review at the end of 2014, following this we created a statement detailing our approach to [human rights](#), supporting our Positive Futures Plan. The statement includes our principles, scope and governance regarding human rights, and is supported by all wholly owned businesses within the Old Mutual structure. The statement expresses all the policies and frameworks which guide our approach to human rights. We have updated all relevant policies to include references to the Modern Slavery Act (MSA) so that our governance structure captures the MSA in reviews.

Alongside this Statement our Group Operating Model contains policies that also guide our business in relation to human rights such as our HR Policies, Code of Conduct, Responsible Business Policy and our Procurement Policies. As part of the managed separation we are reviewing and updating all our policies with the expectation of consistent behaviour across the business, this will include our response to the MSA.

Our approach to human rights covers not only our supply chains but also our employees and contractors. As such we have committed to paying the living wage. We use both our Code of Conduct and Whistleblowing Policy to empower our employees to escalate any concerns and ensure they are suitably managed.

## Our supply chains

Old Mutual's supply chains provide us with a wide range of products and services. These services range from professional advice and training to the services that help us keep our operations running such as cleaning, catering and facilities support. As we aim to operate in an ethical manner, we expect the same of our suppliers.

As a diverse group of businesses we currently have a number of local processes for managing supplier relationships, but are actively working to align and standardise the procurement processes of all business areas to our central process and remove scope for local variation. We are updating our central procurement process to include our response to the MSA. Our central procurement process currently assesses new suppliers and carries out a risk analysis based on the nature and value of the product or service being procured. As part of the vetting process, our central procurement process requires suppliers, in certain sectors or delivering certain services, to confirm that they have policies and training in place or follow standards designed to avoid slavery. Our standard template supplier contracts, used centrally, include express obligations to comply with applicable laws and a clause specifically requiring compliance with the MSA. Where existing contracts relating to the supply of products or services deemed to be at higher risk of modern slavery reach renewal, as part of the renewal process we will require the supplier to confirm its compliance with the MSA. Where local procurement processes are not currently undertaking similar MSA compliance checks, we will put steps into place to ensure that these processes align to our central procurement process.

## Collaboration

Understanding that the MSA covered many of our peers we were pleased to participate in the United Nations Global Compact Working Group on Modern Slavery and coordinate our approach with other UK businesses. To this end we engaged an external consultant to identify key human rights risk areas for our procurement teams to support them on the development of their service provider questionnaires and on what to look for in supplier responses that may be cause for concern as part of the due diligence process.

## Next Steps

Having undertaken activities in 2016 to update our due diligence process and supplier contracts we are considering what action we will take in 2017. This action is likely to include:

- Review the risk areas already identified and identify any new emerging risk areas
- Ensure the issue of modern slavery has been raised with our higher risk suppliers
- Explore the creation of a Supplier Code of Conduct
- An ongoing programme of training to ensure we are able to discharge our MSA duty
- Ensuring our stakeholders, both internal and external, understand how to raise any concerns in relation to compliance with the MSA, including our whistleblowing procedures
- Review and update this statement and our human rights statement annually

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Old Mutual slavery and human trafficking statement for the financial year ending 31 December 2016.



**Bruce Hemphil**

Chief Executive, Old Mutual plc



**Paul Feeney**

Chief Executive, Old Mutual Wealth

