Modern slavery and human trafficking are abhorrent practices that still exist in many parts of the world, including the UK.

This statement is designed to ensure that slavery and human trafficking is not taking place within any part of Legal & General Group Plc, all our subsidiaries and within all our supply chains.

These disclosures are on top of the high standards by which we operate our own business including being a Living Wage Employer, a signatory to the UN Global Compact and having a long term partnership agreement with Unite the Union, all designed to make sure that our own employees are well supported.

We will not tolerate any form of slavery or servitude in our business or supply chains and understand our duty to respect human rights. Our supplier selection and governance policies and processes ensure we deal with robust and credible suppliers and partners who share similar values and principles.

This is our second statement on our efforts to prevent modern slavery in line with Section 54 of the UK Modern Slavery Act 2015 and details the steps taken to help prevent modern slavery and human trafficking in our business operations and supply chains. This is an interim statement which will be expanded and updated for our March 2020 full-year results. Our previous statement is available at:


This statement has been approved on behalf of the Legal & General Group Board and will be submitted for further ratification at a future Board meeting.

Nigel Wilson
Group Chief Executive Officer
Our governance of modern slavery issues

This Modern Slavery statement is overseen by Nigel Wilson, Group CEO of Legal & General Group and delivered by the Legal & General Resources Board, chaired by Emma Hardaker-Jones. Risk monitors around our supplier’s workforce standards are in our Group Risk data pack for our Executive to oversee slavery risk.

Our structure and businesses

| Retirement | • We have £72 billion in retirement assets. We de-risk corporate pension schemes in the UK, North America and Europe by buying out the liabilities to pay pensions to employees
| Capital Investment | • We provide retirement products for individuals in the UK
| We seek out direct investments to provide improved returns on retirement assets and the group’s own funds. This includes investments of over £22 billion in:
| 1. future cities through urban regeneration schemes
| 2. the development of clean energy
| 3. principal investing which provides finance to small businesses
| Investment Management | We operate a number of homebuilding businesses such as L&G Homes, CALA Homes and Inspired Villages and have a factory in Yorkshire which manufactures modular homes.
| • We provide investment management services to corporate pension schemes and other institutions in the UK, US, Gulf and Asia. We have over £1 trillion in investment funds.
| • We provide direct contribution pension schemes for companies in the UK and US
| • We offer personal investment products to individuals in the UK
| Insurance | • We are the largest provider of life insurance, critical illness and income protection products for UK individuals
| • We provide workplace based life insurance, critical illness and income protection cover in the UK
| • We provide life insurance cover for individuals in the US

Legal & General
Key facts

- We have 8,000 employees
- We have over 10 million customers
- Total assets under management were £1.15 trillion at 30.06.19
- 2018 pre-tax profits of £2.102 billion

Our higher-risk businesses

The areas of our business that we have identified as being at higher-risk to modern slavery practices are:

- Procurement of materials
- The use of contract labour
- Recruitment of staff
- House building
- IT services

We have in place a wide range of processes and controls to prevent modern slavery from entering into our workplace. These include right-to-work checks, real living wages, a strong union relationship and focussed training. Legal & General Homes have modern slavery questionnaires for contractors and sub-contractors.

For example, our homes business has a number of measures in place covering the direct employment of staff; the indirect employment of staff, such as Security and IT; supply chain services and service contracts, supply chain materials and supply chain construction contracts. These cover areas such as anti-bribery and corruption, whistle-blower policies, real living wage requirements and supplier codes of conduct.

Our supply chains

- Our UK direct supply chain is predominantly UK procured with categories such as some IT support and software development delivered from overseas as well as construction materials and supplies etc.
- We're a major commercial property landlord via Legal & General Real Assets who manage our commercial property portfolio. We have responsibility for services such as security, cleaning and catering as well as sourcing these services for our own office environments.
- We are a top 10 UK house builder with construction and manufacturing services, including construction labour.

Our group procurement supplier code of conduct

Our group procurement supplier code of conduct sets out various principles that suppliers are required to sign up to as part of the sourcing and on-boarding processes.

The document sets out key principles and minimum standards on topics such as:
1. Protecting the environment
2. Protecting the employee
3. A safe and healthy workplace
4. Equality, Diversity, Inclusion and Ethics
5. Community Involvement.
6. Meeting our Customers’ needs

For full details please see:


**Our supplier code of conduct regarding modern slavery**

Working with industry experts and our key suppliers we have developed a number of indicators, questions and conversations we are starting to ask suppliers in relation to their direction of working standards and quality jobs. These are being integrated into our supplier code of conduct and our new digital tools that are being deployed as well as some direct engagement with key suppliers to start to gather data.

**Typical questions we have asked our suppliers about external standards of operation include:**

1. Are you a signatory to the Living Wage Foundation?
2. Are you fully compliant with the UK Agency Worker Regulation Standards?
3. Are you signed up to the 'Swedish derogation model' of operating?
4. What is your HMRC risk rating for the past three years?

**Trend data that is starting to be collected from certain key suppliers by our Group Procurement team and will be collected more widely through our new digital tools:**

1. CEO to average worker pay ratio (excluding bonuses) for whole business
2. Permanent to Temp / Contractor ratio working on Legal & General contracts over the past 12 months.
3. Migrant to non-migrant workers ratio working on Legal & General contracts over the past 12 months.
4. Percentage of workforce getting paid on time every week over past 12 months.

**Risk Assessment and management**

We asked Anti-Slavery International to run workshops to help us really understand how slavery plays out in a UK context and how we would practically spot signs of slavery day-in, day-out when working with our suppliers.

We have also recently invested in new digital Procurement and SRM tools which will provide more accountability and transparency across our supply chain as well as enhancing our supplier financial testing capability to ensure we continue to deal with robust and professional firms.
The new digital tools will provide more MI and data on our supply base as well as enabling the Supplier Relationship Managers to target their efforts on the most pertinent areas of risk and spend. This is also backed up structured reviews with key suppliers and site visits where applicable.

As part of our drive to eliminate Modern Slavery in our supply chain, our central Group Procurement function chairs a quarterly group wide CSR forum which discusses Modern slavery risk as well as running workshops with higher risk business units to best address this topic.

In order to test ourselves further and look for opportunities to further tighten controls and better address risk in key areas we have also engaged with Stronger2gether to carry out a thorough group wide audit of modern slavery risk to help us better plan and resource accordingly on this important topic going forward.

**Training**

Our Modern Slavery training is currently targeted to our higher-risk areas such as construction and house building. For example, our CALA Homes business has in place a computer-based training for all relevant employees. Our aim is to provide a level of consistent modern slavery training for all employees across the group, with more focused training in higher-risk areas as required.

Legal & General Group, October 2019