



2016 Schroders Slavery and Human Trafficking Statement

December 2016

This statement has been published in accordance with the Modern Slavery Act 2015 (the “Act”). It sets out the steps that Schroders plc and other relevant group companies (“Schroders” or the “Group”) have taken during 2016 and will be taking in 2017 to prevent slavery and human trafficking from taking place in our supply chains or any part of our business.

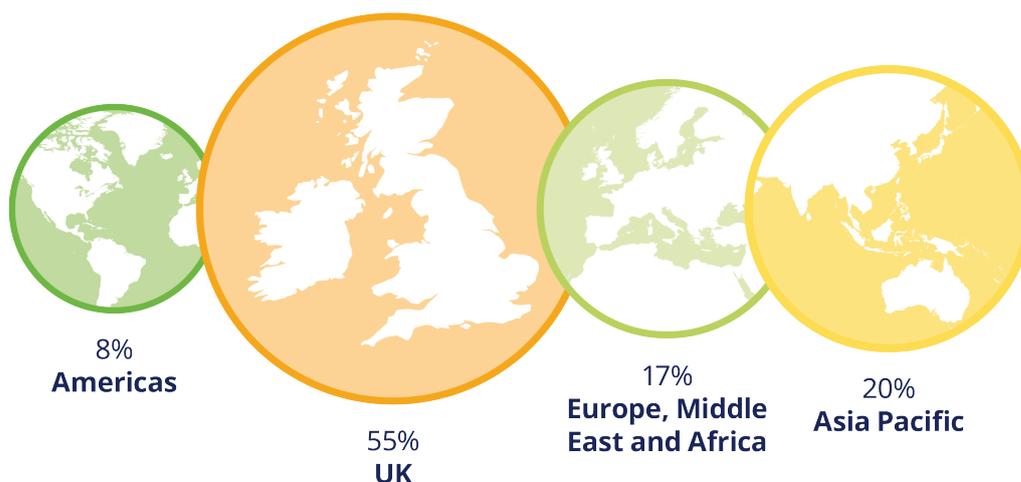
Organisational structure

Schroders is a global asset management organisation operating from 37 offices in 27 different countries across Europe, the Americas, Asia, Africa and the Middle East and employing over 4,000 people¹. We manage assets on behalf of institutional and retail investors, financial institutions and high net worth clients from around the world. We also offer private clients wealth management services.

Schroders plc is the ultimate holding company of the Schroders Group with its head office based in London and 142 subsidiaries globally.

Our people

We have more than 4,100 employees who are essential to our success. They are based around the world, close to our clients and to the markets in which we invest.



Our commitment to combat slavery and human trafficking

Schroders is strongly opposed to slavery and human trafficking and will not knowingly support or conduct business with any organisation involved in such activities.

Schroders relies on the use of third parties to support high quality, effective and efficient delivery of our services to clients and we expect all of our suppliers to operate in a responsible, ethical, open and transparent way and in compliance with all applicable laws and regulations. We undertake due diligence on all material suppliers and establish on-going performance measurement to monitor, review and manage these relationships.

As an asset management firm with relatively simple supply chains predominantly comprising business and

professional services organisations, we believe that there is limited risk of slavery or human trafficking taking place. Notwithstanding this, Schroders is committed to developing initiatives to prevent slavery or human trafficking in its supply chains.

Initiatives being undertaken

We have recently revised our Procurement Policy and developed a new Supplier Relationship Management Policy to improve the governance of our relationships with suppliers and enhance the robustness of our procurement process.

We will also be introducing a Supplier Code of Conduct ('Code') to set out the behaviours and high standards that we expect from our suppliers. The Code will require that the prohibition of forced labour and human trafficking

together with the ethical and responsible sourcing of goods or services are incorporated into the sourcing governance and execution processes of our suppliers. We will expect our suppliers to meet the requirements of the Code and will monitor and manage on-going compliance.

As a responsible investor we have examined modern slavery as an investment risk across our holdings in high risk sectors. A detailed research note covering our analysis of company holdings and approach to company engagement is available via Schroders Talking Point: View.

Human Resources Practices

In 2015 Schroders conducted a firm-wide 'Employee Opinion Survey'. The results were encouraging, demonstrating that our employees understand our values, believe that our people are treated with fairness and respect and believe that we behave responsibly towards our clients. A further survey will be conducted in early 2017 and we will report the results in our next annual statement.

We recognise that training is crucial to raising awareness of issues around slavery and therefore we are introducing an e-learning module for employees to understand our obligations under the Act.

Schroders operates a Whistleblowing Policy that encourages all employees to report any suspected concerns regarding unethical behaviour. Our Human Resources team will also conduct a full review of all relevant staff policies and practices over the coming calendar year to ensure that they are consistent with Schroders' wider initiatives in this area.

This statement has been approved by the Boards of Schroders plc, Schroder Investment Management Limited, Schroder & Co. Limited, Schroder Pension Management Limited, Schroder Unit Trusts Limited and Schroder Real Estate Investment Management Limited.

**Peter Harrison,
Group Chief Executive,
Schroders plc**

07 December 2016



We are an accredited
London Living
Wage Employer.