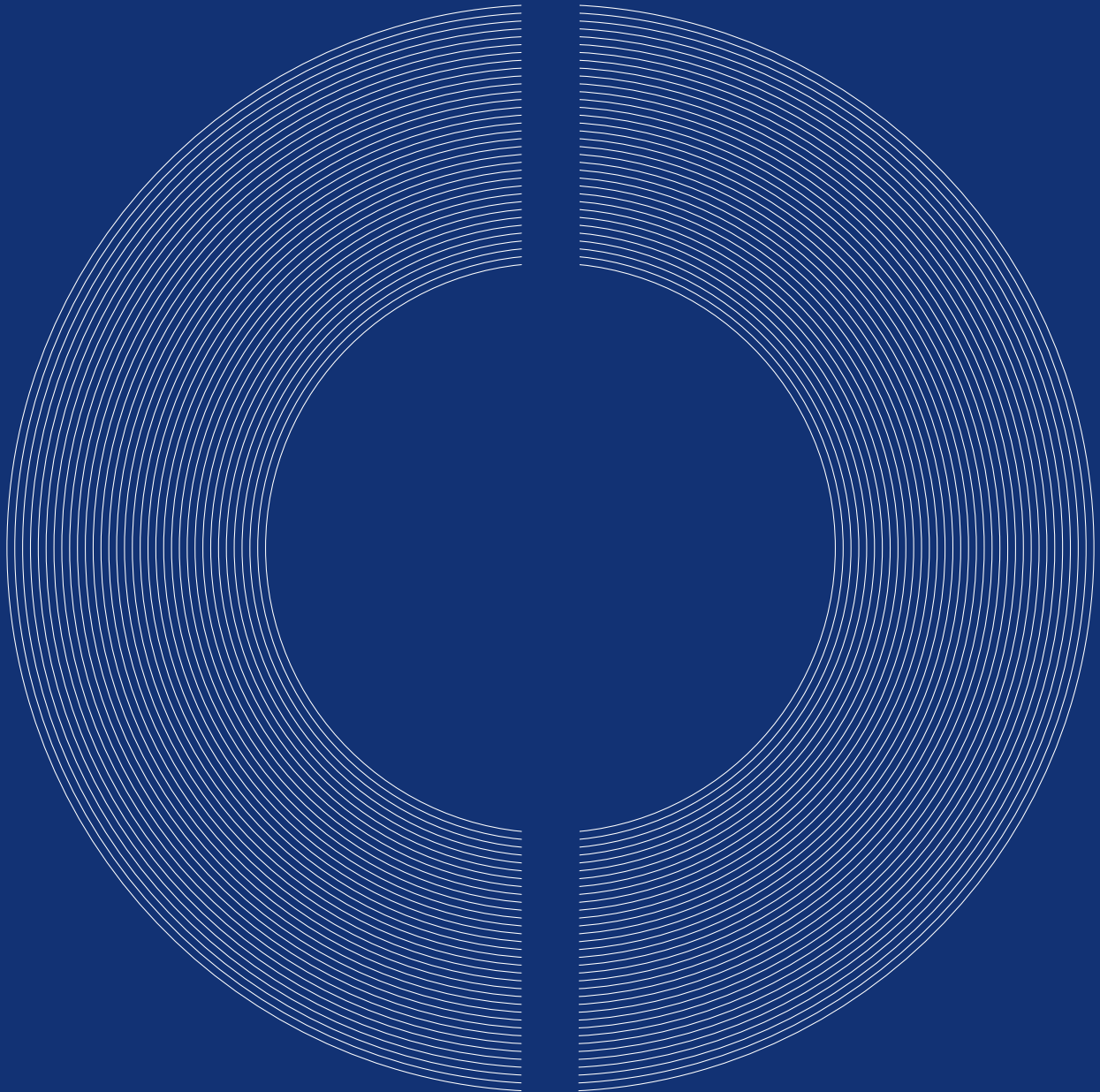


Schroders

**Supplier Due Diligence
and Assurance**

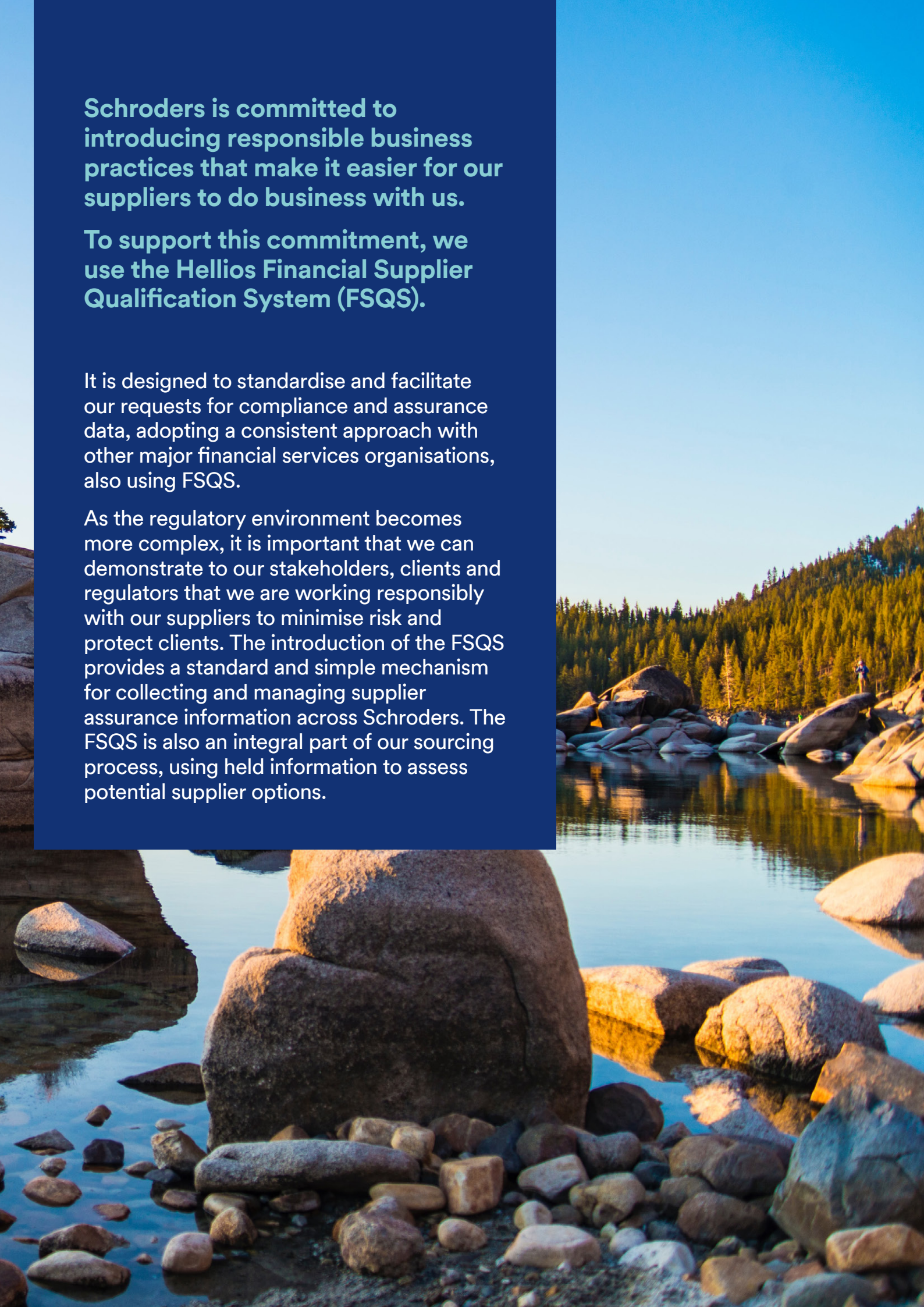


Schroders is committed to introducing responsible business practices that make it easier for our suppliers to do business with us.

To support this commitment, we use the Hellios Financial Supplier Qualification System (FSQS).

It is designed to standardise and facilitate our requests for compliance and assurance data, adopting a consistent approach with other major financial services organisations, also using FSQS.

As the regulatory environment becomes more complex, it is important that we can demonstrate to our stakeholders, clients and regulators that we are working responsibly with our suppliers to minimise risk and protect clients. The introduction of the FSQS provides a standard and simple mechanism for collecting and managing supplier assurance information across Schroders. The FSQS is also an integral part of our sourcing process, using held information to assess potential supplier options.



Benefits for you

- An online process to submit assurance and compliance data – reducing duplicate requests from Schroders and other financial services customers who you provide goods and services to.
- Compliance requirements which are proportionate to the products and services being provided.
- An online supplier profile which can be updated throughout the year to demonstrate your ongoing compliance with our policies.

Process

A simple two-stage process - Stage 1

Suppliers will receive an email invitation to complete an online questionnaire. The invitation will come directly from from Heliios, administrators of the FSQS. The questionnaire collects basic information about your organisation and should take around one hour to complete. This information will allow us to determine whether your organisation only requires Stage 1 or is required to complete Stage 2.

Stage 2

Stage 2 requires the completion of a more detailed online questionnaire and, in some areas, may require the provision of supporting evidence. To make the process as efficient as possible, most of the questions have selectable answer options rather than requiring lengthy written responses, and no proprietary, contractual or pricing information will be asked. This stage typically covers your policies and practice in areas such as:

Anti-Bribery	Sanction	Remuneration	Customer Treatment
Products and Sales	Anti-Money Laundering	Health & Safety	Whistleblowing
Business Continuity	Information Security	Cyber Security	Records Management
Diversity & Inclusion	Environmental	Data Management	GDPR
Physical Security	Operational Resiliency	IT Asset Management	Conduct Risk

Funding of FSQS is shared by Schroders and the other Financial Services organisations that will use the system, and larger suppliers. If your organisation is an autonomous small, medium or micro-sized enterprise (SME), then registration on FSQS is subsidised 100% i.e. there is no charge. For non-SME organisations, if Stage 2 of the process is required then this incurs an annual fee of £1650 (plus VAT), which is payable directly to our external partner Heliios, to help fund the operational costs of administering the system.

Following Stage 2, Schroders may wish to conduct further assurance activities including an on-site audit or request supplementary due diligence information, including but not limited to more detailed Information Security assessment, Business Continuity details, and Corporate Responsibility reviews. This will be conducted by Schroders and will incur no further fees.

Timelines

Existing suppliers to Schroders are given up to eight weeks to complete the questionnaires for the first time, to allow sufficient time for familiarisation with the new questionnaires and process. However we expect most suppliers will be capable of completing the process in significantly less time. Suppliers bidding for new business with Schroders may need to complete the questionnaire much more quickly in accordance with procurement timescales. Heliios will advise the deadline dates for Stage 1 and, if required, Stage 2 completion in the FSQS email communications issued.

Frequently asked questions



Why has Schroders introduced a Financial Supplier Qualification System?

Suppliers told us that our process for collecting compliance and assurance information was complex and time consuming. The introduction of an online system simplifies the process for suppliers to submit information and prevents suppliers receiving multiple requests from Schroders and other Financial Services customers. It is also important that we (your organisation and Schroders) can demonstrate to our stakeholders that we are working together responsibly to minimise risk across our supply chain to protect our clients. As the regulatory environment we operate in becomes more complex, it is vital that we have a robust system in place to support the collection and maintenance of supplier assurance data and respond to regulatory change.

Who is Hellios?

Hellios Information Management Ltd is a UK based company. The team has extensive experience in collecting and maintaining supplier data on behalf of a number of global and UK companies.

What is the role of Hellios?

Schroders has appointed Hellios to collect and administer supplier assurance related data on behalf of Schroders. Hellios will collect and check the data provided by suppliers and ensure the data is maintained on the Financial Supplier Qualification System. Hellios is an approved supplier of Schroders and do not assess a supplier's suitability. That decision rests with Schroders.

How does Hellios protect the data we provide?

The FSQS application, infrastructure and data storage is hosted exclusively in the UK in data centres that are SSAE18 SOC2 and ISO27001 certified. Encryption to the latest industry standards is employed, along with cyber security measures such as weekly scans and penetration testing. Hellios ensures the limited amount of personal data collected is fully compliant with the GDPR and Data Protection Act 2018. Hellios is certified to ISO27001 and Cyber Essentials Plus, the National Cyber Security Centre standard backed by the UK Government.

Do we have to register each of our legal entities separately?

Yes, your organisation is required to register any legal entity that submits an invoice to Schroders.

Can any supplier submit the questionnaire to Schroders?

No, invitation only.

Will other suppliers have access to the information we provide?

No, other suppliers will not have access to the information you provide.

Will assurance information be available across Schroders?

Yes, one of the benefits of the new system is that suppliers' assurance information will be available to other areas in Schroders. This will reduce requests for duplicate information from us.

Will I be asked to provide pricing information on my company's products and services?

No, your organisation will not be asked to provide any commercial information of this nature.

1. If I'm required to apply for Stage 2, how do I pay the fee to Helios?

Helios will provide full details of the payment options available and should stage 2 be required, you will have the option to pay immediately or at a later date once all the information has been filled out.

How long are responses valid for?

The renewal date is set at one year after Stage 1 completion has been completed. For suppliers that are required to also complete Stage 2, the renewal date is set one year after your Stage 2 questionnaire has been issued. Hellios will issue reminders to suppliers several weeks in advance of their qualification expiry deadline.

How long does it take to complete the questionnaire(s)?

Typically, we find it takes less than one business day to enter the information in the system (if you're asked to complete both stages). However, the time required to collate the information varies dependent on the size of an organisation. Larger organisations often have to source the data from a number of internal departments and therefore we're giving existing suppliers approximately eight weeks for completion.

As an existing supplier, what happens if I fail to apply within the assigned timelines?

Suppliers will be fully supported by Hellios throughout the process. However, failure to complete the questionnaire(s) will result in a supplier being classified as non-compliant in our internal systems.

Who can I contact for further information?

Please contact Hellios Supplier email: fsqs@hellios.com or telephone 01865 959120 8.30am to 5.30pm, Monday to Friday.

* An SME is defined as an enterprise which has less than 250 employees and/or a turnover of less than £40m (including any consolidated figures should the enterprise belong to a group of companies).



EST. 1804

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