

DECEMBER

4:14

Meeting Room: 111V 3.5B Boardroom (Teams Room)



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Supplier Code of Conduct

2025



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Introduction

We are driven by our Purpose — *Protecting today, investing in tomorrow. Together we are mutually responsible.* — to deliver good outcomes for our customers. We aim to help them to build their financial resilience while investing to support a fair transition to a sustainable world.

Since we were founded in 1861, we have been proudly customer-owned. Being a mutual allows us to focus on the long term for the benefit of our customers and their families, without the shareholder pressures faced by many other financial services providers.

Our Purpose also guides our commitment to operating with honesty and integrity, which extends to our relationships with suppliers. We are proud of these relationships and remain dedicated to collaborating with our suppliers in order to achieve positive outcomes for our customers and members.

Our Supplier Code of Conduct (the 'Code') sets out how we would like to work with suppliers, promoting transparency and high standards throughout our supply chain, and helping us play our part in moving fairly to a sustainable world.



About Royal London

The Royal London Group (Royal London or the Group) is the UK’s largest life, pensions and investment mutual, and is in the top 30 largest mutual and cooperative insurers globally¹. We offer protection, long-term savings and retirement solutions for customers in the UK and Ireland, and asset management solutions for clients around the world.

Royal London comprises The Royal London Mutual Insurance Society Limited (RLMIS) and its subsidiary businesses.

UK

In the UK, we provide pension and protection propositions to customers and employers, primarily through independent financial advisers.

Asset Management

Royal London Asset Management (RLAM) is our Asset Management business. We provide RLAM’s investment propositions to Royal London’s life and pensions customers and to external institutional and wholesale clients, primarily through intermediaries.

Ireland

Royal London Insurance Designated Activity Company (RLI DAC) is our regulated Irish subsidiary. In Ireland, we provide pension and protection propositions to customers through brokers.

1. Based on total 2022 premium income. ICMIF Global 500, 2024.

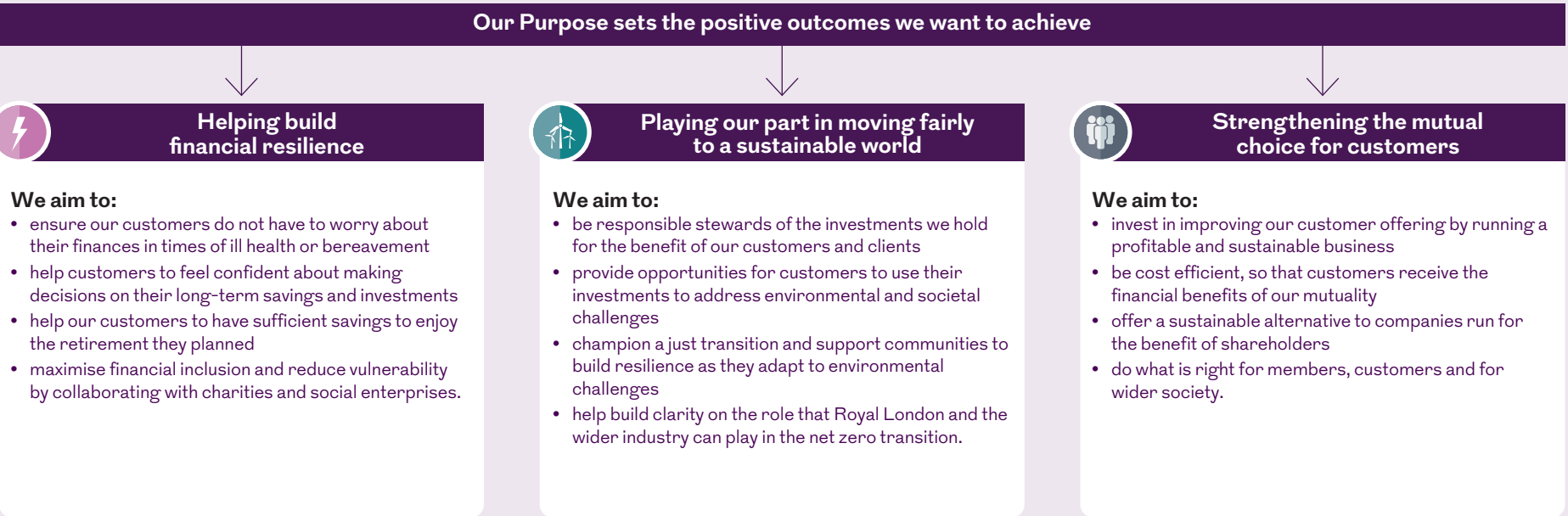
Our Purpose

At Royal London, we are driven by our Purpose:

‘Protecting today, investing in tomorrow. Together we are mutually responsible.’

This drives our strategy, shapes our culture and informs our long-term response to trends that influence members, customers, clients, intermediaries and society.

Purpose outcomes



How we support society

For each of the past four years we have committed over 1% of our operating profits to social impact initiatives, totalling over £8m. In 2024 we contributed £2.8m towards our social impact initiatives¹.

Through our partnership with Turn2us, we have been helping people in financial crisis since 2020 – and through our partnership with Cancer Research UK, launched in 2023, we are supporting research into hard-to-treat cancers to protect more people against life shocks that impact their financial resilience.

Our Changemakers Programme supports social enterprises across the UK and Ireland aligned to our Purpose. We continue to develop our approach, which you can read more about on our [website](#).

We are dedicated to building relationships with suppliers who share our commitment to driving positive social impact. While we recognise that each supplier may have their own approaches and strategies in this area, we look for opportunities to collaborate and expect suppliers to be open to working together to deliver meaningful change.

£2.8m

committed to social impact initiatives in 2024

1. We donated £2.46m directly to charities and social enterprises and funded an additional £0.34m to support related social impact activities.



Working together

Our approach to working together is not just about monitoring compliance to our Supplier Code of Conduct but also about working collaboratively to:

- Understand challenges
- Encourage improvements
- Empower suppliers, their affiliates and sub-contractors to take ownership throughout the supply chain.

We actively engage with suppliers at a very early stage in our procurement activity to ensure the Code is put into practice. The Code is broken down into four sections:



We expect our suppliers to comply with all laws applicable to their business in the countries they operate. Our Code defines the minimum standards we require from our suppliers; it does not prevent suppliers from exceeding these standards.

We understand that some of our suppliers may not have all the standards and policies in place or have concerns about meeting the Code. We ask suppliers to provide information to support why this is, and how any risks can be mitigated.

Alignment to the Code is a pre-requisite in every Royal London contract with suppliers. Through the signature of the contract and acceptance of the purchase order, the supplier commits that its operations are in line with the requirements of this Code. Suppliers must be able to demonstrate compliance with the Code at the request and satisfaction of Royal London.

We operate with transparency and act collaboratively with our suppliers to ensure adherence to the Code and to develop improvement programmes where necessary. In cases of non-compliance, we will work with our suppliers to address the findings through remedial actions. In cases of prolonged or excessive non-compliance, we reserve the right to review our business with the supplier.

1 Ethics and integrity

What we do

High standards of ethical behaviour and integrity are fundamental to Royal London.

We are fully committed to eradicating corruption from all business transactions and all colleagues receive annual training on several topics relating to this, including:

- Anti-bribery and corruption
- Anti-money laundering
- Conflict of interests (including gifts and entertainment)
- Financial crime
- Whistleblowing.

What we expect from our suppliers

Suppliers must:

- Not engage in corruption such as bribery or any form of improper or unlawful payment under any circumstances including conflicts of interest, tax evasion, financial fraud, money laundering, extortion or facilitation payments in line with Royal London's Anti-Corruption and Bribery Policy.
- Have policies and procedures in place to identify, disclose and address concerns relating to areas of ethical concerns (as noted above).
- Ensure appropriate training and awareness is in place for their employees in relation to these topics.
- Always act ethically and with integrity and comply with local, national and international laws and regulations.
- Encourage employees, through communications and training, to raise concerns relating to wrongdoing, misconduct or inappropriate behaviors, and ensure there are processes and procedures (including whistleblowing) to support this.



2 Human rights, labour standards, modern slavery

What we do

We are committed to conducting our business in line with the Universal Declaration of Human Rights, the International Labour Organization's Core Conventions on Labour Standards, and the United Nations Sustainable Development Goals. We publish an annual Modern Slavery Statement and make ongoing and annual commitments within this. Anti-slavery training materials are provided to all colleagues.

We are a Living Wage Foundation-accredited employer, committed to paying the Real Living Wage. We ensure on-site supplier colleagues are paid this wage, as a minimum, as well.

We operate a Health and Safety Policy and offer annual training to all colleagues, including display screen equipment assessments to identify and address individual needs.

What we expect from our suppliers

Suppliers must uphold these core standards at a minimum:

- Employment is freely chosen.
- Freedom of association and the right to collective bargaining are respected.
- Working conditions are safe and hygienic.
- Child labour is strictly prohibited.
- Living wages are paid and working hours are not excessive.
- Grievance mechanisms are in place.
- Practice no discrimination, harassment, threat of violence, intimidation, bullying or victimisation on any grounds in the workplace.

Suppliers are expected to follow these international standards, respect the human rights of their employees, and promote human rights throughout their supply chain. These requirements also apply when developing climate transition plans.



3 Environmental standards

What we do

Climate change is a threat to human wellbeing and the health of the planet, and poses an increasing risk to global economic growth and financial stability. We recognise the significance of climate change and its potential impact on customers' and clients' financial outcomes.

Our commitment to playing our part helps guide our climate strategy (as outlined in our [Climate Transition Plan](#)), helping to set Royal London's ambitions and prioritise our actions. By playing our part in moving fairly to a sustainable world, we aim to help build customers' financial resilience and support clients' investment outcomes in a way that is responsible and helps to address environmental and societal challenges.

Our climate commitments, set in 2021, contribute to the effective management of climate-related risks and opportunities for our customers and clients.

Our climate commitments

- 1. Engagement:** We are committed to engaging with our stakeholders — including policymakers, the companies we invest in and our peers — to play our part in moving fairly to a sustainable world.
- 2. Portfolio emissions:** We are committed to reducing the emissions from our investment portfolio by 50%¹ by 2030 as part of our transition to net zero by 2050.
- 3. Climate-aware investment solutions:** We are committed to developing investment solutions that will enable our customers and clients to invest in the low-carbon transition.
- 4. Operational and value chain emissions:** We are committed to achieving net zero direct operational emissions by 2030 (Scopes 1 and 2) and net zero in our Scope 3 non-investment value chain by 2050². We will purchase 100% renewable electricity for our operations (Scope 2) by 2025³.

We are dedicated to working collaboratively with our suppliers to achieve our targets, support and develop new initiatives, and to truly build sustainability into the way that we operate. We want to work with suppliers who, by their own actions and goals, will support our Scope 3 commitments shown above.

Our commitments are based on the expectation that governments and policymakers will deliver on their commitments to achieve the goals of the Paris Agreement, and that the required actions don't go against our legal and regulatory obligations to our members and customers.

1. tCO₂e/\$m invested, relative to a 2020 baseline.

2. tCO₂e, relative to a 2019 baseline.

3. See page 20 of our [Climate Transition Plan](#) for an explanation of GHG emissions Scopes 1, 2 and 3.

What we expect from our suppliers

At a minimum, Royal London requires its suppliers to:

- Comply with all relevant national environmental legislation, and conduct business in a way which protects and preserves the environment. This includes publishing specific targets and plans to achieve these, where applicable.
- Have appropriate policies, procedures and relevant environmental management systems to identify, control and mitigate their environmental impact.
- Assign responsibility for environmental impact to a senior management representative.
- Report any inspection from local government bodies, along with details of any official complaint, legal action or recommendation. All required environmental permits and registrations must be legally compliant at any time.
- Optimise the consumption of natural resources and implement and demonstrate sound measures to prevent pollution, reduce the use of water, reduce energy consumption, re-use and recycle packaging, strive to achieve zero waste to landfill and consider post-consumer waste.

We also look for our suppliers to:

- Develop climate transition plans and do so in a way that considers those impacted by the transition.
- Seek to have Science Based Targets initiative (SBTi) approved targets.



4 Diversity and inclusion

What we do

We are proud of our Diversity and Inclusion Strategy, which is focused on our commitment to building an inclusive culture, where our workforce represents the diversity of our customers and communities.

We have diversity and inclusion sponsors from business area senior leadership teams who are responsible for local action plans which complement our central strategy. Sponsors share achievements and learnings to support each other. Our 2024 colleague diversity disclosure rate remained high at 89%, which helps shape our positive action plans.

We remain focused on our commitments under the HM Treasury Women in Finance Charter and the Race at Work Charter. Our annual [Gender Pay Gap Report](#) provides an overview of our gaps and how we are working to reduce these. We recognise there is more to do, and we are committed to positive actions to increase female representation, particularly in senior roles, which we believe will help to close our gender pay gaps.

We continue to meet our commitments under our 'level 2' status as a Disability Confident employer, providing support and adjustments for candidates and colleagues with disabilities, long-term health conditions and neurodiversity. We also work in partnership with external organisations, such as Inclusive Employers, Women in Banking Finance and Neurodiversity in Business, to ensure our business and the wider industry benefit from best practice.

Our colleague-led inclusion networks continue to grow, offering all colleagues the chance to join, learn, receive support and attend events:

- Women's Network
- PRIDE (our LGBTQ+ Network)
- REACH (Race, Ethnicity and Cultural Heritage Network)
- DAWN (Disability Awareness Network including neurodiversity)

We are dedicated to building relationships with suppliers who demonstrate a commitment to diversity and inclusion across all areas of their business.

What we expect from our suppliers

- Abide by all equality legislation in the countries in which they operate.
- Promote a workplace which does not tolerate harassment, bullying, intimidation or offensive behaviour in any form.
- Embed diversity and inclusion into people processes, such as recruitment and selection, training and development, promotion opportunities or job moves, performance reviews and communications.
- Consider how to involve individuals and communities impacted by the transition in the development of climate transition plans.
- Support Royal London in our diversity and inclusion reporting.





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