



Vanguard[®]

Vanguard - Modern Slavery Act 2015 Statement

Policy statement

Section 54 of the Modern Slavery Act 2015 requires commercial organisations carrying on all or part of a business in the UK which supply goods or services; and have a total turnover of not less than £36m, to prepare and publish a slavery and human trafficking statement ("Statement") for each financial year.

This statement on slavery and human trafficking is made by Vanguard Asset Services Limited on behalf of itself and relevant Vanguard UK group subsidiaries ("we", "us", "our") that are subject to the requirements of Section 54 of the Modern Slavery Act 2015 (the "Act"). This statement is made in relation to the financial year ended 31 December 2017.

The ultimate parent company of Vanguard Asset Services Limited and Vanguard UK group subsidiaries is The Vanguard Group, Inc. Vanguard is a global asset manager operating from 18 offices worldwide and employing over 16,000 members of staff ("Crew"). Vanguard manages assets on behalf of retail and institutional investors around the world and strives to provide investors with the best chance for investment success.

We consider that due to the nature of the services we provide, the risk of involvement of our resources in modern slavery and human trafficking is low.

Our approach

We consistently seek to earn and maintain the trust and loyalty of our investors by adhering to the highest standards of ethical behaviour and fiduciary responsibility. Accordingly, we must conduct ourselves in accordance with applicable law and regulations, and the standards of conduct as set out in Vanguard's Code of Ethics. The Code of Ethics ("Code") has been approved and adopted by the boards of directors of each of Vanguard's affiliates, as applicable. Unless stated otherwise, the Code applies to all Crew. The Code also contains provisions applicable to Independent Directors and Trustees.

Vanguard adheres to the highest ethical standards. We are committed to doing business with integrity and observing all applicable laws, rules, and regulations. In doing so, we maintain our reputation and the trust of our clients.

Recruitment

Vanguard is an equal opportunities employer that seeks to ensure that recruitment is handled with fairness and integrity. We carry out background checks and pre-employment screening during our recruitment process. Additionally, to ensure that our resources are not used for the furtherance of slavery, we maintain a robust recruitment and on-boarding process which includes checks built in to ensure all individuals employed by us have the right to work in the UK, are paid a fair salary in compliance with all relevant rules and regulations, and are not subjected to human trafficking or forced labour.

Supply chains

We follow an established procurement policy and vendor oversight programme which defines the processes for procuring goods and services from external vendors. These processes apply to all Crew and are designed to ensure that procurement is carried out in a manner that:

- Mitigates legal, business, and financial risks associated with vendor contracts;
- Ensures the highest standards of ethical and business conduct between Crew members and vendors; and
- Instils shareholder, vendor, and public confidence in Vanguard and its subsidiaries.

In contracts with suppliers providing contractors and other personnel to us, Vanguard requires that they comply with all applicable laws relating to or affecting the work to be performed by that supplier, including all rules and regulations related to equal employment opportunity and immigration, and that the supplier will obtain and maintain all permits, visas, licenses, and consents required in connection therewith.

Compliance

Vanguard takes compliance with its policies seriously and, in the event of a breach, requires its suppliers to act quickly to take corrective actions, as appropriate. In the case of material, multiple or continuous breaches of its policies, Vanguard may choose to discontinue its relationship with a supplier.

Vanguard requires that its employees comply with its policies and implement them as required. Any employee that breaches such policies may be subject to disciplinary action.