

# MODERN SLAVERY ACT STATEMENT

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## Our business

Old Mutual plc is a holding company for several financial services companies. In March 2016, it announced a new strategy of managed separation entailing the separation of its underlying businesses into independently-listed, standalone entities.

The managed separation strategy seeks to preserve and release the value currently trapped within the group structure. The managed separation will be materially complete by the end of 2018.

OM Asset Management, a US based institutional asset manager, is now independent from Old Mutual. The remaining underlying businesses are:

**Old Mutual Emerging Markets:** Old Mutual Emerging Markets seeks to become a premium African financial services group that offers a broad spectrum of financial solutions to retail and corporate customers across key market segments in 17 countries.

**Nedbank:** Nedbank ranks as a top-5 bank by capital on the African continent and Ecobank, in which Nedbank maintains a 21.2% shareholding, ranks within the top-10 banks by assets on the African continent.

**Old Mutual Wealth:** Old Mutual Wealth is a leader in the UK and in selected offshore markets in wealth management, providing advice-led investment solutions and investment platforms to over 900,000 customers, principally in the affluent market segment.

For the year ended 31 December 2017, Old Mutual reported an adjusted operating profit before tax of £2.0 billion. For further information on Old Mutual plc and the underlying businesses, please visit the corporate website at [www.oldmutualplc.com](http://www.oldmutualplc.com).

## 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 within regular 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 Third Party Risk Management Policy. 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 and suppliers 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 third party risk management process to remove scope for local variation. We are updating our central third part risk management process to include our response to the MSA.

Our central 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, we require 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 processes are not currently undertaking similar MSA compliance checks, we will put steps into place to ensure that these processes align to our central third party risk management process.

## Collaboration

Working with many of our peers we remained a member of the United Nations Global Compact Working Group on Modern Slavery run by the UK network. We also continued to work with an external consultant supporting our work identifying areas for our Third Party Management team to focus on and challenging drafts of our Supplier Code of Conduct and our MSA statement. We have also taken into account external feedback when drafting our updated statement specifically to clarify our sign-off process.

## What we have done

In 2017 we committed to undertaking a number of activities to identify risk in our supply chain, strengthen our response and train and engage our employees. The business has redefined how we assess risk taking a holistic approach to suppliers and sectors, this allows us to identify any new risks and also align this risk process with those run by our risk team linked to other material matters to the business. We have implemented this holistic approach to assessing Modern Slavery business wide. This process has enabled us to identify the suppliers with the highest risk of slavery and our priority has been on taking action for these higher risk suppliers. This has involved ensuring that our contracts are fit for purpose, and inserting specific Modern Slavery contractual wording where applicable, proactively gathering information on the activities that our high risk suppliers are taking to address slavery, including reviewing their Modern Slavery Statements. As well as taking action for our higher risk suppliers we are ensuring that our new contracts and any renewals have appropriate wording to address the risk of slavery.

Internally, a training programme is being rolled out to all employees which requires an annual completion alongside our Code of Conduct and we are in the process of signing off a supplier Code of Conduct to help support our engagement programmes.

Whistleblowing remains a clear route to raise concerns and we are ensuring that this approach is clearly communicated to all stakeholders.

## Next Steps

Having undertaken activities in 2017 to update our due diligence process and supplier contracts we are considering what action we will take in 2018. This action is likely to include:

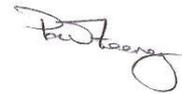
- Further developing our enterprise wide management of third party risks, including Modern Slavery
- Align our MSA risk approach to that being crafted by our risk team in response to GDPR and information security
- Build modern slavery into our supplier assurance processes
- Rolling out the supplier Code of Conduct to our higher risk suppliers
- 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 2017. It has been signed by the CEO of the UK business and the Group CEO after approval by the Boards.



**Bruce Hemphill**

Chief Executive, Old Mutual plc



**Paul Feeney**

Chief Executive, Old Mutual Wealth