



# LV= Modern Slavery Statement

For the year ended 31 December 2023

## 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. For year ended 2023, none of the group’s subsidiaries met the legal reporting thresholds required by the Act and are therefore not required to produce individual statements. Nonetheless, all Group entities are subject to and comply with the Modern Slavery Act and LV’s modern slavery policies and practices.

## About LV=

We’re an investment, protection, in-house advice and retirement specialist and one of the UK’s leading life and pensions mutual insurers. LVFS is the group’s ultimate parent company and has direct ownership of 19 UK-incorporated subsidiaries. [View our organisational structure.](#)

We serve over one million members and customers offering a range of products, services and advice to protect our members’ and customers’ income while they are working and maximise it when they stop. By doing this, we enable people to live financially confident lives.

As a mutual, our members are at the heart of everything we do. This means looking after them, their families, their futures and their finances through our products, services and advice.

- | Through our **investment products**, we provide access to multi-asset, low volatility investments through our with-profits Smoothed Managed Fund range.
- | Our **later life and pension solutions** enable and secure retirement options with pension propositions and help supplement retirement incomes through equity release and fixed-term annuities.
- | Our **protection business** offers critical illness, income protection and life insurance products to help protect livelihoods and incomes.
- | Our Advice and Direct team provide whole of market ‘at retirement’ advice and direct to consumer products through our in-house advisers.
- | Our **heritage business** looks after our legacy members to ensure fair value and service for our with-profits, unit-linked and other policies.

## Our values

Our four values - courageous, trusted, curious and inclusive - describe how we do business and reflect our culture and what we think is important. They inspire us to do our best for our stakeholders including our members, customers, and colleagues. Our values

are endorsed by supporting statements which act as a guide for how we conduct ourselves and make decisions. The statements help us to build a positive culture, which encourages respect, openness and a place where colleagues can be themselves.

All four values inspire the behaviour that we do the right thing for our members, customers and colleagues., We invite and learn from others' ideas, and we are inclusive of everyone. These values ensure that our colleagues are trusted, vigilant and empowered to challenge modern slavery within any part of our business or supply chains.

## **Our focus in 2023**

We have no tolerance to slavery and human trafficking and, in 2023, have continued to consider ways to minimise the risk of modern slavery in our business and our supply chain.

We recognise that we have a wider social purpose, to be a good corporate citizen, and to remember our heritage – we were founded to help people in need. 2023 continued to bring significant economic challenges and uncertainty. The rising cost of living continued to impact families which, coupled with the economic and political instability, created a sense of financial and emotional uncertainty. As a mutual, we play an important role in helping people navigate these challenges through our products, services and advice.

During the year, we continued to support our members. As well as providing sales and service solutions, we offer additional support to vulnerable members and customers. We assisted over 400 members through our member support programme which ranges from individually tailored financial support, to signposting members to external charities and organisations to assist their specific situation.

As at 31 December 2023, we had 1188 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.

We continue 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.

## **Policies**

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

### **Employee relations and HR policies**

We operate a diversity, equity, inclusion and wellbeing policy and have five networks which promote activity to drive change in this area. We are committed to protecting colleagues from discrimination, operating an inclusive working culture and ensuring just and favourable working conditions both in our business and in the businesses of third-party suppliers we work with.

We comply with the National Minimum Wage/ National Living Wage and expect third-party suppliers to do the same in their businesses or to pay a fair rate if they operate in a jurisdiction that does not have a minimum wage.

Our Employee Assistance Programme offers a confidential advice service for our colleagues provided by an independent agency. It provides support for people who are



experiencing any issues or problems including mental, physical and financial health. This ensures that our colleagues 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 new starter (and enhanced checks on senior staff where appropriate) before they start in the business. We also carry out strict right to work checks in line with Home Office guidelines as part of our on boarding process. We also require our suppliers to complete appropriate vetting and right to work checks.

For our temporary and contractor population, we comply with the Agency Workers Regulations 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.

### 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 colleagues to raise concerns confidentially and outside of the standard management and human resources channels.

Our colleagues can confidentially and anonymously report any concerns of negligence or wrongdoing which they have witnessed or been affected by at work. Raising such concerns help us to treat our customers fairly, safeguard our members' interests and protect our colleagues as well as ensuring we meet our regulatory and legal obligations.

The Board, through the Risk Committee, monitors the risks that could arise from bribery and corruption, fraud, money laundering, terrorism and financial and market abuse. The committee is responsible for annually approving the Speak Up and Financial Crime policies and receives regular reports of business activity and the mitigants and controls to ensure adequate oversight of the risks. There were no modern slavery concerns raised to the Speak Up line during 2023.

### 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. As part of these third-party processes, we require the vendors we work with to agree to our Third-Party Code of Conduct and Ethical Standards. This is a set of standards we expect vendors to comply with and is based around our core values. It contains important requirements which include, but are not limited to, the following topics:

- | Compliance with laws and regulations
- | Payment of living wage
- | A no-tolerance approach to modern slavery and exploitation of child labour
- | Minimum standards regarding health and safety



## **Our supply chain**

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**

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. The FSQS is an intuitive automated due diligence and policy compliance system which collects, validates and shares third-party compliance data. It issues dynamic and intuitive risk-based questionnaires appropriate to the service being provided and its related risks. The questionnaires contain multiple risk areas and includes a bespoke modern slavery assessment. The FSQS is also utilised by numerous other financial institutions, which ensures that we operate a consistent approach. The critical vendors of our business are also subject to tighter scrutiny and are subject to a bespoke audit process undertaken by our partners Ernst and Young LLP.

The information we receive from the above activities is now also being supplemented with access to another due diligence tool called Orbis, which is licensed from Bureau van Dijk. Together these tools and processes give us a comprehensive overview of our third-party relationships.

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 and Ethical Standards include a specific clause that expressly prohibits the use of modern slavery. All 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 2024**

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.



We will also continue to monitor any legislative changes to ensure continued compliance and accountability with the statutory and governance expectations.

### **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 Bonds plc
- | LV Capital Limited
- | LV Commercial Mortgages Limited
- | LV Equity Release Limited
- | LV Life Services Limited
- | LV Protection Limited
- | NM Pensions Trustees Limited
- | Teachers Assurance Company Limited
- | Teachers Financial Services Limited

