

# Modern Slavery and Human Trafficking Statement 2022





**The information in this statement, which is signed by our Chief Executive Officer, Jon Lewis, details the policies, processes and actions Capita has taken to mitigate the risk of modern slavery and human trafficking in our supply chains and any part of our own business.** It covers the activities of all businesses in all jurisdictions within the Capita plc Group of companies and is Capita's Modern Slavery Statement for the financial year ended 31 December 2021, required under the provisions of the Modern Slavery Act 2015 (the "Act").

# Our commitment

**Slavery is illegal everywhere in the world, but despite that, there are currently an estimated 40.3 million people in modern slavery or victims of human trafficking across the globe.** Out of the millions of people trapped in modern slavery, 16 million people are exploited by the private sector, so it is paramount that businesses take action to end these abhorrent practices.

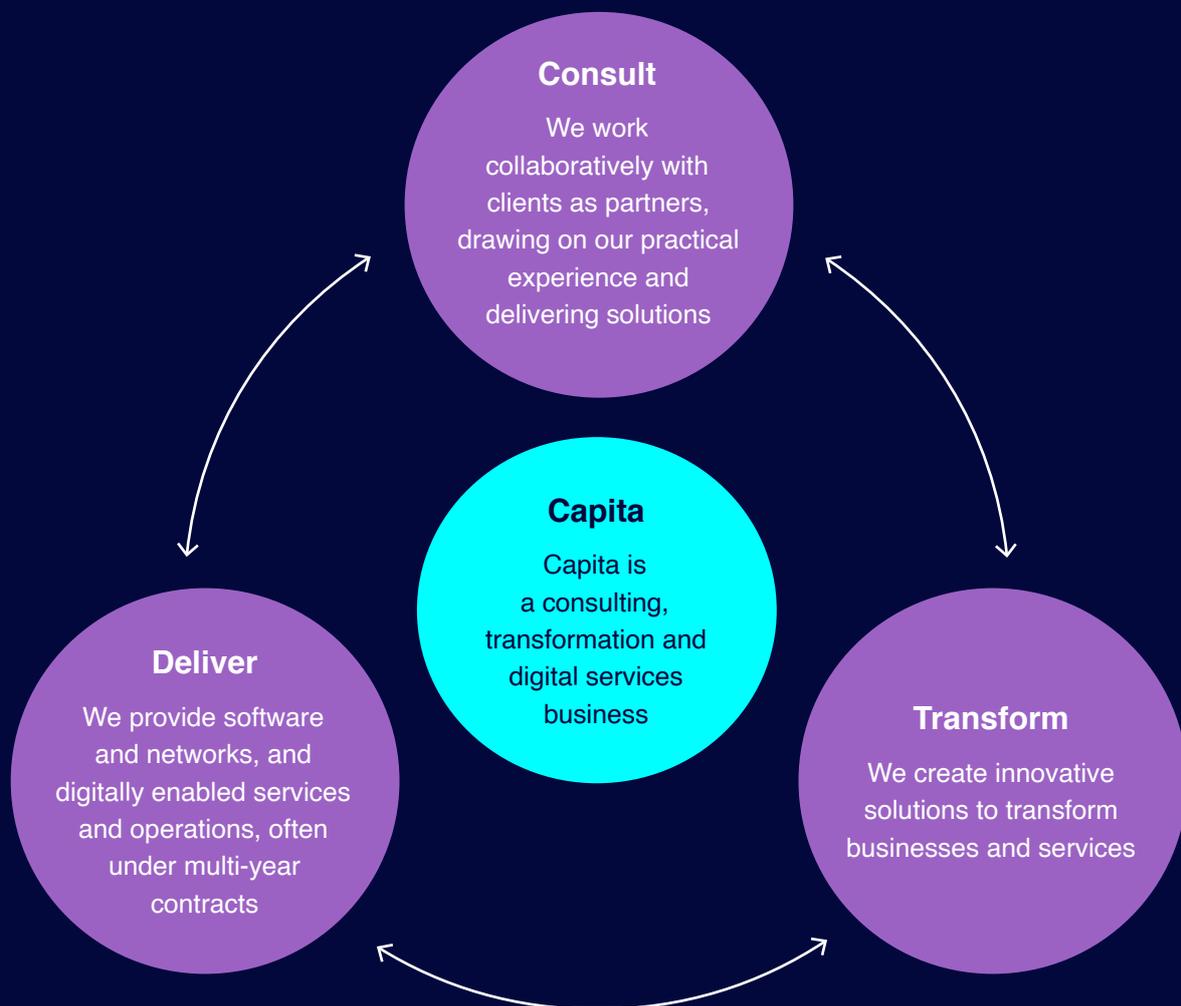
At Capita, we are committed to playing our role by ensuring that through our management and operations we have the systems, policies and processes in place to identify any potential instances of exploitation and, if found, eradicate modern slavery in all its forms from our business and supply chain. We are taking the appropriate steps to ensure that everyone who works for Capita benefits from a working environment in which their fundamental human rights are respected and anyone that we do business with also upholds these principles.



# Our business and structure

Capita is a consulting, digital services and software business, with annual turnover of £3.2 billion. We deliver innovative solutions to simplify the links between businesses and customers, governments and citizens, partnering with our clients to transform their businesses and services.

We do complex and difficult things — so clients don't have to. We are part of the fabric of society, helping millions of people every day. We work across a range of sectors, providing the insight, innovative solutions and cutting-edge technologies that give time back, allowing our clients to focus on what they do best and making people's lives easier and simpler.



# Our divisions

We operate across three divisions – Public Service, Experience and Portfolio – in the UK, Republic of Ireland, Europe, India, US, Dubai and South Africa. The divisions are supported by a common set of company-wide capabilities and functions.

## Public Service

The number one strategic supplier of business process services (BPS) and technology services to the UK Government.

**Main verticals:** Education & Learning; Local Public Services; Health & Welfare; Defence, Security & Fire; Justice, Central Government and Transport

## Experience

The UK's leading customer experience business with a blue-chip client base designing, transforming and delivering high-quality customer service.

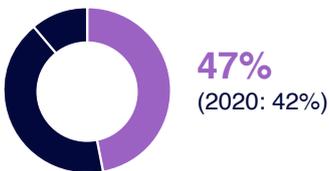
**Main verticals:** Telecoms, Media & Technology; Multi-industry; Financial Services

## Portfolio

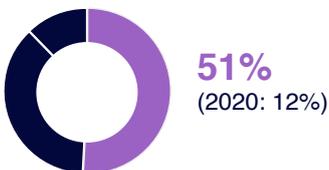
An expanded portfolio of valuable but non-core businesses.

**Pillars:** People; Property; Technology; Software; Business Solutions; Travel; FERA

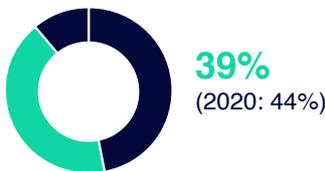
### Adjusted revenue contribution



### Adjusted divisional operating profit contribution



### Adjusted revenue contribution



### Adjusted divisional operating profit contribution



### Adjusted revenue contribution



### Adjusted divisional operating profit contribution



# Our purpose and values

We are driven by our purpose: to 'create better outcomes' – for our colleagues, clients and customers, suppliers and partners, investors, and society. We are committed to being a responsible business – in how we operate, serve society, respect our people and the environment, and deliver improving returns to our investors. Everyone at Capita strives to create better outcomes for all our stakeholders by living our values of being open, ingenious, collaborative and effective. We bring these values to life through our day-to-day behaviours and by putting our purpose at the centre of everything we do.

Our values and behaviours remain more relevant than ever.



# Our stakeholders

Capita is a purpose-led organisation that exists to create better outcomes for all our stakeholders. This includes our people, clients, customers, suppliers and partners, as well as investors and civil society organisations.

Stakeholder	What matters to them	How we engaged
<b>Our people</b>	<ul style="list-style-type: none"> <li>• Flexible working</li> <li>• Learning and development opportunities leading to career progression</li> <li>• Fair pay and benefits as a reward for performance</li> <li>• Two-way communication and feedback</li> </ul>	<ul style="list-style-type: none"> <li>• People survey</li> <li>• Regular all-employee communications</li> <li>• Employee director participation in Board discussions</li> <li>• Employee focus groups and network groups</li> </ul>
<b>Clients and customers</b>	<ul style="list-style-type: none"> <li>• High-quality service delivery</li> <li>• Delivery of transformation projects within agreed timeframes</li> <li>• Rapid response to support pandemic planning</li> </ul>	<ul style="list-style-type: none"> <li>• Client meetings and surveys</li> <li>• Regular meetings with government and annual review with Cabinet Office</li> <li>• Created a senior client partner programme giving an experienced, single point of contact for key clients and customers</li> </ul>
<b>Suppliers and partners</b>	<ul style="list-style-type: none"> <li>• Payments made within agreed payment terms</li> <li>• Clear and fair procurement process</li> <li>• Building lasting commercial relationships</li> <li>• Working inclusively with all types of business</li> </ul>	<ul style="list-style-type: none"> <li>• Supplier meetings throughout source to procure process</li> <li>• Regular reviews with suppliers</li> <li>• Supplier questionnaires</li> </ul>
<b>Investors</b>	<ul style="list-style-type: none"> <li>• Financial reporting</li> <li>• Access to the Board and senior management</li> <li>• Regular communication</li> </ul>	<ul style="list-style-type: none"> <li>• Financial and other reports and trading updates</li> <li>• Regular investor programme and feedback throughout the year</li> <li>• Government roundtable for shareholders</li> <li>• Remuneration consultation</li> </ul>
<b>Society</b>	<ul style="list-style-type: none"> <li>• Social mobility, youth skills and jobs</li> <li>• Digital inclusion</li> <li>• Diversity and inclusion</li> <li>• Climate change</li> <li>• Business ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Memberships of non-governmental organisations</li> <li>• Charitable and community partnerships</li> </ul>



**We also recognise that there are risks in relation to modern slavery and human trafficking outside of our core stakeholder groups.** That is why we work closely with other partners such as recruitment agencies and trade unions to mitigate those risks:

### **Recruitment agencies**

In 2021 we recruited, or supported internal movement for, more than 8,000 people through our internal resourcing team and via external recruitment agencies. We work with 175 agencies who must comply with our Supplier Charter and undergo our rigorous due diligence assessment to ensure that they are recruiting in line with our policies and values, and that they apply inclusive and value-based recruitment practices.

### **Trade unions**

Capita takes a partnership approach to union relations as we believe it adds value to all the stakeholders and relationships concerned. We also believe it provides our colleagues and our recognized unions with genuine opportunities to contribute to the future success of our organisation.

Many of our contracts operate in unionised environments, and an essential part of our approach is to maintain proactive and constructive relationships with those groups. To achieve this, we meet with recognised trade unions in line with the collective agreements in place, for example Unison, Communications Workers Union (CWU) and Unite, as determined, on a regular basis. Matters for discussion can include business performance, strategy and resolving local issues raised.

# Our people

Country	Apr-22
United Kingdom	33,214
India	6,940
Germany	4,824
South Africa	4,098
Switzerland	1,315
Ireland	1,131
Poland	580
United Arab Emirates	98
Isle of Man	53
United States of America	8
<b>Total</b>	<b>52,261</b>

## Our clients and sectors

We work across a range of sectors, partnering with our clients and providing them with the insight and cutting-edge technologies that allow them to focus on what they do best, making peoples' lives easier and simpler.

**Private sector:** | Financial services | Pensions | Retail | Telecoms and Media | Transport | Energy and Utilities

**Public sector:** | Central government | Local government | Education | Defence and Security | Health and Welfare | Justice and Emergency Service



# Our supply chain

With 21,000 suppliers, we recognise that Capita's supply chain is critical to our success and is also primary risk area. We therefore seek to build lasting relationships, treating our suppliers fairly and paying promptly. We want to work with suppliers who share our values and support us in delivering our purpose to create better outcomes.

We spent more than £2bn in 2021 with nearly 21,000 suppliers in 82 countries, 81% of suppliers are based in the United Kingdom. 3.1% of our suppliers originate in 8 countries with a high risk of modern slavery, with 2.99% from India. Less than 1% of our suppliers originate from the remaining high-risk countries as defined by the Global Slavery Index.



**£2bn**

Capita spend with suppliers



**81%**

of our direct suppliers based in the UK



**Circa 21,000**

direct suppliers in 82 countries

Annually, we benchmark ourselves against external indices to ensure our approach to responsible business is appropriate for our organisation and in line with industry best practice.

As a responsible business, Capita recognises the importance of independent non-financial reporting and memberships which demonstrate commitment to our purpose and values. We actively participate in an EcoVadis<sup>3</sup> assessment annually, an independent assessment of our approach to labour and human rights, which includes our response to modern slavery. In 2021 we retained the silver level in our assessment.

We partner with organisations which share our values and support responsible business practice, including modern slavery, activities. Our memberships include Business in the Community, The Good Business Charter, an initiative developed in partnership with the Confederation of British Industry and Trades Union Congress of which Capita were the first accredited business, and the Employers Network for Equality and Inclusion.

<sup>3</sup> The EcoVadis CSR Assessment is an evaluation of how well a company has integrated the principles of CSR into their business. The objective is to get a clear picture of your CSR practices (i.e. environment, social, ethics, supply chain).

# Governance and policies

## Our governance

**Our commitment to human rights and the eradication of modern slavery is overseen by our senior leadership team.** Capita's Executive Committee consists of functional heads and executive officers who are entirely accountable for their division and function, including Responsible Business, Human Resourcing and Procurement.

Overall accountability is held by the Responsible Business Committee, chaired by Capita's Chief Executive Officer, Jon Lewis. The Board have final sign-off of the Statement.

---

## Our policies

The following company policies support us in mitigating the risks of modern slavery in our business and supply chain. They apply to all Capita plc Group companies and are available to all colleagues via our intranet site and website. The policies are managed by relevant functional heads such as HR, Procurement and Responsible Business, and are imbedded in our company-wide risk management framework.

### Code of Conduct >

(The Code) describes what we must do and how we must behave to ensure we have the trust of all our stakeholders. And we will create better outcomes in the right way, not at any cost, in line with our purpose and values. The Code builds on these foundations and applies to everyone who works at, or with, Capita. It summarises in one place elements of our key policies, and the standards and procedures which support them.

### Speak Up Policy >

sets out our commitments to speaking up about serious concerns, detailing how any person working at or with Capita, including those employed in our supply chain, can raise concerns or 'whistle blow' and the channels available to do so confidentially, responsibly and effectively and without fear of repercussions. This policy is supported by a fully anonymized online portal which is accessible to all stakeholders, and includes geographically appropriate telephone numbers, run by an independent third party on behalf of Capita. We also run a related 'Disclosure and Whistleblowing' compliance training programme for identified colleagues operating in regulated areas of Capita.

### Supplier Charter >

sets out the principles of how we will conduct business in an open, honest and transparent manner, and the behaviours and practices we expect of our suppliers and partners. This includes specific reference to our expectations for our suppliers to never use or support practices that inhibit the development of children, not hold an individual nor group in slavery or servitude, not use any form of involuntary labour, nor traffic individuals or groups for the purpose of labour exploitation in line with the Modern Slavery Act. We expect all our suppliers to report any issues of compliance with our charter to us within five working days, or any shorter period required by regulation. We expect all our suppliers' colleagues or contractors to report any breaches through their own grievance mechanism, or directly to Capita.

### Diversity and Inclusion Policy >

ensures that we foster a fair and inclusive workplace, where our people are valued, their differences are respected, and discrimination is eliminated. Our policy is supported by a mandatory Diversity and Inclusion training module for all colleagues that needs to be taken annually.

## Procurement Policy >

sets out what our suppliers should expect from us when we buy goods and services and the requirements that must be met by every one of our businesses, in every country where we operate, when doing so. This includes operating responsible business procurement practices with clear and fair procurement processes and paying promptly in accordance with payment terms.

## Human Rights Policy >

ensures appropriate procedures are in place to mitigate the risk of potential breaches of international human rights standards, including the United Nations' Universal Declaration of Human Rights (UDHR), the International Labour Organisation (ILO) core conventions on Labour Rights, and the Modern Slavery Act. The Human Rights policy is referenced within our mandatory Diversity and Inclusion training module.

## Wellbeing Policy >

sets out our commitment to prioritise and create working environments that protect, support, and promote the wellbeing of all our colleagues, managing any factors that may cause negative emotional, psychological, physical, or social impacts. We expect everyone to have the necessary training and awareness to protect the wellbeing of all our colleagues with working conditions that make our people feel happy and healthy.

## Safeguarding Policy >

sets out our commitment to safeguarding our colleagues, and any other adults at risk or children who come into contact with us during work related activities. Safeguarding relates to promoting the welfare of adults at risk or children and protecting them from harm. We are committed to providing the necessary training to our colleagues to do this, fulfilling our legal and regulatory safeguarding requirements, and providing a safe, efficient, confidential and supportive process for reporting and managing any safeguarding concerns or issues.

Capita's commitment includes the provision of a clear approach to raising a grievance, communicated to all colleagues, and that all issues raised will be dealt with fairly and consistently to avoid any claims of discrimination or unfair treatment. Investigations are fully managed, and all hearings held promptly. There is also a fully documented appeal process, with transparent steps in a fully documented Grievance Procedure easily available and accessible to all.



# Risk management

All contract risks, including potential human rights, modern slavery and human trafficking risks, are managed and monitored through the contract lifecycle, as per our Corporate Risk Management Framework. This requires rigorous assessment at contract, business unit and divisional level and review at executive level.

We identified two areas of priority risks in relation to modern slavery and human trafficking, one in relation to our colleagues, and another in relation to our suppliers.

## Colleagues

Our Covid-19 response measures in 2020/21 resulted in 85% of Capita's workforce having to move to a home-working environment, which could lead to safeguarding and vulnerability issues.

To manage the potential risks relating to colleague vulnerability, the wellbeing of all our colleagues (whether working from home, remotely, in the field or in the office) has remained our priority. We identified a specific modern slavery and exploitation priority risk in relation to the inability to carry out standard 'right to work' in-person identity checks due to the social restrictions imposed during Covid-19. Across our operating geographies this had the potential to increase opportunities for exploitation within our workforce.

From 30 March 2020 and up until 20 June 2021, in the UK, we have implemented the Covid-19 adjusted right to work checks and processes stipulated by the UK Government across all operating geographies. This requires receipt of scanned copies of identity documentation, followed by confirmation of identity via video call. We expect this to continue until the end of September 2022 – at which point there will be a new process in place for Digital Identity.

Our Group Wellbeing Policy and Standard ensure we create working environments that protect, support and make our colleagues feel happy and healthy. Wellbeing is our priority, and we all have a responsibility to ensure we look after ourselves and each other.





All colleagues are encouraged to ask for help, and we have a range of support options available to our colleagues. We have established a Wellbeing Hub to bring all these resources together in one convenient and accessible place, supporting physical, mental, social, and financial wellbeing. We have Colleague Assistance Programs available to all colleagues globally which provide access to counselling and online resources.

We continue to develop our culture, so wellbeing becomes an intrinsic part of everything all colleagues do, encouraging managers to have wellbeing conversations with their people as part of their regular check-ins. We focus on helping to ensure the right home, office or hybrid working environments to support the safety and mental health of our people, which includes processes for colleagues to raise reasonable adjustment request.

We regularly engage with our people to promote wellbeing events and initiatives, driving a proactive approach to awareness and prevention. This is brought together with a Group Wellbeing Calendar to focus on our key priorities, with the Colleague Network Group on Yammer used as a key platform to promote this.

Our Group Safeguarding Policy and Standard sets out our approach to protecting our teams, service users and any member of the public who we have contact with. By embedding this standard, we promote a culture within Capita where safeguarding is everybody's business and ensure a clear and structured approach to safeguarding in all areas of our business. All colleagues complete mandatory safeguarding training and regular assurance activities are carried out to ensure that the standard is being complied to across Capita.

In addition, we provide a 'SafetyNet' service to help colleagues by providing expert independent support and advice to HR partners and line managers across Capita. SafetyNet is a senior multidisciplinary group (medical, HR, HSE, and wellbeing) and was launched in 2021 to help manage complex HR situations that relate to the health / safety / wellbeing of team members, for example, those who have attempted suicide. SafetyNet could also provide support for concerns relating to modern slavery.

## Suppliers

We have a Supplier Risk Framework for assessing and managing our supply chain risk and introduce controls to ensure compliance to our Policies and Supplier Charter. This Risk Framework covers the full supplier lifecycle and defines the organisational responsibilities for supplier management.

As part of the implementation of the framework and assessment, we review annually our Tier 1 and high-risk suppliers against our Responsible Business commitments and credit risk.

As part of the Supplier Risk Framework, we undertake rigorous due diligence on all our suppliers and partner with EcoVadis, an independent ratings body, who can assess companies against four themes:

- environment
- ethics
- sustainable procurement
- labour and human rights

We consider the labour and human rights theme as a priority risk area in relation to modern slavery, and as such suppliers are assessed against all aspects of their treatment of their people, including a requirement to provide evidence of how they guard against modern slavery. In 2021:

- Our high spend and high risk suppliers with valid EcoVadis scorecards on average scored 60 against the EcoVadis benchmark of 45.8 on their labour and human rights assessment
- 5% of Capita's spend was in eight identified high-risk purchase categories, including building maintenance, catering and food services, cleaning, and temporary recruitment, of which only 0.01% was delivered from high risk countries.

The combined effect of Capita's supplier onboarding, due diligence checks, EcoVadis 3rd party audits and our Supplier Risk Management Framework, resulted in zero material breaches occurring.

We work with partners through both direct and indirect recruitment channels who must comply with our Supplier Charter and undergo our rigorous due diligence assessment, to ensure that they are recruiting in line with our policies, values and focus on driving inclusive resourcing practices.

## Due diligence

At a minimum, we expect both ourselves and our suppliers to comply with all applicable local laws and regulations, providing safe working conditions, treating workers with dignity and respect, acting fairly and ethically, and using environmentally responsible practices where practicable.

Suppliers' compliance with the Supplier Charter is managed through our rigorous supplier onboarding due diligence process for all new suppliers and an ongoing annual risk questionnaire for Tier 1 and high-risk suppliers. The questionnaire covers the following areas:

- human trafficking and slavery
- health and safety
- the environment
- data protection
- information security and bribery

We prioritise suppliers that can demonstrate commitment to upholding responsible business practices. Our tendering process includes an increased weighting for those suppliers that perform well against our required criteria related to modern slavery, environment, diversity and inclusion. This takes the form of a mandatory corporate social responsibility questionnaire which includes a statement supported by evidence of a supplier's commitment to addressing human rights and modern slavery which is reviewed for completeness and compliance.

Our standard terms and conditions include a clause that all suppliers are required to comply with our Supplier Charter and uphold the highest standards of human and labour rights. We have zero tolerance for modern slavery and reserve the right to terminate a relationship with a supplier or third party that cannot demonstrate compliance with our Human Rights Policy and Modern Slavery Statement produced by child or forced labour.

Additionally, we do not supply any goods that have been identified by the **US Department of Labor**, to be at higher risk of being produced by child or forced labour.

# Training and communication

## Training

To make colleagues aware of the Act we share this statement with all colleagues through our internal communication channels and a copy of this statement is available on the Capita website ([www.capita.com](http://www.capita.com)).

We also provide training on our policies – please check details in the policy section of our website.

In 2021 we continued to provide an awareness training to all colleagues, both inside and outside the workplace, of our commitments to identify the risks of, and remove all instances of, modern slavery, human trafficking and exploitation. This has been implemented through our mandatory annual pan-Capita Code of Conduct training.

We will also be launching more detailed training for colleagues that have direct responsibility for upholding our commitment to eradicating modern slavery from our business and supply chain. This will include our procurement and resourcing teams.

## Communication

We seek feedback from colleagues through our annual People Survey, which is open to all Capita colleagues.

In 2021, the people survey results showed teams and managers are doing a great job. Trust levels are high within teams, there are regular discussions about performance, and colleagues feel that their managers care about their wellbeing and help them succeed to their full potential.

We also communicate with all our colleagues on a regular basis on number of issues, this includes Group wide communication and campaigns, as well as divisional and local communication.



# Key performance indicators

Our Supplier Relationship Management Framework enables the close management and monitoring of our supplier compliance to our Policies, Supplier Charter and applicable legislation and regulation. We assess our supplier's performance across four key Responsible Business themes:

- environment
- ethics
- sustainable procurement
- labour and human rights

2021 has seen continued coverage across our supply chain of tracking and monitoring KPI's relating to modern slavery.

Key Performance Indicators	2021
Proportion of suppliers assessed using our risk management framework	Tier 1 Suppliers 90% New Suppliers 2020 95%
Overall number of high-risk suppliers	755
Proportion of high-risk suppliers who have been assessed as having appropriate policies and procedures in place with respect to modern slavery	85%
Number of material breaches in the past 12 months	None identified

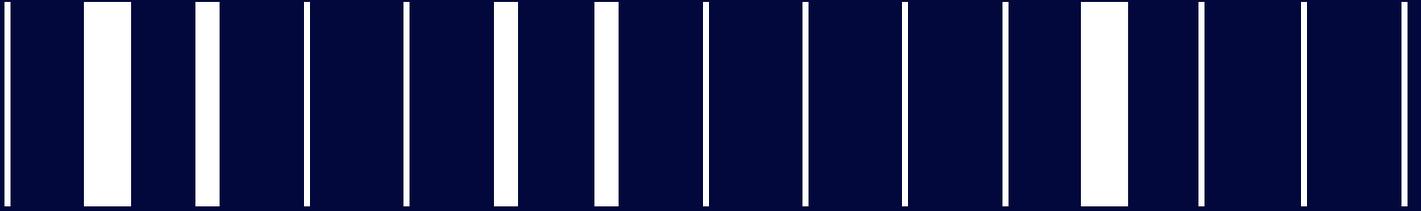
Additionally, going forward we will track training and awareness relating to modern slavery in both Capita and our supply chain in terms of attendance and effectiveness.

## Board approvals

This statement is made pursuant to section 54(1) of the Act. Capita's Responsible Business Committee approved this statement on behalf of our Executive Committee on 10 June 2022. The Capita plc Board approved this statement on 30 June 2022



**Jon Lewis**  
Chief Executive Officer  
June 2022



 **Capita**