

## Introduction

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (“**MODSA**”). Aegon Asset Management UK plc (“**AAM UK**”) has agreed to make a statement to set out the steps taken to ensure that modern slavery and human trafficking are not taking place in any part of AAM UK’s business or supply chains. AAM UK undertakes an annual review of the steps it has taken to safeguard against modern slavery and human trafficking as well as its compliance with relevant policies.

## Organisation’s Structure

AAM UK is a specialist investment management business which manages assets on behalf of UK and international clients. AAM UK’s principal place of business is in Edinburgh and it is a subsidiary of Aegon Asset Management Holding B.V. which, in turn, is part of the Aegon N.V. group. AAM UK is authorised and regulated by the Financial Conduct Authority and registered with the Securities Exchange Commission.

## Our Business and Supply chains

AAM UK has proven investment management capabilities across fixed income, equities, multi-asset, property, absolute return, and sustainable & ethical investing. We offer agile and responsible investment management expertise to our customers, and we distribute our capabilities in the UK and many other countries. In order to provide these services to our customers we procure a range of services from third party suppliers (from within the UK and overseas) who, in turn, may enter into sub-contracts with their suppliers. We also outsource certain administrative and operational functions.

The UK Financial Services sector is not considered high risk for modern slavery/human trafficking; however, we still expect transparency from our suppliers and business partners, and we will not knowingly support or deal with any business involved in modern slavery/human trafficking. In the event that we did become aware of any modern slavery/human trafficking issues within any of our supply chains, this would be escalated and treated as a significant concern at the most senior levels in our organisation, with appropriate action taken without delay.

Higher risk areas such as our real estate investments (and suppliers linked to these areas) are subject to enhanced due diligence and we will only engage with suppliers who have specifically confirmed their compliance with modern slavery legislation and that have effective controls in place to demonstrate this compliance. It should be noted that we are currently in the process of removing direct real estate investments from our portfolio within the UK.

## Our Policies on Modern Slavery and Human Trafficking

AAM UK is committed to ensuring that there is no modern slavery or human trafficking in our supply chains, nor in any part of our business. We have a number of policies which collectively demonstrate our approach to such issues:

- Our Anti-Slavery and Human Trafficking Policy reflects our commitment to ensuring effective systems and controls such that slavery and human trafficking are not taking place anywhere in our supply chains.

- Our Global Vendor Code of Conduct reflects our commitment by requiring suppliers to meet social sustainable procurement standards such as eliminating forced or compulsory labour, effectively abolishing child labour, providing fair wages, following applicable law on working hours, respecting human rights, refraining from discrimination, providing a safe and healthy working environment with adequate training and appropriate grievance mechanisms. Our Procurement Procedure has been amended so that all suppliers are required to sign up to our Global Vendor Code of Conduct as part of the on boarding process or contract renewal process.
- Our Responsible Investment Policy incorporates environmental, social and governance considerations into our evaluations and engagement with investee companies. Our investment approach is a mechanism through which we believe we can drive change.
- Our Speak Up Policy allows our staff to escalate any concerns. This is a confidential and independent service available to our employees and all reports received are investigated and appropriate action taken.
- Our Global Code of Conduct describes the principles and standards that we hold ourselves to and ask all our employees to abide by during their employment. Our Code states that *“Aegon is committed to upholding internationally recognised human rights. Under Aegon’s human rights policy, all the company’s activities are guided by the articles of the United Nations Universal Declaration of Human Rights, the core standards of the International Labour Organisation and the principles on human rights and labour standards contained in the UN Global Compact”*.

We pay all employees the real Living Wage and are officially accredited as a Living Wage employer. This means that as well as requiring in-scope suppliers of regularly contracted staff to pay the real Living Wage, AAM UK is encouraging all of its UK suppliers to adopt the real Living Wage and its non-UK suppliers to identify and adopt an ethical pay standard. Further, we ensure our employees are supported by the Employee Assistance Programme and a range of flexible benefits.

### Due diligence processes and risk assessment for slavery and human trafficking

We build long-standing relationships with suppliers and make clear our expectations of business behaviour.

Our approach to responsible investment is consistent with the UK Stewardship Code. The UK Stewardship Code sets out good practice principles on engagement with investee companies which UK-based institutional investors should aspire to. A statement outlining our compliance with The Code’s Principles can be found at: [www.aegonam.com](http://www.aegonam.com)

Our annual Healthchecks with our key suppliers consider the risks associated with modern slavery as part of the appointment and oversight process. To ensure all those in our supply chain and contractors comply with our values we incorporate anti-slavery and human trafficking provisions into our contracts thus imposing an obligation on our suppliers to comply with MODSA and to themselves have in place processes and policies to deal with slavery and human trafficking.

### Our effectiveness in combating slavery and human trafficking

We monitor compliance with our Anti-Slavery and Human Trafficking Policy and other policies set out above. In case of non-compliance, we would respond in a manner proportionate to the nature and extent of any violation.

We have consistently tracked our progress throughout the year in improving our modern slavery/human trafficking compliance to meet our commitments.

#### Training and recruitment

Training on the use of the Global Vendor Code of Conduct has been provided to all Procurement & Vendor Management and Legal team employees.

#### Further steps

We continue to monitor improvement and consider further steps we can take to ensure that there is no slavery or human trafficking in our business or supply chains.

We have participated in panel discussions with our peers to ensure we consider market best practice to combating modern slavery.

This statement is made pursuant to section 54(1) of MODSA and constitutes our modern slavery statement for the financial year ending 31 December 2022.

On behalf of **Aegon Asset Management UK plc**:

**Director:**

*Kirstie S MacGillivray*

**Date:**

15 June 2023