LV= Modern Slavery Statement
For the year ended 31 December 2016

Introduction from the CEO

As a mutual, we have strong ethical values which are embedded in our culture and the way we conduct our business. We recognise our responsibility to mitigate against the risk of modern slavery taking place in any part of our business and supply chain. In accordance with The Modern Slavery Act 2015 we have conducted a comprehensive review of our supply chain to identify and assess potential risks and have introduced systems that mitigate against such risks. At LV= we are committed to fair employment practices in relation to our own employees and have embedded these commitments within our internal employment policies.

Richard Rowney, CEO

Purpose of this Statement

This statement is made pursuant to section 54 of the Modern Slavery Act (the “Act”). The Act defines modern slavery as “slavery, servitude, and forced or compulsory labour” as well as “human trafficking” (“modern slavery”).

This statement sets out the approach and steps taken by Liverpool Victoria Friendly Society Limited (“LVFS”) and its relevant subsidiaries¹, to ensure that modern slavery is not taking place in any part of our business or supply chains.

Our Business and Organisational Structure

We are a leading financial mutual based solely in the UK and employ over 6,000 people. We are the UK’s largest friendly society and serve over 5.8 million customers with a range of financial products.

¹ This statement is made on behalf of LVFS and its subsidiary companies Liverpool Victoria Insurance Company Limited (LVIC), Highway Insurance Company Limited (HICO), LV Repair Services Limited (LVRS) and LV Insurance Management Limited (LVIM), all of which fall within the scope of section 54(2) of the Modern Slavery Act 2015.
We offer our services direct to consumers, through financial advisers and brokers, as well as through strategic partnerships with reputable organisations.

LVFS is the Group’s ultimate parent company and has direct and indirect ownership of 48 subsidiaries. To view LV=’s full organisational structure, please click here.

Our Values and Policies

At LV= our purpose is to “Live Confident”, which means that as an insurer we exist to help our customers and members live life to their full potential. We fight for better and seek out ways to improve the things that matter most to our members, customers and colleagues.

We have introduced a Human Rights policy in conjunction with this statement. Our Human Rights policy confirms our commitment to upholding the standards set out in the United Nations (UN)’s Universal Declaration of Human Rights, the International Labour Organisation (ILO)’s Standards and the Human Rights Act 1998, amongst others.

LV= considers that the most relevant human rights to its business are the right to just and favourable working conditions, the right to be free from discrimination, protection of minorities and the right to be free from compulsory labour.

It is important to us to promote an open and honest dialogue within our business and our employees are encouraged to raise concerns via our dedicated SpeakUp (whistleblowing) line.

Our Supply Chains

Our supply chain is divided into multiple categories which are built around supporting our core functions and include:

- Motor
- Household
- Legal & Claims Services
- Business Process Outsourcing
- Maintain (Hardware & Software)
- Print Distribution
- Marketing
- Facilities Management & Property
- HR
- Professional Services

Due Diligence and Risk Assessment

As a financial services organisation, we have assessed and consider the risk of modern slavery existing within our business to be low. However, we respect and acknowledge that
modem slavery is a global issue and that no economy, industry or sector is exempt and we are fully committed to complying with the objectives of the Act.

In 2016 we undertook a comprehensive review of our business and supply chain to identify and assess potential risks of modern slavery. We have introduced systems and appropriate measures to help mitigate against any such risks and have taken steps to improve our current policies and practices to ensure we are prepared and vigilant against any situations that may arise.

Our Procurement team has mapped our current supply chain and grouped our suppliers into “low”, “medium” and “high” risk categories. Approximately 1500 suppliers were reviewed based on key factors such as geographical location and industry sector and less than 1 percent of our suppliers were identified as “medium” and “high” risk.

We are seeking reassurance from those suppliers identified as “medium” and “high” risk through the completion of a self-assessment questionnaire. The questionnaire seeks confirmation from the supplier that modern slavery is not taking place within their business or supply chain and requests information on their policies and procedures, including their approach to human rights. Any responses received will be reviewed by the Procurement team and any irregular or suspicious information will be investigated further.

It is important to LV= that all suppliers represent us in a manner that reflects our values. Our standard contract terms and conditions have been updated to include a clause that expressly prohibits the use of modern slavery. Our Procurement Code of Conduct & Ethical Standards has been revised to include a specific clause which expressly prohibits the use of modern slavery and will be sent to suppliers at renewal stage and with future suppliers’ contracts. All suppliers, including those identified as low risk are expected to comply with the standards outlined in the Code.

Training

We are committed to ensuring that relevant employees throughout the business, particularly the Procurement and Human Resources teams, have knowledge of the Modern Slavery Act in order to understand the legal and ethical responsibilities we must follow and comply with.

We have published information on our intranet to raise awareness of modern slavery and specific departments have received briefings on the Act and our processes and procedures for compliance with the Act.
Effectiveness in Combating Modern Slavery

We acknowledge that the duty to mitigate against the risk of modern slavery occurring in our supply chain is a continuous responsibility and we will undertake an on-going annual assessment of LV’s modern slavery risk exposure.

We will continue to review our processes and assess the responses received from suppliers to our suppliers’ questionnaire in order to measure the effectiveness of the practices we have adopted.

Approval and Signature

This statement was approved by the Board of Liverpool Victoria Friendly Society Limited on 10 April 2017 and by the Board of Liverpool Victoria Insurance Company Limited, Highway Insurance Company Limited, LV Repair Services Limited and LV Insurance Management Limited on 28 February 2017.

Richard Rowney
Director and CEO
10 April 2017