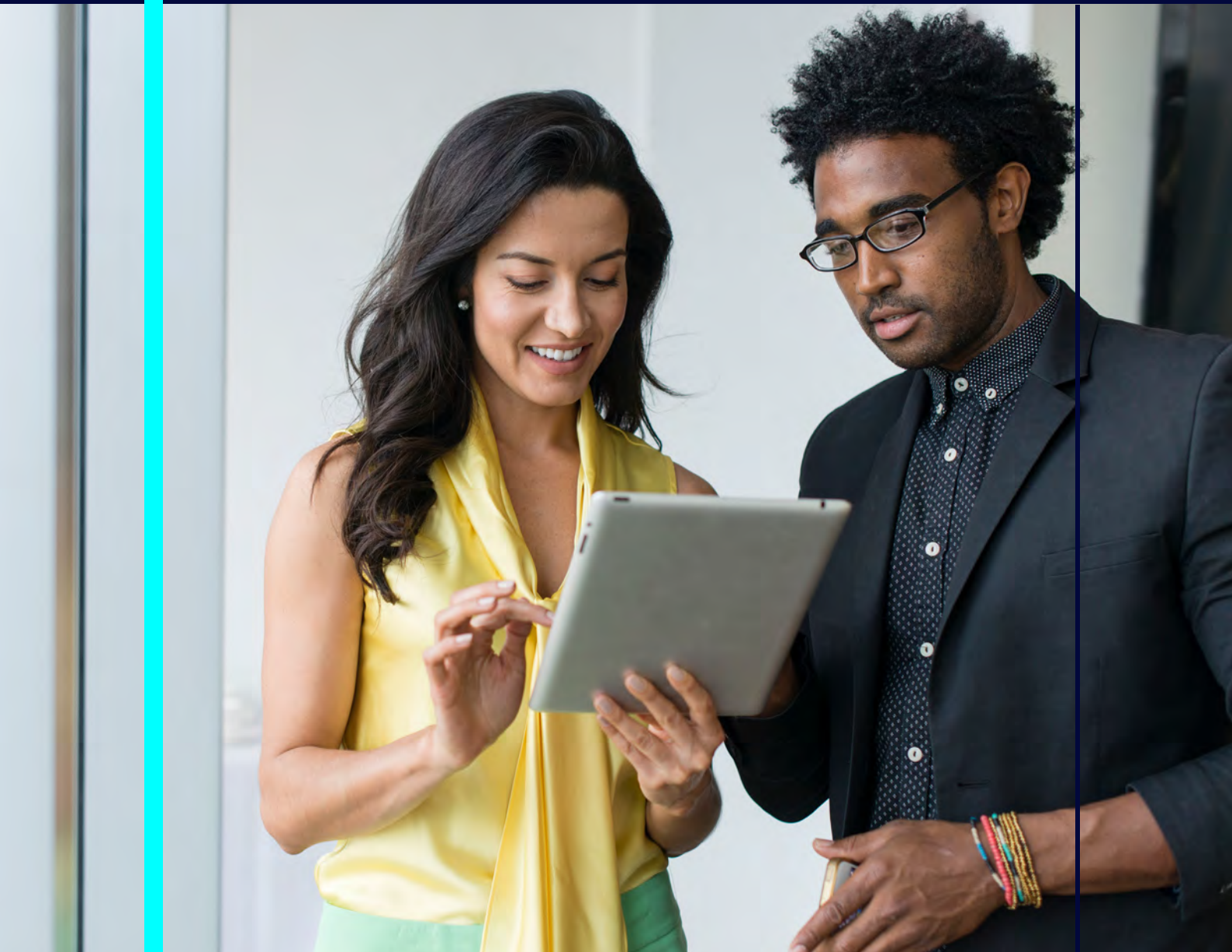


Modern Slavery and Human Trafficking Statement 2024





The information in this statement, signed by our Chief Executive Officer, Adolfo Hernandez, 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 companies¹ “Capita” and is Capita’s Modern Slavery Statement for the financial year ended 31 December 2023, required under the provisions of the Modern Slavery Act 2015 (the “Act”).

¹The list of all entities is included on page 225 of Capita’s Annual Report and Accounts 2023

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 globe². 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.

We are committed to playing our role by ensuring through our management and operations that 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.

[Visit our Annual Report and Accounts 2023 for more information.](#)



Our business and structure

Capita is a leading provider of business process services, driven by data, technology and people, with annual turnover of £2,8 billion. Every day our colleagues help millions of people, by delivering innovative, digitally enabled solutions to transform and simplify the connections between government and citizens, businesses and customers.

We partner with clients and provide them with the insight and technologies that allow them to focus on what they do best and make peoples' lives easier and simpler.

We operate across two core divisions – Public Service and Experience – in the UK, Europe, India and South Africa. The divisions are supported by a common set of company-wide capabilities and functions.

Capita Public Service

2023 progress

- Strong delivery in our chosen market verticals
- Focus on partnering and customer centricity
- Maintained our operational delivery with average KPI performance of 94%
- Won total contract value of £1,924m, an increase of 57% from 2022
- Established second client advisory board in Central Government vertical
- Customer net promoter score +27

2024 strategic priorities

- Maintaining our consistent delivery to clients
- Partnering effectively with customers
- Building on growth momentum
- Improving margin achievement with efficient delivery
- Right-sizing of business and reduction in overhead costs

Adjusted revenue¹ contribution:



¹. Refer to alternative performance measures (APMs) on pages 230 to 233.

Key growth levers



Technology and digital innovation



Effective customer delivery and strong relationships



Talent and market expertise

Capita Group

Our purpose

Individual structural growth markets

Capita Public Service

Public Service is the number one² strategic supplier of software and IT services (SITS) and business process services (BPS) to the UK Government.

² TechMarketView

Capita Experience

Experience is one of Europe's leading customer experience businesses. It is the market leader in the UK and ranks fourth in Germany and Europe³.

³ Nelson Hall

Group governance, support services and risk management

Capita Experience

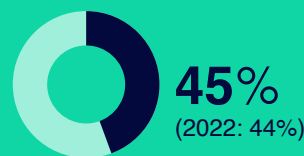
2023 progress

- Experience is recognised by Everest Group at the top of the Major Contenders group in their 2023 EMEA Customer Experience Management Services PEAK Matrix
- Reduced annual voluntary employee attrition by 5%
- Operational delivery consistently high with average KPI performance of 94%, excluding the pensions administration business. 82% including pensions
- Won total contract value of £1,112m, a decrease of 19% from 2022
- Customer net promoter score +10

2024 strategic priorities

- Right-sizing cost base
- Expanding our geographical footprint in Europe
- Continuing to partner with technology providers to deliver effective IT transformations for customers

Adjusted revenue¹ contribution:



¹. Refer to alternative performance measures (APMs) on pages 230 to 233.

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 strive to create better outcomes 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.

VALUES

V

Our values define who we are as an organisation

OPEN

O

We are honest transparent and respectful

INGENIOUS

I

We think about what's possible

COLLABORATIVE

C

We achieve more when we work together

EFFECTIVE

E

We care about doing the best job we can

Our stakeholders

Capita's stakeholders include: our people, clients, customers, suppliers and partners, as well as investors and civil society organisations.

Stakeholder	What matters to them	How we engage with them
Our people	• Flexible working • Learning and development opportunities leading to career progression • Fair pay and benefits as a reward for performance • Two-way communication and feedback.	• People surveys • Regular all-employee communication • Employee director on the Capita plc Board • Employee focus groups and network groups • Workforce engagement on remuneration
Clients and customers	• High-quality service delivery • Delivery of transformation projects within agreed timeframes • Responsible and sustainable business credentials.	• Client meetings and surveys • Regular meetings with government stakeholders and annual review with the Cabinet Office • Through our customer advisory boards • Through our senior client partner programme which provides an experienced single point of contact for key clients and customers • Introductory meetings and correspondence with the new CEO and new CEO, Public Service
Suppliers and partners	• Payments made within agreed payment terms • Clear and fair procurement process • Building lasting commercial relationships • Working inclusively with all types of business.	• Supplier meetings throughout source to procure process • Regular reviews with suppliers • Supplier questionnaires and risk assessments
Investors	• Reporting on strategic, operational and ESG factors • Financial performance • Directors' remuneration, access to the Board and senior management • Regular communication.	• Financial and other reports and trading updates • Investor meetings with CEO, CFO and Investor Relations • Dedicated webinar for retail shareholders • Regular investor programme with the Board, including meetings with the Chairman and Remuneration Committee chair and feedback throughout the year • At the Company's AGM • Discussions around AGM on resolutions and governance topics • Dedicated Investor Relations contacts and email inbox
Society	• Social mobility • Youth skills and jobs • Digital inclusion • Diversity and inclusion • Climate change • Business ethics • Accreditations and benchmarking • Cost of living crisis	• Membership of non-governmental organisations • Charitable and community partnerships for example: Employee Network for Equality & Inclusion (ENEI), Business in The Community (BiTC), Hands On Payroll Giving and Purple Future • External accreditations and benchmarking for example: EcoVadis; Sustainalytics; Dow Jones Sustainability Index; Talent, Inclusion and Diversity Evaluation; and Carbon Disclose Project • Working with clients, suppliers and the Cabinet Office



We recognise 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 2023 we recruited, or supported internal movement for more than 10,000 people in the UK through our internal resourcing team and via external recruitment partners. We work with a managed service provider in the UK and multiple partners in other locations who 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

We take 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 recognised unions with genuine opportunities to contribute to the future success of our organisation.

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

Our people

We have a workforce of more than 43,000 people employed in 11 countries. Most of our colleagues work a hybrid schedule or are home-based and our operations do not require seasonal workers.

Employee headcount - 2023:

Headcount per country	Total
Germany	3,813
India	6,450
Ireland	977
Isle of Man	1
Poland	638
South Africa	3,070
Switzerland	1,114
United Arab Emirates	2
Bulgaria	91
United Kingdom	27,012
Luxembourg	1
Total	43,169

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.

Capita Public Service is the number one strategic supplier of Software and IT Services (SITS) and Business Process Services (BPS) to the UK Government:



Local Public Service



Central Government



Defence, Fire, Security and Learning

Capita Experience is one of Europe's leading customer experience businesses. It is the market leader in the UK and ranks fourth in Germany and Europe:



Financial Services



Telecoms, Media & Technology



Energy & Utilities



Retail (including charities)

Our supply chain

With 18,000 suppliers, we recognise that Capita's supply chain is critical to our success and is also our 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 are committed to working with our supply chain to ensure that together we can achieve wider social, economic and environmental benefits, and safeguarding colleagues, especially those most at risk to labour exploitation, and vulnerable or disadvantaged families who face barriers to sustainable employment and income.

We spent more than £1.83bn in 2023 with 18,000 direct suppliers in 77 countries, 83% of them are based in the United Kingdom. 3% of our suppliers originate from twenty-two countries with a high risk of modern slavery as per the [Global Slavery Index](#), with 86% of these suppliers originating in India.



£1.83bn

Capita spend with suppliers



83%

of our suppliers based in the UK



18,000

direct suppliers in 77 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.

For example, we actively participate in the S&P Global Corporate Sustainability Assessment (CSA), Sustainalytics and EcoVadis. In 2023 our ranking in the CSA decreased slightly by a 2-percentile, our Sustainalytics risk rating score went down by 3.4 scores and we maintained a silver rating in the EcoVadis assessment. All indices assess our approach to labour and human rights, which includes our response to modern slavery.

We also partner with organisations which share our values and support responsible business practice, including modern slavery activities. Our memberships include Business in the Community, Purple Space, and the Employers Network for Equality and Inclusion (ENEI).

Governance and policies

Our governance

Our commitment to human rights and the eradication of modern slavery is overseen by our senior leadership team. Overall accountability is held by Capita's Executive Team, which consists of functional chiefs and executive officers who are entirely accountable for their division and function, including Responsible Business, Human Resources and Procurement.

Both Capita's Chief Executive Officer, Adolfo Hernandez, and the Environmental Social and Governance (ESG) Sub-Committee of the Capita Board have final sign-off of this Statement.

Our policies

The following company policies support us in mitigating the risks of modern slavery in our business and supply chain. They are available to all colleagues via our colleague hub and website. The policies are managed by relevant functional heads such as HR, Procurement and Responsible Business, and are embedded 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. The Code 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. All colleagues are required to complete mandatory Code of Conduct training annually.

Speak Up Policy >

Sets out our commitments to speaking up about serious concerns, detailing how any person working at or with us, including those employed in our supply chain, can raise concerns or 'whistle blow' and the channels available to do so confidentially, responsibly, effectively and without fear of repercussions. This policy is supported by our [Speak Up Standard](#) and a fully anonymised online portal which is promoted and accessible to all stakeholders. [The portal](#) 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 our regulated areas.

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 us.

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.

Anti-racism, Discrimination, Harassment and Bullying Policy >

We have a zero-tolerance approach to all forms of abuse, racism, discrimination, harassment, bullying and all forms of exploitation with a clear procedure to follow for any reported acts or behaviour that goes against our commitments. Referenced in our Diversity and Inclusion mandatory training module, there is also a mandatory compliance Anti-Racism training module for all UK and Ireland colleagues.

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 utilise the tools and resources available to them to help look after their own wellbeing and support the wellbeing of colleagues. Wellbeing is referenced in our Health, Safety and Environment annual training.

Safeguarding Policy >

Sets out our commitment to safeguarding our colleagues, 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, fulfilling our legal and regulatory requirements, and providing a safe, efficient and confidential process for reporting and managing any safeguarding concerns or issues.

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, monitoring our supply base in accordance with our Supplier Charter and providing a framework for ongoing assurance of business resilience activities with our suppliers.

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, as well as Safeguarding training module.



Supporting our people

Our Human Rights Policy details our commitments to labour and workplace rights. We are further committed to providing fair working conditions for all our colleagues including terms and conditions of employment, remuneration and benefits, working hours, freedom of association and colleague representation, health and safety, resting time, paid holiday entitlements and benefits. These are applied according to territory-specific statutory requirements. Our colleagues' pay will not be lower than that required by local law, or, in the absence of a law, the level paid generally within that industry.

Hours of work will be in line with local law or, in the absence of a law, the norm within that industry, and will not be excessive. Colleagues will not be contractually required to work more than 48 hours per week and overtime will only be worked on an optional basis and paid additionally, as required. Forced or compulsory labour is prohibited. Colleagues will not be forced into involuntary labour and coercion at work is not acceptable.

Financial penalty is prohibited. The employment models deployed will be in line with territory-specific law and practices. Under these practices there will not be excessive use of alternative models, such as subcontracting or labour-only contracting.

Our Human Resources policies set out our commitments to treating our colleagues fairly. To uphold our position as a responsible employer, we:

- recruit and select colleagues in a fair, lawful and professional manner, both for internal and external candidates
- treat all colleagues fairly during their employment
- provide procedures to raise grievances if there is an occasion when a colleague does not feel that they have been treated fairly, including involving a local trade union where applicable
- manage the exit of a colleague from the business in a fair and consistent manner.

Where non-compliance is found then the necessary steps are taken to ensure that this is managed accordingly. Steps range from additional training on specific subjects through to disciplinary measures if the behaviours and actions are deemed to be serious or wilful.

We have clear procedures in place for colleagues to raise concerns or complaints about work issues. Our 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

Our principal risks are defined as those risks that we determine to be the most material, which can affect the performance, reputation and operational resilience of our business. We recognise that it is good practice to review our principal risk profile regularly to ensure it remains relevant and in line with our strategic objectives. In Q3 2023, a review of our principal risk profile resulted in the inclusion of a new principal risk regarding Environment, Social and Governance (ESG) matters. A member of the Executive Team was appointed risk owner who has accountability for ensuring that the risk is effectively managed. Supply chain management and due diligence processes are recognised as material controls for the assessment and future mitigations of the new ESG risk.

All contract level risks, including potential human rights, modern slavery and human trafficking risks, follow our Risk Management Framework (RMF). The RMF is defined at Group level and mandated throughout the company.

Visit our [Annual Report and Accounts 2023, pages: 57-63](#) for more information about our risks governance and oversight.

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

We have a virtual-first working approach and offer flexible and remote work wherever client and business needs allow. We are aware that this virtual-first approach could have safeguarding implications for vulnerable colleagues.

To manage the potential risks, the wellbeing of all our colleagues, whether working from home, remotely, in the field or in the office has remained our priority.

Our Wellbeing Policy and Standard ensure we create working environments that protect and support our colleague's health and happiness. 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 when needed, and we have a range of support options available. We have established a Wellbeing Hub to bring all our resources supporting physical, mental, social and financial wellbeing together in one convenient and accessible place. We have Employee Assistance Programs or similar support services available to all colleagues globally which provide access to counselling and online resources. In addition colleagues can raise a request for reasonable adjustment if required.

We regularly engage with our people to promote wellbeing events and initiatives, driving a proactive approach to awareness and prevention. We continue to develop our culture, so wellbeing becomes an intrinsic part of everything we do, encouraging managers to have wellbeing conversations with their people as part of their regular check-ins.

Our Safeguarding Policy and Standard set out our approach to protecting our teams, service-users and any member of the public who we have a contact with. 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 - expert independent support and advice to HR partners and people managers across Capita. SafetyNet is a senior multidisciplinary group, 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 can 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 have introduced 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 annually review our strategic 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 2023:

- Our suppliers with valid EcoVadis scorecards on average scored 62 against the EcoVadis benchmark and 62 on their labour and human rights assessment
- 3% of our spend was with suppliers in high-risk countries

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



Due diligence

We work with partners through 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.

As 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.

We operate a rigorous supplier onboarding due diligence process to ensure all new suppliers can adhere to and understand what we expect from them under our Supplier Charter. Continued monitoring of adherence to the Supplier Charter is carried out via an ongoing annual risk questionnaire for strategic and high-risk suppliers.

The questionnaire covers the following areas:

- human trafficking and slavery
- anti-bribery and corruption
- equal and fair opportunities
- health and safety
- the environment
- data protection
- risk management
- information security and bribery
- sanctions
- safeguarding and wellbeing
- clinical

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 as well as gated criteria for supplier charter acceptance, anti-bribery & corruption, and financial crime. 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 under which Suppliers are expected to 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.

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 Modern Slavery Act 2015 we share this statement with all colleagues through our internal communication channels. A copy of this statement is available on the Capita website (www.capita.com).

In 2023 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 pan-Capita Code of Conduct and Safeguarding training.

We have also launched more detailed training for colleagues that have direct responsibility for upholding our commitment to eradicating modern slavery from our business and supply chain. The Chartered Institute of Procurement & Supply (CIPS) Ethical Procurement Training has been completed by all senior procurement buyers to uphold our commitment to ethical procurement and supply practices.

Communication

We seek feedback from colleagues through our annual People and Pulse surveys, which are open to all Capita colleagues.

In 2023, 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 company wide communication and campaigns, as well as divisional and local communication, all hands calls, listening groups and engagement sessions.



Key performance indicators

Our effectiveness in combating slavery and human trafficking

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

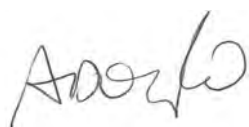
- environment
- ethics
- sustainable procurement
- labour and human rights

2023 has seen continued coverage across our supply chain of tracking and monitoring KPI's relating to modern slavery mitigation.

Key Performance Indicators	2023
Proportion of suppliers assessed using our risk management framework covering adherence to our supplier charter	New & Reactivated Suppliers 99%
Overall number of high-risk suppliers as per Global Slavery Index	536
Number of material breaches	None identified

Board approvals

This statement is made pursuant to section 54(1) of the Act. Capita's Chief Executive Officer approved this statement on behalf of the Capita Executive Team on 21 June 2024. The Board ESG Committee approved this statement on behalf of the Capita plc Board on 21 June 2024.



Adolfo Hernandez
Chief Executive Officer
June 2024



 Capita