

MDDUS Modern Slavery Statement 2024

This is the MDDUS Slavery and Human Trafficking Statement for the financial year ending 31 December 2023. The Statement is made in accordance with the Modern Slavery Act 2015 (**the Act**). It was agreed by the Board of Directors on 23 February 2024.

MDDUS

MDDUS is a 'mutual' defence organisation, and so owned by and for its members. Our purpose is to support and protect healthcare professionals throughout their career.

A private company limited by guarantee, MDDUS is the operating name of the holding company of the Group. There are four wholly owned subsidiaries: MDDUS Insurance Limited, a commercial insurance company licensed by the Guernsey Financial Services Commission; MDDUS Services Limited, an insurance intermediary authorised by the Financial Conduct Authority; MDDUS Education Limited, a risk and training company; and MDDUS Property Limited (**MPL**), an investment property management company.

The Board is committed to leading, controlling and directing MDDUS in accordance with a recognised corporate governance framework. As a member of the Association of Financial Mutuals (**AFM**), the Board applies fully the principles of the AFM Corporate Governance Code. MDDUS operates only within the UK, the Channel Islands and the Isle of Man and complies with relevant company laws.

Zero-tolerance approach towards modern slavery

We have a zero-tolerance approach towards slavery, servitude, forced or compulsory labour, human trafficking and exploitation, including as defined and prohibited by the Act. For the purposes of this Statement, these offences are collectively referred to as '**modern slavery**'.

Identifying potential risks

We believe that the professional-service nature of our business exposes us to a lower risk of the occurrence of modern slavery. Internal controls help to ensure that we comply with the Act, including our pre-employment checks and employment procedures. We are committed to fair pay and no one working within MDDUS earns less than the living wage. We have introduced a range of health and wellbeing options, including mental health awareness sessions and first aiders, to support colleagues. The Board's Remuneration and Nominations Committee is advised about matters with a significant impact on colleague pay and related issues.

Our Procurement and Contract Management Policy, introduced in 2022, was reviewed and updated in 2023. This recognises that our supply chain, particularly in relation to MPL, is the area of highest risk to our compliance with the letter and spirit of the Act. Our reputation is built on trust and integrity and, as such, we have particular expectations of our colleagues, partners and the other organisations with whom we conduct business. We aim to form relationships only with those who demonstrate that the people involved at every level of their business are treated with dignity and respect.

MPL is identified as a higher risk due to the nature of some property management work and because our relationship with these services is one-step removed. We work closely with our property portfolio manager in London, Daniel Watney, which is committed to ensuring there is transparency in its business and approach to tackling modern slavery in its supply chain. Daniel Watney's modern slavery policy states: '*We include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children, and we expect that our suppliers will hold their own suppliers to the same high standards*'. Daniel Watney had no modern slavery concerns to report from 2023. A tender for our property manager is planned for 2024, which will require participating firms to provide modern slavery assurance / statements.

As tenants of our office in Glasgow, we have an indirect relationship with Workman, the landlord's property management agent. Workman's statement advises: *'We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our Anti-slavery Policy Statement reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains'*. Workman has published no concerns in relation to modern slavery.

The Board formalised investment management beliefs for MDDUS in 2022. These allow us, for example, to set new exclusions or targets relating to environmental, social and governance (**ESG**) matters. The Board's Investment Committee considered and responded to quarterly ESG ratings reports from its custodian, Northern Trust, during 2023. The ESG beliefs are kept under regular review.

Our own standard contracts for the supply of goods and services include terms and conditions relating to modern slavery and the Act.

Assessing potential risks

We have a varied supply chain that extends to a range of goods, works and services – for example, office equipment and supplies, promotional items, ICT and telecommunications, utilities, cleaning, catering and travel services, training and consultancy services and professional services (legal, audit and investment management).

Our Procurement and Contract Management Policy has allowed us to adopt a more proactive approach to due diligence of our suppliers. In particular, modern slavery assurances or statements are now encouraged or required, in advance, in relation to procurement activity meeting set thresholds. Records to demonstrate compliance with the Policy must be retained. A review of compliance with the Policy was completed at the end of 2023 [and follow up actions were agreed for implementation during 2024].

If we were to identify a supplier of potential or actual concern, we would work with them to take remedial action or, if more appropriate, to take steps to remove them from our supply chain. We would also report our concerns to relevant authorities. There have been no instances to date where such action has been needed.

Training

The Company Secretary has attended external training events about modern slavery, related statements and proposed reforms to the Act.

All staff colleagues are required to complete an annual mandatory training module about modern slavery. This will be supported by a Modern Slavery Policy, which will be developed in light of the consultation about the new Modern Slavery Bill, announced in 2022. In addition, colleagues are required to complete an annual mandatory training module about 'whistleblowing', which supports our Whistleblowing Policy and procedures.

This statement applies to the MDDUS Group, including its subsidiaries. It is published to the front page of our website and is filed, on a voluntary basis, with the UK Government's modern slavery registry.

For more information, please contact: secretary@mddus.com

Signed

Chris Kenny

Chief Executive

23 February 2024