
Modern Slavery Statement

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by the British United Provident Association Limited and other relevant group companies¹ (“**Bupa**”) during the year ending 31 December 2017 to prevent modern slavery and human trafficking in its business and supply chain.

16 May 2018

¹ This statement sets out the steps taken by the British United Provident Association Limited and the companies listed in Annex 1 all of which fall within the scope of section 54(2) of the Modern Slavery Act 2015 and the Modern Slavery Act 2015 Transparency in Supply Chains) Regulation 2015.



Introduction

Slavery and trafficking is more than a just a crime: it is a crime against people and is responsible for untold misery and suffering.

Bupa therefore continues to be strongly committed to combating the real and growing problem of modern slavery and trafficking. We recognise it can affect any sector or industry and we take seriously our responsibility to be alert to the risks in our business and in our wider supply chain.

We expect our people and our suppliers to share our commitment to help ensure modern slavery and trafficking do not exist in our business or supply chains.

Bupa published its [first modern slavery statement](#) in 2017 for the year ending 31 December 2016. This statement provides an update on what steps we have taken in 2017 to try to ensure that there is no modern slavery or trafficking in our organisation or supply chains.

Although the scope of the Modern Slavery Act 2015 is limited to companies carrying on business in the UK with a turnover of at least £36m, as a global organisation, we recognise slavery and trafficking is a global problem. This statement therefore applies to all of our wholly owned or controlled companies within our world-wide group of companies.

Key areas of focus in 2017

Collaborating and seeking feedback from others to refine our understanding of modern slavery risk and identify ways to increase our impact

Concentrating on issues within our business and supply chain we believe are most effective, such as whistleblowing

Our structure, business and supply chains

Bupa's purpose is helping people live *longer, healthier, happier lives*.

We serve 15.5 million health insurance customers, provide healthcare to over 14.5 million people in our clinics and hospitals and look after over 23,300 aged care residents.

We directly employ over 78,000 people, principally in the UK, Australia, Spain, Poland, Chile, New Zealand, Hong Kong, the USA, Brazil, the Middle East and Ireland. Many more work for our associate businesses in Saudi Arabia and India.

Health insurance accounts for around 70% of our business. In some markets we also operate clinics, dental centres, hospitals, and care homes and villages.

Our approach to tackling the risk of modern slavery and human trafficking

Ultimate oversight responsibility for the steps Bupa is taking and its approach to tackling modern slavery as well as the publishing of this statement sits with our Board. Our progress and the preparation of this statement is monitored by our Executive Risk Committee. The work and direction of our organisation with respect to modern slavery is led by our Legal team, with support from our Corporate and Social Responsibility team and our Procurement and People teams in each market unit.

We recognise the challenges all large organisations face in effectively uncovering and dealing with modern slavery risks within a complex and multi-tiered supply chain. In 2017 we carried out an analysis in consultation with several NGOs and subject matter experts in this area to better understand our potential areas of influence and impact.

We want to make sure our approach focuses on those areas we consider likely to make the biggest difference. In 2017, we chose to focus on the whistleblowing measures which Bupa and our direct suppliers have in place. We believe that if people (not just employees) are encouraged and have the means to speak out about things that aren't right, this can be one of the most effective ways to uncover and take action on modern slavery and human trafficking.

Combating modern slavery and human trafficking is a challenge all organisations face, and we want to make sure we're sharing ideas and experiences with others to learn and develop best practice in this area. We know that collaborating with others is essential given the deep rooted and system nature of modern slavery and human trafficking.

We employ over **78,000 people**, mainly in the UK, Australia, Spain, Poland, Chile, New Zealand, Hong Kong, the USA, Brazil, the Middle East and Ireland, and many more through our associate businesses in Saudi Arabia and India



Bupa spends in excess of **£1.5bn** annually with more than **20,000** suppliers located around the world
(excluding claims/provision)



We fund healthcare around the world through our network of recognised treatment providers



We also own the following facilities around the world:

Hospitals
17



Clinics
345



Aged care
317 care homes,
61 villages



Dental
949 clinics



In 2017, Bupa hosted a roundtable comprising a number of other companies, NGOs and subject matter experts in this field to facilitate free and open discussion of the challenges we face and how we can encourage a joined up approach to maximise our impact.

Our policies and contractual controls

Our Enterprise Policy suite defines the overarching principles for how Bupa does business in key areas of risk. It also helps to ensure that we meet business objectives and comply with legal and regulatory requirements in the jurisdictions in which we operate. Enterprise Policies are approved by appropriate executive and board committees to ensure they appropriately define the minimum expectations around how we do business. The Enterprise Policies apply to all Bupa businesses including wholly owned

subsidiaries and all businesses are expected to comply with the principles and requirements of all applicable policies.

As reported in our previous statement, Bupa has a number of policies and codes that are relevant to tackling modern slavery and trafficking with respect to its business and suppliers:

- Our **People Policy** sets out our aim to cultivate a workplace environment that is fair, open and respectful, and one that promotes and protects the rights and dignity of all employees. We shape employment practices, contracts of employment and collective agreements that are lawful and aligned to the Bupa Code and values.
- All our people are bound by the **Bupa Code** which requires that we treat everyone with respect and dignity and that we make sure we do business responsibly. It makes it clear that we follow the laws, regulations, policies and standards that affect us, wherever we are in the world, and that we speak up about things that aren't right. In 2017 we developed digital training to make the Code more relevant to our people, their business and roles, wherever they are in the world.
- Our **Suppliers Policy** sets out the Board's expectation that Bupa has effective processes for the selection, contracting and management with our direct suppliers, allowing us to manage the risks posed by these suppliers throughout the supplier relationship lifecycle.
- Our **Anti-slavery Policy** for third party suppliers in our UK market unit sets out the actions and behaviours we expect of suppliers in being aware of, addressing, and being open with us about, instances of modern slavery and human trafficking within their own business and supply chains. Our **Standard Terms and Conditions of Purchase** require suppliers in our UK market unit (and in turn their own supply chains) to comply with our Anti-slavery policy and to notify us immediately of any actual or suspected breach of it, or the Modern Slavery Act, so that we are able to determine an appropriate course of action.
- Our **Sustainable Supply Chain Statement** makes clear our expectation that suppliers, subcontractors and their respective supply chains will comply with all domestic legislation, all applicable

International Labour Organisation conventions and protocols, the United Nations Global Compact and the United Nations Universal Declaration of Human Rights. This commitment includes, but is not limited to, compliance with the Modern Slavery Act, not using child or forced labour and compliance with the rights and entitlements of indigenous peoples.

Speak Up

We are committed to being a place where our people are free to question things and raise anything they are concerned about. We encourage people to speak up about things relating to Bupa that aren't, or don't seem, right (including breach of Bupa policies) by raising them with their manager or using our confidential Speak Up channel.

Our Speak Up phone line can take queries and concerns in 75 different languages. When we acquire new businesses, making Speak Up available is a key part of our integration strategy and, as part of this, Speak Up was rolled out to Care Plus (in Brazil) and Bupa China in 2017.

In 2017 we updated our Speak Up policy to specifically call out modern slavery and human trafficking as examples of things we encourage people to speak up about. We also provided training to our Speak Up officers to help them recognise calls that may involve someone experiencing, or reporting, on, modern slavery and human trafficking. We now include modern slavery and human trafficking as standalone categories for classifying Speak Up calls. In 2017, 1,181 Speak Up reports were raised throughout Bupa. No calls were received through Speak Up that were categorised as relating to modern slavery.

Our due diligence processes in relation to modern slavery and human trafficking risks in our business and supply chains

Within Bupa

With the help of our People teams around the world, we refreshed the assessment we first carried out in 2016 of any risk of modern slavery and human trafficking occurring within Bupa itself. The questions are based

on Home Office guidance² and ask targeted questions about each market unit's practices relating to recruitment, use of agency and temporary workers, on-boarding of new employees and terms and conditions.

These responses are then evaluated by our Legal team. For 2017, our assessment did not identify any areas of concern.

Within our supply chain

We recognise there are many challenges that we, in common with other large organisations, face in full transparency across each tier of our supply chain. At present, we're only able to carry out meaningful due diligence on those who supply goods and services directly to Bupa. We segment our direct suppliers based on value and risk and carry out due diligence accordingly.

For modern slavery risks specifically, we identified potential high-risk suppliers across all our market units, based on the country in which the supplier is based (in the case of goods) and where the supply is delivered (in the case of services), as well as the sectors in which they operate. Our assessment of risk in each country is based on the risk categorisation set out in the Global Slavery Index, which is published by the Walk Free Foundation. We have designated countries into high, medium and low risk based on the underlying data that inputs into the Index. There is no publicly recognised index for sector risk. We have therefore compiled our own list with input from external advisors having regard to factors such as the likelihood that workers receive low pay or are required to do jobs most people would seek to avoid. If a supplier is based in, or delivers services in, a high-risk country, and within a sector we determine to be medium or high risk, then we consider them to be at high risk for modern slavery and human trafficking and they are subject to the enhanced due diligence described below.

In 2017, we removed the minimum spend threshold we'd previously applied to this matrix, recognising that this bears no relationship to the risk itself. This has led to enhanced, targeted due diligence being carried out on an increased number of suppliers during 2017.

²https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/638777/FACTSHEET_Modern_Slavery_Recruitment_v2_WEB.PDF

Suppliers considered to be high risk for modern slavery and human trafficking were subject to enhanced due diligence to help us understand more about their internal controls and engagement with their own supply chains. This due diligence took the form of a detailed questionnaire that was then evaluated by our Procurement team, in consultation with our Legal team. In 2017, we refined the questions we asked these suppliers to focus on whether these high risk suppliers have whistle-blowing policies in place, whether they required similar policies of their own suppliers, and whether any concerns that could be considered connected to modern slavery and/or human trafficking were reported using these arrangements.

Based on their responses, while the majority of these suppliers have whistleblowing arrangements in place, most do not require their own suppliers to have similar arrangements. As we continue to evolve our approach to combating modern slavery, we intend to focus on this issue in more detail, including giving consideration to whether we make this a formal requirement of our suppliers, and how we can build capacity in our suppliers to implement these arrangements through their supply chains.

None of these suppliers disclosed any instances of modern slavery or human trafficking being reported (whether through their whistleblowing channels or otherwise).

Assessing our effectiveness in preventing Modern Slavery

Following a careful review, we've refined our 2016 key performance indicators to make sure they're an effective measure of the progress we're making in this area. Our 2016 KPIs were focused on identifying the size and scale of modern slavery and human trafficking risks in our business and supply chain – we've revised these to instead focus on the practical steps taken to address these risks.

KPI	Performance
Steps taken to upskill high risk suppliers, with a focus on whistleblowing tools to help them detect and mitigate	In 2017, we have focused on increasing our understanding of the existing whistleblowing measures our high risk tier one suppliers have in place. We have done this by including specific questions around this in the enhanced due diligence we carry out on these suppliers.

modern slavery risk	
Staff training levels	We have now provided specific modern slavery and human trafficking training to over 90 Bupa employees.
The number of investigations undertaken into reports of modern slavery and remedial actions taken in response	In 2017 we did not receive any reports of modern slavery within our business or our tier one suppliers. We have therefore not carried out any investigations.

Modern slavery training

In 2016 we focused on building awareness within our Senior Management, Procurement and People teams around the world to of what human trafficking and modern slavery is and the various responsibilities these teams have for monitoring compliance with our policies and reporting concerns. This training continued in 2017, and updated materials were provided to each of these teams across our market units.

In 2017 we also delivered targeted training to our Speak Up whistle-blowing line officers in each market unit to help them identify any calls received through this channel that may relate to modern slavery and human trafficking.

Our priorities for the year ahead

In the year ahead, we intend to refine and develop our understanding and approach for addressing modern slavery, taking on board the lessons learned and feedback we've invited from other organisations, NGOs, and experts in this field.

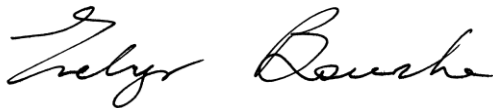
We want to identify further areas for collaboration with other organisations on areas of common concern so we can take collective action against human trafficking and modern slavery. We want to seek out examples of best practice that can be applied by Bupa in tackling modern slavery and trafficking.

We intend to review and strengthen our supplier policies with respect to modern slavery and consider ways we can effectively review and evaluate transparency statements published by our suppliers.

We also want to continue to work with our suppliers on their whistleblowing arrangements, and consider ways we can upskill and encourage our suppliers to implement robust processes in this area.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 for the financial year ending 31 December 2017. The boards of the Bupa entities listed in Annex 1, as well as The British United Provident Association board, have approved this statement.

Signed

A handwritten signature in black ink, reading "Evelyn Bourke". The signature is written in a cursive style with a large initial 'E'.

Evelyn Bourke
Group Chief Executive Officer
16 May 2018

Annex 1

Bupa entities required to make a transparency statement under section 54(1) of the Modern Slavery Act 2015

Bupa Care Homes Holdings Limited
BUPA Care Homes (ANS) Limited
BUPA Care Homes (CFHCare) Limited
BUPA Care Homes (CFCHomes) Limited
BUPA Care Homes (BNH) Limited
BUPA Occupational Health Ltd
Richmond Villages Operations Limited
Richmond Care Villages Holdings Limited
Medical Services International Limited
Oasis Dental Care (Central) Limited
Oasis Dental Care Limited
Xeon Smiles UK Limited
Bupa Finance Plc
Bupa Insurance Limited
Bupa Insurance Services Limited
Bupa Investments Overseas Limited