

# HARGREAVES LANSDOWN'S MODERN SLAVERY ACT STATEMENT FOR THE YEAR ENDING 30 JUNE 2023

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 2023 (FY23).

Hargreaves Lansdown is fully compliant with its obligations under the Modern Slavery Act 2015.



**DAN OLLEY**  
Chief Executive

"We continue to embed respect for human rights and aim to ensure that our business operations and supply chain are free from modern slavery, exploitation and discrimination. We review and strengthen processes in our vendor management systems to guard against risk in the supply chain. There have been no recorded incidences of modern slavery in our supply chain, but we are not complacent. We continue to monitor risks closely and want to drive up opportunities for colleagues to raise the flag and seek help when needed. This statement confirms and repeats our commitments on this issue, and sets out what we've done in FY23, as well as some of our future plans. We take our responsibility to be alert to the risks of modern slavery very seriously. We actively raise awareness of the issue with all our colleagues, and ensure we have the correct procedures in place to play our part in combatting this abhorrent and unlawful practice."

## 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. Read more about us, [the values](#) we live by and [our history](#).

As the UK's largest investment services provider with over 1.8 million clients (as of 2023) 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, and Hargreaves Lansdown Savings Limited provides cash savings services. We have over 2000 colleagues, most of whom are based in Bristol. We also have around 50 financial advisers based across the UK. Our Warsaw technology hub, HL Tech Sp. Z O. O, is our only overseas subsidiary with around 75 employees.

Our supply chain is made up predominantly of service providers that we utilise for marketing, IT and HR to support our core services. UK IT service providers form a large 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. We are moving away from a 'build on prem' model to a 'buy to build model' and are therefore engaging with more SaaS & cloud providers to ensure our services to our clients remain as efficient and robust as possible.

As a financial services company we are aware of our role in highlighting areas within our supply chain that modern slavery could occur. Within our award-winning platform, fund groups are subject to our Platform Terms of Business which includes a requirement to comply with the Modern Slavery Act 2015. Furthermore, we are aware of

modern slavery considerations as part of our anti-money laundering activities as a financial institution found to be holding the proceeds of Modern Slavery and Human Trafficking will be liable for money laundering offences. We continue to be a signatory of the United Nations Principles of Responsible Investment and consider environmental, social and governance factors (including slavery and child labour) when making our investment decisions.

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.

Approximately, 80% of our direct suppliers are based in the UK, which makes it simpler for us to take preventive or remedial steps than if they were based overseas. We continuously review our procurement and supply chain practices, adding greater transparency and oversight. We are using a new Vendor Management System to ensure that we onboard and manage our third parties efficiently as well as ensuring we work to comply with all current regulations and practices as part of our ongoing procurement strategy.

In addition to these service providers, we have relationships with a wider variety of financial services firms covering services such as custody

services, depositary services, market making and investment services. These relationships, with regulated firms, are currently being reviewed for modern slavery risks.

In 2023, we are proud to have retained our Living Wage Foundation Accreditation. The Living Wage Foundation is a campaigning organisation in the UK, which aims to persuade employers and their supply chains to pay a Living Wage. This means we are committed to paying all our people at least the living wage. This includes personnel on temporary contracts and workers at our premises, who are contracted through our suppliers. This is particularly relevant in terms of security, catering and cleaning personnel, areas that are more vulnerable to modern slavery and human trafficking. We are also members of the Bristol Living Wage Action Group, working with the City council and other organisations to promote and support the living wage across the city.

We complete and actively are supportive of ShareAction's Workforce Disclosure Initiative, which encourages disclosure from major companies on labour standards in their supply chains and complete this survey each year.

## **POLICIES, PROCEDURES AND STANDARDS IN RELATION TO SLAVERY AND HUMAN TRAFFICKING**

We updated our Human Rights Policy in 2023 and published externally on our website. Our Human Rights Policy supports the key principles established in The Universal Declaration of Human Rights, The International Covenant on Civil and Political Rights, The International Covenant on Economic, Social and Cultural Rights, and The International Labour Organization's Declaration on Fundamental Principles and Rights at Work. We continue to embed respect for human rights in all our operations and aim to ensure our business operations are free from modern slavery, human trafficking, exploitation, and discrimination.

This policy aims to avoid causing or contributing to human rights impacts through our own activities, to uphold the respect of human rights in relation to our operations and business relationships, and to support the promotion of human rights. Our Human Rights Policy applies to all our people including contractors and temporary

workers. We require our suppliers to respect and adhere to this policy as part of our approach to supplier due diligence. Modern Slavery is key facet of our Supplier Code of Conduct that we expect all suppliers to adhere to and adherence to Modern Slavery regulations is part of our onboarding procedures as well as on going supplier management requirements.

We have several other policies and standards, which are relevant to the operation of HL and address modern slavery and human trafficking risks.

These include:

- Anti-Bribery and Corruption Policy
- Procurement Standard
- Health and Safety Policy
- Speak Up, Whistleblowing Policy

We undertake annual reviews of these policies to ensure they are in line with updated requirements, and to support our alignment to the United Nations Sustainable Development Goals. Expectations for colleague behaviour on all our policies and standards are communicated as part of the new starter induction process and as part of on-going training which is supported by a compliance and e-learning management system.

All colleagues are informed about the 'HL Way' which outlines the principles, values and behaviours that we aim to uphold as a company. It describes what we expect of our colleagues, who should perform their jobs honestly, ethically and in the best interest of clients and their colleagues. By acting with integrity and upholding human rights values we help ensure that we are not facilitating any form of modern slavery or human trafficking.

## **DUE DILIGENCE AND RISK ASSESSMENT**

Hargreaves Lansdown is an investment and savings services firm regulated by the Financial Conduct Authority and considering 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.

Third parties that are engaged by us are subject to a risk assessment and due diligence based on this assessment. The due diligence includes a review of their corporate responsibility practices. We actively review adherence to Modern Slavery and Living Wage regulations where appropriate.

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.

Environmental, Social and Governance (ESG) issues are increasingly important to a number of stakeholders. As an open investment & savings platform we offer a wide range of financial products to our clients, from regulated financial services firms. However, we do not influence client decisions. We do provide regular general updates on the funds we make available and will continue to do so, including looking to see where we can share any available additional information on environmental, social and governance factors. As a fund manager, we outsource the management of client assets to other regulated fund management firms. All of our recent contracts with these firms require the partner to comply with the Modern Slavery Act 2015. During 2023 we published our [Supplier Code of Conduct](#) which sets out our expectations regarding Human Rights, Living Wage, Bribery and Corruption, and the Environment. We will continue to monitor the regulated firms we work with to identify any conduct risks using our code of conduct as a benchmark.

## **PROCUREMENT PROCESSES**

We continue to review and update our procurement policy and procedures in line with best practice and with our Human Rights Policy. We include Anti-Slavery provisions in our contractual agreements, and this forms part of our standard contractual terms. This practice helps reduce the risk of slavery and human trafficking in our supply chain, and also ensures that our suppliers are aware of the issue of modern slavery and human trafficking. Our supplier due diligence process helps us to risk assess new suppliers and renewal of existing relationships. HL's standard Request for Proposal (RFP) document requests bidders state

their compliance against the Modern Slavery Act 2015 and also requests that bidders identify sub-contractors involved in any given procurement, in order to give us improved oversight of our supply chain.

We have many suppliers that have formed part of our supply chain 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.

We have a Vendor Management System which provides an end-to-end solution to Vendor Management at HL. This will provide greater supply chain visibility and actionable insights, including modern slavery and human trafficking compliance.

HL has created a Supplier Code of Conduct that is shared with all new suppliers when onboarding services. The Code covers many areas and includes a section on Human Rights where HL asks that the supplier should comply with all internationally recognised human rights understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. There is also a clause on Slavery, Human Trafficking and Child Labour where HL asks that the supplier should comply with all applicable anti-slavery and human trafficking laws, statutes, regulations and codes from time to time in force including, but not limited to the Modern Slavery Act 2015 in any part of its supply chain. This includes, but is not limited to, not supporting or engaging or requiring any forced labour,

the use of child labour, bonded labour, indentured labour and prison labour. As part of HL's due diligence processes that the procurement team undertake a risk assessment of our suppliers, HL ask that higher risk suppliers comply with the Code and with Modern Slavery requirements as defined by section 54 of the Modern Slavery Act 2015. workforce.

### 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 use the following key performance indicators to measure the effectiveness of our approach to ensure that the measures we are putting in place are, and remain, effective:

- Effective deployment of internal awareness and training to colleagues
- Annual reviews of the policy and the statement to support compliance
- Completion of due diligence procedures undertaken on key suppliers
- Ongoing monitoring of key suppliers
- Effective avenues for employees and/or suppliers to escalate modern slavery issues and concerns

### 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. We are working to ensure colleagues with procurement responsibilities understand the risks of modern slavery and human trafficking in our supply chains. Colleagues are expected to report suspicious activity, however small, and this is acted upon through our 'Speak Up' whistleblowing policy. Colleagues undertake annual

mandatory whistleblowing training.

Both the free whistleblowing helpline, and the Modern Slavery and Exploitation helpline are signposted to colleagues.

We will continue to educate colleagues directly involved in the procurement process and raise awareness of the issue to all our people through our internal communications strategy.

### Next Steps:

We will continue in FY24 to embed respect for human rights and a remain alert to Modern Slavery at every level of our business, including updating and creating new materials to improve colleague knowledge to enable 'red flags' to be spotted when talking to clients.

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



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Chief Executive Officer

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