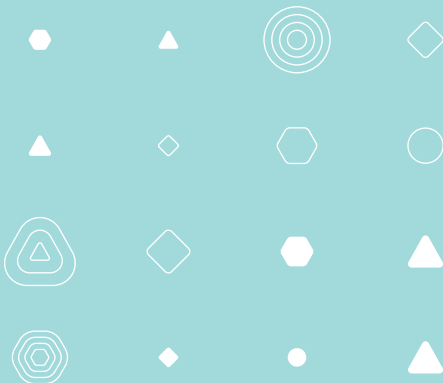




Modern Slavery and Transparency in Supply Chains Statement





Purpose and scope

This Modern Slavery and Transparency in Supply Chains Statement (the “Statement”) is made pursuant to section 54 of the Modern Slavery Act 2015 (the “Act”). This Statement relates to the financial year ending 31 December 2016, and the activities of Simplyhealth Group Limited and its subsidiary companies.

It sets out the steps we have taken to ensuring that there is no modern slavery and human trafficking in our business and supply chains.

Our approach

Simplyhealth’s approach to tackling modern slavery and human trafficking is to make clear commitments, progressing against those commitments and being honest about the challenges faced.

This Statement is written in the spirit of transparency and acknowledges that while we have made progress and we are committed to improving our practices, there are still areas on which we need to work.

Who we are

We exist to help people make the most of life through better everyday health. Our ambition is to be the first people to turn to for extra help with everyday health. We have been supporting customers with their everyday health needs for over 140 years. Our customers are our number one priority. We have over half a million health conversations with our customers every year and provide over three million people across the UK with access to the everyday health products, services and support that they need, when they need it, at a price they can afford.

Our purpose is to help people make the most of life through better everyday health and our corporate giving is at the heart of fulfilling that purpose and honouring our heritage. That’s why we donate 10% of our pre-tax profits to our charitable partners each year.

Our strategic objective is to generate a long-term sustainable profit from our business delivering on our purpose, whilst moving away from a sole focus on healthcare funding towards a diversified health business offering delivery, funding, advice and guidance.

Our businesses

Our individual health plans make it easier for our customers and their families to get the treatment they need, when they need it. We have two health plans. With our Simply Cash Plan our customers are covered for a range of benefits including visits to the dentist, optician, physiotherapist and chiropractor. Our Simply Dental Plan gives our customers the additional coverage for dental treatments to keep their smile bright and healthy.

We work with businesses looking to improve the everyday health of their employees. Our health and dental plans promote a preventative approach, enabling businesses to attract and retain talent whilst reducing sickness absence.

We work with intermediaries to deliver clients' objectives and add value to their wellbeing strategy. Our plans include optical and dental, employee assistance, lifestyle discounts and access to GP services.

We work with professionals in dental, veterinary and healthcare practitioner practices, offering a range of support services to aid practice growth, allowing them to help their client base make the most of life.

Supply chains

It is the intention of all Simplyhealth group companies to source goods and services from suppliers on our Approved Supplier List (ASL), managing our supply-base and improving supplier alliances. Suppliers are added to the ASL following appropriate due diligence and contractual checks.

We believe that effective procurement at Simplyhealth includes ethical, socially responsible behaviours in all supplier interactions including:

- Engagement and compliance with the Bribery Act 2010;
- Engagement and compliance with the Modern Slavery Act 2015;
- Engagement and compliance with outsourcing regulatory requirements; and
- Avoidance (or declaration) of any conflict of interest.

All new supply chain contracting activity is captured within our 'source to contract tool' that manages the flow of a new contract from requirement/concept, to contractual sign off with the chosen supplier.

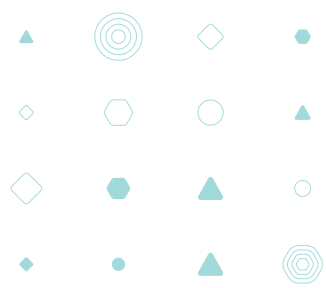
We clarify (by way of an appropriate checklist with suppliers) that within our control framework we need to be able to demonstrate/evidence that appropriate programmes are in place to manage the risk of modern slavery and human trafficking within our industry, and that this requirement extends to ensuring that our suppliers have similarly appropriate arrangements.

Training, Guidance and Principles relating to Modern Slavery and Human Trafficking

- All employees within our procurement function have a full understanding of the issues affecting us in relation to modern slavery and human trafficking;
- Our legal function has a full understanding of the impact of modern slavery and human trafficking, together with the need for our business to implement the provisions of the Act with a purposive approach, and not merely at a compliance level;
- We believe that our strength is in our people, and their vigilance will ensure successful engagement; as such we have provided guidance informing all employees of our corporate duties and our expectations in relation to employee action and awareness;
- Our Board of Directors has been made aware and fully briefed on the nature and requirements of the Act, and the impact on our group;
- All employees have access to our modern slavery and human trafficking documentation via our corporate intranet; and
- Looking forward, plans are in place to engage with the requirements and guidance laid out in the Modern Slavery (Transparency in Supply Chains) Bill [HL] 2017-19.

The following supplementary principles and toolkits are available to all employees:

- **Running our Business** – we have Whistleblowing Principles in place to allow all employees to be able to report any concerns about how their colleagues are treated, or to report any concern regarding our business practices. This includes any circumstances that may give rise to an enhanced risk of modern slavery or human trafficking. The whistleblowing toolkit is designed to make it easy for employees to make disclosures without fear of retaliation;
- **Our People** - we strive for the highest possible standards of employee conduct and ethical behaviour as laid out in Our People Principles;
- **Agency Workers** – we use only specified, reputable employment agencies to source labour and we always verify the practices of any new agency we are using before accepting workers from that agency; and
- Our approach to corporate social responsibility underpins how the organisation takes account of the economic, social and environmental impact of our operation.



Due diligence processes for slavery and human trafficking

We have established an internal governance structure on modern slavery and human trafficking at both operational and leadership levels. The General Counsel, together with the senior management of each business unit and in conjunction with our procurement function are responsible for engagement.

Assessment of risk

We have conducted a risk assessment of modern slavery and human trafficking in relation to our procurement principles, supply chains and internal workings.

Simplyhealth is not heavily reliant on third party suppliers. We do however rely on IT as well as some outsourced services. We are aware that there are modern slavery and human trafficking risks in the supply chains for IT goods and services. We attempt to purchase these goods and services from large, global suppliers.

Going forward we are proposing to implement a checklist within our 'source to contract tool', to ensure each internal buyer has undertaken due diligence on a new supplier. We accept we have limited ability to influence how suppliers structure their supply chains; however we hope in the future to work with external suppliers and partners with a view to influencing how they manage their supply chains.

In the future we will be undertaking a risk assessment of worldwide services used by customers, with particular reference to the provision of treatment provided by partners providing worldwide dental injury and dental emergency cover.



Evaluation

To evaluate the effectiveness of the measures we are taking, the General Counsel, supported by our Human Resources function, procurement function and business unit senior management will be responsible for modern slavery and human trafficking engagement, and publicising this across the group.

We have established a framework for organisational accountability, to allow for employees and others to raise issues, make suggestions, voice grievances and report suspected or actual modern slavery or human trafficking.

We have raised awareness amongst our people, of the risks of modern slavery and human trafficking, the requirements of the Act and its objectives, together with our procedures to ensure compliance.

We are aiming for a response rate of 100% of employees accessing and understanding the information on our website.

We aim to map our supply chains for goods assessed as potentially higher risk, with reference to the Global Slavery Index.

Approved by the Board of Simplyhealth Group Limited



Romana Abdin
Chief Executive

22nd November 2017



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