## MDDUS Modern Slavery Statement 2025

This is the MDDUS Slavery and Human Trafficking Statement for the financial year ending 31 December 2024. The Statement is made in accordance with the Modern Slavery Act 2015 (**the Act**). It was agreed by the Board of Directors on 28 February 2025.

## MDDUS

MDDUS is a 'mutual' defence organisation – this means it is owned by, and operates for, its members. We do not have any shareholders. 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 – The Medical and Dental Defence Union of Scotland. There are four wholly owned subsidiaries: MDDUS Insurance Limited, a commercial insurance company licensed by the Guernsey Financial Services Commission; MDDUS Services Limited (operating as MDDUS Solutions), 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. More information about the Group is available on our website: Corporate governance | MDDUS

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 supports and 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 low risk of the occurrence of modern slavery. Internal controls help to ensure that we comply with the Act, including through pre-employment checks and our employment procedures. We are committed to fair pay and no one working for MDDUS earns less than the living wage. We have 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 that impact significantly on colleague pay and employment policies / procedures.

Our Procurement and Contract Management Policy ('**procurement policy**'), introduced in 2022, was developed recognising that our supply chain 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. The procurement policy is reviewed regularly and an annual report about contract management is presented to the Executive Committee.

We consider the operations of MPL to be at a slightly higher risk of modern slavery 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 new property portfolio manager, Lambert Smith Hampton (**LSH**), which was appointed in 2024 in accordance with our procurement policy. LSH's Modern Slavery and Human Trafficking Policy reports

its '*… 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 business and/or within our supply chain*'. LSH's Statement for the year ending 31 December 2023 states that its '*… risk assessment indicates a low risk of modern slavery or human trafficking within our workforce and supply chain*'.

The Board updated its investment management beliefs in 2024. 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 quarterly ESG ratings reports from its custodian, Northern Trust, during 2024. 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 policy has enabled us to adopt a more pro-active approach to due diligence of our suppliers. In particular, modern slavery assurances or statements are now encouraged or required for procurement activity that meets 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 its recommendations were implemented 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 training module about modern slavery. This will be supported by a Modern Slavery Policy, developed in light of the outcome of proposals for legislative reform, including, most recently, a report from a House of Lords Select Committee published in October 2024. In addition, colleagues are required to complete an annual 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
28 February 2025