

Modern Slavery and Human Trafficking Statement 2023



Contents

Click on each page number below to go to that section

1. Introduction	3	5. Risk assessment and management	25
2. Organisational structure and supply chains	4	6. Mechanism for raising concerns	26
Our business model	5	7. Training related to modern slavery and human trafficking	27
Our governance relating to modern slavery and human trafficking	6-8	8. Key performance indicators	28
Our global footprint	9	9. Looking ahead	29
Our supply chain	10	10. Conclusion	30
3. Policies in relation to slavery and human trafficking	11	CEO statement and Approval statement	
People	11		
Client source of funds, and Investments	12		
Outsourcers and suppliers	13-14		
4. Due diligence processes	15		
Employees	16-17		
Clients and Partnership	18		
Responsible Investing	19-20		
Third party product providers	21		
Suppliers and outsourcers	22-23		
SJP Charitable Foundation	24		

1. Introduction

According to the International Labour Organisation¹ (ILO) there are 50 million people per day facing into situations of modern slavery, either forced to work against their will or in a marriage that they were forced into. Both refer to situations of exploitation that a person cannot refuse or cannot leave because of threats, violence, deception, abuse of power or other forms of coercion.

In their most recent report, the ILO have starkly outlined the impact of compounding crises (the COVID-19 pandemic, armed conflicts, and climate change) in heightening the risk of all forms of modern slavery. Despite the global adoption of the United Nations (UN) Sustainable Development Goals in 2015, including commitment 8.7 – to end modern slavery among children by 2025, and universally by 2030, the situation appears to be worsening.

We recognise our duty and are committed to respecting the UN Guiding Principles on Business and Human Rights which are underpinned by the ILO Declaration on Fundamental Principles and Rights at Work. We are also a signatory of the UN Global Compact (UNGC), supporting and working to integrate its ten principles based around human rights, labour, environment, and anti-corruption into our business.

The financial sector has a unique opportunity to lead the transformation of our global economy to address modern

slavery and human trafficking. This is why in 2023 we included an additional question in our fund manager due diligence process to assess their top-down approach to modern slavery, more detail on pages 19–20.

This Modern Slavery and Human Trafficking Statement has been prepared to comply with Section 54 of the Modern Slavery Act 2015 (the MSA) in respect of our financial year ending 31 December 2023 for St. James's Place plc (SJP), the Group's Parent Company. Although a number of our subsidiaries are also in scope of the MSA², recognising that our approach to identifying and preventing modern slavery and human trafficking is applied consistently across the Group, we have chosen to report for all Group companies in a single statement. This includes our other entities, and the SJP Charitable Foundation, which are not specifically required to report under the MSA.

This statement sets out the steps the SJP Group takes to prevent modern slavery occurring within our business and supply chain. This includes slavery, servitude, forced or compulsory labour and human trafficking. It provides an update on the progress we made during the period 1 January to 31 December 2023 and outlines our plans for 2024. All data in this statement is at 31 December 2023, unless stated otherwise.

Forced labour overview¹

63%

in the private economy (eg hospitality, manufacturing, construction, agriculture and domestic work)

23%

in forced commercial sexual exploitation

14%

in forced labour imposed by State authorities

¹ Copyright © International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM) 2022

² St. James's Place Wealth Management plc, St. James's Place Unit Trust Group Limited, St. James's Place Management Services Limited, St. James's Place International plc, St. James's Place UK plc and St. James's Place Partnership Services Limited.

2. Organisational structure and SJP Group's supply chain

Organisational Structure

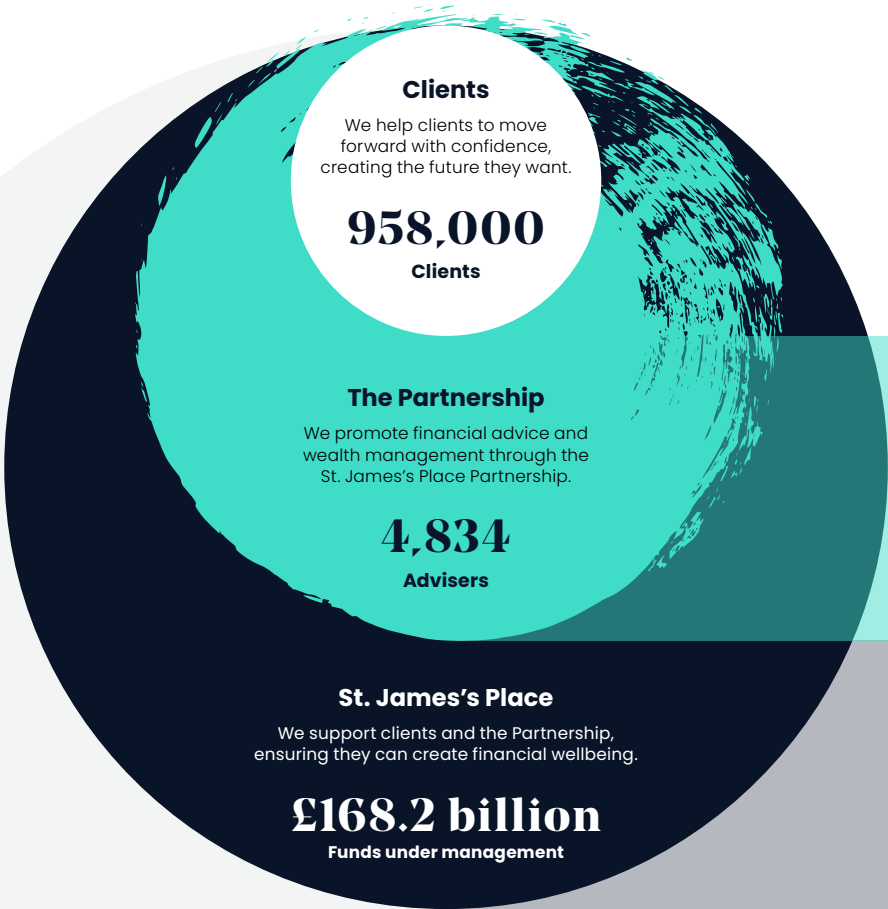
- ♦ The SJP Group is a business made up of multiple individual entities. St. James's Place plc is the Group's Parent Company. It is a public company limited by shares, registered in England and Wales and incorporated in England with our head office in Cirencester.
- ♦ SJP had over 3,000 employees as of 31 December 2023 (including permanent and fixed term contractors), we also had over 100 agency contractors supporting us, this number is changeable according to business need. We are committed to ensuring our people are paid fairly and have been an accredited Real Living Wage employer since 2015.
- ♦ We are the UK's biggest provider of advice-led wealth management, with an integrated client offering that provides financial advice, platform administration and investment management as part of a single service.
- ♦ We specialise in one-to-one financial advice for individuals, trustees and businesses and our advice services are delivered through our Partnership¹ a dedicated network of professional and highly qualified financial advisers.

In 2023, SJP:

- ♦ Became a member of the UN Global Compact's Modern Slavery Working Group and took part in a peer review of our Modern Slavery and Human Trafficking Statement.
- ♦ Developed an e-learning module on Modern Slavery and Human Trafficking which went live in December and is mandatory for all employees to complete.
- ♦ Worked to deepen our Modern Slavery and Human Trafficking Statement disclosure.
- ♦ We created a high-level view of our footprint and considered it against the global slavery index map.
- ♦ Completed materiality assessments and due diligence refreshes for suppliers and outsourcers to ensure governance of our third parties is in line with the requirements of our updated third party management and oversight policy.
- ♦ Launched a new purchase ordering system which provides a preventative control to ensure spend is within budgetary limits, third parties are materiality assessed and due diligence is conducted before goods and services are received.
- ♦ Clarified our Group Executive Committee governance responsibilities, reflecting our understanding that an effective approach to identifying and preventing modern slavery and human trafficking does not sit with any single area of the business, but we all have a part to play.

¹ Throughout this document, the terms 'Partner', 'Adviser' and 'Partnership' shall mean the appointed representatives and approved persons of St. James's Place Wealth Management plc pursuant to sections 39 and 59 of the Financial Services and Markets Act 2000 respectively, subject to such terms as are applied from time to time by St. James's Place Wealth Management plc, and duly registered as appointed representatives or approved persons (as applicable) of St. James's Place Wealth Management plc with the Financial Conduct Authority.

Our business model



Clients
Strong demand for advice to help clients plan and protect their financial future.

Clients are attracted to an end-to-end connected proposition focused on great long-term client outcomes.

79%
of clients would recommend St. James's Place
2022: 81%

The Partnership
We provide advice through the Partnership, the collective name for our advisers who are appointed representatives of St. James's Place.

Partners and advisers are attracted by superior support to build a great business over the long term.

+3%
2023 growth in adviser numbers
2022: +3%

St. James's Place
Investments are managed through our unique investment management approach, aiming for long-term sustainable growth in funds under management.

We operate a fee-based income model where we receive fees based on the level of client funds under management.

+13%
2023 growth in funds under management
2022: -4%

Responsible business
We want to be a responsible business that creates financial wellbeing, invests responsibly, has a positive community impact, and commits to limiting climate change.

Financial wellbeing Investing responsibly Climate change Community impact

44%
Reduction in weighted average carbon intensity of our investments since 2019
2022: 33%

Responsible business

We are committed to being a responsible business, putting responsible and sustainable decision-making at the heart of everything we do and helping our clients and communities to move forward with confidence.

Read more in our 2023 Annual Report.

Our Annual Report can be viewed [online here](#). It includes a section titled 'Our Responsible Business' (pages 24 to 49), where we reiterate that we have no tolerance for the abuse of human rights, including modern slavery, in any part of our business.

Our governance relating to modern slavery and human trafficking

SJP plc Board

Ultimately the plc Board is responsible for our modern slavery statement and sets the strategic direction in relation to the steps we take to prevent modern slavery and human trafficking (MSHT) in our supply chain and our business. The accountable Board Director is the Group Chief Executive Officer, Mark FitzPatrick. He delegates responsibility through his Group Executive Committee and onward through their respective directorates.

Group Executive Committee (GEC)

The GEC includes senior representatives from each business area of SJP. They have collective responsibility for ensuring the firm's adherence to the MSA and preventing modern slavery in our business and supply chain. Each GEC member has different MSHT related responsibilities as referenced below.

Chief Financial Officer

Craig Gentle

Craig is responsible for Group expense management, including the onboarding and commercials of outsourcing, procurement and vendor management; and management of services shared with other Group members.

Chief Operating Officer

Iain Rayner

Iain is responsible for our third party product providers, including outsourcing, procurement (excluding onboarding and commercials) and vendor management; and management of services shared with other Group members.

Chief Risk Officer

Mark Sutton

Mark is responsible for ensuring an appropriate risk management framework is in place for MSHT. He also has accountability for Financial Crime prevention.

Group Investment Director

Tom Beal

Tom is responsible for overseeing our investment proposition, including our fund managers. He ensures that our responsible investment principles and policies, including MSHT, are upheld throughout our fund manager research and ongoing monitoring for our range of Unit Trust products.

Chief Operations and Technology Officer

Ian MacKenzie

Ian is responsible for ongoing outsourcing, procurement and vendor management; and management of services shared with other Group members (excluding onboarding and commercials, third party product providers and our fund managers).

Interim Group Chief People Officer

Amy Morton

Amy is responsible for our people, including our People policies linked to MSHT and overall recruitment, pay and reward processes.

Partnership Director

Peter Edwards

Peter is responsible for our Partnership of financial advisers as well as the recruitment of new joiners, the Academy and regulatory authorisations.

Chief Corporate Affairs Officer

Liz Kelly

Liz is responsible for overseeing the Group's responsible business strategy and approach, including facilitating the production of the MSHT statement.

Our governance relating to modern slavery and human trafficking *continued*

Our Group CEO and some GEC members also have Senior Manager Function roles in our subsidiary businesses that are in scope of the MSA (as listed on page 03). They are therefore involved in the relevant governance arrangements, with our subsidiaries aligned to the Group's approach in preventing MSHT.

Our GEC is supported by members of their directorates in further Business Resource Groups outlined below.

RB Advisory Group

The Responsible Business Advisory Group comprises of business area directors with responsibility for driving forward our ambition to be a responsible business, including how we tackle MSHT.

Modern Slavery and Human Trafficking Working Group

This group comprises of Subject Matter Experts from across the business, who are responsible for the implementation of our modern slavery related policies, and supporting the production of our MSHT statement.



Our governance relating to modern slavery and human trafficking *continued*

Our governance framework is underpinned by several key teams who hold day to day responsibility for implementing our approach to modern slavery, human trafficking, and other responsible business initiatives.

These include:



These 'first line' Business Areas are responsible and accountable for risk management. This is then overlaid with oversight and challenge from the 'second line' (our risk and compliance functions), with independent assurance from the 'third line' (our internal audit function) which form our 'three lines of defence' model.

Our global footprint

We have created a high-level view of our footprint and considered it against Walk Free’s Global Slavery Index map⁴. We will continue to map and categorise the extent of our business and supply chain in relation to modern slavery and human trafficking, including the geographical data of our funds under management.

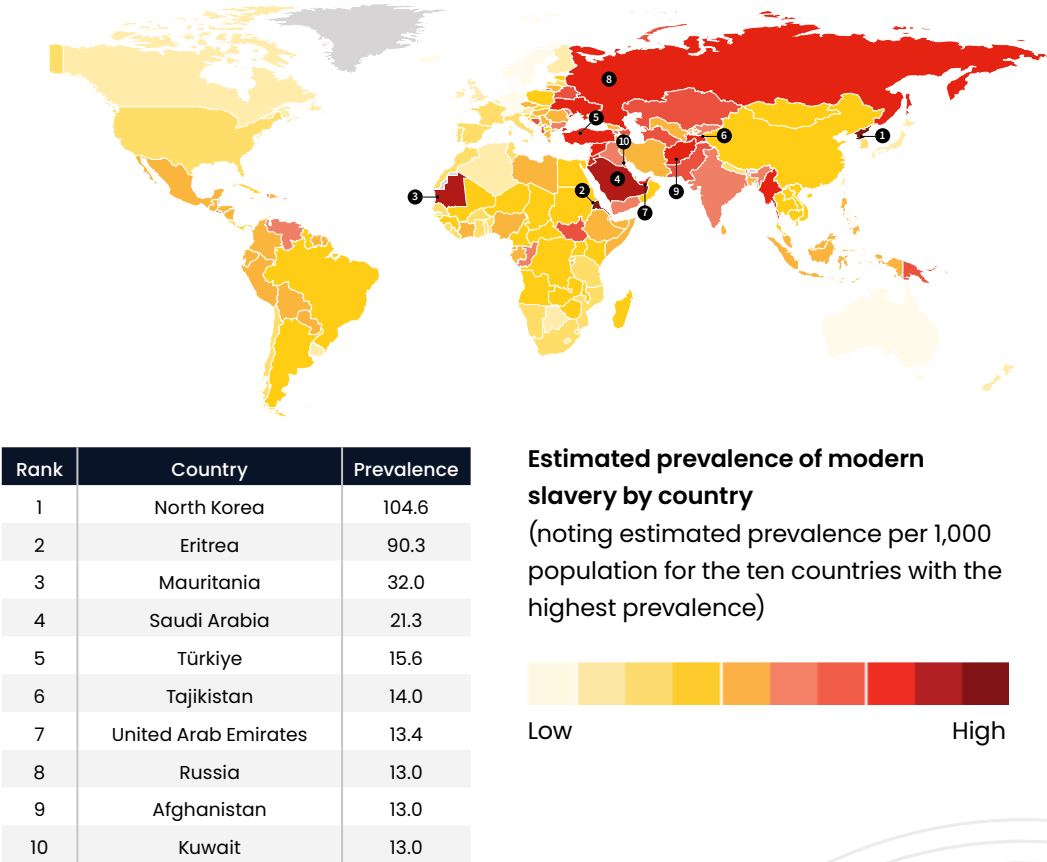
97%
of our clients are resident in the UK

Our footprint

	Partners and advisers	Employees	Funds under management, (FUM) ¹	Material outsourcers and material suppliers ³
UK	98%	91.6%		69%
Asia & Middle East (includes Hong Kong, Singapore & Dubai)	2%	7.9%		
Ireland		0.5%		
USA				31%
UK equities			10%	
European equities			14%	
Asia & Pacific equities			12%	
North American equities			34%	
Other eg fixed income securities, alternative investments, & cash ²			30%	

¹Geographical and investment-type analysis of FUM
²More details in our 2023 Annual Report and Accounts page 55
³We have 13 material outsourcers and suppliers. Geography is based on their registered address

World map of global slavery⁴



Estimated prevalence of modern slavery by country
(noting estimated prevalence per 1,000 population for the ten countries with the highest prevalence)



⁴Global Slavery Index 2023 Dataset, Minderoo Foundation, available from: www.globalslaveryindex.org

Our supply chain

Of our Group total expenditure by value:

42% related to payments made to the Partnership

8% related to SJP employees

6% related to third party administration

4% related to investment expenses

39% related to other expenses for example donations to the SJP Charitable Foundation. More detail can be found in our 2023 Annual Report and Accounts on page 63.

Aside from our Partnership, SJP is primarily a consumer of services rather than goods and materials. We work with contracted third parties for core business activities, including administration. We expect these third party providers to deliver against our performance and risk management objectives and are focused on building long-term, strategic partnerships with these companies. As a result, a sizeable proportion of our key suppliers and outsourcers have been associated with the SJP Group for many years. These relationships are deeply engrained, with robust oversight and governance in place to support the ongoing monitoring of these relationships, as is discussed in the due diligence section of this Statement.

Our significant outsourced areas include:

- ◆ Investment administration
- ◆ Fund management
- ◆ Custody
- ◆ Policy administration
- ◆ Cloud services



3. Policies in relation to modern slavery and human trafficking

SJP is committed to ensuring that its dealings with its own employees, and with its third parties, are conducted ethically and responsibly.

People

- ◆ Our Code of Ethics sets out the standards of behaviour we expect from all employees. It provides clear expectations on the way we conduct business in an ethical and responsible manner and guidance for employees on how this applies to their day-to-day work.
- ◆ Our Equal Opportunities Policy outlines that no employee shall be treated unfavourably on the grounds of their gender, marital status, race, ethnic origin, disability, sexual orientation, gender identity, age, social class, or religious belief.
- ◆ Our recruitment process ensures that all prospective employees are legally entitled to work in the relevant country.
- ◆ Our Bullying and Harassment Policy sets out our approach to allegations of harassment and/or bullying and provides guidance on how to report behaviour in conflict with this.
- ◆ Our [Whistleblowing Policy](#) outlines the process for anyone to raise concerns they may have about illegal or improper behaviour by anyone connected to SJP. They are empowered to do so without fear of retaliation. The independent non-executive chair of our Group Audit

Committee is the designated Whistleblowers' Champion providing oversight of the Whistleblowing Framework.

- ◆ Furthermore, we offer our employees the opportunity to seek independent and impartial advice via confidential telephone, email and/or face to-face counselling services provided through our employee assistance programme, should they wish.
- ◆ We commit to providing fair wages and benefits and a secure working environment for our people. In addition to complying with all applicable minimum wage laws in all jurisdictions in which we operate, in the UK we have been an accredited Real Living Wage employer since 2015. www.livingwage.org.uk
- ◆ We protect health and safety at work, promote wellbeing and encourage workplace flexibility. In 2023, we updated our Flexible Working policy to reflect a more user-friendly way for employees to request flexible working. Flexible working offers our employees the opportunity to choose optimal working patterns, balancing the business needs and to suit their personal needs.

Policies in relation to modern slavery and human trafficking *continued*

Client source of funds

- ♦ Our [Group Financial Crime Prevention Policy](#) sets out the high-level requirements for the prevention of financial crime across all Group operations and interactions. Financial crimes include bribery and corruption, money laundering and terrorist financing, breaching/circumventing applicable international financial sanctions, facilitation of tax evasion and fraud.

Investments

- ♦ For our investment universe, SJP has an [exclusion policy](#) in place for companies that are identified as violating the United Nations Global Compact (UNGC) Principles, and for whom our enhanced engagement process does not lead to the desired change. The UNGC Principles include human and labour rights among others. This policy applies to our listed equity and public debt funds and applies to all segregated mandates run on behalf of SJP where we have direct control. For more information see our [Stewardship and Engagement Report](#).
- ♦ [Stewardship, engagement and shareholder voting policy](#). This policy shares our approach to stewardship, engagement, and shareholder voting. Along with our annual Stewardship and Engagement Report, it explains our standards and how we comply with the Shareholder Rights Directive II. We became members of the Financial Reporting Council's UK Stewardship Code in 2022 and met their comprehensive criteria to remain a member in 2023.



Policies in relation to modern slavery and human trafficking *continued*



Outsourcers and suppliers

- ◆ Our procurement process is designed to ensure we meet our regulatory and business obligations.
- ◆ Our Outsourcing and Supplier Management Policy, which takes into consideration updated requirements of the relevant regulators, was last approved by the Board of Directors of SJP plc in 2022. The policy is subject to further review and approval by the Board every three years, unless significant regulation or legislation changes occur. Following any changes to our policy, we ensure the distribution of the updated policy to all those in the business with responsibility for managing arrangements with suppliers and outsourcers. Policy awareness sessions are also facilitated by the Third Party Management and Oversight Team, to support understanding of the policy requirements.
- ◆ The policy and supporting documents apply a principles-based approach to key stages of the procurement lifecycle and detail our methodology for assessing levels of risk in our outsourcer and supplier arrangements. The central risk management framework methodology is embedded within these processes to ensure the outsourcer and supplier management processes remain within the Group risk appetite – modern slavery and human trafficking is included within this.
- ◆ The policy covers the key stages of the procurement lifecycle from requirements definition, selection, due diligence including modern slavery, negotiation/contract award, supplier management, and exit/renew.
- ◆ In conjunction with subject matter experts, a set of minimum standards is in place for which due diligence is assessed against. Where a supplier or outsourcer falls outside of these standards there is a formal escalation route to address the issues. If suitable mitigations are not achieved this could result in the termination of the engagement with the third party.
- ◆ Quarterly reporting is made to the Group Risk Committee, which provides management information to assess policy compliance. This includes reporting on cases where risk acceptances have been made.

Policies in relation to modern slavery and human trafficking *continued*

Outsourcers and suppliers continued

- ◆ We are developing a Supplier Code of Conduct which will set out expectations of, and commitments to, our outsourcers and suppliers in all areas, including human rights. We aim for this to be live in 2025. This will support our existing due diligence process, which is used to understand our outsourcers and suppliers' approach and attitudes to human rights.

Other aspects linked to outsourcers and suppliers

- ◆ We are committed to ensuring our people are paid fairly and we have been an accredited Real Living Wage employer since 2015. Where SJP engage with third parties that contract staff on a regular basis e.g. security, cleaning services and contracted caterers, where relevant we have uplifted our contracted price to enable those suppliers to pay their employees the real living wage www.livingwage.org.uk.
- ◆ We are signatories of the Prompt Payment Code and set a 30-day payment term. We are happy to confirm, that in 2023 we exceeded this target;
 - January to June the average payment term was 26 days; and
 - July to December it was 22 days
- ◆ We encourage our suppliers and outsourcers to align to paying the Real Living Wage and becoming a Prompt Payment Code signatory.



4. Due diligence process

We recognise that modern slavery could occur across our business and supply chain, with our biggest potential exposure linked to our investee companies. The following section highlights the key areas of our business where we have influence on respecting human rights, and the processes we have in place for our supply chain.

Our business	Our supply chain	Our value chain
Employees	Suppliers and outsourcers	The SJP Charitable Foundation
Client’s source of funds		
Partnership		
Responsible Investing		
Third party product providers		



Employees

We are an equal opportunities employer and comply with our obligations under the UK Equality Act 2010. All our business operations benefit from the policies, processes and broader support of our People Division, ensuring that employees and job applicants are treated equally and fairly. SJP conducts background and vetting checks on new employees to ensure that no legal, regulatory or other barriers exist to the appointment and that the person has the right to work in the relevant country.

If the recruitment process highlights potential issues, these are escalated and managed. In addition, we make new employees aware of our key policies as part of their onboarding process, and these are readily available on our intranet should anyone wish to refer to them again.

How do we engage with our employees?

- ♦ Hearing directly from our employees is key to ensuring we have real insight into how our people are feeling. Frequent one-to-one, team and divisional meetings ensure communication is regular and two-way.
- ♦ Our culture survey in May 2023 gave us significant insight into our current culture and demonstrated positive results for overall engagement and efforts to create inclusive environments, along with identifying some opportunities to work more collaboratively across divisions. Key findings were:
 - I feel proud to work for this company **87%**
 - SJP creates an inclusive culture where everyone is treated with fairness and respect **77%**
 - My line manager promotes an inclusive environment at work **93%**



Employees *continued*

This complements the activity of our Workforce Engagement Panel which was set up in 2019. This is led by one of our Non-executive Directors and membership consists of employee voted representatives from each area of the business. We continue to focus on the effectiveness of our Workforce Engagement Panel and, during 2023, we streamlined the number of members so that we can ensure conversation is meaningful, action-focused and at the right level – discussing the issues and opportunities that feel most relevant to our employees. In addition, we conducted online pulse surveys with feedback and ideas circulated to the Board.

In 2023 we introduced a Head of Culture and Engagement role and are committed to an ongoing and deliberate focus on culture and employee engagement.



Clients and Partnership

Client's source of funds

- ♦ Any benefit derived from modern slavery in the UK will represent the proceeds of crime. Therefore, the legal and reputational risks associated with clients must be considered. We have a zero-tolerance approach to bribery and corruption and aim to protect the SJP Group, our clients, shareholders, employees and associated companies from any involvement.
- ♦ This is assessed in SJP's Group financial crime prevention risk assessments, which includes anti-money laundering, fraud prevention and anti-bribery and corruption. We regularly review our control framework to make sure that our policies, procedures, systems and controls help guard against existing and emerging threats. For example, our suspicious activity reporting include examples of red flags that may indicate that clients or their transactions are not legitimate such as 'source of funds or source of wealth concerns', which could include MSHT.
- ♦ In addition, our initial and ongoing customer due diligence incorporates assessing a range of risk factors including jurisdiction, country of bank account and country of work.
- ♦ As our presence in Dubai became operational towards the end of 2023, we are conscious of MSHT as an increased risk for source of client funds. We intend to review and update our policies, as appropriate, with this in mind.

Our Partnership

- ♦ At the heart of our business model is a belief in the importance of the long-term relationship between an adviser and their clients. Trust is created in these relationships through the provision of high-quality advice, first-class service, and delivering on what was promised.
- ♦ When onboarding new advisers, be that through our development Academy or established businesses, a range of checks are undertaken as part of the contracting process and in preparation for their registration with the Financial Conduct Authority. This includes Right to Work checks.
- ♦ Our Partners are Appointed Representatives of SJP, self-employed and their practices are legal entities in their own right. SJP provides HR consultancy services to which Partners can choose to self-refer or they may be signposted into by their SJP Business Partner. A human resources health check is offered and includes a review of salaries and salary benchmarking for their support staff. If appropriate, recommendations can be made to increase salaries and to consider the benefits package for their employees.

Responsible investing

Our core investment business model is to select and monitor third party fund managers to run our investments for us, rather than directly investing ourselves.

However, responsible investment is one of our core investment beliefs embedded throughout our fund manager, select, monitor, change process and we expect all our fund managers to consider how companies approach ESG issues when identifying and investing in long-term resilient businesses.

We understand that through investment decisions, financial institutions can have a significant impact on preventing human rights abuses. Through our exclusion policy and engagement themes, we integrate the consideration of controversial behaviour of companies including human rights breaches into our responsible investing approach.

We have a number of minimum standards to which we require our fund managers to adhere. Managers must be signed up to the UN Principles for Responsible Investment (PRI) and have at least one named individual or group dedicated to responsible investment. These standards help to ensure that our managers are well placed to meet our expectations around environmental, social and governance (ESG) integration. SJP has been a signatory to the PRI since 2018.

Responsible investment fund manager assessment

- ♦ We conduct a detailed assessment of our managers every year to monitor their approach to responsible investing. This includes in-depth questions around strategy, governance, metrics and material ESG factors, tailored to the types of assets invested in by the manager. Where we identify room for improvement, we engage with the manager, provide extra support and set specific milestones and timeframes for change.
- ♦ Human rights considerations including modern slavery and human trafficking have been monitored as part of this assessment within the context of the social factors that managers integrate into their investment decision making.
- ♦ In 2023, to gain a deeper understanding of how our fund managers approach modern slavery and human trafficking, we included an additional question asking managers whether they have a policy or statement in place that sets out their approach to these considerations.
- ♦ We assess managers' responses and consider the extent to which their policies consider related risks, impact on investment decisions, colleague education, and wider business risks. Over 2024, we'll look to develop a specific key performance indicator for managers on their approach which we can track and monitor against.

Responsible investing *continued*

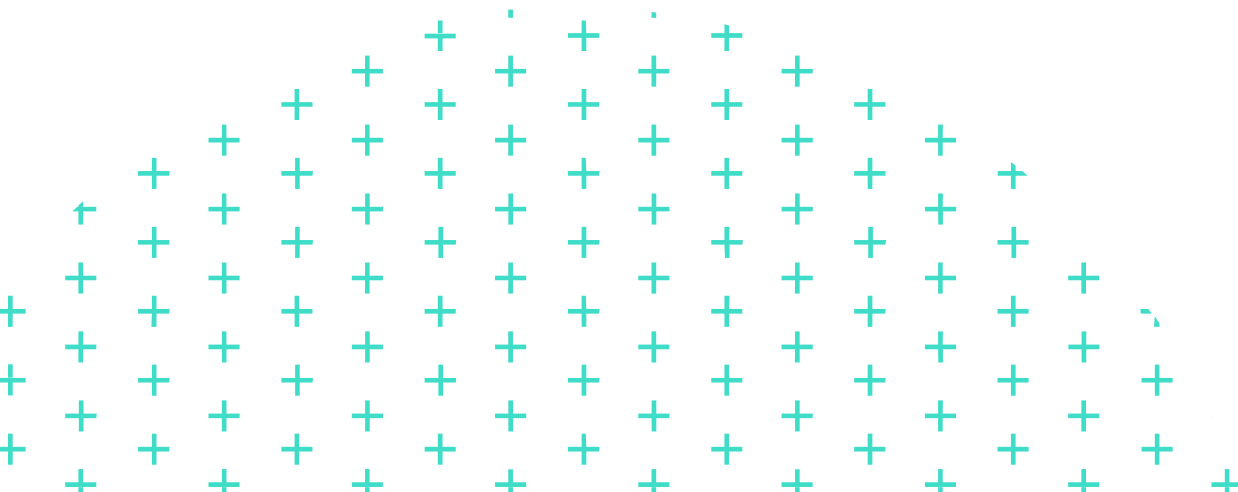
Engagement

We believe engagement is the most powerful tool to maximise our influence and to encourage companies to change their business practices for the better, improving conditions for the environment and wider society. We expect our managers to engage with the companies they invest in on material ESG risks and opportunities as part of their investment process.

Robeco, our third party engagement partner, supplement the engagement activities of our fund managers. Robeco do this by engaging on SJP's behalf with some of the companies the fund managers have invested in. Robeco have a series of themes covering a range of ESG issues and each theme tends to last for three years.

- ♦ Robeco's engagement theme 'Labour Practices in a Post Covid-19 World' focuses on protecting workers' rights and upholding appropriate labour practices in labour-intensive sectors. The theme was initiated in 2021 following the pandemic, which exposed a widespread lack of adequate safeguards necessary to protect workers and enforce their human rights. During 2023, Robeco engaged with 7 companies under this engagement programme on our behalf.

- ♦ In 2022, Robeco initiated the engagement theme 'Human Rights Due Diligence for Conflict-Affected and High Risk Areas'. The engagement programme focuses on promoting effective human rights policies and process to provide companies with the necessary tools to mitigate the impact on people and, uphold their commitment to respecting and protecting human rights in conflict affected and high-risk areas. Robeco are engaging with 13 companies under this engagement programme on our behalf.
- ♦ More recently, in 2023, Robeco initiated a new theme 'Modern Slavery in Supply Chains'. The aim of the engagement is to enhance companies' effectiveness in identifying and addressing modern slavery risks, going beyond formal human rights policies and processes. The engagement will also focus on how companies provide impacted stakeholders with effective remediation measures and prevent future recurrence by working closely with suppliers and establishing the right accountability structures within the organisation. Robeco are engaging with 10 companies on our behalf under this engagement theme.
- ♦ See our [Q4 Robeco report](#) for more information on the company engagements they undertake on our behalf.



Third party product providers

To support good client outcomes, in addition to our experience and expertise, products and services from other providers have been carefully selected to complement and enhance the range of St. James's Place products on offer. We believe the providers represent the 'best in class' in their respective categories and are capable of delivering the high standards our clients would expect. This carefully selected panel of product providers enables us to provide a holistic offering for clients. We use third parties for planning areas such as mortgages, protection, long term care and specialist banking.

As SJP operates a restricted advice model, we undertake thorough initial due diligence to ensure our panel of providers are credible, trustworthy and aligned to our business model and values. We have ongoing assurances in place, including quarterly relationship management meetings with their SJP account manager, to make sure they remain fit for purpose and safe for our clients.

As part of the onboarding due diligence process, we specifically ask to see their modern slavery and human trafficking policy and have made this compulsory for all providers with ten or more employees. We also ask questions about their Supplier Code of Conduct and how the company identifies and explains the risks in its supply chain. In line with our own values we also ensure they pay a real living wage to their employees, as defined by the Real Living Wage Foundation.

During 2023, as part of our due diligence review for product providers in Asia and the Middle East, we identified that our UK question set linked to human rights and modern slavery is difficult to mirror. A wider review will be started in 2024 to implement appropriate policies that are tailored to the market.



Suppliers and outsourcers

Our materiality assessment factors include:

- ♦ The nature of goods or services provided
- ♦ The impact on our operational resilience and reputation
- ♦ The financial consequences of the third party and what effect they would have on our clients in the event of failure
- ♦ Their environmental, social and governance approach
- ♦ Whether they rely upon fourth parties
- ♦ The contract value

Responsible Business forms part of our minimum standards criteria, where appropriate. To validate this we gather relevant information including:

- ♦ A copy of their modern slavery statement/policy if there is one, or requesting explanations on their attitudes and policies in respect of this if a formal document is not in place
- ♦ How third parties pay their employees i.e. do they pay living wages and whether they operate zero-hour contracts
- ♦ If they complete identification verification and right to work checks and whether, as part of this if they retain original identity documents of employees

- ♦ We have a robust due diligence process in place underpinned by a central policy which is managed and overseen by our Third Party Management Oversight team. It is jointly owned by the SJP Chief Operations and Technology Officer and the Chief Risk Officer.
- ♦ For any new third parties which SJP engage or if we are changing the services provided by an existing third party, a materiality assessment is required.
- ♦ Our materiality assessment factors in numerous risk elements and is intrinsically linked to the Group Risk Management Framework. This allows us to assess the risk associated with the third party and complete the appropriate due diligence for their risk profile.
- ♦ Within this due diligence process we will seek assurance of the third party's ability to meet our requirements. This will be through attestations and requesting evidential documents.
- ♦ Our questions have been developed in conjunction with subject matter experts. This ensures that our process remains up to date with current regulations, SJP's goals and objectives, and is designed to ensure we remain within SJP's risk appetite. This includes our requirements around modern slavery.
- ♦ Beyond the initial due diligence, regular ongoing reviews of materiality and due diligence is completed. The triggers for these will be linked to the risks associated with the third party. For instance, for material outsourcers and suppliers this is completed as a minimum annually.
- ♦ Where a third party does not meet our expectations, there is a formal escalation process. This will involve risk owners from across the business to review the details. Where the risks are not within SJP's risk appetite, it may result in termination of the engagement with the third party if suitable mitigations cannot be agreed upon.



Suppliers and outsourcers *continued*

- ◆ In 2023, we completed refreshes of materiality assessments and due diligence where required, in line with the updated outsourcing and supplier management policy.
- ◆ In addition, we developed a database to centrally collect third party information to enable more enriched reporting on our third and fourth parties. This includes capturing information on operating, data processing and data storage locations, where available. This will provide a further look through to any jurisdiction risks relating to modern slavery.
- ◆ For certain outsourcing and supplier contracts, we seek to include rights to audit the third party and its subcontractors, and for material outsourcers and suppliers we require notification if they intend to use a third party of their own. Should we identify any increased risks within a third parties own supply chain, we reserve the right to be able to carry out our own direct oversight of these fourth parties.
- ◆ We do not currently carry out Modern Slavery and Human Trafficking audits as standard on our supply chain, but if any concerns were identified we would undertake further investigations.
- ◆ Substitutability of third parties is a factor within our materiality assessment. For our material third parties our exit plans consider our approach to both planned and non-planned exit scenarios, for example impact on their employees and on our clients.
- ◆ The Commercial Business Partnering team support the business with the selection and onboarding of new third parties, supporting with any mitigations that arise through the due diligence process.
- ◆ Within our approach to contractual arrangements, it is normal course of business to seek to include a term requiring compliance with applicable laws and regulations

SJP Charitable Foundation

The SJP Charitable Foundation is a registered charity and has independent governance structures to the SJP Group. Notwithstanding this, there is a close working relationship with SJP and as such is also listed as one of the top ten Corporate Foundations in the UK¹. In 2023 with monies raised through the SJP community and corporate matching, the SJP Charitable Foundation distributed £7.6m through its grant-making to 896 charities and pledged a further £6.9m to support ongoing delivery and development of services over the next three years. The SJP Charitable Foundation specifically funds small to medium sized charities with an annual income of under £9m. Their key funding themes include supporting young people, mental health, hospices and people with cancer. More details can be [found here](#).

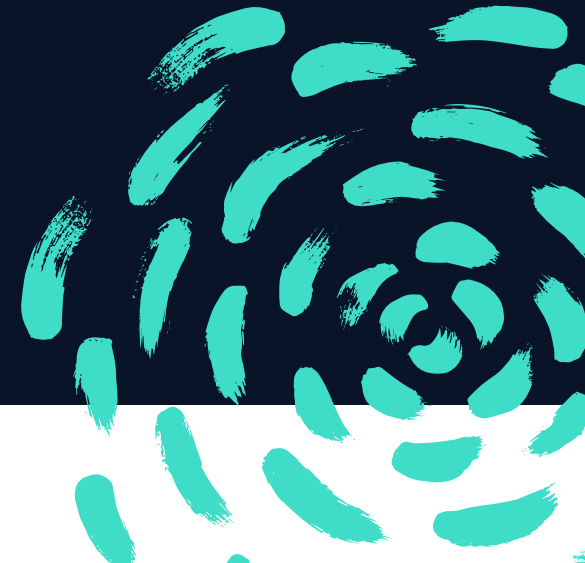
The SJP Charitable Foundation is part of a Corporate Foundation Network and in reflecting on its own approach to Modern Slavery and Human Trafficking, also explored with other Corporate Foundations, the approaches they might have within their grant-making practices. Overall, it was recognised that specific MSHT policies weren't evident amongst the Network's grantees. However, in part, this is likely because smaller charities do not meet the Government requirements to publish an annual statement.

Unless the charity works in an area where modern slavery is a particular problem, or tackling modern slavery is part of their mission, then it wouldn't be expected to have specific policies. It is also worth noting that charities already have a high governance burden to develop their appropriate policies, one of which would be a robust safeguarding policy (as many charities support vulnerable people). A thorough safeguarding policy is likely to identify any unforeseen issues. The SJP Charitable Foundation as part of its grant-making activities requires charities to submit their safeguarding policies as part of the application process and these are reviewed by the Foundation team.

The SJP Charitable Foundation is continuing this conversation within the Corporate Foundation Network to explore how this may evolve and raise awareness of it. In support of this the SJP Charitable Foundation has also incorporated a question within its application process to start to gather data around the presence and practices in relation to Modern Slavery and Human Trafficking amongst small charities, which will help to inform next steps, eg training/knowledge building, but ever mindful of the pressures and time constraints of those working in the charity sector.

The SJP Charitable Foundation distributed £7.6m through its grant-making to 896 charities and pledged a further £6.9m to support ongoing delivery and development of services over the next three years.

¹ Source ACF Giving Trends Report 2022



5. Risk assessment and management

At SJP as a knowledge-based financial services company we employ mostly high-skilled workers and don't rely on lower-skilled, intensive labour compared to sectors such as hospitality, construction and manufacturing, where the risk of modern slavery is more prevalent¹. Following a desk-based analysis the risk of modern slavery within our direct business operations is deemed to be low because all our employees and contracted staff work in roles that are office-based.

That being said, the financial services sector is inherently complex and therefore may have several touchpoints with modern slavery and human trafficking, depending on its specific operations and business activities. Some examples from SJP include:

- ♦ **Investments:** To deliver good financial outcomes for our clients, we consider relevant environmental, social, governance (ESG) factors throughout our investment process. Engagement is how we encourage others to improve their business practices through addressing ESG risks and opportunities. Key to this engagement is our monitoring of fund managers and targeted company engagement as outlined on [pages 19-20](#). For more information on our approach to Responsible Investing please [see here](#).
- ♦ **Outsourcing arrangements and procuring services or goods:** We are aware that some of our material outsourcers have operations in international jurisdictions, e.g. India which according to the Global Slavery Index has the highest estimated number of people living in

modern slavery than any other country. For these arrangements, comprehensive due diligence is carried out annually and there is a robust programme of oversight which spans various areas of SJP. In addition, our large technology suppliers, who supply us with hardware/software will go through appropriate due diligence as mentioned on [pages 22 - 23](#).

- ♦ **The global footprint of our business:** As mapped against the global slavery map on [page 9](#). While in 2023 we closed our Shanghai office, reducing our footprint in China, we also opened an office in Dubai increasing our country level exposure as the United Arab Emirates has the seventh highest estimated prevalence out of 160 countries globally². We intend to review and update our policies, as appropriate, with this in mind.

We are keen to continually develop our processes and enhance the controls supporting them. For instance, we continue to embed the outsourcing and supplier management policy and framework throughout the entities within the SJP Group. In addition, the introduction of a new purchase order system in 2023 is helping to better capture new and existing suppliers, providing a preventative control to ensure third parties are materiality assessed and due diligence is conducted before goods and services are received. It also allows us to keep within budgetary limits. The roll out of this system will take time and resource to fully embed across the Group.

¹ Copyright © International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM) 2022

² Global Slavery Index 2023 Dataset, Minderoo Foundation, available from: www.globalsslaveryindex.org

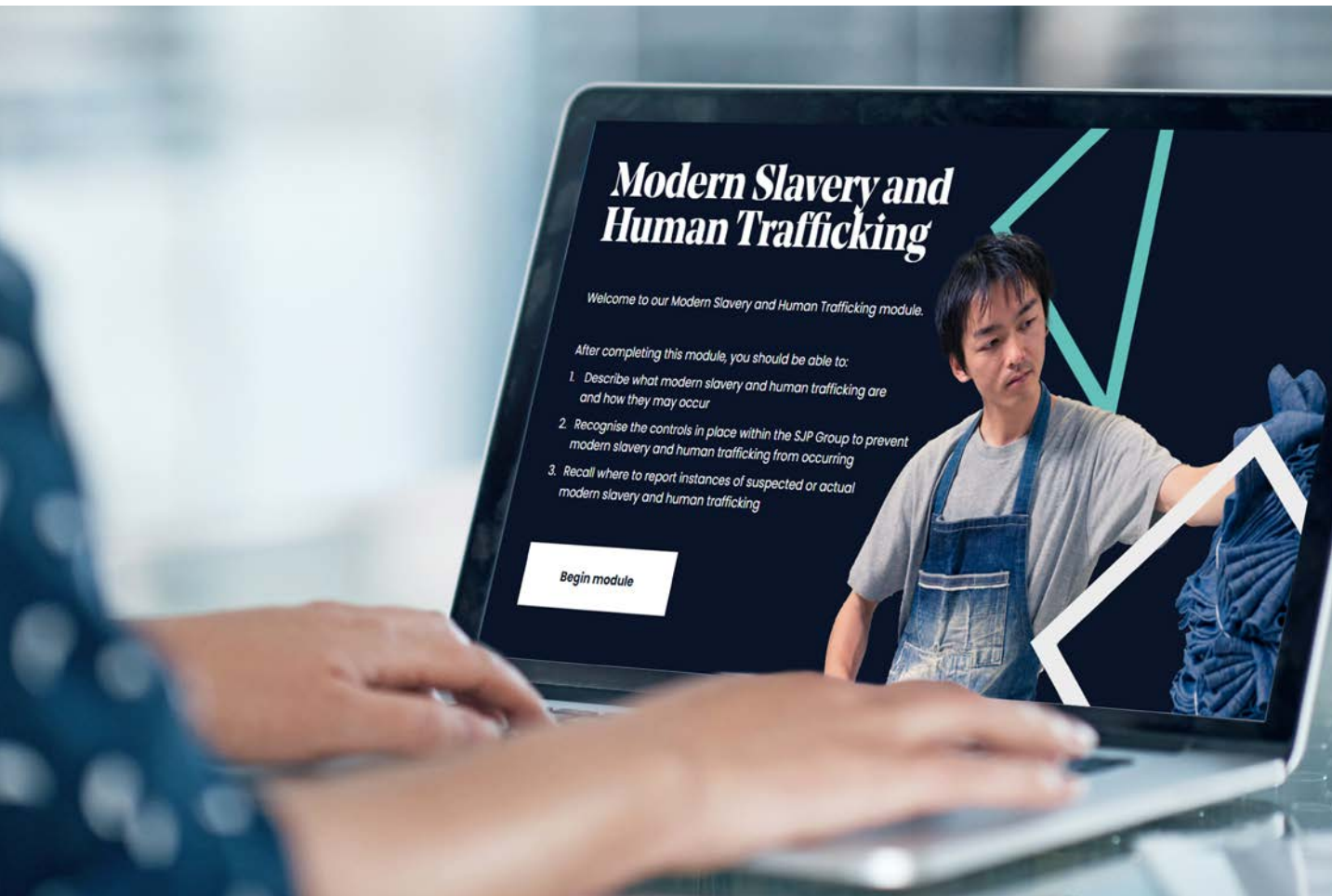
6. Mechanism for raising concerns

Our mechanism for raising concerns is our Whistleblowing Framework

- ◆ Our Whistleblowing Framework is our primary mechanism for anyone to report instances or indicators of modern slavery or human trafficking in our business or supply chain.
- ◆ We know that it can take courage to speak up and we'll do whatever we can to support and protect whistleblowers from retaliation for raising their concerns.
- ◆ [Our Whistleblowing Policy](#) is publicly available and all workers in our operations and supply chain can use it to raise human-rights related concerns (including labour conditions).
- ◆ In 2023 no whistleblowing concerns raised related to modern slavery or human trafficking.
- ◆ If any readers of this statement would like to report something, in SJP's business or supply chain, linked to modern slavery and human trafficking, or wider human rights issues, please contact: Whistleblowing@sjp.co.uk



7. Training related to modern slavery and human trafficking



- ◆ We provide annual training to employees, Partners, and their support staff on financial crime prevention, and our whistleblowing framework which includes how to raise concerns.
- ◆ Our Third Party Management Oversight team continue to upskill and train all relevant employees on our outsourcing and supplier management policy requirements and due diligence expectations, averaging at least one education workshop a month.
- ◆ A new e-learning module on Modern Slavery and Human Trafficking went live in December 2023. This will help our employees make the connection between modern slavery and human trafficking and its impact on financial services firms like SJP.
- ◆ As part of this training all learners are shown a copy of SJP's Code of Ethics and are made aware of how to raise any concerns.
- ◆ In 2024 all employees will be required to complete this module; a 70% pass rate must be achieved. This will form part of our mandatory annual training going forward.

8. Key performance indicators

These key performance indicators help us to measure the effectiveness of the steps being taken to make sure modern slavery and human trafficking is not taking place in our business and supply chains.

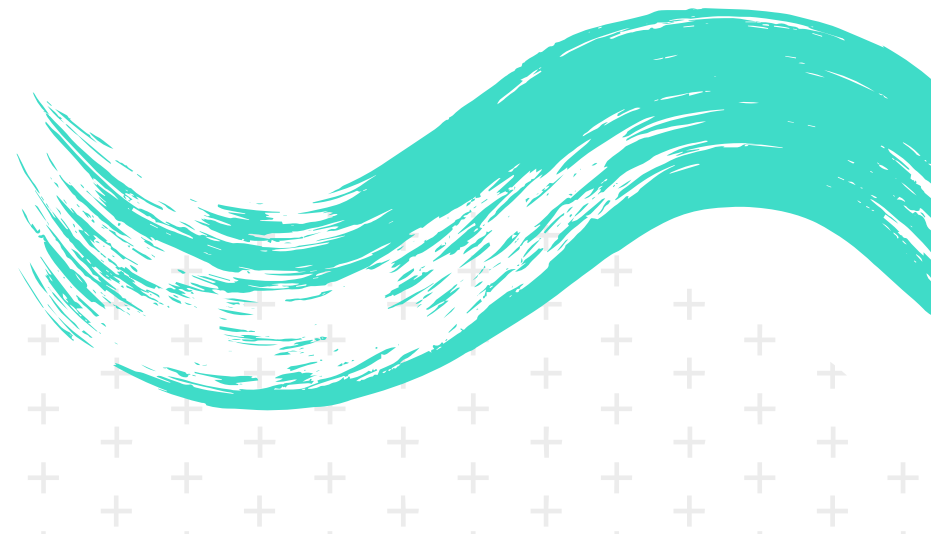
In 2023 SJP had:

Zero whistleblowing reports or money laundering reports linked to modern slavery

Zero modern slavery or human trafficking risks, identified within our suppliers or outsourcers

Modern Slavery and Human Trafficking e-learning launched to all employees. Reporting on completion rates will commence in our next statement

We recognise that having zero reports of modern slavery or human trafficking does not mean that instances do not occur anywhere in our value chain. We are committed to improving our efforts in this space and over time we will enhance our measurement of assessing the effectiveness of our approach and progress with smarter metrics.



9. Looking ahead

We are committed to the continual development of our approach to MSHT including ensuring our processes remain in line with our outsourcing and supplier management strategy, along with regulatory and legislative requirements as they evolve.

Over 2024

- ◆ We will continue to map and categorise the extent of our business and supply chain in relation to MSHT, including the geographical data of our funds under management.
- ◆ We'll look to develop a specific key performance indicator for fund managers on their MSHT approach which we can track and monitor against.
- ◆ We intend to begin a review and update, as appropriate, of our policies in relation to MSHT.
- ◆ All employees will be required to complete the new MSHT e-learning module and pass a short assessment.
- ◆ We will seek to further embed our Whistleblowing Framework into our supply chain as part of the development of the new Supplier Code of Conduct, which we aim to have live in 2025.
- ◆ A wider review of the due diligence for our Asian and Middle East third party product providers will be started in order to implement appropriate MSHT related policies that are tailored to the market.
- ◆ A refreshed overarching Group risk assessment for MSHT will be undertaken alongside the development of more specific key risk indicators.

Ongoing

- ◆ We will continue to embed our outsourcing and supplier management policy, including undertaking materiality assessments and due diligence refreshes.
- ◆ We are continuing to enhance our data and reporting of our wider supply chain (fourth parties for instance).
- ◆ The SJP Charitable Foundation has begun an information gathering exercise with grantees.

"Nothing can justify the persistence of modern slavery in today's world. We can and must do better. It is not a question of not knowing what to do!"

¹ Copyright © International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM) 2022. P06, Global Estimates of Modern Slavery, Forced labour and forced marriage https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_854733.pdf [ilo.org]

10. Conclusion

CEO statement

At SJP we do not accept the abuse of human rights, including modern slavery and human trafficking, in any part of our business or supply chain.

With £168.2bn funds under management, we have a responsibility to take credible action.

Given that modern slavery is often purposefully hidden deep within supply chains, it is difficult to unearth such abuses. We recognise the complexities of this challenge and will continue evolving our approach to address it. I'm encouraged by the progress we have made in enhancing our disclosure as part of our 2023 Modern Slavery and Human Trafficking statement. As supporters of transparency, we know that clear and effective reporting helps build trust and accountability.

To universally end modern slavery by 2030 action is required by governments, society, and industry worldwide. The finance sector, including SJP, has an important role to play.

Greater efforts are needed by financial services to not only influence better practices, but to increase the identification of, and remediation for, forced labour in their supply chain and particularly in their investments.

Collectively we must not fail in our efforts to end modern slavery and human trafficking.

Approval for this statement

This statement was approved by the Board of Directors of St. James's Place plc on 24 June 2024 and will be reviewed and updated annually. For our previous Modern Slavery and Human Trafficking Statements, please [click here](#).



A handwritten signature in black ink, appearing to read 'Mark FitzPatrick', followed by a long horizontal flourish.

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SJP



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