



Modern Slavery Act 2015 Statement

1: Statement of commitment of the Board of the Pension Protection Fund

The Board of the Pension Protection Fund ("the Board") is committed to preventing acts of modern slavery and human trafficking from occurring within its business and supply chain.

2: Structure of the organisation

The Board is a statutory corporation established by section 107 of the Pensions Act 2004. Its sole office is based in Croydon, Surrey and employs circa 300 employees.

The Board holds, manages and applies the Pension Protection Fund and the Fraud Compensation Fund which are statutory funds. As at the end of March 2016, the assets in the Pension Protection Fund amounted to £23.4 billion as stated in our 2015/16 annual report and accounts.

The function of the Board is to (1) pay Pension Protection Fund compensation to members of eligible defined benefit pension schemes, when there is a qualifying insolvency event in relation to the employer, and where there are insufficient assets in the pension scheme to cover the Pension Protection Fund level of compensation, (2) to administer the Financial Assistance Scheme and (3) to administer the Fraud Compensation Scheme. To find out more about the nature of our business, please click

<http://www.pensionprotectionfund.org.uk/Pages/homepage.aspx>

We work with a range of suppliers; mainly investment fund managers, suppliers of facilities and corporate services, professional services and administration services and also maintain distinct investor relationships concerning our statutory investment and ancillary activities.

3: Policy

We are committed to ensuring that we conduct our business in an ethical manner and that there is no modern slavery or human trafficking in any part of our business or our supply chain.

4: Our approach to supplier due diligence and risk assessment

As a public sector organisation we carry out assessments on our direct suppliers in accordance with the Public Contracts Regulations 2015 (and have done so since the implementation of these Regulations).

With effect from financial year 16/17 we have focused on enhancing our annual compliance checks on Group 1¹ direct suppliers and their contracts. These checks include a review of:

- the supplier's approach to preventing slavery and human trafficking and relevant policies;
- whether the organisation (or any person within it) has been convicted under any slavery laws in the countries in which it operates within the last five years; and

¹ We have identified Group 1 direct suppliers as those suppliers with contracts which are of high value or, medium value and business critical for the Board's operations and/or activities.

- the supplier's own slavery and human trafficking statement as published on their website.

5: Our business-wide due diligence and risk assessment framework

We operate a robust business-wide risk framework which takes into account broader business integrity issues. This is supported by an Operational Risk Team and a Compliance and Ethics team. Although we invest funds in a range of industry sectors across multiple jurisdictions, we have robust monitoring and ongoing due diligence processes in place to mitigate key risks including slavery and human trafficking.

As regards our direct supplier relationships, we have taken the specific approach described in section 4 above.

6: Further actions

We intend to take the following steps to tackle slavery and human trafficking:

- Develop awareness of modern slavery and human trafficking issues across the activities of the Board and the Pension Protection Fund and with a focus on key teams and personnel
- Consider internal reporting or response approaches to issues or instances of modern slavery and human trafficking
- Consider additional modern slavery factors when making procurement decisions
- Encourage suppliers and contractors to develop their awareness and understanding of their obligations concerning these new requirements and to take their own actions to address identified areas of risk and/or raise issues with us

This statement is made in accordance with section 54(1) of the Modern Slavery Act 2015 and constitutes the Board's slavery and human trafficking statement for the financial year 2015/2016 covering the period from October 2015 to 31 March 2016.

Signature:



Chief Executive Officer

The Board of the Pension Protection Fund

Date: 23 December 2016