

25<sup>th</sup> October 2023

## Rothestay updates climate targets and ESG reporting as it progresses on Pathway to Net Zero

Rothestay, a leading UK pensions insurance specialist, today publishes its annual Environmental, Social and Governance (ESG) reports, which for the first time comprise both a Sustainability Report and a Climate Report aligned with the Task Force on Climate-related Financial Disclosures.

Key milestones reported include:

- 13% overall reduction of Carbon Intensity (CI) in its total £47bn investment portfolio since 2020
- New commitment to a 50% reduction by 2030 in the CI of the corporate bond investment portfolio
- £13.8bn of sustainable investments across social housing, education, healthcare and sustainable transport assets, among others
- Acceptance as a signatory to the Financial Reporting Council's UK Stewardship Code
- Maintained certified CarbonNeutral® status for own operations
- £5.6m pledged to charitable causes, including through the Rothestay Foundation's partnerships with Iceland Foods and Age UK, helping some of the country's most vulnerable older people
- 91% of employees said they were proud to work for Rothestay

Since its last ESG report, Rothestay has seen the CI (measured in annual t CO<sub>2</sub>e / mm USD) of its total investment portfolio fall to 183 from its 2020 baseline of 211, a 13% decrease overall which leaves the business well-positioned to proceed towards its long-term goal of net zero by 2050. The scope of the Group's monitoring also improved with the portfolio's CI coverage increasing to 93%, up from 90% the prior year. Within the corporate bond investment portfolio there has been a 26% CI reduction. The business has therefore introduced a further target to reduce the CI of that portfolio by 50% (from the 2020 baseline) by 2030.

A significant investor in the UK economy, Rothestay invests £13.8bn in opportunities that are considered to be sustainable investments. These are investments in companies and sectors which can generate real social value, which are in alignment with one or more United Nations Sustainable Development Goals, and where the proceeds can be explicitly earmarked for sustainable or social purposes.

In 2022, Rothestay was accepted as a signatory to the Financial Reporting Council's UK Stewardship Code 2020, evidencing its effective stewardship activities over the previous 12 months. It also maintained carbon neutral status (first achieved in 2020) with respect to its business' Scope 1 and 2 emissions in accordance with the CarbonNeutral Protocol.

Over the past year, the Group pledged over £5.6m to charitable causes (equivalent to £14,000 per fulltime employee). Following the success of the 'Summer Cheer' campaign, where the Rothestay Foundation gave £2 million worth of Iceland Foods vouchers to pensioners living in need, the

# Rothesay

Foundation has partnered with Age UK to fund free, confidential benefits checks for Summer Cheer campaign participants. On average, an Age UK benefits check identifies an extra £2,000 that each person could be entitled to every year.

In its annual employee engagement survey, Rothesay was particularly pleased to see that more than nine in ten (91%) of its employees said they were “proud to be part of Rothesay”. The insurer continued to invest in its range of employee benefits to support the wellbeing of employees, and their families, and to promote an inclusive company culture that actively values difference. This included formalising elements of flexible working for all employees and launching a new specialist benefit with Fertifa to provide a fertility support subsidy and access to unlimited clinical advice.

**Tom Pearce, Chief Executive Officer of Rothesay, said:** “At Rothesay, we see embedding sustainability principles across our business as a fundamental part of our commitment to providing our policyholders with security for the future. We are proud of the progress we have made this year and of the transparency in which we communicate our goals and the programmes of activity designed to deliver them. As always, though, we recognise that more can be done and we remain committed to continuous improvement to develop and deepen positive change both within our business and the wider insurance sector.”

**ENDS**

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## **Notes to Editors**

### **About Rothesay**

Rothesay is a leading UK pensions insurance specialist, purpose-built to protect pension schemes and their members' pensions. With over £48 billion of assets under management, we secure the pensions of more than 840,000 people and pay out, on average, approximately £200 million in pension payments each month.

Rothesay is dedicated to providing excellence in customer service alongside prudent underwriting, a conservative investment strategy and the careful management of risk. We are trusted by the pension schemes of some of the UK's best known companies to provide pension solutions, including Asda, British Airways, Cadbury, the Civil Aviation Authority, the Co-operative Bank, National Grid, Morrisons, the Post Office and Telent.

Rothesay has two substantial institutional shareholders, GIC and Massachusetts Mutual Life Insurance Company (“MassMutual”), who provide the company with long-term support for its growth and development.

Rothesay refers to Rothesay Limited and its subsidiaries and is the trading name for Rothesay Life Plc, an insurance company authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference

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Number: 466067. Rothestay Life Plc is registered in England and Wales with company registration number: 06127279 and registered address: Rothestay Life Plc, The Post Building, 100 Museum Street, London WC1A 1PB. Further information is available at [www.rothestay.com](http://www.rothestay.com)