

Together

we invest
for a better
future

Standard Life  **Aberdeen**

Human Rights Approach 2020

About us



This is not a time to neglect human rights, now more than ever, protecting them should be central to building a better future.

We have an opportunity to use our combined skills, expertise and dedication to make a difference across all our areas of influence and impact, and contribute positively to global efforts to ensure human rights are respected.

Keith Skeoch
Chief Executive Officer

Together we invest for a better future. We do it to make a difference to the lives of our clients and customers, our employees, society and our shareholders.

Our business

We meet the evolving needs of investors and savers. We do this by building lasting relationships and developing innovative products and services. We offer:

- Active asset management to institutional, wholesale and strategic insurance clients
- Wealth management, financial planning and advice services, either directly to customers or through financial advisers

We also have significant holdings in associate and joint venture businesses: Phoenix in the UK, HDFC Life and HDFC Asset Management in India and Heng An Standard Life in China.

Our operations

We are headquartered in Scotland and listed in London, with around 6,000 employees in over 50 locations worldwide.

We work with around 5,000 suppliers who provide us with various goods and services. The majority of our spending is with suppliers of fully managed outsourced services, IT, professional services, and goods and services related to the management of our premises.

The UK financial services industry is not considered a high risk sector for human rights, but we also recognise that the biggest impact we can make is through our investment approach, engaging directly with high-risk companies and encouraging better practices.

How we invest today, will determine the world we live in tomorrow.

Global locations

Australia	Luxembourg
Belgium	Malaysia
Brazil	Netherlands
Canada	Norway
China	Singapore
Denmark	South Korea
Finland	Spain
France	Sweden
Germany	Switzerland
Hong Kong	Taiwan
India (associated business)	Thailand
Indonesia	UK
Ireland	United Arab Emirates
Italy	USA
Japan	

Introduction

Defining our human rights

We believe that a better future can only be achieved when human rights are protected and upheld.

We commit to embedding respect for human rights throughout our business. We also have the ability to contribute positively to human rights impacts. We know that in order to achieve both these things we must work together, with all our people, our customers and clients, our suppliers, and the communities we exist in.

Most materially we need to embed human rights considerations into our investment approach. This is where we can have most impact, both positively or negatively, on human rights. In order for us to influence through our investments we know we must be credible ourselves.

Our commitment to respect human rights is guided by the United Nations' (UN) Guiding Principles on Business and Human Rights. Our actions are informed by international standards, including (but not limited to) the International Bill of Rights¹, the Core Conventions of the International Labour Organisation (ILO), and the ILO Declaration on Fundamental Principles and Rights at Work.

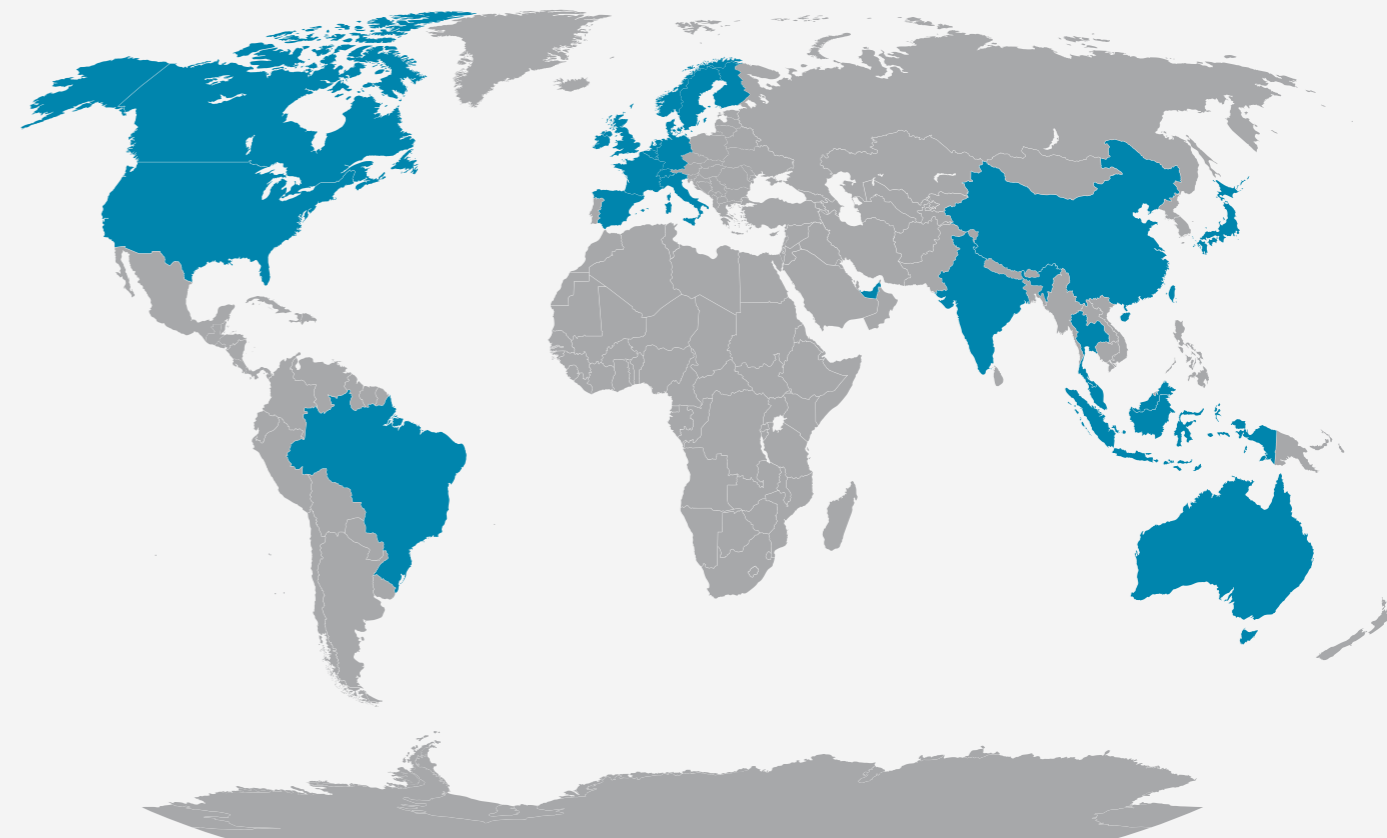
Governance

Our board supports this commitment and the policies, procedures and standards of conduct we apply. These are listed in the appendix. Our risk management function monitors compliance with our key risk policies. Our Chief Executive is responsible for our management of human rights risks and opportunities. He delegates operational oversight to the Chief HR Officer and Chief Operating Officer and investment oversight to the Chief Investment Officer.

Our human rights oversight group has cross-business representatives from procurement, sustainability, human resources, diversity and inclusion and Environmental, Social and Governance investment. It ensures we continuously review and improve our approach to managing our salient human rights issues. This statement is reviewed at a minimum annually, with adhoc amendments when required.

Statement scope

This statement applies to every employee and officer in every Standard Life Aberdeen wholly owned entity, and in associated businesses and joint ventures to the extent possible and reasonable given Standard Life Aberdeen's level of participation.



¹ Comprising of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights

Identification of salient human rights issues

We look at a range of potential human rights impacts resulting from activities we are involved in, and prioritise those likely to be the most severe were they to occur. This is based on the level of impact to the rights-holder, how widespread the issue could be and the complexity of remedying.

We draw on internal expertise, conversations with external bodies and insight from our Enterprise Risk Management Committee, and recently considered issues that were coming to the fore in response to the COVID-19 pandemic.

We view our salient human rights issues through the eyes of the rights holder, as defined by our human rights oversight group. The table below lists these and the mitigation actions we are taking.

Rights holder	Salient human rights issue	Key policies, statements and accreditations	Actions we are taking
Our people	Protection from discrimination, bullying and harassment	Bullying and harassment policy Global diversity and inclusion policy	Our policies ensure that we are at a minimum meeting our legal requirements but our framework for action goes beyond this to ensure we create a diverse and inclusive workplace.
	Safe and secure work	Health and safety policy	We have followed local government guidelines throughout the COVID-19 pandemic. We've promoted flexibility in working patterns, regularly engaged with our people and supported safe working from home environments.
Our customers and clients	Data privacy	Privacy notices Social media policy	Privacy notices are available on the key customer facing websites for the Standard Life Aberdeen Group. These detail how we protect personal information and also provide a relevant contact point. We also provide annual mandatory training on information security and have internal awareness-raising activity.
	Customer inclusion	Global code of conduct	We listen to the needs of all of our customers and consider their diverse needs within our products.
Our supply chain	Fair wages	Supplier code of conduct Living Hours Employer	Our supplier code of conduct sets out what we expect from suppliers. Going beyond this, in the UK, we are an accredited Living Wage employer and a founder member of the Living Hours initiative due to begin accrediting in 2020.
	Preventing modern slavery	Modern slavery statement	Our Modern Slavery statement details the steps we have taken to help prevent modern slavery in our operations, supply chain and investment approach.
Our communities	Inequality	Charitable giving approach	Through our charitable giving approach we are helping to tackle inequality.
Our investments	Various dependant on country and sector	Human rights approach	Our approach to human rights forms part of our wider commitment to responsible investing.

The following pages provide more detail on how we are managing the identified salient human rights for our key right holders.

Speak Up line

We want to ensure that all our stakeholders have a clear path to raise any human rights concerns with us. We will listen to our rights holders and contact details are on our website.

We also have a confidential and anonymous Speak Up service which is managed by Safecall, who are independent from Standard Life Aberdeen, where concerns can be raised and investigated without negative consequences. www.safecall.co.uk/report

Our people

Our impact on human rights starts with how we treat our people. As a baseline we ensure all our people receive fair pay and benefits, equal opportunities and they have freedom of association. We provide more detail in our policies and associated documents which are in appendix 1.

Our global code of conduct articulates the ethical behaviour we expect across our company. All our colleagues receive training on the code, and are asked annually to confirm that they have read it and abide by its principles.

Identified salient human rights issues

Our human rights oversight group identified protection from discrimination, bullying and harassment as our current salient human right from the perspective of our people. We want to help people meet their full potential and this can only happen in a culture which protects everyone from discrimination. They also identified safe and secure work as a priority, particularly given the impact of the COVID-19 pandemic on our colleagues' physical and mental health.



Protection from discrimination, bullying and harassment

Discrimination, bullying and harassment have no place at Standard Life Aberdeen. Our policies ensure that as a minimum, we meet the legal requirements in all the locations we operate in. These policies reiterate our commitment to providing an inclusive workplace where all forms of difference are valued and which is free from any form of unfair or unlawful treatment.

Our bullying and harassment policy explains the approach we take to resolving concerns at work relating to bullying and harassment.

We take a zero tolerance approach to issues which could constitute harassment and any concerns are managed through our bullying and harassment, and disciplinary policies. We investigate bullying and harassment claims thoroughly in accordance with our policies and procedures. We encourage people to report any concerns to us and they can do this anonymously if they prefer through our Speak Up line.

We want a diverse and inclusive workplace where barriers to equal opportunities are removed in a progressive and sustained approach. Currently we are focused on achieving a better gender and ethnic minority balance, and opening up routes into our industry for those from a variety of backgrounds. Our [diversity and inclusion report](#) provides more detail.

In 2019 we launched three new policies in the UK to help remove barriers to our colleagues' progress and performance. Our Parent Leave, Special Leave and Smarter Working policies support our people at whatever career and life stage they are at. Next we will gather feedback to help inform policies across our global business.



Levelling parent leave for all

We've introduced 52 weeks leave, with 40 weeks at full pay, regardless of gender or length of service. This can be taken in up to three separate periods over two years. This provides true equality of opportunity for our people and for families of every type. For partners, the change is especially significant – enabling them to spend an extended period of time with their new child too.

Working parents will have more control over when they return to work and how to better balance their family's needs with their career aspirations.

Rose Thomson,
Chief HR Officer

Safe and secure work

We have followed local government guidelines throughout the COVID-19 pandemic, moving the vast majority of our people quickly to working from home. Safety is only one factor, financial security is another – none of our colleagues have been furloughed, instead we've ensured that all our people continued to receive full pay. We've promoted flexibility in working patterns, understanding that our people may have a range of caring responsibilities alongside work. Our regular mood surveys and engagement surveys have helped us to better understand and address the needs of our people. We have also provided additional resources to support our colleagues' mental, emotional, physical and financial wellbeing. Examples include access to confidential counselling, online financial education events, and providing support to set up home working spaces.

Our human rights record



Living Hours

Providing security of hours alongside a real Living Wage



83% of our people are represented by a staff association, representative or union



100% of our colleagues have stated that they will abide by our Code of Conduct (2019)



Our published report on our gender pay gap

Our customers and clients

We serve a diverse range of individuals and institutions with complex requirements. We have a number of policies to ensure we are protecting the rights of our clients and customers, and treating them fairly. These are detailed in appendix 1.

Identified salient human rights issues

Our human rights oversight group identified information security and data privacy as well as customer inclusion as our current salient human rights from the perspective of our customers and clients. This was based on how widespread the issue could be, a data breach for example could impact a large number of our customers. While the potential for excluding customers by not serving their needs leads to disadvantaging their financial wellbeing.



Information security and data privacy

Information security and data privacy has rapidly become a major issue facing all large companies, and we are no exception. We are committed to safeguarding any personal data shared with us. We take privacy seriously and have policies, processes, and controls in place to ensure customer data is managed in an ethical, lawful and responsible way. We will only ever collect and use personal data where it is necessary, fair and lawful to do so. Privacy notices are available on the customer facing websites for the Standard Life Aberdeen Group. These notices detail how we protect personal information.

We provide annual mandatory training to our employees on information security and provide awareness raising activity. In 2019 we shared stories of real security incidents and how our security team helped our wider business to respond (e.g. Phishing and extortion emails).

Customer inclusion

We serve over 500,000 customers through our platforms and wealth activity in the UK. To ensure our products and services are inclusive, we support customers with particular accessibility requirements. Examples include coloured paper for customers with dyslexia, and large print or audio communications for visually impaired customers. Our websites are accessible to most devices including mobile, and compatible with almost all types of screen reader software.

Our supply chain

Our supplier code of conduct sets out what we expect from suppliers and reflects the values and principles within our global code of conduct. It focuses on human rights issues, labour standards, diversity and inclusion, and health and safety. It also provides details of our independent whistleblowing hotline to anonymously report any issues.

Where relevant, suppliers' performance and approach to their human rights responsibilities are also reviewed at various stages - during our sourcing process, as part of our annual due diligence and during our ongoing relationship management discussions.

Identified salient human rights issues

Our human rights oversight group identified fair wages and modern slavery as our current salient human rights from the perspective of our suppliers. Modern slavery was chosen because, although unlikely, the impact on the rights holder is severe. Fair wages is a global inequality issue, and an area in which we want to influence positively through our supply chain.



Fair wages

In 2014 we became an accredited UK Living Wage employer and a founder member of the UK Living Hours initiative due to begin accrediting in 2020. Importantly any supplier with people dedicated to working with us in the UK is required to meet the Living Hours criteria. This means that not only must they pay workers the real Living Wage but they must also commit to provide workers with at least four weeks' notice of shifts, a contract that accurately reflects hours worked, and a contract with a guaranteed minimum of 16 hours a week, unless the worker requests otherwise.

Modern slavery

All forms of modern slavery - from human trafficking and forced labour, to bonded labour and child slavery - have no place in our society. Heightened risk exists in relation to certain territories, and in relation to the production of certain goods and supplies. Our modern slavery statement sets out our approach.

During 2019 we continued to work with a third party who performed an independent risk assessment of the suppliers we work with that we have identified as presenting the greatest risk of modern slavery. The initial output from this activity is that none of the suppliers assessed by the third party are deemed high risk. We will continue to review our suppliers in this way and will take appropriate action if any are identified as being high risk. In 2020 we are evolving our risk assessment of suppliers to further inform our responsible sourcing decisions, and develop and enhance our compliance with our regulatory obligations.

Our community

A lack of respect for human rights creates inequality, damaging society and the communities we operate in.

Identified salient human rights issues

Our human rights oversight group identified inequality as our current salient human right from the perspective of our community. This was based on the growing levels of inequality across the globe, which has been exacerbated by the COVID-19 pandemic.



We factor human rights into our charitable giving strategy. Where we work with programmes we ensure they enhance human rights in that they are either protecting the planet, or reducing inequalities by supporting inclusive education and employment and access to financial services. We do not fund any organisation which discriminates in any way for the services they offer, and we seek opportunities to actively encourage greater equality.

Case study – buildOn schools

We support the charity buildOn which works to provide schools where there is the highest need, focusing on the eight poorest countries, enabling access to education. buildOn ensures that the schools are open to all and don't discriminate based on gender or religion.

We support financial education programmes for children in the UK, US and India. Our associate life business in India, HDFC Life delivers financial literacy training to children across rural regions in India. In the UK, we are one of 20 industry partners delivering financial education in primary schools across the UK and collaborating with government to improve financial education in primary schools, by measuring impact and evidence.

Supporting financial inclusion is another way in which we aim to reduce inequality. The **Standard Life Foundation** (a subsidiary of Standard Life Aberdeen) is an independent charitable foundation. It aims to contribute towards strategic change which improves financial wellbeing in the UK. The foundation funds research, campaigning and policy work to improve living standards and personal finances for people on low to middle incomes in the UK.

As a social mobility pledge signatory we further tackle inequality through influencing policy makers and supporting charitable programmes focusing on inclusive employment and fair wages.

Our investments



Investors can play a major role in drawing attention to human rights issues, using our influence as shareholders we can encourage companies to prevent, mitigate and address the negative human rights impacts of their activities, and to direct capital towards those companies with leading practices.

Rod Paris,
Chief Investment Officer

Identified salient human rights issues

There is no one salient human right relating to our investments. We recognise that we have a duty to our clients to understand the ways in which human rights affect the value of their investments. We also have a duty to respect human rights in our own activities, by fully understanding the ways in which our investments affect the rights of others and by influencing positive changes where needed. Our approach to human rights forms part of our wider commitment to responsible investing.



Countries and government investment

Within our government and macro-investing strategies, we draw on political and social research to understand the potential human rights risks to and from our investment activities. Where we believe that the risks outweigh the benefits, we may choose to divest. We have developed proprietary tools to support decisions, including our Environmental, Social, Governance and Political (ESGP) framework and Social Capitalism project.

Our **ESGP framework** enables us to integrate environmental, social, governance and political risks into our Emerging Market Debt Strategies. The framework brings together independently sourced quantitative measures in each risk area to form an overall ESGP score. We then use our own analysis and expertise to assign a positive, negative or neutral direction of travel to each country. From a human rights perspective, this includes an assessment of quality of infrastructure, gender equality, and income equality (among others), which enable our teams to understand the risks arising from unequal social outcomes and public repression.

Our **Social Capitalism project** recognises that the most successful societies blend strong economies with healthy environments, inclusive social policies, representative political institutions and fair legal frameworks. This research is underpinned by a proprietary environmental, social and governance (ESG) index for 135 countries, which brings together substantial amounts of data to identify countries that are persistently dynamic in both economic and ESG terms. Our ESG index has been further adapted to form a dedicated human rights index. Our human rights index combines data on 17 key human rights areas aligned to the Universal Declaration of Human Rights, including quality of life, education, freedom of expression and access to justice. This work adds significant value to our understanding of global human rights and reflects the importance we place on this.

Investing in companies

We draw upon a number of international, legal and voluntary agreements for guidance on corporate human rights responsibilities and compliance. Our primary source is the UN Guiding Principles on Business and Human Rights. We expect all companies in which we invest to:

1. continually work to understand their actual and potential impacts on human rights,
2. establish systems that actively ensure respect for human rights, and
3. take appropriate action to remedy any infringements on human rights.

In assessing companies, we consider where a company is operating and sourcing materials. While companies can impact human rights anywhere in the world, countries with a poor track record in human rights, with weak rule of law or dealing with ongoing or residual conflict, present additional risks. Operating in complex environments requires a robust approach to human rights due diligence, and a full understanding of the unique challenges that the specific environment creates.

The salient human rights that companies face also vary by the types of activities they conduct. The nature of human rights impacts from mining operations, for example, is very different from those of an IT software company. Land rights and community engagement is much more relevant to the former, while the right to privacy is more pertinent to the latter.

Given the complexity and range of human rights issues, an active engagement approach is an extremely useful tool for investors. We use our ongoing engagement activities to better understand our investments and encourage improvements.

Engagement insight:

Teleperformance Q1 2020

This company provides 'omnichannel' digital services. It has faced press allegations that it has failed to protect its employees adequately during the COVID-19 crisis. We contacted the company and arranged a meeting with its deputy CEO and head of corporate sustainability. This meeting gave us comfort that the company is striving to prioritise employee safety and wellbeing.

We supported Teleperformance in improving its communications and in its rapid rollout of working from home. Since January, it has moved from 5% of the employee base working from home to 60%. We encouraged the company to continue to monitor the implementation of its safety procedures closely at all sites and to provide further detail on the extent of its employee support, including a commitment to pay all employees who are unable to work because of travel restrictions, illness or quarantine.

Since our engagement, Teleperformance has improved its disclosure in relation to pay and support for employees. The company is now, for example, disclosing how its employee pay compares to local Living Wage levels; 99.3% of its employees are paid above the Living Wage worldwide. We will continue to push for better disclosure of its mapping of human rights risks.

Where companies are unwilling to engage or show limited progress, we consider how to exercise our influence through voting and shareholder resolutions where possible. As a last resort, selling our holdings is also considered.

Ethical and impact investing

We integrate ESG into our research, analysis and decision-making processes. We also manage specialised funds that incorporate specific sustainability or ethical principles. Our Sustainable Investment Funds have additional investment criteria on issues such as human rights or environmental factors.

Appendix 1

Policies and associated documents

Our policies and associated documents, collectively demonstrate our approach to identifying and mitigating human rights impacts. We are UK listed and have provided our global documents (where they exist) and UK documents where global documents are not in place; as these are the most material. We ensure all regions and markets have policies that are appropriate and relevant to the legislation they are governed by.

Our policies are available on request, and our documents are available on our website.


Our people

The following policies are global:

Global diversity and inclusion policy

This policy covers our approach to inclusion and diversity. We're committed to providing an inclusive workplace where all forms of difference are valued and which is free from any form of unfair or unlawful treatment. We define diversity in its broadest sense and support a culture that values fairness and transparency. We fully support the right of all people (whether colleagues, workers, or customers or clients) to be treated with respect and dignity.

Global code of conduct

 **Our code** describes the principles and standards that we hold ourselves to and we ask all our employees to consider in every decision and action that they take. Within the code, we specifically highlight our commitment to tackling modern slavery.

Global immigration support policy

We will support the visa applications of anyone who's going to be working on an international assignment or permanently relocating. We will also support new joiners who've been recruited internationally and their immediate dependants.

Global health and safety policy

This policy sets out the standards that the business must adhere to in relation to managing SLA's health and safety risks.

Global People policy

Sets out the standards that the business must adhere to in relation to managing SLA's people risks.

The following policies apply to all UK Standard Life Aberdeen employees:

Bullying and harassment policy

We're committed to providing an inclusive workplace where all forms of difference are valued and which is free from any form of unfair or unlawful treatment. We fully support the right of all people to be treated with respect and dignity. This policy explains the approach we take to resolving concerns at work relating to bullying and harassment.

Disciplinary policy

Explains the approach we take when we identify conduct, performance issues or matters affecting people's ability to perform

their role. Having a clear framework to manage these issues helps us to maintain satisfactory standards of conduct and encourage improvement in performance where necessary.

Grievance policy

A grievance is a concern, problem or complaint that is raised with us. This could be a concern about work, working conditions or relationships with colleagues. It could also include a concern that's beyond our control, for example, client or customer relationships, which we'll investigate as far as we can to resolve the concern.

Holiday policy

Taking regular holidays is an important way of looking after well-being. We're committed to supporting our people to take time off to rest, relax and return to work refreshed.

Parent leave policy

Covers what our people need to know for maternity, paternity and adoption leave.

Smarter working policy

Smarter Working (sometimes referred to as 'flexible' or 'agile' working) is about making it easier to work how, where and/or when it suits our people and our business. It recognises that people may achieve their best work in different ways, and that work is an activity done to achieve certain results and outcomes, rather than a place you go to.

Speak up policy

Clarifies when and how SLA employees, as well as our other stakeholders, can speak up and make a Speak Up (whistleblowing) report and reassure them that it is acceptable to do so, confident that their concern will be taken seriously and is anonymous.

Special leave policy

Covers how we'll support our people if they need time off from work to manage commitments outside of work, deal with exceptional situations that arise, or take a career break to pursue personal interests.

Talent acquisition policy

Covers the approach we take when recruiting. We're committed to creating a recruitment process that enables talent to move into and around the company. Aligning our aims to our diversity and inclusion priorities, we want to build a diverse workforce in the broadest sense, which reflects our clients, customers and the geographies in which we operate.

Vetting policy

This policy covers our position on conducting background checks, also known as vetting, when applying for a role (as an external or internal candidate) or as part of regular checks for colleagues in regulated roles. The purpose of vetting is to minimise the risk of financial crime on our business and ensure that we recruit the right people into our business.

Our customers and clients

Privacy notices

 [Aberdeen Standard Investments](#)

 [Standard Life Savings](#)

 [1825 Financial Planning](#)

Anti-financial crime and anti-bribery

Sets the standards the business must adhere to in relation to managing SLA's key risks in relation to financial crime.

Client product and services policy

Sets out the minimum standards that the business must adhere to in assessing new and existing customer propositions. It also supports SLA's conduct risk appetite statement, that "Standard Life Aberdeen has no appetite for unfair customer outcomes, whether through deliberate or negligent actions. Consistent with our values, where unfair outcomes arise, the company will put it right in a fair and prompt manner".

Competition and Antitrust policy

Sets the standards that the business must adhere to in relation to competition law compliance.

Conduct risk

Sets out the ways we make sure that wherever in the world we operate, we manage our conduct risk by ensuring that through our behaviours, strategies, decisions and actions, we do the right thing by placing customers and clients at the heart of what we do and behave in a manner which pays due regard to treating them fairly.

Global Investment Governance


We must ensure that client assets are being managed in line with expectations. This includes ensuring that mandates are being managed in line with relevant regulations and applicable house standards, as well as specific client requirements.

Social media policy


This policy describes the approach taken by SLA to ensure that all use of Social Media delivers value for our customers and that the risks are managed appropriately to ensure that the SLA online community and all of its brands are protected.

Our suppliers

Supplier code of conduct

 **Our code** sets out the standards we expect from our suppliers. It specifically highlights the UK Modern Slavery Act 2015 as well as our wider interest and focus on ensuring that human rights and labour standards are respected.

Modern slavery statement

 **Our statement** sets out the steps Standard Life Aberdeen (Standard Life Aberdeen plc and each of its relevant UK subsidiary commercial organisations) has taken during the year ending 31 December 2019 to help prevent modern slavery in our operations and supply chain.

Third party management


Sets out the standards that the business must adhere to in relation to both new and existing contractual arrangements.


Our communities

 [Our charitable giving approach](#)

Our investments

 [Controversial weapons](#) - our approach for investments

 [Climate change](#) - our approach for investments

 [Fossil fuels](#) - our approach for investments

Using our influence

We are a signatory to or have publicly expressed support for a number of international codes and initiatives. This includes:

- The UN Global Compact
- The OECD Guidelines for Multinational Enterprises
- The Global Sullivan Principles
- The UN Principles for Responsible Investment
- The UN Principles for Sustainable Insurance
- Investor Alliance for Human Rights
- 2018 Statement of commitment to support a Just Transition to a low carbon economy
- Women in Finance Charter
- Race at Work Charter

Standard Life Aberdeen plc is registered in Scotland (SC286832) at,
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Standard Life  **Aberdeen**