

MODERN SLAVERY STATEMENT

31 DECEMBER 2023

RATHBONES GROUP PLC

MODERN SLAVERY STATEMENT FOR THE FINANCIAL YEAR 2023

Section 54, Part 6 of the Modern Slavery Act 2015 requires us to assess and report on the risks of modern slavery practices and human trafficking in our business operations and supply chain and the measures we have taken to address these risks. This statement provides an update on our progress for the financial year ending 31 December 2023. It covers all entities that sit under Rathbones Group Plc¹ as the legal parent entity. This statement was approved by the board of directors on 8 May 2024.

ABOUT US

Rathbones provides wealth management services for private clients, charities, trustees and professional partners, as well as asset management for retail and institutional investors. As at 31 December 2023 we have £105.3 billion of funds under management on behalf of our clients. The business has more than 3,500 employees in 23 locations across the UK and Channel Islands. We have been trusted for generations to manage and preserve our clients' wealth. For more information on 'what we do and where we do it' please see page 2 of our [2023 Annual Report and Accounts](#).

Changes to the business in 2023

On 21 September 2023, following regulatory approval, Rathbones Group Plc completed its planned combination with Investec Wealth & Investment UK (IW&I). Throughout this report figures stated exclude IW&I. A statement applicable to IW&I is attached as an appendix to this statement.

OPERATING RESPONSIBLY

We are committed to investing for everyone's tomorrow. This commitment stems from our purpose and is built into our values. It guides our actions and drives us to pursue our strategy with consistency and resilience, year after year. It also keeps us on course as we adapt and respond to the challenges that the world faces.

As a responsible business, we acknowledge our duty to respect our stakeholders, encompassing both our internal workforce and the extensive network of individuals and organisations within our supply chain. We support the International Labour Organization's standards and the Universal Declaration of Human Rights. We remain a signatory to the United Nations Global Compact. Our investment approach reflects our commitment as custodians of capital but also affirms our role as stewards and allocators of capital.

We are committed to maintaining and improving our practices so that we identify and mitigate any instances of modern slavery in our own operations and in our supply chain. We also recognise the role we can play through the investments we make on behalf of our clients, and in the engagement we have with the management teams of those companies that we invest in.

Our stewardship team works in partnership with industry peers through initiatives such as the Votes Against Slavery² and [PRI Advance](#)³ investor collaborations.

OUR APPROACH

As a UK-based financial services business, we consider Rathbones (including IW&I) to have as a low risk of modern slavery within its employee base and direct supply chain. This assessment is based on a view of

¹ For a list of the company's subsidiary undertakings please see p217-219 of our [2023 Report and Accounts](#)

² [Responsible-investment-report-2023](#)

³ [PRI Advance](#)

our operations being primarily digital and requiring skilled labour, and the UK rated as low risk by publicly available indexes⁴.

We acknowledge the heightened risk that indirect suppliers further down our supply chain present. However, whilst we recognise there may be risk further down our supply chain, at this time our approach focuses on those where we have direct supplier relationship.

Our own business operations

Our people team continues to ensure Rathbones is an equal opportunity employer and review our processes regularly so that we can be confident that external recruitment agencies understand and partner with us to constantly assess and improve our commitment to responsible and transparent employment processes. The salary and benefits we offer are attributed based on the level of the role and are always comparable with others in similar roles.

We carry out pre-employment checks to make sure that anyone we employ has the right to work in the UK or the Channel Islands, including a disclosure and barring (DBS) checks or equivalent. Once initial employment checks are satisfactorily completed employees receive a contract that clearly stipulates their expected working pattern. All employees can apply to alter this by following the steps laid out in our flexible working policy. Furthermore, all employees have access to a dedicated employee relations team, through which they can confidentially escalate any concerns.

Our supply chain

Our assessment of our direct supply chain suggests that the risk here is also low. The majority of our 2023 spend was UK focused. Our top three suppliers by spend were UK based, the majority of spend outside the UK was in the US and represented spend on IT and financial and professional services. Of the remaining purchasing, India was identified as a higher risk country. Here we purchase software supply and support services representing less than 0.5% of our total third-party spend.

Our main procurement activities in 2023 included:

- Building equipment and services (under the Chief Operating Officer: IT services, operational services, and facilities)
- Professional and ancillary services such as accounting, legal, consultancy, audit, and HR.

It should be noted that our continued investment in our strategic change programmes, focused on IT and infrastructure, meant that we saw a further increase in spend in these categories in 2023. This was also reflected in increased consultancy fees linked to our acquisition of IW&I.

Our investments

One of the focal points of our stewardship programme and engagement with investee companies is around modern slavery. Non-compliance by any company with modern slavery legislation poses a serious risk to its long-term performance. In 2023, Rathbones continued to lead a Votes Against Slavery (VAS) campaign. Supported by 133 investors representing £8.2 trillion and partnering with a respected international NGO the engagement identified 29 companies that had fallen short of the reporting requirements. By the end of 2023, 27 had become compliant or explained to our satisfaction that no statement was required (and committed to make this clearer in future reporting).

In addition to the VAS initiative, Rathbones undertook our own engagement project. This focused on London Stock Exchange's AIM market companies that were covered by the legislation but not meeting

⁴ The Walk Free Foundation's Global Slavery Index and The Trafficking in Persons (TIP) Report: Issued by the U.S. Department of State.

the Act's reporting requirements. We wrote to 59 AIM companies about this issue calling for improved levels of compliance 55 responded. Of these, 45 became compliant and four pledged to make changes⁵. In 2024, we plan to incorporate our engagement with these smaller companies into the main VAS engagement.

RISK ASSESSMENT AND MANAGEMENT

As a financial service business, Rathbones does not have significant physical inputs into its business operations, as we primarily purchase professional services and technology rather than commodities. However, no supply chain is risk-free, and we recognise that greater risk may be present further down the supply chain with indirect suppliers (those businesses who supply goods and services to our direct suppliers). We continue to follow a risk-based approach to our supply chain and focus on those suppliers with whom we have a direct link.

Based on work undertaken by a third party in 2020 to assess modern slavery risk in our supply chain, we consider that the majority of our supply chain retained a low risk of modern slavery. However, a few areas were considered to carry a higher risk, and these were identified as follows:

Direct risk

- UK construction
- Indian software supply and services.

Indirect risk

- UK soft services (cleaning, hospitality)
- UK retailers (procurement of products).

These four areas represent a small proportion of our total third-party expenditure and across the categories we have requirements in place to minimise any likely risk. We have measures in place, through our due diligence considerations, to tackle our direct risks particularly regarding UK construction, including ensuring any contractor we employ has policies and standards in place that comply with and ensure their supply lines are compliant with the Modern Slavery Act and its principles.

DUE DILIGENCE

Through the identification of the procurement areas with elevated risk of modern slavery, we are embracing the opportunity to strengthen oversight and due diligence processes within our procurement practices, including through increased supplier engagement.

In 2023, we continued to develop our supplier onboarding process and engagement on environmental and social issues beyond our critical, strategic and preferred suppliers. This engagement covers all key suppliers to Rathbones (excluding Saunderson House suppliers) and included an assessment of their documented approach to modern slavery and publication of statements.

At the end of 2023, 76% of Rathbones key suppliers surveyed responded, which represents 70% of key supplier spend. Where a response was not received the request has been factored into the annual supplier review to support completion.

⁵ You can read more on our engagement on modern slavery on page 19 of our [Responsible Investment Report 2023](#)

In 2024, we will continue to work to integrate the Saunderson House and IW&I suppliers into our approach and increase the coverage of our reviews. We will engage with any supplier whose response raises concerns.

To further manage our indirect risk, we include steps in our due diligence to support supplier selection such as our requirement to procure Forest Stewardship Council (FSC) certified paper stationery products. Whilst the FSC certification is more commonly understood to focus on environmental requirements it also incorporates core labour requirements into its certification system.

TRAINING

In Q1 2023, we launched an online procurement hub. The hub supports all supplier-based activities providing resources, such as: updated policy documents, how to guides, and assessment forms alongside a Q&A, and the ability to engage our supplier manager or responsible business manager for support on modern slavery related factors.

In addition, a training module on procurement and supplier management is available for all Rathbones employees on the e-learning library.

GOVERNANCE AND POLICIES

Day-to day responsibility rests with all employees who interact with our third-party suppliers. Operational responsibility for reviewing our approach to modern slavery sits with our responsible business committee, which reports into the board twice a year via our Group Chief Executive Officer who co-chairs the committee with the Managing Director of Rathbones Investment Management. In addition, the senior managers function (SMF24) is delegated to Rathbones Group Chief Operating Officer by the board. Our oversight and control director oversees our supplier management framework, supported by our group supplier manager and the responsible business manager on modern slavery specific risks.

For employees, suppliers, clients and third parties our whistleblowing policy encourages and enables reporting on items of concern and sets out how these concerns can be reported confidentially. Concerns can be raised through several channels, including:

- Our Head of Compliance Monitoring and Assurance who acts as our whistleblowing champion at 0151 243 7684 or at simon.aplin@rathbones.com
- by emailing: whistle@rathbones.com
- If you are unsure whether to use this procedure or want confidential and independent advice at any stage, you may contact the independent charity Protect. They are an independent whistleblowing charity which give free advice. Contact them on their advice line (0203 117 2520 (option1)) or visit www.protect-advice.org.uk, you can find an email at the top of the Protect website.

As part of our commitment to upholding the highest standards of governance and risk management we have a set of policies and principles in place that are relevant to managing the risk of modern slavery and the promotion of wider decent working practices. These policies are reviewed regularly and updated to reflect any material changes that impact our business. The relevant policies are set out below, with links where these statements are publicly available.

- Outsourcing and third-party supplier risk management policy
- [Whistleblowing policy](#)
- Travel policy
- Recruitment policy
- Equal opportunities policy
- Flexible working policy

- [Responsible investment policy](#)

Our approach reaches beyond our direct employees to those who work for us on a contracted basis and sub-contractors. We are a Living Wage accredited employer, and this commitment extends to requiring sub-contractors, such as cleaners, to be paid at least the Living Wage level.

MEASURING EFFECTIVENESS

To support our reporting and planning the group uses the following key performance indicators to measure the effectiveness of our approach and compliance with the Act 2015:

Indicator	2023 Update
Annual reviews of the Act and any updated guidance to ensure compliance	Completed annual review of the Act.
Completion of due diligence procedures undertaken on key suppliers	100%
Ongoing monitoring of key suppliers	76% of in scope suppliers
Effective avenues for employees and/or suppliers to escalate modern slavery issues and concerns.	Whistleblowing policy reviewed in December 2023. No incident of modern slavery was reported or otherwise identified in 2023.

FUTURE PLANS

We continue to build capacity within Rathbones to manage the risk of modern slavery, and understand risk exposure within our operations, our supply chain, and our services.

In 2024, our focus will be:

- Delivering mandatory training including modern slavery related content for people with specific supplier responsibilities
- Carrying out an assessment of IW&I suppliers against Rathbones supplier standards
- Delivering human rights, including modern slavery issues, awareness raising activities
- Publishing a human rights policy, encompassing modern slavery related issues.

We believe that these actions will support the strengthening of our framework as we await the outcome of the proposed new mandatory requirements.

Paul Stockton,
Group Chief Executive Officer
8 May 2024

APPENDIX

INVESTEC WEALTH & INVESTMENT UK MODERN SLAVERY STATEMENT 2023

INTRODUCTION

In September 2023, Investec Wealth & Investment UK (IW&I) became part of the Rathbones Group, bringing together two trusted and prestigious UK wealth management businesses with closely aligned client-centric cultures and operating models, creating the UK's leading discretionary wealth manager.

Together, we believe that our focus on the long-term enables us to build value for our clients, whilst making a wider contribution to society.

The combination received regulatory approval in September 2023, meaning that for the first nine months of 2023, IW&I were part of the Investec Group and for the final three months, IW&I were part of the Rathbones Group. This statement aims to provide a high-level view of IW&I's commitment to taking steps to ensure no slavery or forced labour takes place in our operations or supply chain.

MODERN SLAVERY COMMITMENT

Suppliers

We are committed to ensuring that our supply chain is free of any slavery and/or human trafficking. Therefore, we will not knowingly support and/or do business with any suppliers who are involved in slavery.

We require that our supply chain respects the UN Universal Declaration of Human Rights and ILO Conventions and comply with relevant human rights and employment legislation. Where we are aware of human rights violations within our supply chain, we have the right to exit from these relationships.

The Investec Group supplier code of conduct incorporates the standards and behaviour expected from all suppliers and service providers relating to integrity and ethical conduct, which forms part of the core values of the business.

Suppliers and service providers are expected to adhere to this code and to remain mindful that their activities may impact our reputation and trust with clients, employees, shareholders and all relevant stakeholders. In this regard, we expect our suppliers and service providers to execute and/or fulfil their contractual obligations in accordance with our values.

Our procurement statement acknowledges the potential for our procurement and supply chain practices to be agents for change in respect of the different aspects of sustainability, including in preventing modern slavery.

Our procurement statement also incorporates standards on human rights, labour rights and environmental and anti-corruption principles as set out in the UN Global Compact. We aim to evaluate our supplier's performance against our standards, as set out below, at least every three years.

We aim to only engage with suppliers who:

- operate in compliance with all applicable environmental, labour and anticorruption laws and regulations of the countries in which they operate, manufacture or conduct business
- do not use any form of forced or involuntary labour
- do not employ children
- provide equal opportunity for all employees regardless of race, ethnicity, gender, nationality, age, disability, sexual orientation, or religion

- treat their employees with respect and dignity and provide a work environment free of harassment, intimidation and bullying
- do not engage in bribery, collusive practices, or any other form of corruption to obtain or retain business
- compensate their employees and pay at least the higher wage of the following to meet the basic living wage standards official minimum wage or real minimum living wage.

A sustainability assessment, covering the aspects above, is periodically sent to all third parties using a risk-based approach.

Investment

In 2023, IW&I continued to subscribe to the UK Stewardship Code and were also a signatory of the United Nations Principles for Responsible Investment (UN PRI). Our policy and related frameworks incorporate the UK Stewardship Code and UN PRI principles in defining our governance and stewardship responsibilities.

FUTURE PLANS

In 2024, IW&I will continue to work with the rest of the Rathbones Group as part of the integration programme to carry out an assessment of our suppliers against Rathbones supplier standards.

Alongside policy and operational updates, we will also work to roll out training and awareness programmes across the enlarged group.