

Unum Limited

For the year ended 31 December 2023

Section 172 Companies Act 2006

The Directors continue to promote the success of the Company in accordance with Section 172 of the Companies Act. The Board considers and discusses information from the Company's management team to help it understand stakeholder interests and to ensure they are carefully considered as part of the Board's decision-making process.

The Board recognises the importance of its role in setting the tone of the Company's culture and embedding it throughout the business. Ultimately this responsibility puts the Customer at the heart of everything the Company does and is a foundation stone of our culture and purpose.


The Board considers the Company's key stakeholders to be:

- | | |
|-------------------------|----------------------------------|
| 1 Customers | 5 Community and the Environment |
| 2 Distribution Partners | 6 Our parent company, Unum Group |
| 3 Employees | 7 Suppliers |
| 4 Regulators | |

The following section sets out the methods used to engage with each of our key stakeholders and the key outcomes impacting the Company's decisions and strategies during the year.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
1. Customers	
<p>Our Customer & Product Committee (CPC) considers the employers using our products to be our customers. Their employees are considered to be customers where they pay an amount for the insurance and are our end-consumers. With regard to customer expectations and satisfaction metrics, ‘customers’ includes both employers and employees alike.</p> <p>The Company and Board play a critical role in helping to protect the financial futures of individuals and their families. The services we provide help people when they need it most. This responsibility puts customer outcomes at the heart of everything the Company does and is a foundation stone of the Company’s culture and purpose.</p>	<p>The Chair of the Risk Committee has specific responsibility for oversight of customers and provides regular updates to the Board. They are also our Consumer Duty¹ Champion, to support the Board and Senior Management in embedding the Duty, focusing on customer outcomes.</p> <p>The Board receives regular reports from the CPC which ensures that feedback from customers is understood and acted upon, that the business understands and reacts to the needs of vulnerable customers, and that the fair treatment of customers is central to corporate culture.</p> <p>The Board receives regular reports on any areas of conduct risk and risk events with customer impact and resulting remedial actions. The Board also receives regular reports on customer (both employer and employee) satisfaction and complaints.</p> <p>The Board reviews product and proposition enhancements, key risks and customer value across the product and services portfolio as part of product governance procedures on a quarterly basis which includes meeting customer needs.</p> <p>The Board has approved an enhanced governance framework which includes an ongoing assessment using customer metrics and an at least annual review to ensure customers receive fair value from each of our products.</p>

<div>Outcome from Engagement</div> <div><ul style="list-style-type: none">✓ We successfully implemented and complied with the Consumer Duty regulations by the 31 July 2023 deadline and our first annual Consumer Duty report will be presented to the Board in May 2024.✓ Our metrics to monitor customer outcomes were enhanced to provide the CPC and Board with clearer evidence of the extent to which good outcomes are being achieved.✓ Direct engagement with customers continued, with growth in the proportion of our customers using our health and wellbeing app, ‘Help@hand’. Customer engagement was also driven through our broader absence management services, Wellbeing Calendar and communications.</div>	<div><ul style="list-style-type: none">✓ The Company continued to provide training for all new and existing employees to ensure they have the skills and resources to support vulnerable customers.✓ Customer experience measures are incorporated into our Performance Based Incentive (PBI) remuneration scheme.✓ Customer feedback was a key input to the formulation of the 2023-2027 business plan.</div>
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1 The Consumer Duty regulations are focused on ensuring companies deliver good outcomes for customers through offering products and services that meet their needs and are offered at fair value, and ensuring consumers receive the communications and support that they need. These outcomes are underpinned by an overarching Consumer principle supported by three crosscutting rules: (i) acting in good faith towards customers; (ii) avoiding foreseeable harm to customers; and (iii) enabling and supporting customers to meet their financial objectives.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
2. Distribution Partners	
<p>Brokers are key partners in distributing our products to our customers and potential customers.</p> <p>Our distribution networks and partners are chosen for their ability to present to a potential client the benefits associated with our products.</p>	<p>Management regularly reviews broker experience and distribution performance against a number of measures, including distribution partner satisfaction and complaints, and provides regular updates to the Board Risk Committee.</p> <p>The Board reviews and approves material strategic developments from the distribution and marketing areas to enhance the Company's distribution partner propositions.</p> <p>The Board reviews product and proposition enhancements, key risks and customer value across the product and services portfolio as part of product governance procedures, on a quarterly basis, which includes insights and feedback received from intermediaries and broker partners and assessment of suitable distribution channels for our chosen target customers.</p>



Outcome from Engagement

- ✓ Distribution partner experience measures are incorporated into our PBI Scheme.
- ✓ The findings from an in-depth research exercise to understand distribution partner requirements across key broker and underlying customer segments was considered in the formulation of the distribution and broker experience strategy.

- ✓ The delivery of this strategy means that we will focus on brokers who interact with the Group Risk market with regular frequency, alongside an online channel for those brokers who do not specialise in Group Risk and need a highly efficient transactional solution. We have also implemented a dedicated client partnership team to further protect and grow the number of clients we support.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
3. Employees	
<p>The Company does not directly employ staff. It has a resourcing and services agreement with its parent company, UEHCL, under which it is provided with staff that perform administrative, management and other services on behalf of the Company. Staff provided by UEHCL are referred to as employees throughout this report.</p> <p>The Board recognises that the culture and values of Unum UK underpin the effective delivery of the Company's strategy.</p> <p>Regular engagement takes place throughout the year to update, inform and gather feedback from employees.</p>	<p>Employee surveys, in person and virtual townhalls, wellbeing webinars and numerous employee group activities around Responsible Business and Inclusion and Diversity (I&D) topics are undertaken and are shared with the Board.</p> <p>The Board holds discussions with a cross-section of Leadership Team members at board meetings and at other events.</p> <p>The Company operates an Employee Consultative Group (ECG). At least one member of the Executive Management team meets quarterly with the ECG to discuss points raised by employees.</p> <p>The Board approved the Inclusion and Diversity (I&D) strategy in August 2022 which centres around inclusive teams and representation, supporting women's progression into leadership at all levels whilst working to identify and close inclusion gaps with a focus on ethnicity, veterans, employees with disabilities and LGBTQ+.</p> <p>During 2023, we continued to embed our I&D strategy, with the establishing of employee and business networks, consisting of dedicated groups of employees supporting the evolution of our approach and building on existing arrangements.</p>



Outcome from Engagement

- ✓ The scores returned from our most recent Employee Engagement survey in 2023 places us in the top quartile of global companies' engagement and inclusion scores, and is above our target of 76-80%.
- ✓ As part of our focus on wellbeing, and in response to the cost-of-living crisis, we continued to offer eligible employees the option to receive up to 50% of their bonus before the planned payment date.
- ✓ We continue to be signed up to the Race at Work charter and the #MenopauseWorkplacePledge in conjunction with Wellbeing for Women, a leading women's charity.
- ✓ In terms of our Women in Finance charter target, we have committed to increasing the make up of our senior management level to have 43% female representation by 2026. At 31 December 2023, this target has been exceeded and is at 49%.
- ✓ We continue to work on our talent and development offering, and targeted activities to support our purpose and strategy. This creates greater development opportunities for people including continuing professional development (CPD).
- ✓ We have extended the period of paid paternity leave offered to eligible employees.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
4. Regulators	
<p>The Company is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and PRA.</p> <p>The Company and the Board understand that meeting our tax obligations is part of our contribution to society. His Majesty's Revenue and Customs (HMRC) is also regarded as a key stakeholder.</p>	<p>The members of the Board/Executive team routinely engage with our regulators to keep them up to date on business matters and to discuss regulatory changes or provide information as requested from time to time. To support the PRA Periodic Summary Meeting (PSM) process selected individuals are interviewed by the regulator.</p> <p>The Chief Risk Officer (CRO) apprises the Board of key regulatory interactions quarterly within the CRO report and summaries of regulatory change which impact the firm are sent to the Board/Executive Team. Annual returns are approved by the Board, and they receive monthly updates on key metrics.</p> <p>The Company is open and transparent in all interactions with all of its regulators. The Company submits regulatory returns, makes required Senior Managers and Certification Regime (SMCR) applications/ notifications and responds to information requests in a timely manner.</p> <p>The tax strategy is approved by the Board and published on the Company website and sets out how the Company engages with HMRC.</p> <p>The Company settles its tax obligations in a timely manner and routinely engages with its dedicated Customer Compliance Manager at HMRC.</p>



Outcome from Engagement

- ✓ Open and regular dialogue with our regulators and HMRC.
- ✓ During 2023, the PRA granted approval for a new Tier 2 Ancillary Own Funds (AOF) item, and also re-approved our existing Tier 3 AOF arrangement.
- ✓ The PRA granted permission to undertake a recalculation of our Transitional Measure on Technical Provisions (TMTP) as at 31 December 2023.
- ✓ The Board and its Committees reviewed and challenged the outcomes of the ORSA process including those in relation to the strategic plan, pricing and underwriting risk, Internal Model validation activity and the appropriateness of management actions.
- ✓ The Board and its Committees reviewed and challenged the stress and scenario testing plan and results prioritising emerging risks (e.g. high inflation and interest rates) and the associated management actions, which where necessary, would be required to keep within capital risk appetite. Risk mitigation plans are formulated to address all areas where the Company's exposure exceeds, or is expected to exceed, its Board agreed risk appetite.
- ✓ The Board oversaw implementation and compliance with the Consumer Duty regulations.
- ✓ The Board reviewed and challenged Unum's approach to assessing Climate Change Risk and approved the latest assessment of current risk exposures and the integration of ongoing risk assessment into the governance model.
- ✓ The Company has responded to regulatory rule changes directly and via the Association of British Insurers (ABI). We actively engaged with the PRA and HM Treasury in relation to the Government's review of Solvency II.
- ✓ In November 2023, the Board approved the integration of the Regulatory and Compliance Committee with the Risk Committee with effect from Q1 2024. This simplification was agreed after giving consideration to the size and strategic needs of Unum UK and the need for a framework which supports an effective Board process and decision making.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
5. Community and environment	
<p>As a responsible employee benefits provider, our vision is to be recognised as a Company that helps the working world thrive throughout life's moments. We support people when they are vulnerable and need us the most. We believe that what we do is good for society and our mission is to help more people. We reinforce this through our commitments and actions to being a responsible employer, our inclusive products and services and our impact on the environment. Our Responsible Business/ESG strategy focuses on 'doing the right thing' for all our stakeholders, including our customers, employees, communities and the environment.</p> <p>The Company's community outreach activities centre around key pillars of community involvement, including improving educational and employability opportunities for those from under-represented or disadvantaged communities and tackling climate change.</p>	<p>Unum is a values-driven and purpose-led organisation that seeks to do the right thing for all our stakeholders. Being a socially responsible business is a key tenet of the Company's 'We are Unum' values and our vision is to provide a positive and effective contribution to the communities in which we live and work whilst minimising our impact on the environment and the planet.</p> <p>The Company's Community Outreach programme is a core element of our Responsible Business strategy and includes financially supporting three charities (one national and two local to our Basingstoke and Dorking offices) over a two-year period through employee fundraising, as well as offering regular volunteering opportunities for employees, both virtually and in-person. The Unum Community and Social Justice Fund offers grants, on a quarterly basis, of up to £5,000 to eligible UK charities seeking funding for projects aligned to the Company's community giving priorities.</p> <p>The Chair continues to play an active role in supporting the Company's Responsible Business commitments and represents Unum at charity and community events.</p> <p>All employees are provided with 24 hours (equivalent to three days) of paid volunteering days each year to give back to their local communities. Unum also offers a matching scheme for eligible charity donations and a Payroll Giving scheme, where employee donations are also matched by the Company.</p> <p>The Sustainability Champions Network, with Executive Committee sponsorship, supports the Company in its journey to establish more sustainable practices within its workplaces. Employees are also actively encouraged to support local environmental volunteering opportunities, including hedge and tree planting and other biodiversity projects.</p> <p>The Chief Risk Officer has been allocated Senior Management Function responsibility for the risks from climate change, and the Company Chair has the same responsibility on behalf of the Board.</p>




Outcome from Engagement

- ✓ We continued our partnership with Birkbeck, University of London, for another three years to widen access to education and develop talent among diverse communities, including funding a full scholarship for a student from an ethnically diverse background to study MSc Computer Science.
- ✓ We also continued our successful partnership with Chapter One, a virtual reading support programme where company volunteers read stories and play games with children that build fluency, comprehension and phonics, and foster reading confidence and enjoyment.
- ✓ The Company launched a new partnership with Hey Girls to provide sustainable period products for free in all office toilets. For every pack of period products bought by the Company, a pack is also given away to a person experiencing period poverty in the UK.
- ✓ The Company continued its successful carbon offsetting scheme for its employees with Ecologi.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
6. Unum Group	
The Company's immediate UK parent is UEHCL. The ultimate parent is Unum Group, which is domiciled and listed in the US.	<p>The composition of the Company's Board mirrors that of UEHCL.</p> <p>The UK CEO is an Executive Officer of Unum Group. The Board and Senior Leadership have regular meetings with Unum Group.</p> <p>Members of the Unum Group Executive attend Board and Committee meetings where applicable for a specific purpose and the Unum Group CEO is a regular observer.</p>



Outcome from Engagement

- ✓ The Company's five-year strategic plan was approved by the Board and shared with, and approved by, the Unum Group Board.
- ✓ The Board received updates on Unum Group's strategy and performance, including its responsible business strategy.
- ✓ Unum Group were consulted prior to the Unum UK Board approving the integration of the Regulatory and Compliance Committee with the Risk Committee effective from Q1 2024.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
7. Suppliers	
The Company's suppliers are key to the smooth running of its business.	<p>The Board monitors Unum's material outsourcing arrangements periodically.</p> <p>Annually, a supplier payment update is provided to the Board.</p> <p>New suppliers are subject to a formal due diligence process which includes but is not limited to, data privacy, information security, financial background checks and contractual considerations.</p> <p>Regular meetings and ongoing due diligence take place with all material and critical suppliers.</p> <p>The Company aligns with the Unum Group Third Party Risk Management (TPRM) processes and policies.</p> <p>We treat our suppliers fairly. Our standard payment terms for supplier invoices are 30 days from date of invoice. In 2023 there was a small increase in the average time taken to pay suppliers to 22 days (2022: 18 days), which is still well within our standard payment terms.</p>



Outcome from Engagement

- ✓ The Company promotes awareness of its policies and monitors compliance with the Unum Global Procurement Policy. This policy sets out the standard expected by the Company when engaging with suppliers.
- ✓ Unum requires all new suppliers to sign a modern slavery declaration and/or produce their published statement to ensure compliance with modern slavery laws, if applicable. The Company's Modern Slavery statement is available on our website.
- ✓ All new and potential suppliers are subject to a supplier review (including assessment against responsible business criteria) and relevant due diligence before being onboarded as an approved supplier.

- ✓ We have engaged with our suppliers extensively to ensure that off-payroll working (IR35) regulations are correctly implemented.
- ✓ The Company has an oversight committee that oversees the effective management of Third-Party Risk in accordance with the Company's policies and guidance and to ensure compliance with regulatory expectations. Its responsibilities include overseeing the designation of suppliers in accordance with Regulatory and Company definitions and also ensuring that ongoing monitoring of our suppliers is undertaken.

BY ORDER OF THE BOARD

Jonathan Fletcher
Chief Financial Officer
28 March 2024

Unum European Holding Company Limited

For the year ended 31 December 2023

Section 172 Companies Act 2006

The Directors continue to promote the success of the Company in accordance with Section 172 of the Companies Act. The Board considers and discusses information from the Company’s management team to help it understand stakeholder interests and to ensure they are carefully considered as part of the Board’s decision-making process.

The Board recognises the importance of its role in setting the tone of the Company’s culture and embedding it throughout the business. Ultimately this responsibility puts its stakeholders at the heart of everything the Company does and is a foundation stone of our culture and purpose.

The Board consider the key stakeholders to be its:

- 1

Employees
- 2

Regulators
- 3

Community and Environment
- 4

Parent company, Unum Group
- 5

Suppliers

The following section sets out the methods used to engage with each of our key stakeholders and the key outcomes impacting the Company’s decisions and strategies during the year.

Stakeholder	Form of Engagement
1. Employees	
<p>The Company has a resourcing and services agreement with its subsidiary Unum Limited, under which it provides staff that perform administrative, management and other services on behalf of Unum Limited.</p> <p>The Board recognises that the culture and values of Unum UK underpin the effective delivery of the Company’s strategy.</p> <p>Regular engagement takes place throughout the year to update, inform and gather feedback from employees.</p>	<p>Employee surveys, in person and virtual townhalls, wellbeing webinars and numerous employee group activities around Responsible Business and Inclusion and Diversity (I&D) topics are undertaken and are shared with the Board.</p> <p>The Board holds discussions with a cross-section of Leadership Team members at board meetings and at other events.</p> <p>The Company operates an Employee Consultative Group (ECG). At least one member of the Executive Management team meets quarterly with the ECG to discuss points raised by employees.</p> <p>The Board approved the I&D strategy in August 2022, which centres around inclusive teams and representation, supporting women’s progression into leadership at all levels whilst working to identify and close inclusion gaps with a focus on ethnicity, veterans, employees with disabilities and LGBTQ+.</p> <p>During 2023, we continued to embed our I&D strategy, with the establishing of employee and business networks, consisting of dedicated groups of employees supporting the evolution of our approach and building on existing arrangements.</p>

Section 172 Companies Act 2006 (continued)



Outcome from Engagement

- ✓ The scores returned from our most recent Employee Engagement survey in 2023 places us in the top quartile of global companies' engagement and inclusion scores, and is above our target of 76-80%.
- ✓ As part of our focus on wellbeing, and in response to the cost-of-living crisis, we continued to offer eligible employees the option to receive up to 50% of their bonus before the planned payment date.
- ✓ We continue to be signed up to the Race at Work charter and the #MenopauseWorkplacePledge in conjunction with Wellbeing for Women, a leading women's charity.
- ✓ In terms of our Women in Finance charter target, we have committed to increasing the make up of our senior management level to have 43% female representation by 2026. At 31 December 2023, this target has been exceeded and is at 49%.
- ✓ We continue to work on our talent and development offering, and targeted activities to support our purpose and strategy. This creates greater development opportunities for people including continuing professional development (CPD).
- ✓ We have extended the period of paid paternity leave offered to eligible employees.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
2. Regulators	
<p>The Company is part of the Unum UK Solvency II Group of Companies, which is subject to regulatory supervision by the Prudential Regulation Authority (PRA).</p> <p>The Company and the Board understand that meeting its tax obligations is part of its contribution to society. His Majesty's Revenue and Customs (HMRC) is also regarded as a key stakeholder.</p>	<p>The members of the Board/Executive team routinely engage with our regulators to keep them up to date on business matters and to discuss regulatory changes or provide information as requested from time to time. To support the PRA Periodic Summary Meeting (PSM) process selected individuals are interviewed by the regulator.</p> <p>The Chief Risk Officer (CRO) apprises the Board of key regulatory interactions quarterly, and summaries of regulatory change which impact the firm are sent to the Board/Executive Team. Annual returns are approved by the Board, and they receive monthly updates on key metrics.</p> <p>The Company is open and transparent in all interactions with all of its regulators. The Company submits regulatory returns, makes required Senior Managers and Certification Regime (SMCR) applications / notifications and responds to information requests in a timely manner.</p> <p>The tax strategy is approved by the Board and published on the Company website and sets out how the Company engages with HMRC.</p> <p>The Company settles its tax obligations in a timely manner and routinely engages with its dedicated Customer Compliance Manager at HMRC.</p>



Outcome from Engagement

- ✓ Open and regular dialogue with our regulators and HMRC.
- ✓ The Board and its Committees reviewed and challenged the stress and scenario testing plan and results prioritising emerging risks (e.g. high inflation and interest rates) and the associated management actions, which where necessary, would be required to keep within capital risk appetite. Risk mitigation plans are formulated to address all areas where the Company's exposure exceeds, or is expected to exceed, its Board agreed risk appetite.
- ✓ The Board oversaw implementation and compliance with the Consumer Duty regulations.
- ✓ The Board reviewed and challenged Unum's approach to assessing Climate Change Risk and approved the latest assessment of current risk exposures and the integration of ongoing risk assessment into the governance model.
- ✓ In November 2023, the Board approved the integration of the Regulatory and Compliance Committee with the Risk Committee with effect from Q1 2024. This simplification was agreed after giving consideration to the size and strategic needs of Unum UK and the need for a framework which supports an effective Board process and decision making.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
3. Community and environment	
<p>As a responsible employee benefits provider, our vision is to be recognised as a leading employee benefits provider that helps the working world thrive throughout life's moments. We support people when they are vulnerable and need us the most. We believe that what we do is good for society and our mission is to help more people. We reinforce this through our commitments and actions to being a responsible employer, our inclusive products and services and our impact on the environment. Our Responsible Business/ESG strategy focuses on the social, environmental, governance and economic dimensions of our business and is centred on 'doing the right thing' for all our stakeholders, including our customers, employees, communities and the environment.</p> <p>The Company's community outreach activities centre around key pillars of community involvement, including improving educational and employability opportunities for those from under-represented or disadvantaged communities and tackling climate change.</p>	<p>Unum is a values-driven and purpose-led organisation that seeks to do the right thing for all our stakeholders. Being a socially responsible business is a key tenet of the Company's 'We are Unum' values and our vision is to provide a positive and effective contribution to the communities in which we live and work whilst minimising our impact on the environment and the planet.</p> <p>The Company's Community Outreach programme is a core element of our Responsible Business Strategy and includes financially supporting three charities (one national and two local to our Basingstoke and Dorking offices) over a two-year period through employee fundraising, as well as offering regular volunteering opportunities for employees, both virtually and in-person. The Unum Community and Social Justice Fund offers grants, on a quarterly basis, of up to £5,000 to eligible UK charities seeking funding for projects aligned to the Company's community giving priorities.</p> <p>The Chair continues to play an active role in supporting the Company's Responsible Business commitments and represents Unum at charity and community events.</p> <p>All employees are provided with 24 hours (equivalent to three days) of paid volunteering days each year to give back to their local communities. Unum also offers a matching scheme for eligible charity donations and a Payroll Giving scheme, where employee donations are also matched by the Company.</p> <p>The Sustainability Champions Network, with Executive Committee sponsorship, supports the Company in its journey to establish more sustainable practices within its workplaces. Employees are also actively encouraged to support local environmental volunteering opportunities, including hedge and tree planting and other biodiversity projects.</p> <p>The Chief Risk Officer has been allocated Senior Management Function responsibility for the risks from climate change, and the Company Chair has the same responsibility on behalf of the Board.</p>



Outcome from Engagement

- ✓ Unum UK raised over £263,000 (2022: over £238,000) through employee engagement and corporate donations and volunteered 6,086 (2022: 5,218) volunteering hours to charitable organisations which align with the Company's Community Outreach pillars.
- ✓ We continued our partnership with Birkbeck, University of London, for another three years to widen access to education and develop talent among diverse communities, including funding a full scholarship for a student from an ethnically diverse background to study MSc Computer Science.
- ✓ We also continued our successful partnership with Chapter One, a virtual reading support programme where company volunteers read stories and play games with children that build fluency, comprehension and phonics and foster reading confidence and enjoyment.
- ✓ The Company launched a new partnership with Hey Girls to provide sustainable period products for free in all office toilets. For every pack of period products bought by the Company, a pack is also given away to a person experiencing period poverty in the UK.
- ✓ The Company continued its successful carbon offsetting scheme for its employees with Ecologi.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
4. Unum Group	
Unum European Holding Company Limited is a private company in the UK and is ultimately owned by Unum Group which is listed in the US.	<p>The composition of the Unum European Holding Company Limited Board mirrors that of Unum Limited.</p> <p>The UK CEO is an Executive Officer of Unum Group. The Board and Senior Leadership have regular meetings with Unum Group.</p> <p>Members of Unum Group Executive attend Board and Committee meetings where applicable for a specific purpose and the Unum Group CEO is a regular observer.</p>



Outcome from Engagement

- ✓ The Company's five-year strategic plan was approved by the Board and shared with the Unum Group Board.
- ✓ The Board received updates on Unum Group's strategy and performance, including its responsible business strategy.
- ✓ Unum Group were consulted prior to the Unum UK Board approving the integration of the Regulatory and Compliance Committee with the Risk Committee effective from Q1 2024.

Section 172 Companies Act 2006 (continued)

Stakeholder	Form of Engagement
5. Suppliers	
The Company's suppliers are key to the smooth running of its business.	<p>The Board monitors Unum's material outsourcing arrangements periodically.</p> <p>Annually, a supplier payment update is provided to the Board.</p> <p>New suppliers are subject to a formal due diligence process which includes but is not limited to, data privacy, information security, financial background checks and contractual considerations. Regular meetings and ongoing due diligence take place with all material and critical suppliers.</p> <p>The Company aligns with the Unum Group Third Party Risk Management (TPRM) processes and policies.</p> <p>We treat our suppliers fairly. Our standard payment terms for supplier invoices are 30 days from date of invoice. In 2023 the average time taken to pay suppliers was 19 days (2022: 19 days).</p>



Outcome from Engagement

- ✓ The Company promotes awareness of its policies and monitors compliance with the Unum Global Procurement Policy. This policy sets out the standard expected by the Company when engaging with suppliers.
- ✓ Unum requires all new suppliers to sign a modern slavery declaration and/or produce their published statement to ensure compliance with modern slavery laws, if applicable. The Company's Modern Slavery statement is available on our website.
- ✓ All new and potential suppliers are subject to a supplier review (including assessment against responsible business criteria) and relevant due diligence before being onboarded as an approved supplier.

- ✓ We have engaged with our suppliers extensively to ensure that off-payroll working (IR35) regulations are correctly implemented.
- ✓ The Company has an oversight committee that oversees the effective management of Third-Party Risk in accordance with the Company's policies and guidance and to ensure compliance with regulatory expectations. Its responsibilities include overseeing the designation of suppliers in accordance with Regulatory and Company definitions and also ensuring that ongoing monitoring of our suppliers is undertaken.

BY ORDER OF THE BOARD

Jonathan Fletcher
Chief Financial Officer
28 March 2024

unum.co.uk

Unum Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Registered Office and mailing address: Milton Court, Dorking, Surrey RH4 3LZ. Registered in England 983768. Unum Limited is a member of the Unum Group of Companies.