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Positive progress made on our Pathway to Net Zero

Rothestay, the UK's largest specialist pensions insurer, today publishes its second annual Environmental, Social and Governance (ESG) report, which includes details of the positive progress made against the carbon reduction commitments outlined in its 'Pathway to Net Zero' strategy.

Key milestones reported include:

- 7% reduction in the Carbon Intensity (CI) of Rothestay's investment portfolio
- £30.6bn invested in the UK economy
- Certified CarbonNeutral® status for Rothestay's own operations which also achieved net-zero status for the next ten years through a partnership with Climeworks, the leading 'direct air capture' company
- The Rothestay Foundation's pilot campaign in Lambeth to help local pensioners in need which was followed by the nationwide 'Summer Cheer' campaign, donating £2 million worth of Iceland vouchers to 80,000 pensioners living in poverty
- 92% of employees said they were proud to work for the insurer

Since its last ESG report, Rothestay has seen the CI (measured in annual t CO₂e / mm USD) of its £50bn investment portfolio fall 7% to 197. The scope of the Group's monitoring also improved with the portfolio's CI Coverage increasing to 90%, up from 86% last year.

As a significant investor in the UK economy, Rothestay has £30.6bn of holdings in UK companies, including funding for critical infrastructure, higher education and social housing assets. The insurer has actively managed climate risk throughout its portfolio, directly engaging with the issuers with the highest emissions to better analyse and assess their carbon reduction strategies.

A year ahead of its 2023 target, Rothestay was also pleased to receive CarbonNeutral® company certification in accordance with The CarbonNeutral Protocol, a leading global framework for carbon neutrality. In addition, Rothestay has become the first UK insurer to partner with Climeworks, whose direct air capture plants extract CO₂ from the air. This long-term partnership means that the amount of CO₂ equal to Rothestay's expected emissions for the entire decade beginning 2021 will be removed by Climeworks over the same period, thus leading to net-zero status for the insurer's business operations for the next ten years.

Over the past year, Rothestay pledged £3.9m to charitable causes, including a donation of £500,000 to the International Committee of the Red Cross to support its vital relief work in Ukraine. In addition, employees were encouraged to make monetary donations to support the relief effort in Ukraine with Rothestay matching donations on a 3-to-1 basis.

Following a pilot initiative in Lambeth, the Rothestay Foundation partnered with Iceland Foods to launch the 'Summer Cheer' campaign, giving £2 million worth of vouchers to pensioners in need to spend on food and other essentials. The campaign supported 80,000 pensioners with a £30 voucher and also provided them with Age UK's information guide on financial advice following

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research showing that, despite record levels of poverty, over 770,000 pensioner households are still missing out on Pension Credit payments.

In its annual employee engagement survey, Rothesay was particularly pleased to see that more than nine in ten (92%) employees said they were “proud to be part of Rothesay”. As a founder-led business, the insurer has committed to creating a culture that actively values difference from day one, recognising the importance that a company’s culture plays in delivering its commercial strategy.

Tom Pearce, Chief Executive Officer of Rothesay, said: “Embedding ESG principles across our business is a fundamental part of our commitment to providing our policyholders with security for the future. We are still at the early stages of our Pathway to Net Zero, but we are proud of the positive progress we’re making across all our strategic pillars. We remain committed to being as transparent as possible in our reporting, and to working across our industry to achieve our collective net zero ambitions.”

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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 over £50 billion of assets under management, we secure the pensions of more than 810,000 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's, the Civil Aviation Authority, National Grid, 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. In September 2020, our shareholders increased their investment in Rothesay through a transaction which valued the business at £5.75bn at that time.

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