

CASE STUDIES CONTINUED

Find it, Fix it, Prevent it: tackling modern slavery

WHAT'S THE ISSUE?

Some 50 million people are trapped in modern slavery, including 28 million in forced labour, according to the International Labour Organization, a UN agency. The number of people trapped in modern slavery has in fact grown over the past five years because of Covid-19, conflict and climate change. By harming people's ability to earn a living, these have left them more vulnerable to exploitation.

The risk to our investments from this crime has never been greater. Companies with poor oversight and management of human rights issues can suffer irreparable reputational damage. Business has a huge role to play in eradicating modern slavery, and the UK's landmark 2015 Modern Slavery Act sought to bring the business community into the fight. However, there still aren't many examples of slavery being discovered in the supply chains of premium listed companies. Some might think this is because modern slavery doesn't exist in these supply chains; we think, rather, that it's under-reported.

WHAT DID WE DO?

In 2020, Rathbones joined fellow investment manager CCLA's 'Find it, Fix it, Prevent it' investor campaign. It was set up to engage with companies listed in the UK, encourage them to identify cases of slavery within their supply chains, support the victims and put in place more robust processes to prevent this from occurring again. The campaign concentrated at first on hospitality companies. Rathbones was the lead investor for the engagement with Mitchells & Butlers, which runs pubs, bars and restaurants. We were also the supporting investor for the engagement with Greggs, the bakery chain.

In 2022, Find it, Fix it, Prevent it moved into the construction sector too. We chose to be the lead investor for the engagement with housebuilder Persimmon and the supporting investor for the engagement with fellow housebuilder Bellway. We also continued to sit on the supervisory committee for Find it, Fix it, Prevent it.

WHAT HAPPENED?

In January 2023, Rathbones had a meeting with Persimmon, along with CCLA as co-lead and several supporting investors. The company gave an overview of its approach to tackling slavery and the process taken to find, fix and prevent it. It also discussed its goals - short, medium and long-term - for building a stronger framework for spotting and tackling modern slavery. We commended the company for uncovering and reporting to the Group a suspected case of slavery and rectifying the situation. We were encouraged to hear how seriously the company approached this issue.



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TIMELINE



The specific securities identified and described are for informational purposes only and do not represent recommendations.

