



# 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 companies<sup>1</sup> (“**Bupa**”) during the year ending 31 December 2018 to prevent modern slavery and human trafficking in its business and supply chain.

<sup>1</sup> 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 has published two previous modern slavery statements for the years 2016 and 2017. This statement provides an update on what steps we have taken in 2018 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<sup>2</sup>.

This statement has been approved by our Board.

## Key areas of focus in 2018

**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 enhancing our procurement due diligence**

## Our structure, business and supply chains

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

Globally health insurance revenue accounts for 73% of our business, with 15.7m<sup>3</sup> insurance customers. We have domestic health insurance businesses in Australia, the UK, Spain, Chile, Saudi Arabia, India, Hong Kong and Brazil. In some

countries, we provide international health insurance, travel insurance and dental insurance.

Provision revenue accounts for 18% of our business. We directly provide healthcare to around 15 million people in our health clinics, hospitals and dental centres.

Residential aged care accounts for 9% of our business with 23,000 residents in the UK, Spain, Australia and New Zealand.

We directly employ over 80,000 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.

We structure our businesses across four market units; Australia and New Zealand, Europe and Latin America, the UK and International Markets.

As a Group, our supply chains are local and global, with a total annual spend in excess of £1.5bn on bought in goods and services with more than 20,000 suppliers around the world.

## 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.

We want to make sure our approach focuses on those areas we consider likely to make the biggest difference.

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.

<sup>2</sup> Excludes Acibadem Sigorta, Turkey as this acquisition completed after the reference date for this statement, 31 December 2018.

<sup>3</sup> Excludes Acibadem Sigorta, Turkey

We directly employ around 80,000 people.



We structure our businesses across four market units; Australia and New Zealand, Europe and Latin America, the UK and International Markets.

Globally, health insurance revenue accounts for 73% of our business, with domestic health insurance businesses in Australia, the UK, Spain, Chile, Saudi Arabia, India, Hong Kong and Brazil.



Provision revenue accounts for 18% of our business.

We operate over 350 health clinics, and have hospitals in Spain, Chile, Poland and one in the UK.



We provide dental insurance in Australia, the UK, Spain, Chile and Brazil. We have over 900 dental centres across the UK, Ireland, Australia, Spain, Chile, New Zealand, Poland, Brazil and Hong Kong.



Aged Care revenue accounts for 9% of our business. We have over 300 care homes in Australia, New Zealand, the UK and Spain. And 37 Retirement Villages in the UK and New Zealand.



### 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 enact 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 2018 we enhanced our digital training to make the Code more relevant to our specific business lines, insurance, Hospitals/Clinics, Dental and Care Services – to help our people better understand their roles.
- Our Speak Up policy sets out our commitment to being a place where 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. There is a locally tailored approach for each Market Unit, and the group policy specifically calls out modern slavery and human trafficking as examples of things we encourage people to speak up about.
- Our **Suppliers Policy** sets out our 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 Human Rights Statement outlines our commitment to protect, preserve and promote the human rights of our customers, our people and our partners around the world. It is guided by fundamental principles of human rights, such as those in the United Nations Universal Declaration of Human Rights.
- 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.

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

### *Within Bupa*

Since 2016, with the help of our People teams around the world, we carry out an annual assessment of any risk of modern slavery and human trafficking occurring within Bupa itself. The questions are based on Home Office guidance<sup>4</sup> 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 global People team. For 2018, 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. In 2018, we improved our procurement due diligence processes in our businesses in the UK geography by:

1. Continuing with our existing modern slavery due diligence risk assessment that identifies high risk suppliers that serve the UK geography. This process occurs annually. (See below).
2. Extending the current standard UK due diligence process to now include a modern slavery assessment.

If through any of these methods an adverse response is identified, the case is investigated further, and a plan of action is established.

We've also updated our General Purchasing Conditions to include specific modern slavery clauses in our second largest market – Europe and Latin America. In Australia we've introduced a supplier code of conduct that sets out the minimum standards of behaviour Bupa expects its suppliers to meet in the areas of labour and human rights, health and safety, sustainability, business integrity, privacy and supplier diversity.

## **Identifying the risk of modern slavery across our business**

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 2018, we continued to remove 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 and 2018.

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 is in the form of a detailed questionnaire, evaluated by our Procurement team, in consultation with our Legal, Risk and Corporate Responsibility and Sustainability teams. The questions 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.

### Assessing our effectiveness in preventing Modern Slavery

In 2018, we kept the same KPI's as the previous year, our progress is as follows:

KPI	Performance
Steps taken to upskill high risk suppliers, with a focus on whistleblowing tools to help them detect and mitigate modern slavery risk	In 2018, we continued to focus 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. Responses are reviewed on an ongoing basis.
Staff training levels	We have now completed three years of training focussed on building awareness with our Senior Management, Procurement and People teams.
The number of investigations undertaken into reports of modern slavery and remedial actions taken in response	In 2018 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

We've completed three years' worth of training which in the first two years focused on building awareness within our Senior Management, Procurement and People teams, and Speak Up whistle-blowing line officers around the world of what human trafficking and modern slavery is and the various responsibilities these teams have for monitoring compliance with our policies and reporting concerns.

In 2018, building on the existing training in place, modern slavery was discussed at the annual Global Procurement Forum, and with Corporate Responsibility and Sustainability leads.

### Our priorities for the year ahead

In the year ahead, we intend to:

- Establish a working group, comprised of Legal, People, Procurement, Risk and Corporate Responsibility and Sustainability representatives. Now that the act has been in operation for three years, the group will review our learnings and approach
- 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.

- Refresh staff training for specific audiences including Senior Management, Procurement and People teams, building learnings from the past three years.
- Take preparatory steps for the introduction of anti-modern slavery reporting in Australia.
- Review our risk assessment process, developing a more sophisticated approach which takes account of the extent to which Bupa can influence and drive change in a given area of exposure; enabling us to prioritise those areas where we can have the most significant future impact.

We understand that modern slavery risk is not static, and will continue to evolve our approach, including updating our KPI's.

*This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 for the financial year ending 31 December 2018. The boards of the Bupa entities listed in Annex 1, as well as The British United Provident Association board, have approved this statement.*

Signed



Evelyn Bourke  
Group Chief Executive Officer  
15 May 2019

## **Annex 1**

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

- BUPA Care Homes (CFO Homes) Limited
- BUPA Care Homes (ANS) 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 (BINS)
- Bupa Insurance Services Limited (BISL)
- Bupa Investments Overseas Limited (BIOL)