

Wednesday, 29 September 2021

Mr...

Dear Sir,

Re: Compliance of FTSE350 companies with the reporting requirements under Section 54 of the UK Modern Slavery Act 2015

We, the undersigned investors representing £ trn in assets under management, are writing to encourage the board of..... Plc to meet the reporting requirements of Section 54 of the UK Modern Slavery Act 2015.

With an estimated 40 million people facing a form of modern slavery and human trafficking globally,¹ the risk to society and our investments from this crime has never been greater. We believe that UK businesses have a critical role to play in preventing and addressing modern slavery risk. As long-term investors, we believe it is fundamentally important that companies comply with all provisions of the Act to demonstrate a strong commitment to fighting modern slavery, given its truly systemic nature. To do so provides investors with increased confidence in the risk management culture within a company and makes continued investment more attractive. Given the time elapsed since the reporting requirements came into force, investors consider continued lack of compliance to be a serious matter. We expect members of the FTSE350 to lead in this area, taking substantive action against the prevalence of slavery in their supply chains. By being active themselves, FTSE350 companies can have a 'multiplier' effect, as their actions will incentivise further compliance down their supply chains. This is the second year in which we have run this project.

According to the Business & Human Rights Resource Centre (BHRR), which has carried out analysis of the publicly available information for FTSE350 businesses on behalf of this group of investors², ... plc would appear to fall short of the reporting requirements in Section 54 of the Modern Slavery Act 2015 and subsequent reporting guidelines issued by the Home Office.

According to this research, it is not clear whether the company's modern slavery and human trafficking statement has met the following reporting requirement:

- The statement has been approved by the board of directors.

As explained on the UK.Gov website, the company's statement should clearly state that "*board approval has been given with the date of approval.*"³ This gives confidence that the issue is being treated with appropriate focus and energy.

We are contacting companies ahead of their respective 2021 AGMs to forewarn them of the potential consequences should they remain non-compliant. If the board fails to comply with the reporting

¹ <https://www.antislavery.org/slavery-today/modern-slavery/>

² NB Analysis correct as of 19/02/2021

³ <https://www.gov.uk/guidance/publish-an-annual-modern-slavery-statement>

requirements of the Act, members of this investor coalition will give serious consideration to abstaining the acceptance of the Financial Statements and Statutory Reports at the company's upcoming AGM.

Please be assured that this group is taking this approach with other FTSE350 companies who have failed to meet the minimum requirements of the Act, and that we are willing to provide feedback in order to assist with future compliance. We are also happy to collate feedback for the BHRC if you feel that the company has been mis-represented in this analysis.

We would welcome further clarity from the board on how the company plans to improve their performance in this area.

Yours sincerely,



Matt Crossman
Stewardship Director
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The following 97 institutional investors with £7.76 trn in assets collectively under management have signed this statement:

Aargauische Pensionskasse (APK)
Arabesque Asset Management
ASR Nederland N.V
ATISA Personalvorsorgestiftung der Tschümperlin-Unternehmungen
australianethical
Aviva Investors
Bernische Lehrerversicherungskasse
Bernische Pensionskasse BPK
BMO Asset Management
Boston Common Asset Management
Brunel Pension Partnership
Caisse Cantonale d'Assurance Populaire - CCAP
Caisse de pension du Comité international de la Croix-Rouge
Caisse de pension Hewlett-Packard Plus
Caisse de pensions de l'Etat de Vaud (CPEV)
Caisse de pensions du CERN
Caisse de pensions du personnel communal de Lausanne (CPCL)
Caisse de pensions ECA-RP
Caisse de prév. des Fonctionnaires de Police & des Etablissements Pénitentiaires
Caisse de Prévoyance de l'Etat de Genève CPEG
Caisse de Prévoyance des Interprètes de Conférence (CPIC)
Caisse de prévoyance du personnel communal de la ville de Fribourg
Caisse de prévoyance du personnel de l'Etat de Fribourg (CPPEF)
Caisse de prévoyance du personnel de l'Etat du Valais (CPVAL)
Caisse intercommunale de pensions (CIP)
Caisse paritaire de prévoyance de l'industrie et de la construction (CPPIC)
CAP Prévoyance
CCLA

Church Commissioners
Church of England Pensions Board
CIEPP - Caisse Inter-Entreprises de Prévoyance Professionnelle
ECO Advisors
Ecofi Investissements
EQ Investors Limited
ESG Portfolio Management
Etablissement Cantonal d'Assurance (ECA VAUD)
Ethos Foundation, Switzerland
Fondation de la métallurgie vaudoise du bâtiment (FMVB)
Fondation de prévoyance Artes & Comoedia
Fondation de prévoyance du Groupe BNP PARIBAS en Suisse
Fondation de prévoyance professionnelle en faveur de AROMED
Fondation Interprofessionnelle Sanitaire de Prévoyance (FISP)
Fondation Leenaards
Fondation Patrimonia
Fonds de Prévoyance de CA Indosuez (Suisse) SA
Fonds interprofessionnel de prévoyance (FIP)
FUTURE SUPER
Gebäudeversicherung Luzern
Gebäudeversicherung St. Gallen
Grandeur Peak Global Advisors
ISGAM
LAPFF
LGIM
LGPS Central
Luzerner Pensionskasse
Man Group
Mercy Investment Services Inc
Mille/Howard Investments
Nest Sammelstiftung
Pension Protection Fund
Pensions Caixa 30
Pensionskasse Römisch-katholische Landeskirche des Kantons Luzern
Pensionskasse AR
Pensionskasse Bank CIC (Schweiz)
Pensionskasse Basel-Stadt
Pensionskasse Bühler AG Uzwil
Pensionskasse Caritas
Pensionskasse der Basler Kantonalbank
Pensionskasse der Stadt Winterthur
Pensionskasse Pro Infirmis
Pensionskasse Schaffhausen
Pensionskasse SRG SSR
Pensionskasse Stadt Luzern
Pensionskasse Stadt St. Gallen
Pensionskasse Unia
Personalvorsorgekasse der Stadt Bern
Prévoyance Santé Valais (PRESV)
prévoyance.ne
Profelia Fondation de prévoyance
Prosperita Stiftung für die berufliche Vorsorge

Quilter Cheviot Investment Management
Rentes Genevoises
RP - Fonds institutionnel
Secunda Sammelstiftung
St. Galler Pensionskasse
Stiftung Abendrot
SVA Zürich
Terre des hommes Schweiz
Unfallversicherungskasse des Basler Staatspersonals
Université de Genève (UNIGE)
USS
Vanguard
Verein Barmherzige Brüder von Maria-Hilf (Schweiz)
VERVE SUPER
VidaCaxia
Vorsorge SERTO
West Midlands Pension Fund