



## **LV= Modern Slavery Statement**

**For the year ended 31 December 2022**

### **Purpose of this Statement**

This statement is made pursuant to section 54 of the Modern Slavery Act (the Act). The Act defines modern slavery as “slavery, servitude and forced or compulsory labour” as well as human trafficking (modern slavery).

This statement sets out the approach and steps taken by Liverpool Victoria Financial Services Limited (LVFS or LV=) to ensure that modern slavery is not taking place in any part of our business or supply chains. The statement applies to LVFS only as, for year ended 2022, none of the group’s subsidiaries met the legal reporting thresholds required by the Act.

### **About LV=**

We’re a protection, investment and retirement specialist and one of the UK’s leading life and pensions mutual insurers. We serve over 1 million members and customers offering a range of products, services and advice. We work with a wide range of financial advisors and it is through them that the majority of customers will buy our products and services.

LVFS is the group’s ultimate parent company and has direct and indirect ownership of 29 subsidiaries. [View LV’s organisational structure as at 1 March 2023.](#)

### **Our focus in 2022**

We have zero tolerance to slavery and human trafficking and have continued to consider ways to minimise the risk of modern slavery in our business and our supply chain.

2022 brought significant economic challenges and uncertainty and throughout the year, in response to the rising cost of living, our focus was to ensure that our colleagues, members and customers remained supported and at the heart of what we do.

As at 31 December 2022, we had 1247 colleagues operating out of three offices across the UK. During the year, all our colleagues were required to undertake annual training on topics that relate to modern slavery including bribery, money laundering, fraud prevention and whistleblowing.

LV= continues to voluntarily pay at least the Living Wage Foundation’s minimum hourly rates of pay to all colleagues to ensure that we have fair and safe practices for our people. In October, our colleagues also received a one-off cost of living payment of £750 and we have continued to offer a range of externally run financial wellbeing sessions to support them.

In addition to the increased cost of living, our members and customers have also been impacted by other factors such as the volatility of their investments and interest rates. A number of initiatives have been put in place to provide financial support to members and



the Member Support Fund was utilised throughout the year with measures in place to ensure the fair and reasonable treatment of the requests.

### **Our values and policies**

The following policies support us in meeting our modern slavery responsibilities:

#### Third Party Code of Conduct and Ethical Standards

Our Third Party Code of Conduct and Ethical Standards is part of our suite of standards which are built into our third party due diligence process. The Code of Conduct outlines our expectations and requests that all third parties that we engage with attest to our minimum requirements including:

- Not to use forced, bonded, compulsory or trafficked labour and not to hold anyone in slavery or servitude, whether adults or children.
- To allow workers to leave their jobs after giving reasonable notice.
- Not to make workers' pay to secure their jobs.
- To apply these standards to their own organisation and supply chains.

#### Speak Up Policy

Our 'Speak Up' service helps encourage high ethical standards throughout the business and ensures that there is a procedure in place for employees to raise concerns confidentially and outside of the standard management and human resources channels.

#### Employee relations and HR policies

Our Human Rights policy confirms our commitment to upholding the standards set out in the United Nations (UN)'s Universal Declaration of Human Rights, the International Labour Organisation (ILO)'s Standards and the Human Rights Act 1998, amongst others. We consider that the most relevant human rights to our business are the right to just and favourable working conditions, the right to be free from discrimination, protection of minorities and the right to be free from compulsory labour.

Our Employee Assistance Programme offers a confidential advice service for our employees provided by an independent agency. It provides support for our people who are experiencing any issues or problems including mental, physical and financial health. This ensures that our staff have an independent resource to use if they want to raise any personal concerns.

We have robust recruitment processes and carry out criminal record, fraud and financial checks on every potential candidate (and enhanced checks on senior staff where appropriate) before they start in the business. We also carry our strict right to work checks in line with Home Office guidelines as part of our on boarding process.

For our temporary and contractor population, we comply with the Agency Workers Regulations (AWR) and ensure that we give equal treatment in respect of basic working rights and conditions; the same access to employment opportunities within the workplace and after 12 weeks the right to equal pay, bonus and holidays.



All of which give current colleagues and prospective employees fair and equal treatment and avenues to pursue if they want to raise any personal or confidential concerns.

### **Our supply chains**

Our supply chain is built around supporting our core functions and business areas and includes legal and claims services, business process outsourcing, marketing, facilities management and property, HR and professional services.

### **Due diligence and risk assessment**

At LV=, our work on modern slavery is part of our wider approach to risk management and delivering on our ethical and responsible values. As a financial services organisation, we continually assess and consider the risk of modern slavery and currently deem the risk to be low. However, we respect and acknowledge that modern slavery is a global issue and that no economy, industry or sector is exempt and we are fully committed to complying with the objectives of the Act.

We continue to operate systems and appropriate measures to help mitigate risk, ensuring that we are prepared and vigilant against any situations that may arise. This includes the on-going due diligence and oversight of our supply chain. We use a third party model, Financial Services Qualification System (FSQS), operated by Hellios Information Limited as part of our due diligence process. FSQS is an intuitive automated due diligence and policy compliance system which collects, validates and shares third party compliance data. The FSQS issues dynamic and intuitive risk based questionnaires appropriate to the service being provided and its related risks. This contains multiple risk areas and includes a bespoke modern slavery assessment. FSQS is also utilised by numerous other financial institutions, which ensures that we operate a consistent approach.

It is important to us that all suppliers represent LV= in a manner that reflects our values. Our standard contract terms and conditions and our Code of Conduct & Ethical Standards include a specific clause that expressly prohibits the use of modern slavery. All of our suppliers are expected to comply with the standards outlined in the Code.

### **Training**

We are committed to ensuring that all colleagues throughout the business, particularly the third party management and human resources teams, have the knowledge and understanding of the Modern Slavery Act in order to properly discharge the legal and ethical responsibilities we must comply with.

### **Our commitment for 2023**

We acknowledge that the duty to mitigate against the risk of modern slavery occurring in our supply chain is an on-going responsibility.

We will continue to review our processes and training to make sure that we are doing everything we can to detect, prevent and promote awareness of modern slavery across the business and our supply chain.



### **Approval and signature**

This Statement has been approved by the Board of Liverpool Victoria Financial Services Limited, as the only group entity which falls within the scope of the Act.

*Simon Moore*

**Simon Moore**

Chair

Liverpool Victoria Financial Services Limited



## Appendix

**Other LV= entities not within scope of section 54(2), but nonetheless, are subject to and comply with the Modern Slavery Act and LV's modern slavery policies and practices.**

- Frizzell Financial Services Limited
- Liverpool Victoria Financial Advice Services Limited
- Liverpool Victoria Life Company Limited
- LV Capital Limited
- LV Commercial Mortgages Limited
- LV Equity Release Limited
- LV Life Services Limited
- LV Protection Limited
- NM Pension Trustees Limited
- Teachers Assurance Company Limited
- Teachers Financial Services Limited
- Teachers Management Services Limited