



# MODERN SLAVERY STATEMENT **2019**



## Introduction

At Royal London, we are passionate about ensuring our business is conducted ethically and are committed to our vision of being the most trusted and recommended life assurance and investment provider by conducting our business with honesty and integrity.

We have zero tolerance to slavery and human trafficking and in what is our fourth Modern Slavery Statement we are able to show how we continue to make progress in minimising the risk of modern slavery in our business and our supply chain.

This statement has been published in accordance with Section 54 of the Modern Slavery Act 2015. It sets out the steps we have taken during the year ending on the 31st December 2019 to prevent modern slavery and human trafficking in our business and supply chain.



**4,126 EMPLOYEES**  
as of 31st December 2019



**RANKED 21**  
on Glassdoor's Best Places  
to Work UK list for 2020



**AROUND 1,200  
SUPPLIERS**  
with whom we spent over  
£450 million in 2019



**£139 BILLION<sup>1</sup>**  
of assets under management

<sup>1</sup> as of 31st December 2019

## About Royal London

Founded as a Friendly Society in a London coffee shop in 1861, Royal London started out with the aim to help people avoid the stigma of a pauper's grave. Since then we have been helping people help themselves and are committed to delivering the best value for customers and putting members first.

We're now the largest mutual life, pensions, and investments company in the UK. We provide 8.8 million policies across our business in the UK and our business in the Republic of Ireland, with £139 billion of assets under management (both as of 31st December 2019).

### Our Structure

We sell our life and pensions products directly to consumers and via intermediaries via our open book businesses; Royal London Consumer and Royal London Intermediary, and our Royal London Legacy business manages our closed book life and pensions policies.

Royal London Ireland sells our life products in the Irish protection market via Intermediaries and also manages a small legacy book of business that has a European customer base.

Our asset management business (RLAM) is one of the UK's leading asset management companies, investing on behalf of a wide range of pension fund, intermediary and private clients. We deliver investment management services across all major asset classes: fixed income, equities, property and cash.

We also have a platform service (Royal London Platform Services), offering an award-winning wrap platform service dedicated to empowering financial advisers to manage wealth for their clients.

You'll find full details of our [businesses](#) on our website, and a list of our subsidiaries can be found at the end of this statement. Our [annual reports](#) can also be found on our website.

### Our People

We have 4,126 employees (as of 31st December 2019) operating out of eight offices across the UK and Ireland. We are ranked 21 on Glassdoor's Best Places to Work UK list for 2020.

As a mutual, we're proud to have created an environment that focuses on customers, whilst still giving our people a challenge and guiding them through a satisfying journey of personal growth. To ensure we guarantee the best experience for our people, we created our People Promise. More information on this [Promise](#) can be found on our website.

### Our Suppliers

We work with around 1,200 suppliers, spending over £450 million in 2019. Our suppliers provide goods and services categorised into Outsourced Services, IT & Telecoms, Professional Services, People, Customer and Facilities Management.

We manage our whole supply chain very actively and expect high ethical standards from each of our suppliers.

## Social Impact

We've always been a responsible business, doing the right things for our customers, members, colleagues and wider society. But we're committed to having an even greater positive Social Impact.

Social Impact is the effect of an organisation's actions on people, communities and wider society. Businesses that put this at the heart of their strategy are more purposeful and seek to work in a way that addresses social challenges, rather than solely making profits.

We introduced these goals during our Group wide 2019 Roadshows and have agreed 10 commitments across three themes:



### **Building financial resilience:**

we'll support people to cope with life's shocks



### **Taking on the long-term savings challenge:**

we'll empower people to prepare for later life



### **Strengthening responsible business:**

we'll support our colleagues, communities and natural environment to thrive, and encourage other businesses to do the same

Each of these themes has been linked to the UN Sustainable Development Goals. Our strategy on modern slavery is set via our Social Impact group, which has executive sponsorship.

In order to apply this strategy to our supply chain, we have a Modern Slavery and Sustainability Committee that comprises of Procurement and Legal experts that reports to our Head of Procurement.

More information around our [Social Impact](#) strategy can be found on our website.

## Our Policies and how they relate to Modern Slavery

We strive to ensure that there is no modern slavery or human trafficking in our supply chain or in any part of our business. The policies below are those within our framework that are relevant to how we work to reduce the risk of modern slavery in our own business and supply chain.

### **Code of Conduct**

This sets out our core values and behaviours, specifically of trust and respect for each other and the communities we operate in, as well as our requirements to operate within the law and framework of the regulatory environment we operate in. It applies to all staff and those who work on our behalf.

### **Outsourcing and Supplier Management Policy**

This policy outlines how we engage with suppliers and outsourcers throughout the term of the contract, and identify, report, and manage risks relating to the relationship – which include those arising related to modern slavery.

### **Procurement Policy**

This policy governs our procurement processes, which includes the due diligence that is carried out in relation to modern slavery. It also ensures that prior to any tender decision, relevant papers (that would include the above due diligence) are provided to the correct level of risk committee.

### **Whistleblowing Policy**

This policy helps promote high standards of service and encourages high ethical standards throughout the Group. It ensures that there is a procedure in place for people to raise concerns of malpractice and ensure they are investigated.

## How we work – our People

### Training and Awareness

All of our people undertake annual training on topics that relate to modern slavery; Anti-Bribery, Anti-Money Laundering, Fraud Prevention, Whistleblowing.

Our people who are directly involved in Procurement and Supplier Management are provided with additional modern slavery training. From 2019 we have also provided the opportunity for all employees to attend workshops to raise the awareness of issues related to modern slavery and what they can do to reduce the risks associated with modern slavery in our business and supply chain. See **“Our Progress in 2019”** for more detail.

### Recruitment

We have a low risk recruitment approach; all of our salary ranges are underpinned by the Living Wage Foundation living wage and we only have offices in the UK and Ireland. All recruitment is supported by our People Team who work with hiring managers at each stage of the recruitment process, including the final sign-off for a job offer. We ensure that candidates are vetted for their references and “right-to-work” status as part of this process.

We advertise all of our external vacancies on a [dedicated website](#), which also provides details of working life at Royal London and information about the company. We are upfront and clear about what each role entails and the type of candidates we’re looking for.

We work with approved recruitment partners, who are sourced in line with our Procurement Policy and actively managed in line with our Outsourcing and Supplier Management Policy. All of our recruitment partners are expected to adhere to our People Policies.

## How we work – our Suppliers

### Procurement

We engage with suppliers through a formal process which is governed by our Procurement Policy. We review suppliers’ Modern Slavery Statements (where one is applicable to them) and undertake due diligence depending on the associated risk.

In our contracts we require that suppliers comply with the Modern Slavery Act 2015 (“Act”) and have, or shall establish and shall maintain and enforce throughout the term of the contract its own policies and procedures with respect to compliance with the Act.

We also have clear expectations regarding our right to audit or to request that suppliers undertake their own independent audit, which allows us to focus on modern slavery if there is a perceived risk in this area.

This remains an area of focus for us and will be further covered in 2020. See **“Our Commitments in 2020”**.

### Supplier Management

We appoint relationship managers to our key suppliers. Key to our management of suppliers is adherence to our Outsourcing and Supplier Management policy, where our controls are outlined.

In 2019 we assessed our supplier base against industry sector risk and undertook additional due diligence on high risk areas (see **“Our Progress in 2019”**).

This remains an area of focus for us and will be further covered in 2020. See **“Our Commitments in 2020”**.

## Our Progress in 2019

In 2019 we had three key areas of focus:

### 1. Supplier risk assessments and enhanced due diligence

Our Procurement & Supplier Management department used a risk based approach to review our existing supplier base (including outsourcers). We used a matrix to assess how our suppliers were managing the risk of modern slavery in their businesses and supply chains. We also sent letters to our suppliers reminding them of their commitments in relation to modern slavery and offering our support to help them achieve our mutual aims.

As part of a wider review of our procurement processes, we also updated our tender and on-boarding due diligence to include additional questions on modern slavery, and used the model referenced above to review supplier responses alongside their current and historic statements. This allowed us to identify any modern slavery risks and also to hold better conversations with suppliers regarding our focus on this activity.

### 2. Further training of key individuals within Royal London

In order to support the enhanced due diligence within the Procurement & Supplier Management department, and the ongoing management of our suppliers, training was delivered to all individuals in the department and extended to other individuals in Royal London who manage suppliers.

This training focussed on increasing awareness of modern slavery, using public source example cases from modern slavery charities, Home Office reports and data on modern slavery. We discussed the ways in which Royal London and other UK businesses are working to identify and mitigate risks. These sessions also acted as a workshop to understand where future training should be focussed and to promote more engagement across the community of procurement and supplier managers in Royal London.

### 3. Increasing understanding and awareness of Modern Slavery

Following the delivery of training to key specialists in Royal London, open-to-all awareness sessions were advertised internally; focussing on providing:

- A history on the legislation behind the Modern Slavery Act in the UK (why it was enacted and why it's important)
- Examples of modern slavery within wider society and how to identify it
- Examples of modern slavery within our industry and associated suppliers
- What Royal London is doing to combat modern slavery, and how it links to our values

These sessions will continue to be refined and offered on an ongoing basis.

## Our Commitments in 2020

### 1. Develop our Supplier Code of Conduct

We will create a Code of Conduct for our suppliers and roll this out in new supplier contracts. Where our supplier has a code equivalent to our own, we may use theirs.

### 2. Enhance our Due Diligence and develop our KPI's

Building on our work in 2019, we will further develop our due diligence on suppliers; looking deeper into their supply chains, mapping and understanding our risks in more detail, and reviewing independent audit material on our suppliers. From this, we'll also develop our KPI's so that we can measure and report on what we've found and what we're doing better.

### 3. Engage with Industry Experts

In order to better understand our gaps, risks, and benchmark our approach to modern slavery, we will engage with experts on this topic. We will also work with them to enhance our training and understanding within the Group.

### 4. Support our Suppliers

We recognise that many of our suppliers have great tools and knowledge to share on modern slavery, but we know that many are still developing these or have limited experience – particularly our smaller suppliers who do not have to publish an annual statement. We will hold workshops with these suppliers and share our tools where we can, and work with them to help address any gaps they have.

## Incidences of Modern Slavery in our supply chain

Any instances of modern slavery in our supply chain would be reported to our Executive Risk Committee. There have been no reported instances to the Committee of modern slavery in our business or supply chain in 2019.

## Statement Confirmation

This statement was approved by the Royal London Group Board on the 29th of April 2020.



**Barry O'Dwyer**  
Royal London Group Chief Executive Officer

## Royal London Subsidiaries

This above statement applies to the Royal London Group and all its subsidiaries which are listed below.

Cambridge Research Park Limited	Royal London (UK) Holdings Limited
Cambridge Research Park Management Company Limited	Royal London Asset Management Bond Funds Public Limited Company
Hornby Road Investments Limited	Royal London Asset Management Limited
Investment Funds Direct Group Limited	Royal London Cambridge Limited
Investment Funds Direct Holdings Limited	Royal London Insurance Designated Activity Company
Investment Funds Direct Limited	Royal London Management Services Limited
RL Finance Bonds No. 2 Plc	Royal London Marketing Limited
RL Finance Bonds No. 3 Plc	Royal London Mutual Insurance Society Limited (The)
RL Finance Bonds No. 4 Plc	Royal London Savings Limited
RL Marketing (CIS) Limited	Royal London Unit Trust Managers Limited
RLM Finance Plc	S.L. (Davenport Green) Limited
RLUM Limited	Vision Park Management Limited
Royal Liver Trustee Services Ireland Limited	Wrap IFA Services Limited



### Royal London

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[royallondon.com](http://royallondon.com)

We're happy to provide your documents in a different format, such as Braille,  
large print or audio, just ask us when you get in touch.  
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