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Rothestay launches its Pathway to Net Zero plan with commitment to reducing portfolio emissions by 20% in five years

- Rothestay publishes comprehensive strategy to achieve net zero by 2050 in its first Environmental, Social and Governance (ESG) report
- Commits to a 20% reduction in the Carbon Intensity of its investment portfolio by 2025 in a significant step towards transitioning its assets to net zero greenhouse gas emissions
- Pledges to regularly report on its progress and publish the Carbon Intensity of its portfolio on an annual basis while embedding climate responsibility across all areas of its business
- The company's own operations will become carbon neutral, or negative, by 2023 and it has also introduced a series of measures to support employees reduce their emissions
- Calls on the Government to support the sector increase its lending to projects which aid the transition to a low carbon economy

Rothestay, the UK's largest pensions insurance specialist, is pleased to announce its commitment to supporting a low carbon economy in which the UK achieves net zero by 2050. In its first ESG report, published today, Rothestay sets out 'Our Pathway to Net Zero' (the Pathway), a comprehensive programme of carbon reduction activity across its investment portfolio, own operations and people. The Pathway also identifies the external partners Rothestay will work with and calls on the Government to support the bulk annuities sector to increase its investment in green infrastructure.

The new annual publication discloses key climate data from across Rothestay's investment portfolio, including a current Carbon Intensity of 188 t CO₂e/mm USD of borrower revenue which is based on analysis of 86% of the group's asset portfolio.

Furthermore, Rothestay identifies the measures it will take to transition its portfolio to net zero greenhouse gas emissions by 2050, aligned with a maximum temperature rise of 1.5 degrees above pre-industrial levels as outlined in the Paris Agreement. It also describes how climate responsibility has been embedded throughout its operations, including through a new Climate Change Working Group where all the company's business units are represented. A range of employee benefits have also been introduced, such as the tax efficient leasing of zero emission electric vehicles, and actions in support of the firm's climate change goals will be recognised in the annual performance reviews of all colleagues.

Rothestay is a signatory to the UN Principles for Responsible Investment; a member of the UN-convened Net-Zero Asset Owner Alliance and a supporter of the Financial Stability Board's Task Force on Climate-related Financial Disclosures.

Commenting on its ESG report, Addy Loudiadis, CEO of Rothestay, said: *"Rothestay is dedicated to securing the future for every one of our policyholders. It is therefore vital that we carefully measure*

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and manage the risks associated with climate change in our investment portfolio and that our lending is aligned with businesses that will successfully navigate these risks in the future.

We actively seek out opportunities to help finance renewable energy projects, where this is possible, and we are always willing to support governments in their efforts to develop low carbon generation and infrastructure. We stand ready to further fund projects that aid the transition to a low carbon economy.”

ENDS

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Notes to Editors

About Rothesay

Rothesay is the UK's largest pensions insurance specialist, purpose-built to protect pension schemes and their members' pensions. With £62 billion of assets under management, we secure the pensions of over 800,000 people and pay out, on average, more than £230 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 some of the UK's best known companies to provide pension solutions, including the schemes of Allied Domecq, Asda, British Airways, Cadbury's, the Civil Aviation Authority, National Grid, the Post Office, Prudential 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. In September 2020, our shareholders increased their investment in Rothesay through a transaction which valued the business at £5.75bn.

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 Number: 466067. Rothesay Life Plc is registered in England and Wales with company registration number: 06127279 and registered address: Rothesay Life Plc, The Post Building, 100 Museum Street, London WC1A 1PB. Further information is available at www.rothesay.com