

# Modern Slavery Statement

## 1. Background

Rothesay is the UK's largest pensions insurance specialist, purpose-built to protect pension schemes and their members' pensions. We are committed to ensuring that the highest professional and ethical standards are met at all times, and strive to be a responsible business which positively impacts society through its culture and business processes.

This Modern Slavery Statement explains how the Rothesay group (collectively 'Rothesay' or the 'Group'), seeks to ensure that slavery (which encapsulates slavery, servitude and forced or compulsory labour, and human trafficking) is not present in any part of our business or its supply chains.

## 2. Scope

Rothesay's Modern Slavery Statement is made pursuant to section 54 of the Modern Slavery Act 2015 ('the Act') with respect to the financial year ending 31 December 2023. It is also intended to be compliant with the Australian Modern Slavery Act 2018.

## 3. Rothesay's business, organisational structure, and supply chains

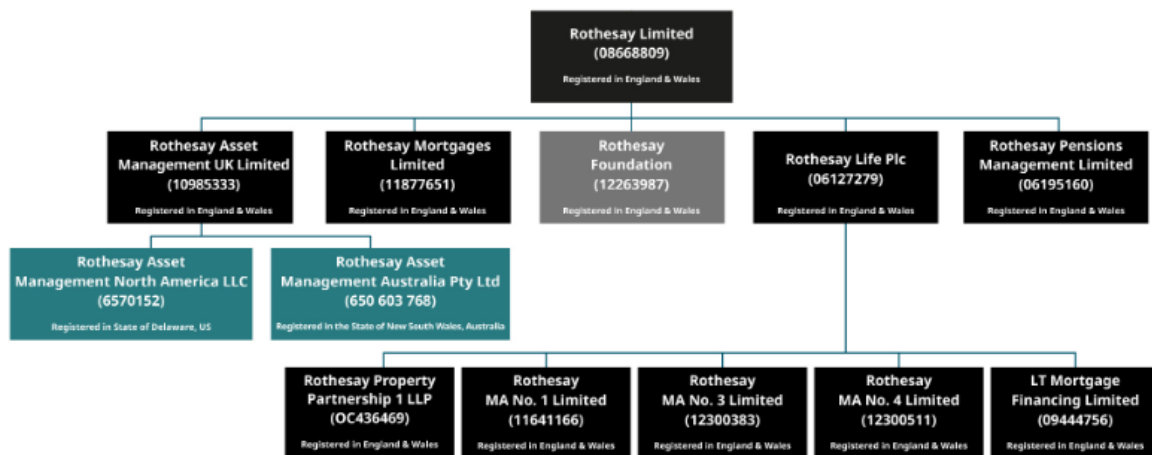
### 3.1. Rothesay's business

Rothesay is primarily located in and operates from the UK, with our insurance business operating solely in the UK and certain operations and activities carried on by Group subsidiaries in the United States of America and Australia.

Rothesay's business model involves core internal operations supported by services provided by a number of trusted third-party providers, including outsourced service providers. All our supply chains for domestic and international operations are ultimately overseen and controlled in the UK, having regard to local legal and regulatory requirements for our US and Australian operations as required. As a result, the activities described in this statement apply to the Group as a whole.

### 3.2. Rothesay's organisational structure

Our organisational structure is set out below. It consists of our holding company and ultimate parent Rothesay Limited. Rothesay Life Plc ('RLP') is our UK regulated entity and undertakes all of our insurance business. Rothesay Pensions Management Limited is our employee service company and the Rothesay Foundation is the Group's charitable foundation. Rothesay Asset Management North America LLC ('RAM NA') and Rothesay Asset Management Australia Pty Ltd ('RAM AUS') are our US and Australian subsidiaries. There are also a number of property investment entities that support Rothesay's non-traded investment portfolio.



### 3.3. Rothesay's operations

Our operations and activities involve:

- the provision and delivery of specialist insurance products and services to professional clients and retail consumers in the UK;
- investment of Group assets in highly rated investments such as government securities, cash, corporate bonds, infrastructure, secured lending, and mortgages;
- the direct employment of workers; and
- charitable activities in the UK.

### 3.4. Our supply chains

We source products and services from a range of suppliers to support the provision of our products and services and our business operations.

Our key suppliers and business partners provide services in the following areas:

- Information, communication and technology services;
- pensions administration services;
- middle office operations;
- human resources
- asset managers, reinsurers, and other financial services providers;
- marketing and events;
- knowledge services, including risk management and compliance services; and
- premises management, such as cleaning and security.

### **3.5. Our risk exposure**

Rothesay operates in a low-risk sector from a modern slavery perspective. Rothesay's suppliers are primarily based in the UK, US, Australia or the EU. Suppliers using staff and offices in other jurisdictions in the provision of services to Rothesay will similarly need to comply with modern slavery requirements. As a result, we consider the overall inherent risk of modern slavery and human trafficking in our business and supply chains to be low.

Although the majority of our direct suppliers are based in the UK, US, Australia or the EU, we recognise that potential risks of modern slavery practices may be elevated for direct and indirect suppliers located in countries that are considered to have a higher prevalence of modern slavery. We also acknowledge that our direct suppliers may be part of complex supply chains and that potential risks may be heightened in lower tiers of our supply chains where we may have less visibility and leverage.

We are not aware of any instances of modern slavery or human trafficking in Rothesay or our suppliers in 2023. However, we take our obligations seriously, and maintain a range of policies, processes and controls to oversee and monitor our performance.

## **4. Our policies and standards**

We have a zero-tolerance approach to modern slavery, and we are committed to ensuring that there is no slavery or human trafficking in our supply chains or in any part of our business. The following Rothesay policies and standards govern and reinforce our commitment to ensuring slavery and human trafficking is not present in any part of our business or its supply chains.

### **4.1. Corporate Social Responsibility ('CSR') Policy**

The CSR Policy is owned by the Board of Directors of Rothesay Limited. It sets out Rothesay's aim to support and respect the protection of internationally proclaimed human rights as articulated in this statement.

### **4.2. Vendor Management Policy**

Our Vendor Management Policy documents Rothesay's risk-based approach to managing supplier relationships in practice, including our supplier obligations in relation to modern slavery and human trafficking. The Vendor Management Policy governs the supplier management lifecycle from pre-engagement through to off boarding. It is reviewed at least annually and is approved by Rothesay's Board Risk Committee.

### **4.3. Onboarding due diligence**

We carry out due diligence risk assessments at the initial onboarding of new suppliers. We then refresh these assessments systematically depending on the type of supplier and the overall risk factors they present. We use a wide range of external information sources in our due diligence processes, including adverse media checks. This helps us to assess sanctions, anti-money laundering

and terrorist financing risks as well as potential crystallised instances of human trafficking or modern slavery, unethical conduct or other illegal activity.

We require suppliers to confirm their commitment to ensuring that slavery and human trafficking are not present in any part of their business. We do this at the outset of the relationship and then on an ongoing basis.

#### **4.4. Supplier Code of Conduct**

Our Supplier Code of Conduct (the 'Code') outlines the expectations we have of our suppliers. The Code's purpose is to set clear standards for the expectations we have for our suppliers. The Code covers ethical behaviour, data protection, human rights, modern slavery and anti-competitive behaviour. The Code was introduced in 2023. Since then we have asked all new suppliers to attest to the Code or confirm they have their own public code of conduct that meets our expectations.

#### **4.5. Governance, oversight and monitoring**

We strive to foster long-term relationships with our suppliers. We expect them to have robust processes to maintain compliance with the Act and to ensure fair employment practices.

We work with our closest partners to promote best practice. For example, we require our cleaning suppliers to pay their personnel, who work at our premises, a salary which is equivalent to at least the London Living Wage.

Once a supplier has been onboarded we monitor their performance on a risk-based basis. For higher impact suppliers this involves regular meetings and on-site reviews. It also incorporates regular adverse media screening.

The ongoing management of higher impact suppliers is overseen by our Executive Business Controls Committee ('BCC'), which meets monthly and operates under a defined terms of reference. Higher impact suppliers are formally reviewed least annually, with assessment outcomes escalated through Rothesay's governance framework.

Ongoing risks, themes and issues arising in the supply chain are escalated to the BCC as part of the regular reporting cycle.

#### **4.6. Key performance indicators**

Our Key Performance Indicators ('KPI's) for modern slavery relate principally to training and awareness. Supply chain management continues to be a key area of focus for us, and we expect to extend the scope of our KPIs over the course of 2024.

We confirm that for 2023:

- We are not aware of any cases of modern slavery or human trafficking within Rothesay or our supply chains.
- All new employees received modern slavery training as part of their induction training.
- All employees completed Whistleblowing and Financial Crime training.

- No suspicions or accusations of wrongdoing relating to modern slavery or human trafficking were raised in our risk event or employee escalation processes.

#### **4.7. Whistleblowing Policy and processes**

Rothesay's Whistleblowing Policy empowers our people to speak up and escalate concerns and report any suspected wrongdoing. This would include suspicions about modern slavery or human trafficking. Where people are not comfortable raising concerns directly with their management, HR or Compliance, other whistleblowing pathways are available. This includes a dedicated and anonymous whistleblowing hotline and direct access to our Whistleblowers' Champion, who is also an independent Non-Executive Director. This ensures concerns will be investigated independently and confidentially.

#### **4.8. Recruitment standards**

All candidates to whom we offer employment must either evidence they are eligible to work in the UK (or US/Australia where applicable) or submit their visa requirements so that we can assist them with sponsorship. This requirement helps eliminate the risk of modern slavery or human trafficking in Rothesay's recruitment processes.

#### **4.9. Responsible Investment and our annual Sustainability Report**

The Responsible Investment Policy outlines Rothesay's approach to implementing responsible investment objectives within our investment decision-making. Rothesay screens any new investments at point of trade, including using a third-party service provider (MSCI) to support exclusions in line with our exclusion criteria, as well as wider screens including human global compact violations or watch-listing. Rothesay is also a signatory to the UN Principles of Responsible Investment (UNPRI) and the UK Stewardship Code.

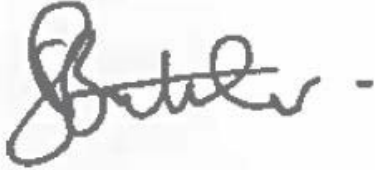
Further, our detailed annual [Sustainability Report](#) sets out Rothesay's sustainability strategy and performance, which explains a risk based approach to considering Environmental Social and Governance risks, including the risk of modern slavery and human trafficking occurring in any part of our business or our supply chains.

#### **4.10. Our training**

We are committed to ensuring awareness of the Act across the business as part of our efforts to help eliminate all forms of modern slavery and human trafficking. In addition to the processes set out above all new joiners receive training on the Act as part of their induction training. They are made aware of the important role that they play in identifying signs that it may have been breached both within our employee base and within our suppliers. That subject-specific training is supplemented by mandatory whistleblowing and financial crime training that actively encourages people to report their concerns either internally or via our Whistleblowing policy.

This Modern Slavery Statement was approved by the Board of Rothesay Limited for, and on behalf of the Rothesay Group.

Signed:

A handwritten signature in black ink, appearing to read 'Graham Butcher', followed by a short horizontal line.

Graham Butcher, Chief Financial Officer

13 June 2024