Introduction

AMP Capital is committed to conducting our business to high levels of ethical and professional standards and in accordance with relevant laws in the countries in which we operate. Consistent with the values of our parent company, AMP Limited, AMP Capital considers the broader impacts to society of our own business operations, including those through our supply-chain relationships.

AMP Capital is committed to making responsible investment decisions for the benefit of our clients. It’s a major part of who we are and what we stand for. In line with our Environmental, Social and Governance (ESG) and Responsible Investment Philosophy, we continue to evolve our thinking, approach and product offering, while also advocating for outcomes that benefit our customers and society at large. We believe responsible investing provides greater insight into areas of potential risk and opportunity that will impact the value, performance and reputation of the investments we make on behalf of our clients.

Our position on modern slavery presents an overview of relevant priorities, values, and expectations in relation to modern slavery risks as they relate to our own business operations, supply-chain relationships and through the investments we manage on behalf of our clients.

What we mean by Modern Slavery:

Following introduction of the UK Modern Slavery Act (2015), and Australian Modern Slavery Act (2018), large organisations in the UK and Australia, including AMP Capital, are required to produce and publish annual statements on the steps they have taken to mitigate risk of modern slavery within their business or supply chain. The term modern slavery is used to cover a broad range of exploitive practices including, but not limited to:

- slavery & servitude: forms of slavery where a person(s) is deprived of their freedom, including where a person(s) is bought/sold into bonded labour or obliged to provide services under coercion or duress,
- forced labour: work or service that is involuntary and required of a person using threat, penalty or intimidation,
- debt bondage: employing labour where the value of labour is not reasonably applied to reducing a debt or other financial obligation or otherwise unfairly withholding payments or requiring repayments,
- deceptive recruiting: false promises that induce a person to accept a job which the person then cannot leave because they have been manipulated into an undisclosed debt or had their identity documents confiscated,
- child exploitation and labour: work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development, and
- other slavery-like practices including human trafficking, forced marriage and sexual offences.

AMP Capital believes the two areas that pose the greatest risk for our exposure to modern slavery are through:

1. our business operations, such as the supply of goods or services for our day to day operations or projects, and
2. our investments on behalf of our clients; either directly or through the supply chain of these investments.

Modern Slavery risk and our business operations & supply chain

AMP Capital is seeking to develop and apply a consistent approach to ESG risk identification and management throughout its value chain, from its suppliers, through to its operations. Modern slavery will form an increasingly important part of our social risks to be addressed under the overarching ESG risk management approach within our operations.

Specifically, AMP Capital is committed to mitigating risk of modern slavery in any part of its business or supply chains. AMP Capital complies with relevant employment legislation across our offices and it is AMP Capital’s expectation that, within our own operations, employees are not subject to any form of modern slavery.

AMP Capital expect our suppliers to support us in identifying and managing modern slavery risks. We engage with suppliers on a priority risk basis via initial due diligence processes and, where necessary, appropriate forms of assurance activities performed by us, to determine if they are knowingly or unwittingly engaging in or condoning any form of modern slavery. The same expectations are applied to our suppliers through the “AMP Supplier Code of Practice.”

AMP Capital’s annual Modern Slavery Act Statement separately describes the progress made and ongoing work to identify and address modern slavery risks.
Modern slavery risks and our investments

AMP Capital’s ESG and Responsible Investment Philosophy outlines our approach to the incorporation of ESG issues in our investment activities. Under this framework, in exceptional circumstances AMP Capital may seek to exclude particular companies, asset types or industry sectors from the assets in which we invest on moral or ethical grounds. In undertaking its assessment under this framework AMP Capital will also consider, whether activities, conduct, products or services contravene principles accepted under international human rights laws including, but not limited to, United Nations conventions.

The direct use of exploitative practices covered by modern slavery is assessed as meeting set criteria tests set within our ESG and Responsible Investment Philosophy and therefore, AMP Capital may exclude from investing in, or working with, companies directly implicated in modern slavery.

If AMP Capital identify an actual or suspected instance of modern slavery in any company we are invested in, or working with, we will assess whether we can use our influence to engage those companies involved regarding steps they can take to eliminate modern slavery practices and, only as a last resort, we will divest or cease working with the company.

We recognise that some of the companies we invest in or work with may not be directly involved in modern slavery but may be at risk of having modern slavery within their supply chain. In these cases, we will prioritise engagement, with companies that we invest in directly, i.e. invested in through our managed funds, or work with directly. We will also try to understand and, where possible, work with our external fund or asset managers on how they identify and engage on modern slavery.

AMP Capital believes in collaboratively working with investor peers on ESG issues, including modern slavery and is a signatory to the UN backed Principles for Responsible Investment (PRI). We also acknowledge the “Guiding Principles for Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework” which provides the framework for expectations of companies when considering human rights.

AMP Capital also takes a proactive role in the broader industry to raise awareness and pursue higher standards, including as signatories to an investor statement calling for companies to join the Transition Bangladesh Accord and to the “Know The Chain Investor Statement”.

To understand the issues surrounding modern slavery, for example, over the last ten years, we have undertaken field trips to China, Cambodia, Indonesia and Bangladesh and engaged with Australian companies on the human rights issues within their supply chain.

1. https://www.unpri.org/


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