

# HARGREAVES LANSDOWN'S MODERN SLAVERY ACT STATEMENT FOR THE YEAR ENDING 30 JUNE 2018

HARGREAVES  
LANSDOWN

This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 and sets out the steps that Hargreaves Lansdown plc and its subsidiary businesses have taken to help tackle modern slavery and human trafficking. This statement constitutes our slavery and human trafficking statement for the financial year ending 30 June 2018 (FY18).

This is our third annual statement on modern slavery and human trafficking. This statement confirms and repeats our commitments on this issue, and sets out what we have done in FY18 as well as some of our future plans. We recognise this is a serious global issue. We have a zero tolerance approach to modern slavery and human trafficking of any kind within our business operations and supply chains.

We are committed to acting ethically and with integrity in all our business dealings and relationships. This includes implementing and enforcing effective systems and controls to ensure slavery is not taking place anywhere in our business or in any of our supply chains.

We are fully compliant with our obligations under the Modern Slavery Act 2015.

## OUR BUSINESS, SUPPLY CHAINS AND OUR VALUES

Hargreaves Lansdown is a UK business serving private and corporate clients in the UK. Our purpose is to empower people to save and invest with confidence. You can read more about us and our history [here](#).

As the UK's largest investment services provider with over 1.1 million clients (as at 30 September 2018) we set ourselves high standards in everything we do. Our values are how we do business, inspire the trust of our clients, colleagues and other stakeholders, and deliver success for all. One of our values is to do the right thing, which includes treating everyone fairly whether they are our clients, colleagues, contractors, people working in our supply chain, or other stakeholders.

In our group, Hargreaves Lansdown Asset Management Limited provides financial services, including our main investment platform services. Hargreaves

Lansdown Fund Managers Ltd provides fund management services, FundsLibrary Limited provides data services and Hargreaves Lansdown Savings Limited provides cash savings services. We have around 1,500 colleagues, most of whom are based in Bristol. We also have around 60 financial advisers based across the UK. Our Warsaw technology hub, HL Tech Sp. Z O. O, is our only overseas subsidiary with around 70 employees.

Our supply chain is made up predominately of service providers that we utilise for marketing, IT and HR to support our core services. UK IT service providers form the largest part of our supply base and consist of software providers, hosting services and support and maintenance for our internal IT infrastructure for our headquarters in Bristol.

Our Talent Acquisition team use a number of UK agencies to support the recruitment of our Bristol based colleagues. We only use reputable employment agencies to source new people and always verify their practices before accepting any workers.

We use a number of mailing houses to support our marketing campaigns, all of which are based in the UK. All of these mailing houses are audited annually by HL experts. We are also careful not to place unnecessary demands on schedules which may result in sub-contracting taking place without our knowledge.

Our so called 'first tier' suppliers are those who we deal with directly. Our 'second tier suppliers' are those which supply the first tier suppliers. Over 90% of our first tier suppliers are based in the UK and are therefore at a lower risk of modern slavery and human trafficking than if they were based overseas.

## POLICIES IN RELATION TO SLAVERY AND HUMAN TRAFFICKING

In FY17, we introduced a Modern Slavery and Human Trafficking Policy which applies to everyone working for us or on our behalf in any capacity. All colleagues are reminded of this policy and its importance annually. Whilst the board of directors has overall responsibility for this policy, it applies to every Hargreaves Lansdown colleague. In FY19 we will also introduce a Human Rights Policy.

We support the government's work to end [Modern Slavery](#) and aim to be a leader in [corporate citizenship](#) among our peers.

## DUE DILIGENCE AND RISK ASSESSMENT

Hargreaves Lansdown is an investment services firm regulated by the Financial Conduct Authority and in light of our values, employment practices and policies, and the way we support our people, we have assessed that we are at low risk of slavery or human trafficking occurring within the business.

The nature of the business reduces many of the risks global businesses are exposed to, however we take our responsibility towards the prevention of slavery and human trafficking very seriously.

All third parties that are engaged by us are subject to thorough due diligence including a review of workplace practices. We will not engage with a supplier or third party if we believe any workplace practices are unlawful or in conflict with our internal policies.

We have mapped and documented all of our first tier suppliers. In FY18 the Procurement team started work to risk assess the existing supply base that may not have been part of our current onboarding process. This work will continue

in FY19. As more information becomes available through this process we are more readily able to map the supply chain and have more oversight on suppliers that may be high risk. We aim to have this complete by the end of FY19.

### **PROCUREMENT PROCESSES**

In FY18 we reviewed and updated our procurement process. We continue to ask for details of a supplier's approach to modern slavery and human trafficking as part of our Request for Proposal supplier process as well as risk assess all of our new suppliers. We use the results of these risk assessments as a reference for future procurement decisions. High risk suppliers such as those that are based in high risk areas, for example our suppliers that produce our branded t-shirts and hooded sweatshirts, are monitored on an ongoing basis and if we have unresolved concerns with a supplier we use an alternative.

We help raise awareness of the issue of slavery and human trafficking with our suppliers by sending them a specific notification regarding our policy relating to slavery and human trafficking when their contract is being considered for renewal. Where we are using a supplier and where we are a supplier to other companies, we aim to include anti-slavery provisions in our contractual terms. This helps reduce the risk of slavery and human trafficking in our supply chain, and also ensures that our corporate clients and our suppliers are aware of the issue of modern slavery and human trafficking.

HL has many suppliers that have formed part of our supply base for more than 15 years and wherever possible we aim to build long term and collaborative relationships, where we can learn and share knowledge and best practice on issues such as modern slavery. Our new supplier fact finding process helps us to risk assess new suppliers, by identifying all those involved in the supply chain, whether direct suppliers or subcontractors and enables us to review their subsequent policies and governance for raising awareness of modern slavery.

### **EFFECTIVENESS OF MEASURES**

As at the date of this statement we have had no reports of modern slavery or human trafficking in any part of our business or supply chain. We will continue to hold regular annual reviews of our supply chain and intend modern slavery to be an agenda item included in the discussions with our suppliers, in order to ensure that the measures we are putting in place are, and remain, effective.

### **TRAINING AND BUILDING AWARENESS**

We are committed to ensuring our people are alive to the issue of modern slavery and can identify its indicators and risk factors. Training has been given to all colleagues with procurement responsibilities to ensure they understand the risks of modern slavery and human trafficking in our supply chains. These mandatory training modules will enable our people to understand and spot the signs of modern slavery and human trafficking. Colleagues are expected

to report suspicious activity, however small, and this is acted upon through our whistleblowing policy.

We will continue to train colleagues directly involved in the procurement process and improve awareness of the issue to all our people through our internal communications strategy, which in FY19 will include information on our colleague intranet, a poster campaign on staff notice boards and a feature in our colleague newsletter.

This statement has been approved by the Hargreaves Lansdown plc board of directors.



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