



M&G Plc Modern Slavery Transparency Statement 2020

At M&G Plc, our vision is to become the best-loved and most successful savings and investments business.

M&G Plc is dedicated to providing savings and investments opportunities to our customers and clients; social and economic benefits to the communities which we serve; jobs and opportunities for our colleagues; financial benefits for our investors; and attractive returns for our shareholders. We are committed to working with our suppliers and stakeholders to help end slavery, human trafficking, child labour or any other abuse of human rights.

Our business is built on our core values of care and integrity;

- Care – we act with care, treating our customers, clients and colleagues with the same respect we would expect ourselves and we invest with care, making choices for the long term.
- Integrity – we empower our people at M&G to do the right thing, honouring our commitments to others and acting with conviction.

Our business is built on trust and we do not take that lightly. We believe in supporting human rights, whilst acting responsibly and with integrity in everything we do.

We set out below our transparency statement under the UK Modern Slavery Act 2015 (“MSA”), for the 2020 financial year, which details what we have done and are doing to help us deliver on this commitment. This statement is published by M&G Plc on behalf of itself and each of its subsidiary commercial organisations carrying on a business in the UK which has an annual turnover in excess of £36 million (each a “Subsidiary”).

Our Business and Organisational Structure

M&G Plc is a leading savings and investment company with a long-term outlook and our purpose is to help people manage and grow their savings so they can live the life they want, while making the world a little better along the way. With over 170 years of experience in innovation to help people improve their future finances, M&G Plc serves around more than 5 million customers worldwide and has £367.2 billion of Assets Under Management and Administration (AUMA) as at 31st December 2020.

Today, we bring together our diverse set of asset management capabilities and our insurance expertise to offer a wide range of solutions for different types of customers.

Savings and Asset Management

We partner with financial intermediaries in the UK and internationally to provide relevant advice and innovative investment solutions.

We offer these services through a comprehensive range of structures including mutual funds, smoothed funds, pooled and bespoke segregated mandates.

We continually seek to improve the ease with which people interact with us by maximising our use of technology.

Heritage

This segment, which is closed to new customers, includes retirement savers and other customers with long-term savings products that will be with us for many years to come.

Traditional with-profits customers benefit from the same smoothing and investment capabilities offered to Savings and Asset Management customers.

Our annuitants receive a regular retirement income as we carefully manage risks to deliver this outcome.

Our Values and Policies

Guided by our core values of care and integrity, a responsible mindset drives what we do across the whole of our business: as a corporate entity, asset owner, asset manager, and through our relationships with our stakeholders including our communities.

Our **Code of Conduct** outlines the purpose, vision, values and behaviours that govern our ways of working and how we operate our business. It provides guidance in how we all come together and operate as one team, setting the foundation of our company and creating an environment where we all feel safe, valued and heard. Our Code applies to everyone working for M&G, employees and contractors, suppliers, consultants, our leaders, managers and colleagues.

We do not tolerate conduct that is not aligned with our Code and company policies.

We have established a Group Governance Framework (GGF) which defines the Group's approach to governance and internal controls and helps us meet regulatory requirements. The GGF includes information and policies to ensure a consistent approach to the way colleagues work and make decisions across the entire business below Board level. These policies provide general principles by which we conduct our business and ourselves.

The Whistleblowing programme known as "Speak Out" at M&G Plc enables suspicions of misconduct and wrongdoing to be reported in a confidential way. In accordance with M&G's **Whistleblowing Policy**, there are various methods by which concerns can be raised. These include using a confidential reporting platform, comprising telephone or web-based service, externally hosted by a third-party supplier. All reports are taken very seriously and where required a thorough investigation is conducted by trained investigators. If we observe, have suspicions of or experience violations of Human Rights, Modern Slavery or the associated law of the countries in which we operate, we report *them* to our managers and leaders, human resources, to the Speak Out team or by using our confidential reporting platform. This confidential reporting platform is extended to raising concerns about our third-party suppliers. The Whistleblowing "Speak Out" programme is overseen by a Whistleblowers' Champion who is the Chair of M&G Plc's Audit Committee.

Whistleblowing mandatory training for all M&G Plc colleagues across our organisation was rolled out in June 2020. This training detailed what, when and how to raise a concern with Human Rights violations (Modern Slavery) included.

Human Rights

Care and integrity extend beyond our company into the communities and societies within which we operate. A significant consideration to how we do business and make the world a little better along the way is a commitment to support and respect Human Rights. Human Rights concerns all of us and is core to our business interests and we believe in supporting Human Rights by acting responsibly and with integrity in everything we do.

As a global company, we operate within many countries and communities. We aim to comply with local laws and regulations in every jurisdiction which we operate and strive to uphold the principles and expectations outlined in our Statement of Human Rights.

We are committed to working with our suppliers and stakeholders to help end slavery, human trafficking, child labour or any other abuse of human rights.

Our Due Diligence Risk Assessments and Training

The Modern Slavery Act defines Modern Slavery as "slavery, servitude and forced or compulsory labour" and "human trafficking" ("**Modern Slavery**").

Our suppliers are a critical and necessary extension of our operations and future success. We hold our suppliers to the same ethical standards to which we hold ourselves and require our suppliers to remain in full compliance with all applicable laws, rules, and regulations.

We expect our suppliers to extend the principle of fair and honest dealings to all others with whom the supplier does business, including employees, sub-contractors and other third parties; where relevant, apply the standards within our Supplier Code of Conduct to the Supplier's own supply chain; and adhere to the guidance within our Statement of Human Rights.

This includes the ongoing due diligence and oversight of our supply chain. M&G Plc remains committed to the continued development of its approach to Modern Slavery-related risk identification, monitoring and reporting, and proactive mitigation of identified Modern Slavery risks and we are prepared and vigilant against any situation that may arise.

Our Procurement teams across our UK businesses have further embedded a co-ordinated response to the requirements of the MSA, with a focus on our external supply chain, as follows:

- Procurement highlights within all tender activity the Group's expectations around Modern Slavery. This is undertaken regardless of the supplier statutory position (therefore suppliers under the £36 million threshold are not exempted from our requirements).
- Procurement and Supplier Risk Management determine the nature of services provided by suppliers and identify associated risks, including any potential risk exposure to Modern Slavery. Our Procurement team have applied an additional sustainable procurement questionnaire into our existing RFP process, giving M&G Plc increased insight into potential supplier policies and practices in relation to Modern Slavery. Where suppliers are not seen to have appropriate standards in place, we will work in close collaboration to improve standards.
- Similarly, our Workplace Solutions (previously Corporate Property) team has developed and implemented a supplier segmentation tool to help identify, manage and mitigate risks, including Modern Slavery. This is applied across the lifecycle of the deal at pre-contract, contracting, deployment and ongoing service monitoring.
- Our Workplace Solutions team have carried out refresher training on Ethical Procurement (including Modern Slavery) and briefed the entire Workplace Solutions Team on the risks and how to identify Modern Slavery.
- M&G Plc contracts remain refreshed and updated for Modern Slavery provisions.

Our Effectiveness Rating

We are pleased to report for 2020:

- No Modern Slavery concerns were identified as part of current monitoring procedures of our supply chain, including through our health and safety compliance, inspection and auditing processes.
- During 2020, we had no reports to 'Speak Out', our online and telephone confidential reporting service, involving Modern Slavery issues or concerns.
- We have not identified any problem suppliers during 2020 which required a contract exit process to be enacted due to any Modern Slavery concerns.
- We have not raised any issues specifically relating to Modern Slavery during 2020 through our policy attestation.

Approval Date

This 2020 statement was approved by the M&G Plc Board on 23rd February 2021 and by each of its Subsidiary Boards identified within scope as listed in the Appendix between February-April 2021.

Signed,



John Foley
Chief Executive and Director
23rd February 2021

Appendix

List of Subsidiary Boards within scope of section 54(2) of the Modern Slavery Act 2015

M&G Group Limited

M&G FA Limited

M&G Investments Limited (MAGIM)

M&G Alternatives Investments Limited (MAGAIM)

M&G Securities Limited

M&G Real Estate Limited

The Prudential Assurance Company Limited

Prudential Financial Planning Limited

Prudential Distribution Limited

Prudential Pension Limited

Prutec Limited

PGDS (UK One) Limited

Prudential Capital Plc

Investment Funds Direct Limited (IDFL)