

Confident Futures

Corporate Responsibility Report 2020



Welcome to our 2020 Corporate Responsibility Report

This Corporate Responsibility Report outlines our progress on our Confident Futures strategy.

The report covers performance across RSA's global operations in the financial year 1 January to 31 December 2020.

Additional information

You can find out more on key metrics in our ESG Appendix. Please [visit our Corporate Responsibility Reporting Criteria 2020](#) for information on our reporting approach, scope and boundaries.

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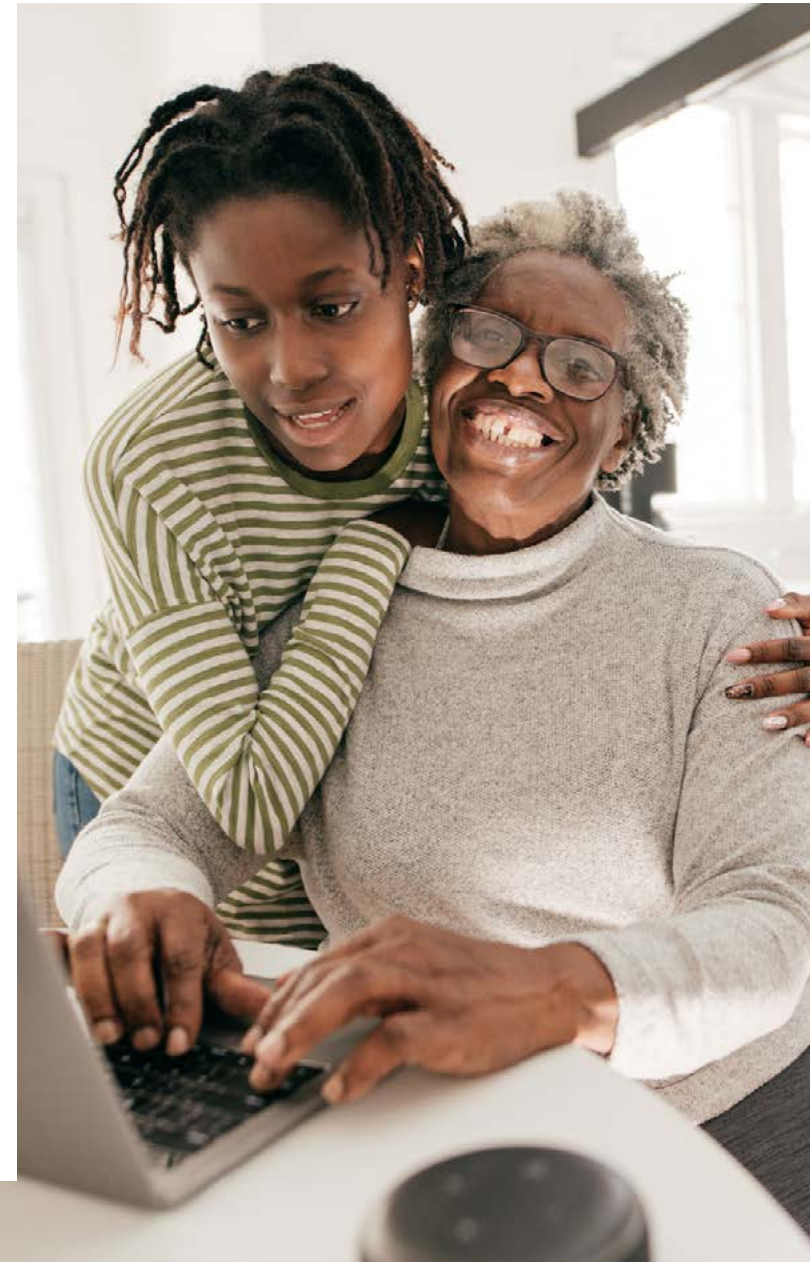
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A message from our Group Corporate Responsibility Committee Chair



2020 was full of both challenges and achievements thanks to the monumental effort, resilience and adaptability of our people. The arrival of COVID-19 required us to make unprecedented changes to our daily lives, and as a business we had to adapt while ensuring we continued doing the right thing by our customers.

Embracing challenges together and turning them into opportunities to create a better future is at the heart of our Confident Futures strategy. As Chair of the Corporate Responsibility Committee, I'm delighted to share the progress we've made over the last year.

We have continued to raise awareness of the risks around us through our partnerships and product offerings, to help build resilience among our communities and keep people safe. With older people spending more time at home alone, I'm particularly proud of our work to develop falls prevention resources and prevent social isolation among the elderly.

Despite the turbulence of 2020, customers and colleagues have been at the forefront of our minds. We set up new forums to make quick decisions that improved things for our customers, offering excess waivers for vulnerable customers and flexibility on policy terms to respond to the changing situation. As you'll see throughout this report, we've also put the safety and wellbeing of our people first, offering additional support to those with caring responsibilities and providing resources for everyone to take extra care of their mental health.

Over recent years, promoting diversity and inclusion has been a key priority within our business and our interactions with stakeholders. I am heartened by the actions taken throughout the year by our D&I Council and employee resource groups, including signing up to the Race at Work Charter and 10,000 Black Interns pledge, which help deepen our understanding and strengthen our contribution to tackling race issues within our communities.

I'm also proud of our collective effort to seek out opportunities to help and support others safely within our local communities. Together, we provided over £13m in financial support and relief measures to over 600 charities in 2020. This has helped maintain essential support in communities we are a part of, helping to tackle issues heightened by the pandemic including mental health and loneliness, food poverty and homelessness, and access to education for young people.

We know that as we look forward it is vitally important that we take action to address climate change – by supporting the transition to a low-carbon economy, minimising the footprint of our own operations and our supply chain, and supporting our customers to build resilience. In that regard I'm pleased to see our scores improved to Leadership level in CDP, and our continued contribution to insurance industry efforts through ClimateWise.

We're committed to operating in a way that keeps an eye on the future and, above all, works for our people and the planet. I'm looking forward to using all we have learnt from these testing times to ensure we can support society to address future challenges.

**Scott Egan, CEO, UK & International
Chair, Group CR Committee**

A message from our Group Chief Executive



The COVID-19 pandemic, new ways of working and market volatility have shaped the past year, but they've also shown us how agile we can be when the moment requires it. Throughout the last year our people have continued to put customers at the heart of their decision-making and have strengthened our business through their commitment and resolve.

In its second year, our Confident Futures strategy has supported and challenged us to contribute our expertise, knowledge and resources to help develop industry-wide positive change on important social and environmental issues – improving risk management, addressing climate-related risks and supporting those who find themselves in challenging circumstances.

As signatories to the UN Global Compact since 2007, we are committed to supporting the Ten Principles for sustainable development, which are as important now as they have ever been. This year, our report highlights how the actions we are taking contribute to the Sustainable Development Goals (SDGs).

Like everything worth doing it will take time and commitment to create sustainable change. While the RSA Group will likely be under new ownership in the coming months, I know our people will continue to give their energy and attention to achieving these important ambitions.

**Stephen Hester,
Group Chief Executive**

Who we are

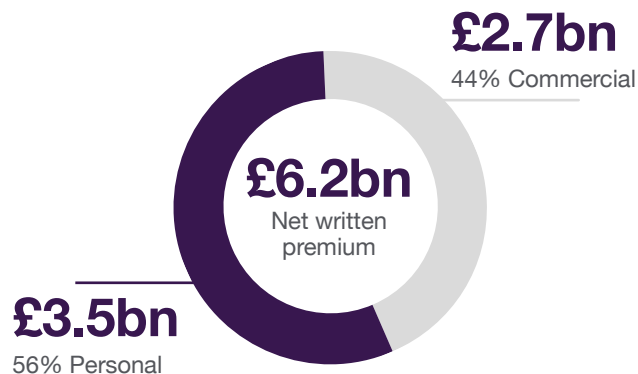
We've been helping people and businesses to protect what matters most for more than 300 years.

RSA is a leading international general insurer with core markets in the UK, Ireland and the Middle East, Scandinavia and Canada. In all our regions, we are committed to developing trusted consumer and commercial brands that deliver great service and relevant products.

We are driven to help individuals and businesses manage their risks well, and to help them recover if things don't go as planned. In a world where our people, customers and communities are facing new challenges, we are committed to meeting their evolving needs, managing our business operations sustainably and having a positive social impact.

At a glance

2020 Net written premium by line of business



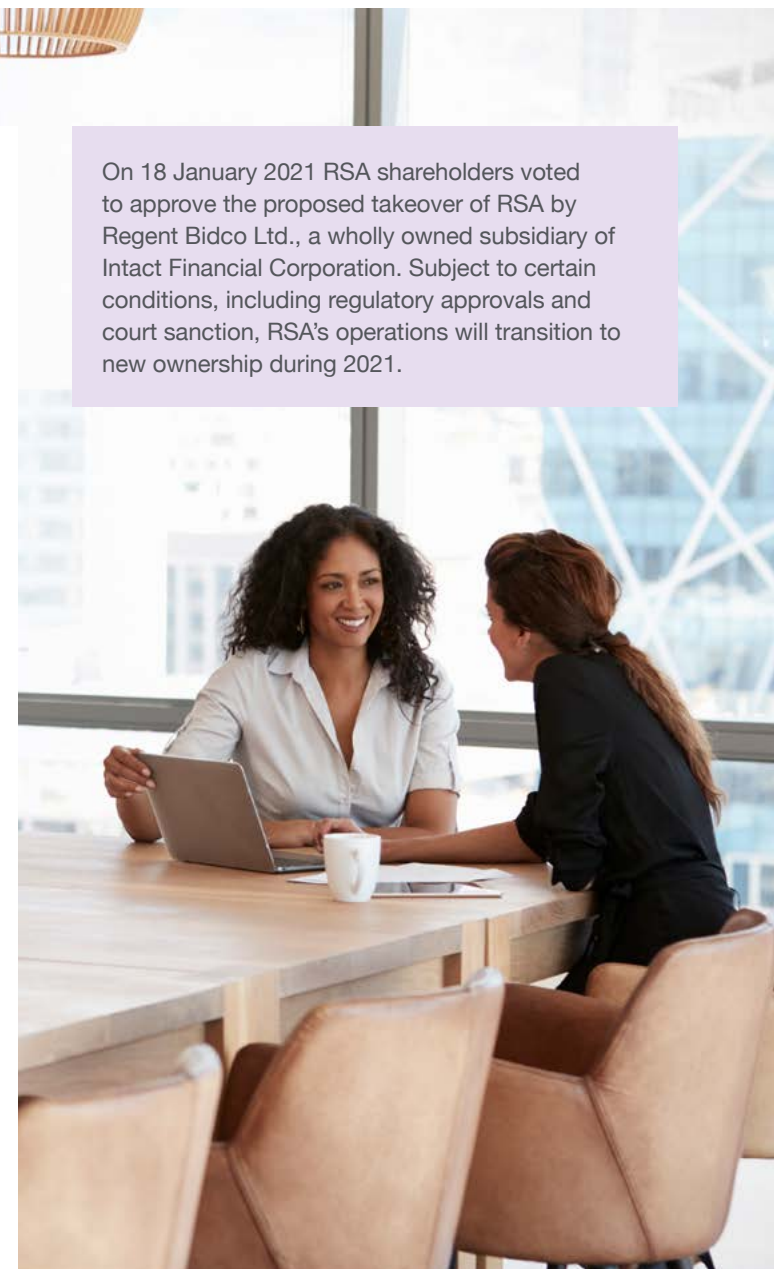
[Learn more about RSA in our 2020 Annual Report and Accounts](#)

2020 Net written premium by product

Household	23%
Motor	23%
Other personal lines	10%
Property	19%
Liability	9%
Commercial motor	9%
Marine and other	7%



On 18 January 2021 RSA shareholders voted to approve the proposed takeover of RSA by Regent Bidco Ltd., a wholly owned subsidiary of Intact Financial Corporation. Subject to certain conditions, including regulatory approvals and court sanction, RSA's operations will transition to new ownership during 2021.

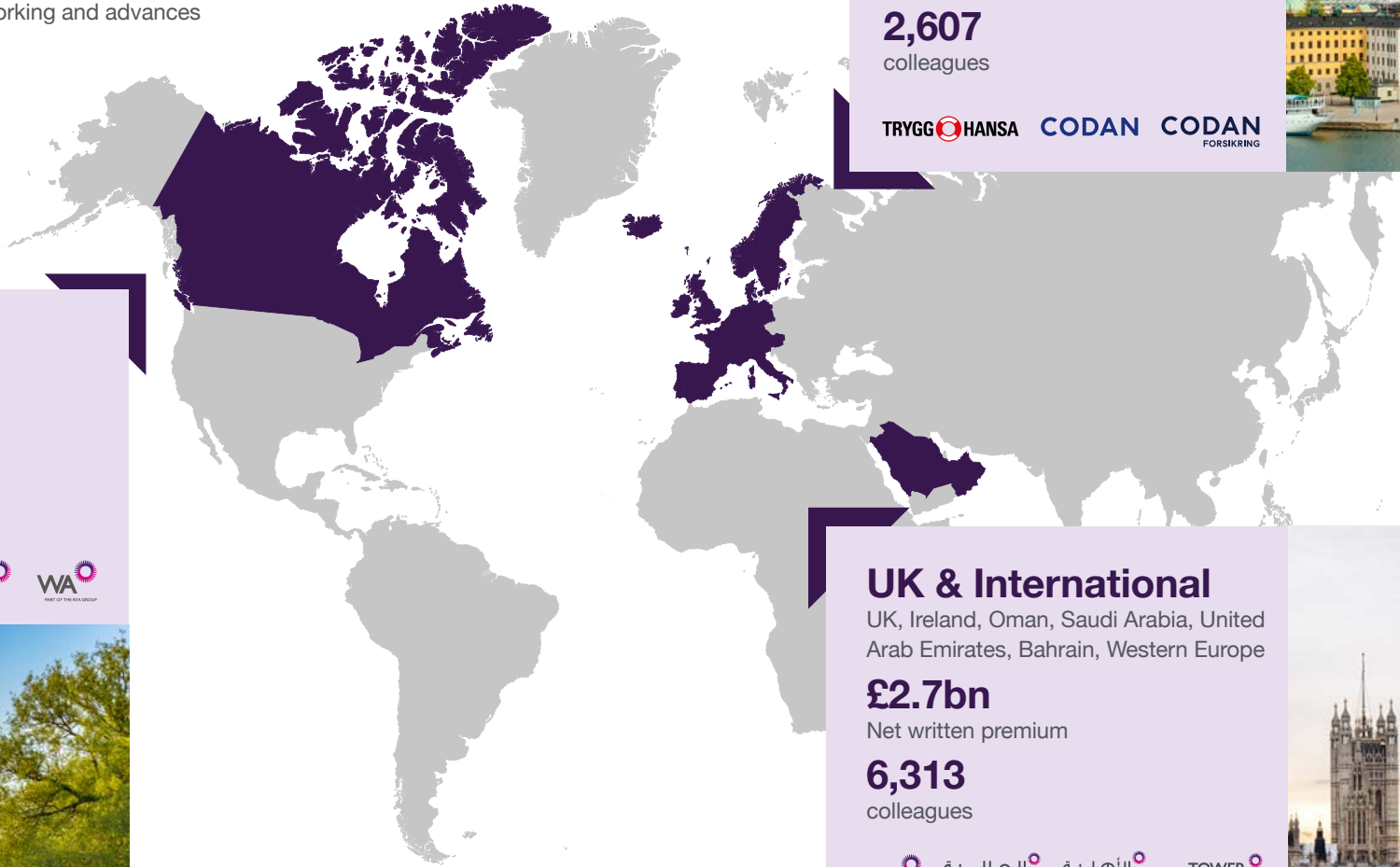


¹ Excluding UK&I exited portfolios, please see our Annual Report and Accounts for further information

² Figures on pages 4 and 5 are reported as full-time equivalent (FTE)

Our global context

As a global insurer and large employer, we work with our customers, people and stakeholders to navigate a wide range of complex issues – from climate change and cyber-crime to new ways of working and advances in technology.



Canada

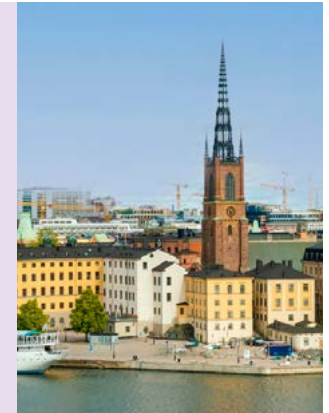
£1.7bn
Net written premium
2,920
colleagues



Scandinavia

Sweden, Norway, Denmark

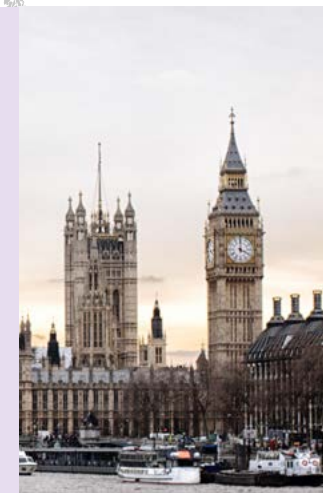
£1.8bn
Net written premium
2,607
colleagues



UK & International

UK, Ireland, Oman, Saudi Arabia, United Arab Emirates, Bahrain, Western Europe

£2.7bn
Net written premium
6,313
colleagues



Our response to the COVID-19 pandemic

The COVID-19 pandemic has brought unprecedented uncertainty for human health and the global economy.

Throughout 2020, the safety and security of our people and customers was our top priority. We adapted quickly to help those we serve navigate these challenging times.

COVID-19 has affected everyone in different ways, with dramatic changes to how we live and work. We've focused on supporting our people and I've been inspired by how our teams around the world have gone above and beyond to look after each other, our customers and local communities – their pride, perseverance and passion have been so uplifting.



Karen Caddick,
Group & UK HR Director,
RSA Group



Keeping our colleagues safe

The safety and wellbeing of our people has never been more important. Faced with huge adjustments to our personal and professional lives, we acted quickly to protect our employees and their families:

- **Switching to remote working**, providing devices and support to enable our people to work safely from home
- **Launching wellbeing resources**, providing practical and emotional support to help our people adjust
- **Empowering leaders with tools and advice** to effectively manage remote teams
- **Strengthening flexible working arrangements** to support employees with caring responsibilities
- **Extending our virtual healthcare benefits** such as Doctor@Hand in the UK to employees' partners and families
- **Introducing COVID-safe measures** at our offices to protect the few still working on-site



Colleagues rated RSA's support during COVID-19 as

4.5 out of 5

[Find out more about our actions to support our colleagues on page 28.](#)



Supporting our customers

Continuing to serve our customers, brokers and partners well has been a key priority. In 2020, we put in place a range of actions to help customers:

- **Providing additional support and advice** to those suffering financially due to the pandemic, including offering flexibility on cover and payment options
- **Providing temporary cover** for vehicles used for volunteering and delivery services
- **Extending limits on policies** that may be exceeded through delays in repairs caused by the pandemic
- **Setting clear commitments** on communications and decision making for our commercial customers with questions on COVID-19 business interruption claims
- **Removing restrictions for home and commercial insurance customers** on unoccupancy over 60 days and waiving restrictions which would usually be in place
- **Establishing virtual contact centres** to maintain continuity of service
- **Introducing digital service options** such as photo inspections to assess claims to minimise travel and contact, helping keep people safe

[Find out more about how we care for our customers on page 22.](#)



Lending a hand to communities in need

Supporting our communities by providing emergency relief funds, sharing our skills and resources, and addressing pressing social issues has been a key part of our response to the pandemic:

- **We've invested £13 million in communities worldwide**, including a £10.9 million contribution to the Association of British Insurers' (ABI) COVID-19 Support Fund, providing emergency relief and longer-term funding
- **We established a Community Grant Scheme** to give emergency cash grants to small, local charities nominated by RSA UK colleagues
- **In Canada we supported Food Banks Canada** with a C\$100,000 donation and enabled an additional 25,200 meals to be delivered to people in need through our #RSACares challenge
- **We supported over 600 charities whose services have been under increased strain because of the pandemic**, including those tackling food poverty, homelessness, education, mental health and isolation
- **We partnered with community charities to create virtual volunteering opportunities** so our employees could continue to contribute their skills and time



Championing those on the frontline

Throughout the pandemic, healthcare workers have put themselves at risk to look after the most vulnerable. Our businesses have been showing their appreciation for frontline workers:

- Our Canadian business, Johnson, **launched the Healthcare Workers First and Thank You Educators initiatives**, giving priority access for healthcare and teaching professionals to services and motor claims repairs
- In the UK, **our MORE THAN brand prioritised claims by healthcare workers**, guaranteeing courtesy cars, removing the insurance excess for motor claims and offering upgraded home emergency assistance for home insurance customers
- **We created the #RSAMilesForNHS challenge**, employees ran, walked and cycled over 6,000 miles to raise funds in recognition of frontline health workers. Over 500 colleagues took part, raising £10,000 for NHS Charities Together
- **We worked collaboratively with the ExCeL Centre** to insure it in its new capacity as an NHS Nightingale Hospital

590 healthcare workers and educators benefitted from our additional support programme



Our Confident Futures strategy

We want to shape a future where people can confidently manage the risks they face in a complex and changing world.

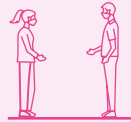
Our strategy for a confident future

Our corporate responsibility strategy, Confident Futures, reflects our commitment to integrating responsible business practices across our operations to maximise our positive impact on society and the environment. We are proud to share our 2020 progress in this report. In today's challenging and complex world, Confident Futures guides our actions across three key areas.



Shaping a smarter tomorrow

Our ambition is to create a future in which people are more informed and confident about managing risks. We're committed to using our resources to enhance customers' and society's understanding of risks so they can address them more effectively.



Building stronger relationships

We adapt and respond to the changing needs of our customers, colleagues and communities. We're constantly listening to feedback and finding ways to help them achieve their goals.



Managing the everyday well

We're integrating responsible business practices into our everyday operations, including investments and underwriting, supply chain management and reducing our environmental impact.



Focusing on what's important

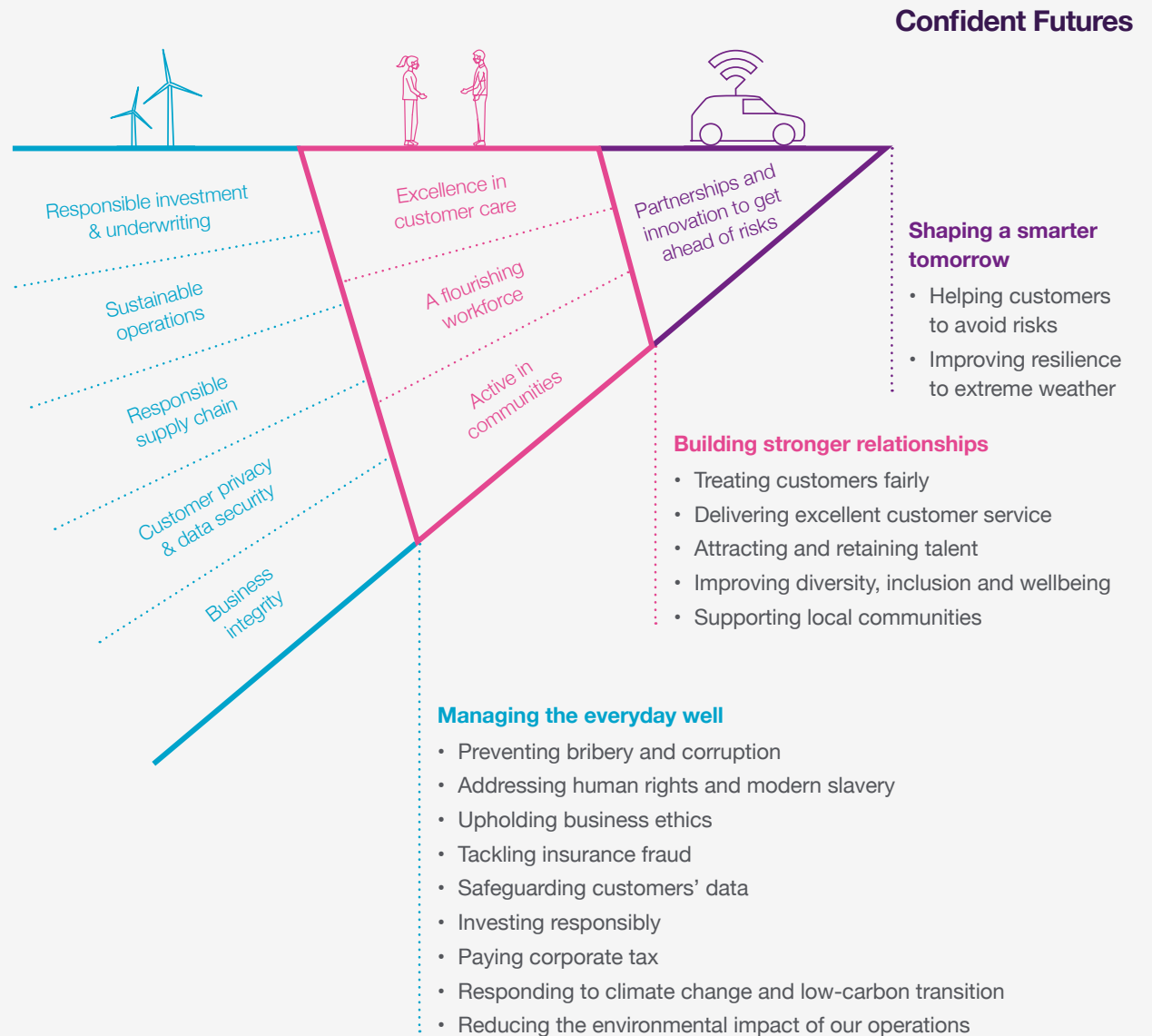
We concentrate on the issues that matter most to our stakeholders, including customers, employees, investors, suppliers and communities, and where our expertise as an insurer can make an important difference.

Corporate responsibility issues are regularly assessed, enabling us to prioritise commitments and resources most relevant to our business and society. These topics are central to our Confident Futures strategy.

To be a truly sustainable organisation, it's important that we address the broad range of issues that matter to our stakeholders. Expectations are ever changing and by adopting a forward-looking view we can respond in a way that has a positive, long-term impact.



Natalie Whitty,
Group Communications Director,
RSA Group



Our contribution to the Sustainable Development Goals

As a signatory to the United Nations Global Compact (UNGC) since 2007, we're committed to supporting the sustainable development agenda.

We have identified seven of the UN Sustainable Development Goals (SDGs) to which we have the most to contribute.



Goal 3: Good health and well-being

Relevant targets
3.4 and 3.6

Why it matters

Ensuring healthy lives and promoting wellbeing is important to the development of prosperous societies.

Our focus

- Promoting mental health and wellbeing
- Reducing accidents at home, on the road and in the workplace

How we contribute

- Partnering with the Royal Society for the Prevention of Accidents (RoSPA) to research the impact of accidents and increase awareness of preventative actions
- Building understanding between different road users to reduce accidents through our TruceTO campaign in Canada
- Launching the 'Teenage Temperature' check in Sweden to raise awareness of mental health among young people and their families
- Promoting mental health among colleagues through our network of people managers, online events and wellbeing hubs



Goal 5: Gender equality

Relevant targets
5.5 and 5.C

Why it matters

Gender equality is a fundamental human right and empowering women and girls improves productivity.

Our focus

- Supporting women to progress into leadership positions
- Providing development opportunities for women at all stages of their career

How we contribute

- Achieving our commitment for women to make up 33 per cent of our Management Group by 2020, as a signatory to the Women in Finance Charter
- Establishing specific targets for each geographical region, ranging from 34 to 48 per cent female representation in our Management Group by 2022
- Setting action plans to identify future talent and support development through succession planning, development programmes and mentoring schemes



Goal 7: Affordable and clean energy

Relevant targets
7.2 and 7.A

Why it matters

Enabling access to affordable and reliable sources of clean energy is essential to low-carbon transition and development.

Our focus

- Increasing the share of renewable energy in our global energy underwriting portfolio
- Promoting the role of renewables in low-carbon transition

How we contribute

- Building on our leadership position as a provider of renewable energy insurance for every stage of the project life cycle
- Implementing our **Climate Change and Low Carbon Policy** position
- Supporting the energy sector as it repositions and invests in the low-carbon transition



Goal 8: Decent work and economic growth

Relevant targets
8.5 and 8.8

Why it matters

Everyone has the right to rewarding work and the opportunity to earn a fair income, this is key to tackling inequality.

Our focus

- Encouraging inclusion and diversity across our business
- Championing education and employability among young people

How we contribute

- Establishing a Group-wide Diversity & Inclusion (D&I) Council to promote an inclusive workplace
- Committing to doubling the number of apprentices in the business by 2022 as part of the **5% Club**
- Joining the **#10000BlackInterns** programme to provide career opportunities for young Black people
- Providing support for colleagues who are parents and carers to balance responsibilities at home and at work
- Taking action to address barriers people from ethnic minorities may face in recruitment and progression, as signatories to the **Race at Work Charter**



Goal 11: Sustainable cities and communities

Relevant targets
11.5

Why it matters

Ensuring homes and businesses are safe and resilient for the future underpins safety and livelihoods.

Our focus

- Promoting climate change adaptation and resilience building

How we contribute

- Partnering with World Wildlife Fund (WWF) Canada to develop a best-practice toolkit to safeguard vulnerable flood-prone communities
- Contributing to **Flood Re**, a joint initiative between the UK Government and insurers to provide customers in high-risk flood zones with access to affordable insurance
- Equipping customers and brokers with information, insights and tools to help educate them on climate-related risks and help them prepare for the future



Goal 12: Responsible consumption and production

Relevant targets
12.2, 12.5 and 12.6

Why it matters

Addressing the social and environmental impacts of products, services and supply chains is an opportunity for positive change.

Our focus

- Helping suppliers to streamline their practices to improve resource efficiency
- Offering customers sustainable solutions

How we contribute

- Working alongside our Claims suppliers to encourage a 'repair over replace' philosophy to reduce waste
- Measuring carbon emissions associated with our full supply chain to identify ways to engage suppliers on reducing their environmental impact
- Implementing a new third-party management process to improve supplier engagement on issues including labour standards, health and safety, and environmental management
- Progressing digital transformation projects to reduce use of paper



Goal 13: Climate action

Relevant targets
13.1 and 13.2

Why it matters

Climate change threatens lives and livelihoods. Urgent action is needed to reduce carbon emissions and build resilience.

Our focus

- Supporting the transition to a low-carbon economy
- Minimising the environmental impact of our operations
- Promoting climate change adaptation

How we contribute

- Implementing our Climate Change and Low Carbon Policy, ruling out investments and underwriting in carbon-intensive industries
- Setting a science-based target to reduce carbon emissions by 50 per cent by 2030 and source 100 per cent renewable electricity by 2025
- Working with our suppliers to identify opportunities to improve climate resilience
- Promoting transparency by adopting the **Task Force on Climate-related Financial Disclosures** (TCFD) recommendations and reporting to external organisations including ClimateWise and CDP

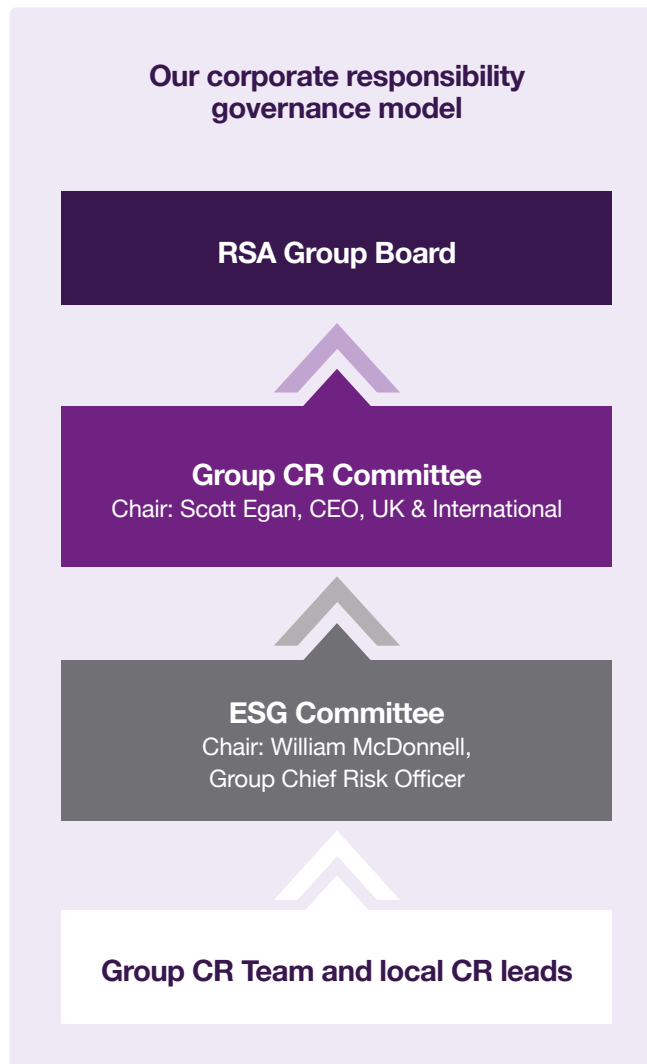
Our governance model

Our governance and controls ensure Confident Futures is embedded in our operations and decision making, underpinned by robust policies, standards and management systems.

Our CR governance structure

Our Group Corporate Responsibility (CR) Committee oversees the implementation of Confident Futures, including setting targets, creating action plans and tracking progress, and ensures appropriate governance and oversight of CR across our regions. The committee's membership is comprised of senior representatives from each of our core markets, as well as subject matter experts for priority areas. The committee reports to the RSA Group Board twice a year and is supported by the Group CR Team and local CR leads, who work with colleagues to monitor action plans and measure progress.

Reporting quarterly to the CR Committee, the Environmental, Social and Governance (ESG) Committee focuses on ESG issues in investment and underwriting, as well as monitoring the implementation of our Environmental Policy, Climate Change and Low Carbon Policy and Climate Change Action Plan, and our performance against environmental targets.



Our supporting policies

Guided by the **Ten Principles** of the UNGC, our governance structure is underpinned by policies that are reviewed annually and set the framework for our operations. Our policies apply to all operating countries and subsidiaries, helping us manage our operational, regulatory and reputational risks. Each policy has regional owners who ensure local implementation and, where appropriate, employees complete annual training modules to ensure they understand their responsibilities.

Our policies are aligned with the United Nations Global Compact Ten Principles



- Employment Practices
 - Speaking Up and Whistleblowing
 - Anti-Bribery and Corruption
 - Conflicts of Interest, Gifts and Hospitality
 - Anti-Money Laundering and Sanctions
 - Customer
 - Third Party Contracts and Outsourcing
 - Underwriting
 - Information Security
 - Data Management and Personal Data Protection
 - Human Rights
 - Community Investment
 - Supplier Code of Conduct
 - Environment
 - Climate Change and Low Carbon
- [Read these policies online](#)

Shaping a smarter tomorrow

Our products, services and partnerships help people and businesses to learn about the risks they face and how to manage them more effectively.



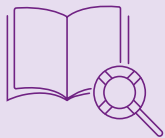
We contribute to the following SDGs:



Identifying, understanding and managing risks

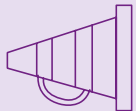
Insurers can play a powerful and practical role in helping customers and society be safer. Although we can't remove life's uncertainties, RSA is raising awareness of risks and encouraging behaviour change through our products, partnerships and campaigns.

Our progress



224,000

people reached through our risk-education programmes



8

external partnerships to promote risk awareness and behaviour change





£630,000

donated to organisations supporting risk awareness and prevention




Our approach

We help people and businesses to learn about the risks they face and how to manage them more effectively. We do this by drawing on our data, insights, relationships and product development expertise.

Our key focus areas for risk prevention:

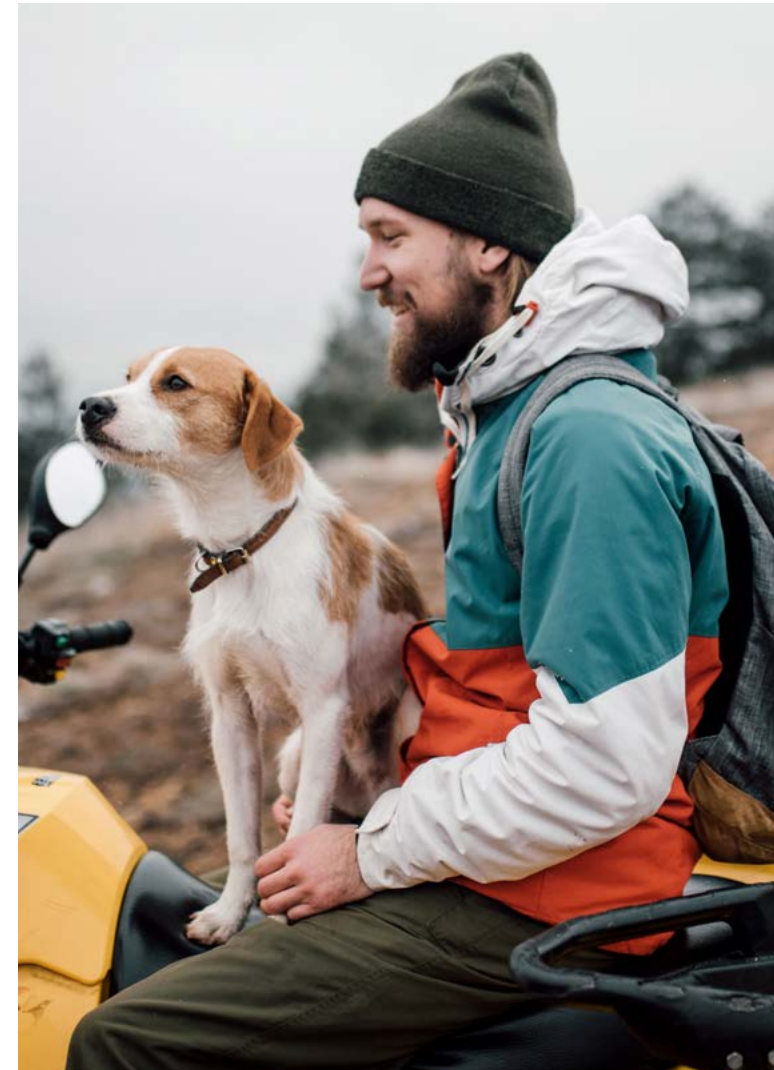
-  Developing products and services that support our customers to manage risks
-  Partnerships, campaigns, research and education programmes that raise awareness of risks and encourage behavioural change

Key themes we address:

-  Protection of property and livelihoods, including climate resilience and fire safety
-  Protection of individuals and families, including through road safety, water safety and safety in the home
-  Broader social issues, including mental health awareness, online safety and social isolation

Collaborating to combat risks

By partnering with other organisations and sharing resources, expertise and networks, we can reach new audiences and increase our impact. Our partnerships and campaigns focus on issues that affect the communities we're part of. In 2020, those issues included water, road, home and workplace safety.



Working together for climate-resilient communities

Our expertise in risk management and product development can support society to adapt and respond to the impacts of climate change. With our partners, we are helping communities build resilience by sharing knowledge of how they can protect their homes and businesses from extreme weather events such as floods, storms, wildfires and drought.


We help build local resilience by:

- Developing best-practice guidelines on flood mitigation
- Delivering workshops to enable collaboration on solutions and share lessons learned
- Developing climate change and flood messaging to share with the public and other stakeholders
- Establishing a shared understanding of flood maps
- Encouraging municipalities to adopt nature-based solutions such as protecting wetlands and restoring land along riverbanks and forests

We also encourage our customers to adopt property flood-resilience (PFR) measures, which are a vital part of a flood-risk management toolkit, helping households and businesses reduce the risks and impacts of flooding.

In the UK, severe flooding following Storms Ciara and Dennis in February and Storm Bella in December devastated homes, lives and businesses. It is our role as an insurer to help people and communities to recover after these flood events.

We are contributors to **Flood Re**, a collaboration between the UK Government and insurers to make flood cover insurance more affordable to customers in high-risk flood zones. We also equip customers and brokers with insights – from tips on being storm ready to early warnings – to help them before, during and after weather-related events.

 Find out more about how we address climate change through Responsible investment and underwriting on [page 41](#) and Sustainable operations on [page 44](#).



Flooding is a peril impacted by increased intensity and frequency of rainfall which is on the rise as a result of climate change. It causes damage to homes, businesses and public infrastructure. By creating and conserving natural assets, communities can help reduce flood risk and build climate resilience.



Amy Graham,
National Property Underwriting Manager,
RSA Canada

Helping communities prepare better for flooding in Canada

Through our partnership with WWF-Canada, in 2020 we brought community leaders together to increase awareness of flood-vulnerability assessments and demonstrate how natural infrastructure can reduce flooding.

In Florenceville-Bristol, a riverside town located on the banks of the Saint John River in New Brunswick, we're funding a project in collaboration with WWF-Canada and the Municipal Natural Assets Initiative (MNAI) to help prevent flooding through adopting green infrastructure and nature-based solutions.

This work uses GIS data and hydrological modelling to predict the community's vulnerability to flooding now and under future climate scenarios. Recommended actions include restoring wetlands, building storm-water management ponds and installing rain gardens. We are developing a toolkit for local communities with a model that other towns can replicate.



Our customers need solutions that enable them to collect and manage their risk data and assess how risk ratings change in real time. RSARED helps our customers understand the effect of implementing risk management actions on their risk profile, which supports them to reduce loss exposures, minimise disruptions and lower the overall cost of risk.



Martin Turner,
Risk Consulting Director,
RSA UK

Supporting risk management in the workplace

Through our risk consulting business, engineers and other technical specialists help customers evaluate risks and develop improvement plans on topics such as fire prevention, workplace safety, property flood-resilience measures and business continuity planning.

In response to the COVID-19 pandemic, our commercial customers had to maintain safe working conditions at manufacturing, retail and distribution sites around the world. We stepped in to develop and implement a new Remote Risk Assessment tool offering virtual assessments and desktop reviews. We've also shared advice and guidance through our risk bulletins on ways our customers can manage evolving risks and prevent losses.

Using our risk management platform RSARED, customers can access geographical and sector-based risk information that can be used to develop practical risk management plans. The platform includes information on natural disaster exposure including earthquake, flooding or wildfire, as well as site-specific information on physical security and fire risks, and can be used to conduct portfolio or site-level analysis.



100,000

risk-improvement recommendations
managed through RSARED since launch

Using wearable technologies to increase workplace safety

We've worked with StrongArm Tech, a US company focused on improving safety in industrial workplaces, to deliver a first-of-its-kind risk management platform to assess worker safety and reduce risk in the workplace.

Wearable sensors are used to collect ergonomic and environmental data as workers go about their jobs, and gives them real-time feedback if their safety is compromised. Individuals wearing the technology see daily safety scores, receive real-time safety alerts and can take instant action if their movements are contributing to an increased risk of injury.

We trialled the technology with our customer LKQ Euro Car Parts, a leading distributor of vehicle parts in Europe. Results showed a positive influence on safe workplace behaviour, with an overall 16.5 per cent reduction in workplace risk and all locations showing an upward trend in safety scores.



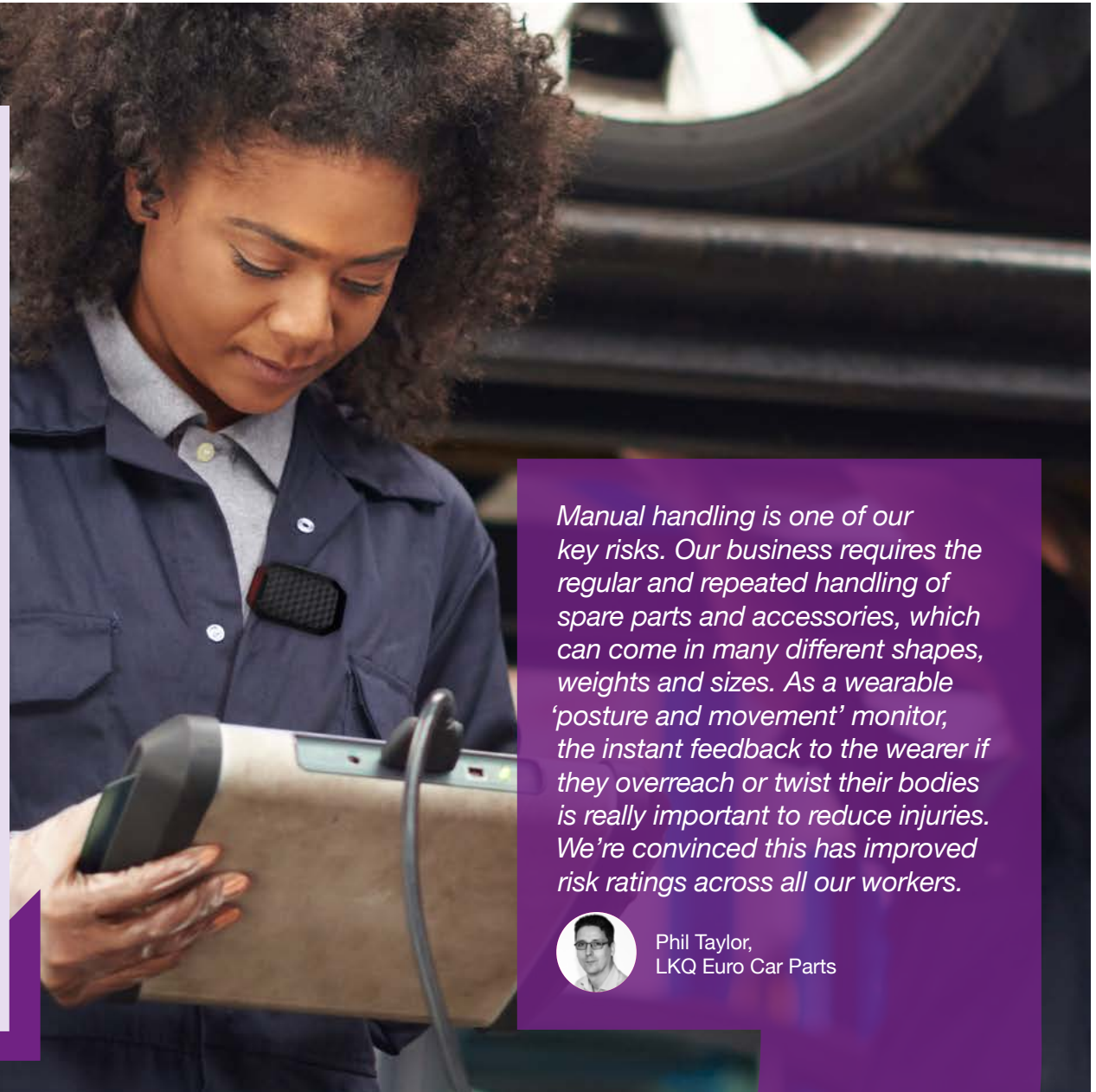
87%

of trial participants understood how to improve their safety score following the trial



82%

of trial participants said the safety insights received were helpful



Manual handling is one of our key risks. Our business requires the regular and repeated handling of spare parts and accessories, which can come in many different shapes, weights and sizes. As a wearable 'posture and movement' monitor, the instant feedback to the wearer if they overreach or twist their bodies is really important to reduce injuries. We're convinced this has improved risk ratings across all our workers.



Phil Taylor,
LKQ Euro Car Parts

Promoting safer roads

Improving road safety is a shared responsibility, and as an insurer we have a unique perspective on risk that can help shape driver education. By sharing our knowledge and supporting safety measures, we help motorists and other road users to stay safe.

In the UK and Ireland, our SMART WHEELS and 123GO young drivers' insurance and telematics products incentivise safe driving by offering rewards for maintaining a good 'Safe Driving' score. In 2020, we've improved the way we explain how factors such as speed, braking and driving time influence risks.

We also launched our new Low Miler product in 2020, designed for people who don't use their cars often or who only travel short distances. It recognises their lower risk of an accident by offering reduced policy premiums to people who drive less than 7,000 miles per year.

In 2018, RSA Canada launched the award-winning TruceTO campaign, which aims to build understanding between pedestrians, cyclists and drivers to reduce accidents and fatalities in the Greater Toronto Area. In 2020, we worked with our broker partner, Gallagher, to expand the programme. We're carrying out research, road safety education and community outreach to break down misconceptions and myths to help all road users safely share the road.

We've also partnered with charitable organisations that share our ambition to promote safer driving. In 2020, we partnered with **RoSPA** to understand people's attitudes to road safety and highlight the impact of road accidents on 17-25 year-olds and over 65s. We're using this insight to inform our campaigns and customer support.

In Denmark, we partnered with Børneulykkesfonden, the Child Accident Prevention Foundation, to distribute reflectors to pedestrians and cyclists on National Reflector Day, which highlights the importance of being seen on the roads.

We've also offered our commercial insurance customers the opportunity to take part in our *Skadestop* (Damage stop) courses, which aim to reduce workplace road accidents. Our specialist risk consultants work with companies across Denmark to develop action plans based on data insights.

 **See Responsible supply chain, page 50, for information about how we work with suppliers to promote road safety.**



55,000

high-visibility reflectors distributed across Denmark in 2020



25m

media impressions through our TruceTO road safety campaign



Raising awareness of risks and changing behaviours through education is at the heart of our strategy. We're committed to sharing our expertise and developing resources that help our customers and communities stay safe, which has been more important than ever in 2020 with so much pressure on frontline services.



Laura Spiers,
Head of Corporate Responsibility,
Policy and Strategy, RSA Group

Preventing accidents at home with RoSPA

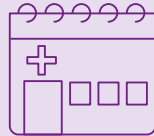
In 2019, we began working with RoSPA in the UK to raise awareness of simple steps we can all take to live safer, more active lives and reduce accidents in the home.

Our first full **research report**, published in 2020, focuses on accident prevention among the three most vulnerable groups, providing insight on public perceptions of accidents and barriers to action – and how we can overcome them. We’re using these findings to inform how we approach our campaigns to increase awareness of risks.

Over 65s are most vulnerable to accidents in the home, particularly falls, but there’s limited advice and information available to help them stay safe. In addition, almost 50 per cent of the population don’t feel comfortable talking to older friends and relatives about the risks of accidents.

During 2020, we worked with RoSPA to create a falls prevention resource hub and deliver an online series of strength and balance roadshows to help those in later life and their friends, families and carers prevent falls. Through providing resources we can tackle this problem and help more people stay safe.

 [See our Falls Prevention Hub](#)



2,600+

people are admitted to hospital every day as a result of an accident



80%

of hospital admissions due to accidents among over-65s are as a result of falls in the home



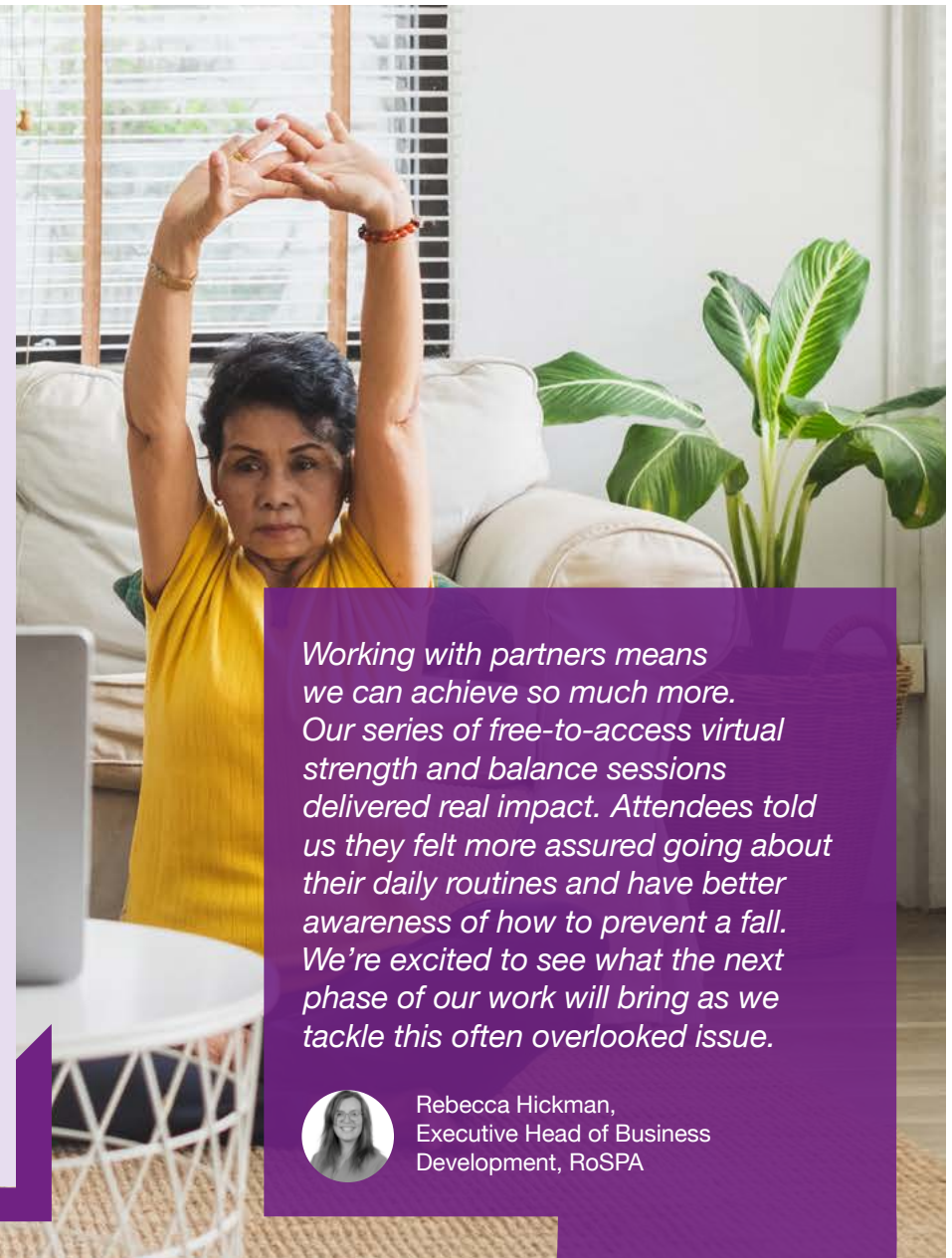
7,650

people reached through our falls prevention resources



37%

increase among those in later life who regularly practice strength and balance exercises



Working with partners means we can achieve so much more. Our series of free-to-access virtual strength and balance sessions delivered real impact. Attendees told us they felt more assured going about their daily routines and have better awareness of how to prevent a fall. We’re excited to see what the next phase of our work will bring as we tackle this often overlooked issue.



Rebecca Hickman,
Executive Head of Business
Development, RoSPA

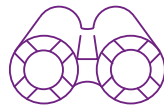
Improving water safety

Our Swedish business, Trygg-Hansa, has championed water safety since 1954, when we began our partnership with the Swedish Life Saving Society (SLS).

In 2020, we focused on highlighting the importance of watching children when they're near water, teaching young people to swim, and maintaining lifebuoys at beaches, waterways and boat clubs.

Children are most at risk from serious incidents in the water when adults are distracted. Our research showed a quarter of parents have lost sight of their child while on a beach, so Trygg-Hansa launched a new campaign and the *Badläge* (Swimmode) app to help parents adopt a 'water-safe' mindset.

Our work promoting safe behaviours has continued through the swim instructor training programme. Across Sweden in 2020, we trained 25 teachers and provided water safety and swimming lessons to children at over 200 locations. Our ongoing Baby Buoy campaign also informs parents about how to keep young children safe in the water and includes practical exercises that can be tried at home.



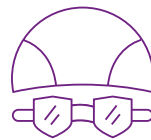
5,150

lifebuoys provided across Sweden in 2020



32,600

children taught to swim through the SLS summer swim schools



247

swimming schools delivered lessons to children in 2020

Next steps...

- **Expand the reach of our programmes** targeting road safety, water safety and safety in the home
- **Launch a new partnership** focused on mental health awareness in Sweden
- **Relaunch our SMART WHEELS app** supporting road safety among younger drivers



Building stronger relationships

We value strong relationships and strive to understand and respond to the needs of our stakeholders. We're committed to supporting our customers, developing our colleagues and making a positive contribution to the communities we're part of.



We contribute to the following SDGs:



Excellence in customer care

We're there for our customers every step of the way, from designing products that protect them from risks to helping them recover if things go wrong. We constantly challenge ourselves to respond to evolving needs and find new ways to make our service better, so that customers can be confident of a good outcome.

Meeting our customers' needs during the pandemic

COVID-19 brought many challenges for our customers in 2020. Our priority throughout the year was to meet their changing needs and offer security in the face of the pandemic.

We established new governance structures and tools to track decisions and respond quickly to the evolving situation, ensuring customers' needs were front and centre of our decision making. We took action to increase product flexibility and provide enhanced assistance, reviewing limits on policies that may be exceeded through delays in repairs and extending cover for vacant properties or vehicles being used for volunteering and delivery services.

Our progress



Customer support package

for those with additional needs during the pandemic



Strengthened our **Conduct Framework** with enhanced customer outcomes monitoring and governance



Invested in **digital claims handling** tools to improve efficiency and keep people safe

Our customers are the most important stakeholder for our business; we're always looking for ways to improve what we do – making sure our products are easy to understand and use, deliver consistently and are responsive to their needs. The customer experience is incredibly important to me, and I'm proud of how we all work together to achieve this.



Amanda Ivany,
Director Customer and Brand,
RSA Canada



Supporting our customers

We communicated proactively with customers, refreshing and updating information to ensure that in uncertain times, people had the information they needed about their insurance.

We also increased resources in key areas, such as our wedding insurance team, to assist the large numbers whose celebrations were impacted.

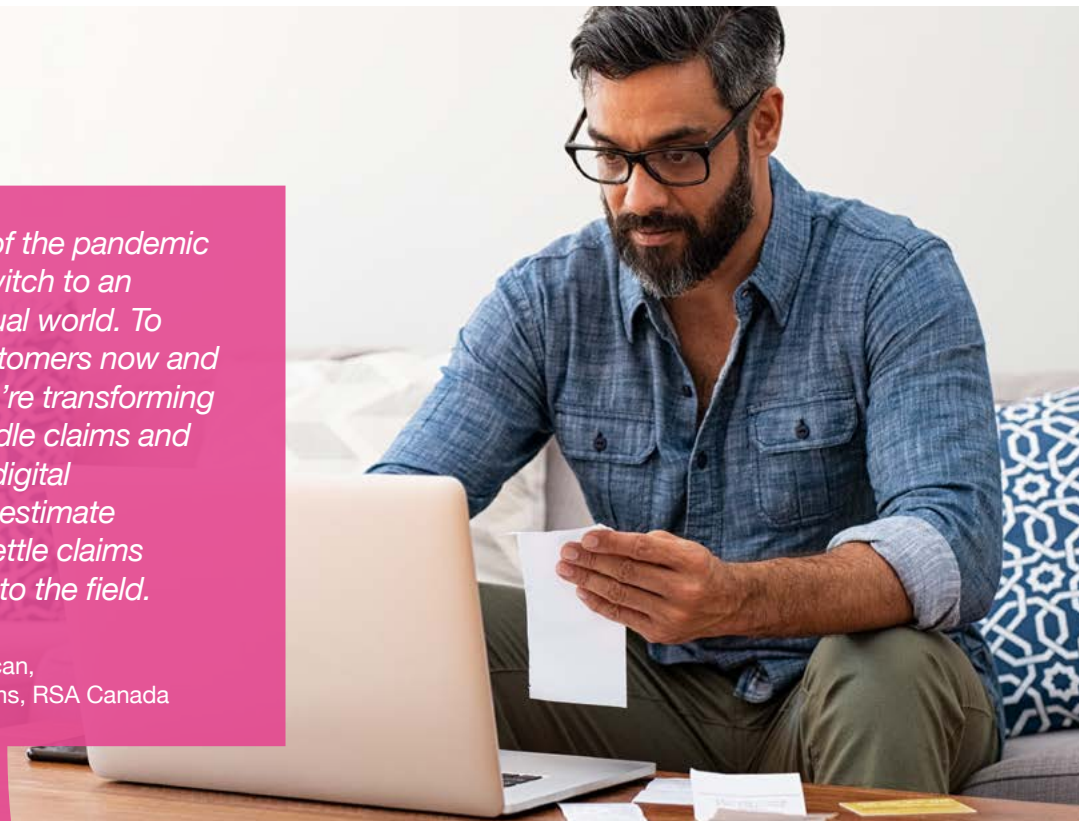
In particular, we focused attention on supporting customers in vulnerable circumstances, providing additional training to customer-facing teams to enable them to support people who may be digitally excluded, feeling isolated or experiencing temporary financial difficulty.

In 2020 the Financial Conduct Authority's test case into business interruption claims was a major focus for the industry, following uncertainties around how certain policies should respond. We welcome the clarity this process brought and are working hard to settle claims for those customers impacted. Across all lines of business, RSA Group paid £4.6 billion in claims in 2020, and expect COVID-19 related claims to total £250m. We are now focused on understanding the wider lessons from the pandemic for how we support our customers in the future, including evolving our policy wordings to ensure they are clearer.

With the onset of the pandemic we've seen a switch to an increasingly virtual world. To support our customers now and in the future, we're transforming the way we handle claims and adopting more digital technologies to estimate damages and settle claims without going into the field.



Karen Mican,
SVP Claims, RSA Canada



Providing financial relief to customers in need

Aside from its impact on physical and mental health, the pandemic led to many of our customers experiencing challenges with their finances.

We provided additional support to those in financial difficulty by offering payment deferrals, waiving fees for changes and discussing options to reduce cover. We proactively contacted customers where we saw they may be struggling, to offer advice to prevent them becoming uninsured. In Ireland and our Canadian business Johnson, where we saw sustained reductions in claims volumes we were able to provide premium rebates to customers to give them extra support during the crisis.

Our experiences during the pandemic have inspired us to change some of our working practices. We're improving our communications and considering the role of a dedicated team to support those facing financial vulnerability.



847

changes and decisions made considering customer outcomes during the pandemic

Securing good customer outcomes

We're committed to securing good outcomes for every customer, ensuring that no group's needs are overlooked. While our customers range from individuals to multinational business, our aim to provide them with excellent support and service doesn't change.

Consistently achieving good customer outcomes requires our people to have the right tools, guidance and attitude. We know we won't get it right every time, especially as needs evolve and change rapidly, so we believe in listening to and learning from our customers' feedback to keep improving every day.

Policy and frameworks

Our Group Customer Policy provides the framework for how we deliver good customer outcomes across our business and the decisions we make. This helps ensure that our business strategy, plans and products are informed by customer insight and considered with the customer in mind.

This year we focused on embedding the requirements of the policy across our international operations, identifying actions to improve practice and learn from our experience across different markets.

We've taken action to put this into practice across our regions. In the UK, we've delivered training on our Customer Impact Assessment tool to help identify and mitigate customer harm arising from change projects. We're also simplifying our product portfolio so we can be more focused on how our products deliver value for our customers. In Canada, we've implemented a Product & Customer Oversight Group to oversee decisions related to product pricing and cover.

Our eight customer outcomes



Culture

The fair treatment of all customers and delivery of good customer outcomes are integral to our culture, strategy, purpose and values.



Proposition design

Our products and services are designed and sold to meet the specific needs of defined customer groups and priced in line with our pricing principles. We review them periodically to make sure they perform as customers expect.



Sales and distribution

Our direct sales processes and those of our chosen distribution partners enable consistent focus on the delivery of good customer outcomes for our chosen target markets.



Communications

Our customer communications are clear, fair and not misleading, targeted appropriately and include the information customers need to make informed decisions throughout their journeys with us.



Post-sales services

We communicate all relevant post-sales information in a timely manner and make it simple for our customers to amend or cancel products and services.



Claims

We handle our customers' claims accurately, fairly and in a timely manner.



Complaints

We ensure customers do not face unreasonable barriers when making a complaint and make it simple for customers to tell us if they are dissatisfied, resolving complaints fairly and promptly.



Technology

Our technology and transformational initiatives support both business and customer needs – delivering positive change to the customer journey and experience, while protecting customer data and security.

Governance and culture

We have established Customer Committees in all regions to understand how the Customer Policy is working in practice and what we can do differently to improve customer outcomes.

At RSA we champion a customer-focused culture in everything we do, and empower all our people to play an important role in this culture. In the UK we have embedded customer outcomes into each of our role profiles and encourage our people to include customer-focused goals in their appraisals. This will be extended to Scandinavian teams in 2021, while in Canada our new employee value proposition includes a pillar on keeping our commitments to customers.

This year, our Danish business, Codan, launched an internal customer culture campaign on how every team member can contribute to making it easier and simpler for customers to do business with us. Our Swedish business, Trygg-Hansa, also launched their Customer Compass to improve customer satisfaction through a 'Listen, think, fix and improve' model. These actions focus on every stage of the customer journey, from generating a quote to submitting a claim.

Improving customer outcomes monitoring

This year, we enhanced our Customer Outcomes Monitoring framework across our UK personal lines, commercial lines and claims functions. This refreshed the dashboards we use to monitor how effectively we deliver for customers and introduced new management information to help us target our attention on areas of potential customer harm.

Our measures are aligned to our eight customer outcomes on culture, proposition design, sales and distribution, communications, post-sales service, claims, complaints and technology. We track a wide range of metrics including employee absence, completion of mandatory training, call abandonment rates, complaints volumes and availability of telephone and IT systems. Information is reviewed by our Customer Committee, who track performance trends and determine improvement actions.

We're continually building in new data sources and responding to changing customer contexts. This year will see us further expand our approach to cover delegated insurance arrangements, broker commissions and continue to address the needs of our most vulnerable customers.



Delivering a great customer experience

As well as doing the right thing for our customers, we continually strive to improve their experience with us. Our network of customer managers and customer champions helps deliver compassionate customer service by taking personal accountability for customer experience and ensuring we keep our promises. Despite the challenges in 2020, our Net Promoter Score has continued to increase, and we've seen high levels of customer retention.

Meeting customers' needs

We know our customers' needs vary and often change over time, so we're always searching for ways to improve what we do. Our Product Assessments help us to walk in our customers' shoes as they interact with our products, while our Product Oversight and Governance Forums help design, review and amend products to ensure they remain relevant.

Protecting vulnerable customers

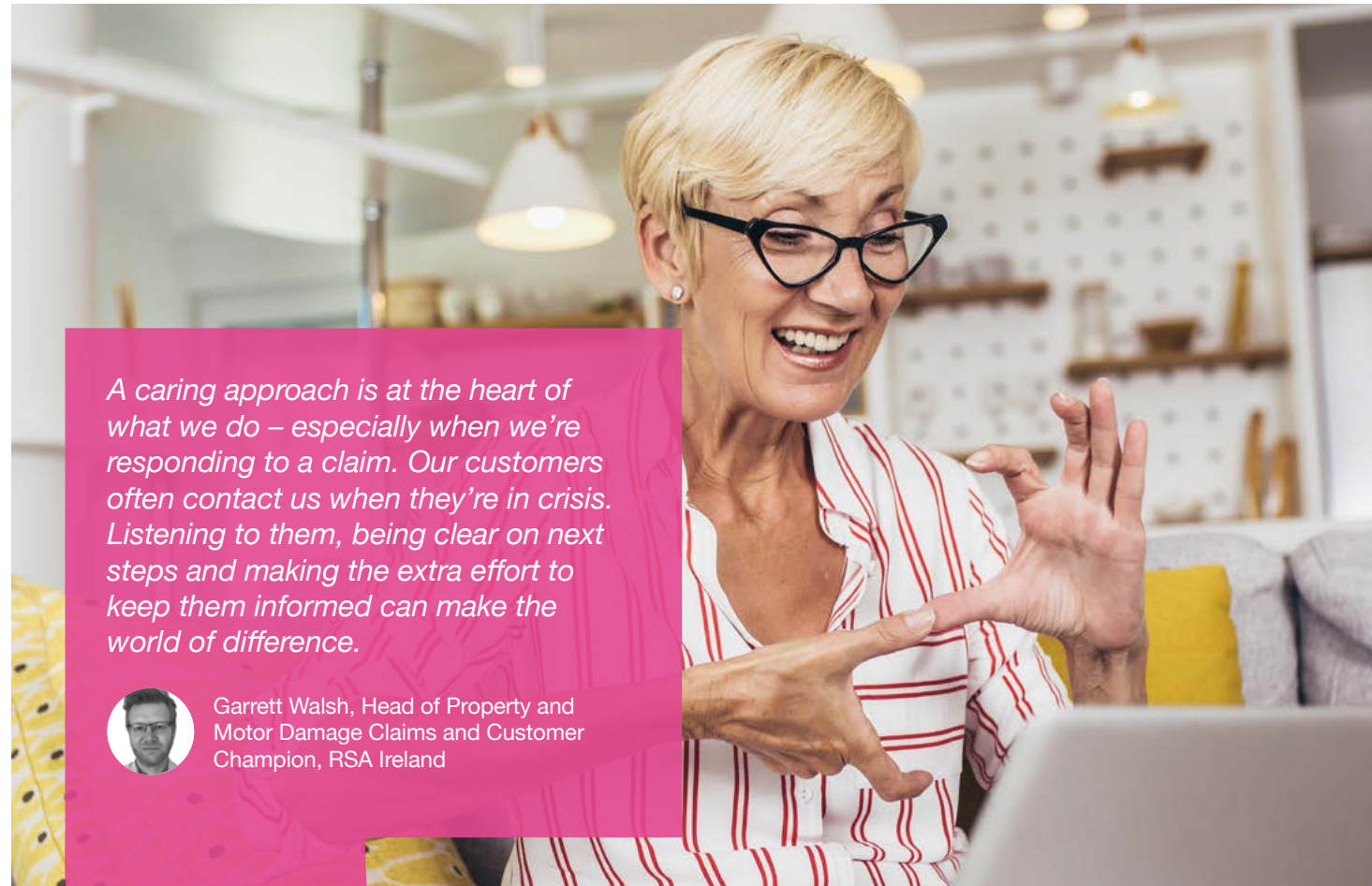
According to research, 50 per cent of UK adults display one or more characteristics of being potentially vulnerable³. Looking after the needs of vulnerable customers is important to us. This year we've provided extra guidance for our call handlers on how to recognise customers in vulnerable circumstances, including carers and those who may be isolated, digitally excluded or facing financial hardship.

In the UK, our Motability business supports customers with muscular and mobility-based conditions, brain injuries and mental health conditions. Through our Customer Connections programme, we have trained our people to provide additional support to customers with cognitive disorders such as autism and dementia.

Our Claims team noticed that face coverings were inadvertently causing challenges for hearing aid users, with a 53 per cent increase in claims for lost hearing aids. Our MORE THAN business worked with the Royal National Institute for Deaf People (RNID) to highlight the challenges faced by those with hearing loss, including difficulties lipreading and hearing muffled speech, and provided face mask extenders to prevent hearing aids falling out.



MORE THAN Motor were one of the **top 10 highest scoring brands** in the Consumer Intelligence awards for claims satisfaction.



A caring approach is at the heart of what we do – especially when we're responding to a claim. Our customers often contact us when they're in crisis. Listening to them, being clear on next steps and making the extra effort to keep them informed can make the world of difference.



Garrett Walsh, Head of Property and Motor Damage Claims and Customer Champion, RSA Ireland

³ The Financial Conduct Authority's Financial Lives survey (2020)

Supporting the digital transition

The pandemic has highlighted an important role for digital tools in the customer journey. During 2020, our Canadian Motor Claims team launched a photo-based estimation service designed to make motor claims easier, more efficient and safer for our customers, with 82 per cent of customers reporting high levels of satisfaction.

Drone technology is the latest tool in our claims toolkit to enhance our customers' experience, allowing for faster, easier and safer assessments of exterior damage to property.

Our transition to digital services is also helping to reduce our reliance on paper and our carbon emissions. In 2020, Trygg-Hansa saw a 20 per cent growth in digital traffic, with 52 per cent of personal lines claims being submitted online in December.

➕ See the Sustainable operations and Responsible supply chain sections of this report on [pages 44-50](#) for more information.



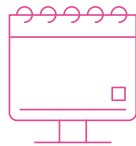
82%

of customers reported high levels of satisfaction with our Canadian Motor Claims team's photo-based estimation service



20%

increase in digital traffic for Trygg-Hansa in 2020



52%

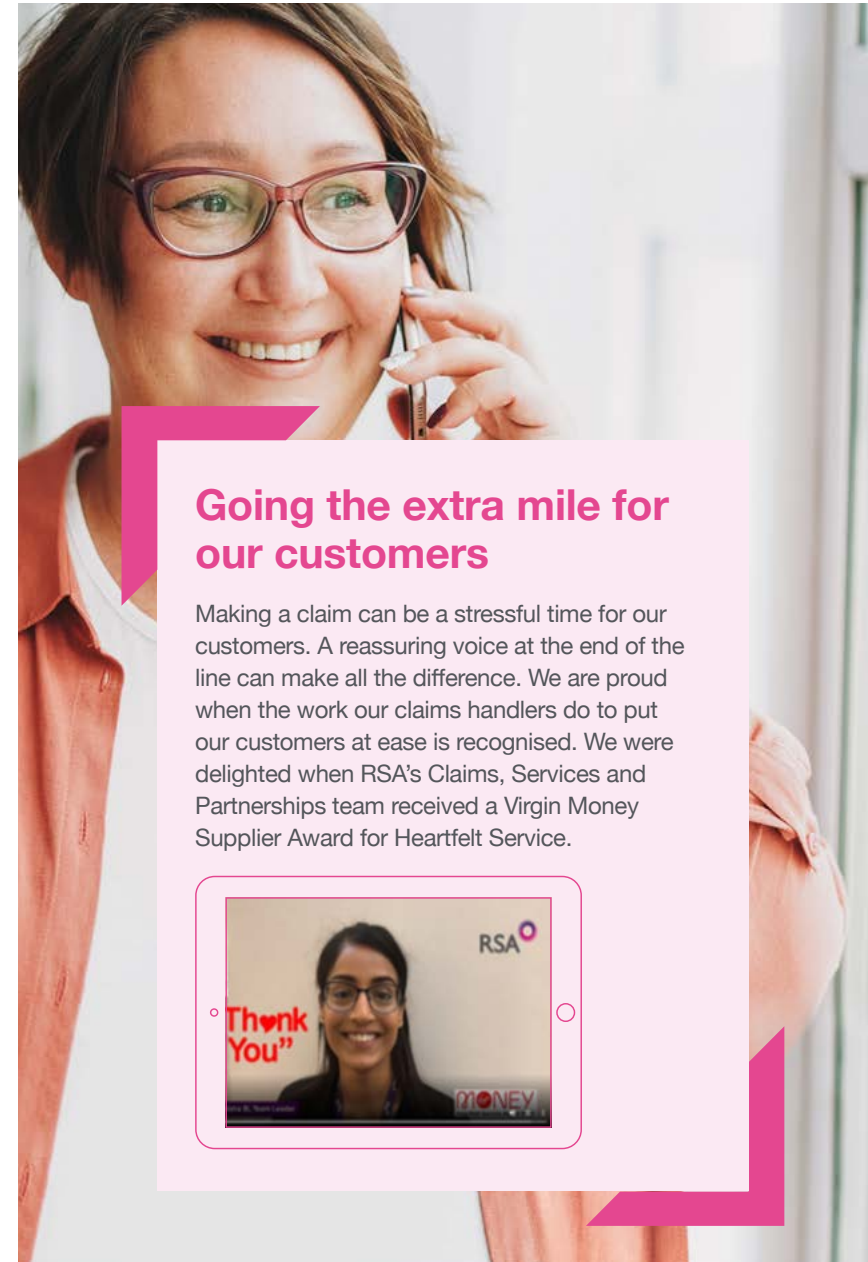
personal lines claims submitted online in December

Next steps...

- ➔ **Reducing product variants** and simplifying systems to support good customer outcomes
- ➔ **Enhancing training and advice** for colleagues to support vulnerable customers
- ➔ **Refining our model to support new general pricing practices** in the UK, and supporting our customers to prepare for the change

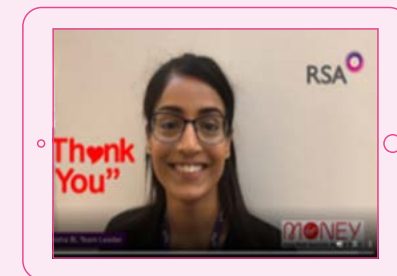
When the pandemic hit, RSA demonstrated heartfelt service at every turn. Very quickly they were able to implement several things to help customers with questions or concerns they had in relation to COVID-19 and their home insurance. All this while adapting their own business to deliver and take care of their employees, who were all deployed to work from home.

Clydesdale Bank



Going the extra mile for our customers

Making a claim can be a stressful time for our customers. A reassuring voice at the end of the line can make all the difference. We are proud when the work our claims handlers do to put our customers at ease is recognised. We were delighted when RSA's Claims, Services and Partnerships team received a Virgin Money Supplier Award for Heartfelt Service.



A flourishing workforce

Our strength and resilience as a business is generated by employees who care for our customers and each other in times of need. We're creating an environment that inspires positive health and wellbeing, nurtures skills and talent and supports an inclusive culture.

Our progress



7,000

colleagues accessed wellbeing resources and virtual events



Launched new **employee resource groups**

for race, ethnicity and cultural heritage, and disability in the UK



300+

people supported to develop new skills through apprenticeships

Keeping our colleagues safe and well

The health and wellbeing of our people is a top priority. That was especially true in 2020, when the COVID-19 pandemic first disrupted our professional and personal lives.

At the start of the pandemic, we rapidly moved to homeworking to protect our colleagues and their families. We developed a wide range of resources in all our regions to empower leaders to effectively manage remote teams and support colleagues' mental health and wellbeing.

We also recognised the increased support colleagues with caring responsibilities needed in 2020 by putting clear flexible-working principles in place. These were supported by wider access to health benefits, such as extending our Doctor@Hand mobile GP health service to cover employees' families in the UK.

By making our workplace somewhere everyone's voice can be heard, we can thrive together. We're focused on creating an environment where our people can feel like they belong, regardless of their differences. Unique perspectives and individual points of view are what make RSA a truly vibrant and creative place to work.



Heena Patel,
Senior Vice President, Internal Audit and
Chair, Canada D&I Council, RSA Canada



Nurturing an inclusive workforce

Our vision is to create an inclusive workplace where everyone can bring their best selves to work. We are committed to creating a culture which attracts, encourages and benefits from diverse perspectives across all levels of our organisation, and in which everyone is able to develop and thrive.

Driving diversity and inclusion

Our Group D&I Council, chaired by our Group HR Director, drives collaboration and change across the business, supported by regional D&I councils and a network of volunteer D&I champions and employee resource groups. Our clearly defined D&I priorities – gender balance, wider inclusion and addressing bias – are also embedded into our HR processes.

In 2020, we were proud to continue our relationship with the global **Dive In Festival**, a D&I celebration across the insurance industry. With the festival held online this year, 12,000 insurance colleagues from around the world joined events discussing allyship, mental health and the challenges in creating a truly diverse industry. In Sweden, our D&I ambassadors network launched a new video podcast series raising awareness of inclusion and work-life balance.



35.3%

of roles in our Management Group are held by women




Action for multicultural awareness and inclusion

As a company that celebrates diversity and inclusion, we are clear that racism has no place in the workplace. We know that structural racism exists in many parts of society and are committed to tackling this and other injustices.

In 2020, against the backdrop of the Black Lives Matter movement, we launched resource guides in Canada and the UK to help employees understand key issues relating to racism and ways they can proactively support colleagues.

As signatories to the **Race at Work Charter**, we are acting to remove barriers that people from ethnic minority backgrounds may face in recruitment and progression. This includes improving how we monitor progress and supporting our employee resource groups to set out our vision for multicultural inclusion at RSA. We have recently started gathering ethnicity data in the UK to help us apply a stronger lens to our people processes and address any systemic issues impacting Black, Asian and other ethnic minority individuals in recruitment, career progression or pay.

 Find out more about how we support diverse and inclusive communities on page 38.



Making gender a priority: RSA Balance

Increasing the proportion of women in senior roles has continued to be a priority. We have applied energy and focus to making progress, supported by our commitments to the **Women in Finance Charter**.

The proportion of women in our Management Group population rose 0.7 per cent to 35.3 per cent in 2020. We also made our final submission to the **Hampton-Alexander Review** in 2020. This reported the proportion of females on the Executive Committee or in roles directly reporting to it at 36.4 per cent, up 6.3 per cent on our 2019 submission and exceeding the target of 33 per cent.

We celebrated key events in 2020, including International Women's Day (IWD) and International Men's Day (IMD), inviting colleagues to address the challenges that gender bias can present for us all. Our Dubai team marked IWD with a series of keynote speakers discussing the strength of working women. RSA Canada held virtual networking activities, panel discussions and shared video screenings from the Gender Balance Summit.

See our **Gender Pay Gap Report** for details about our progress on closing gender pay and bonus gaps in the UK.

Supporting disability inclusion

We have prioritised our commitment to disability inclusion, and in 2020 signed **The Valuable 500** disability pledge and joined the Business Disability Forum. These actions will help us address some of the challenges in promoting disability inclusion in business, including the fact that many disabilities are hidden. We have committed to starting conversations on disability inside our business and in our interactions with customers, as well as improving how we make adjustments for people with disabilities.

Ensuring an inclusive workplace for all is hugely important to me. I am proud that RSA is taking this responsibility seriously. Many people don't realise that 80 per cent of disabilities are invisible, and as someone who is dyslexic and has ADHD I am passionate about raising awareness of this topic and driving inclusion across RSA.



Emily Fraser,
Underwriting Effectiveness and
Strategy Director, RSA UK



Championing allies: RSA Building Pride

Our active RSA Building Pride employee resource group provides support to our LGBTQI+ community throughout the year by focusing on inclusion, engagement, education and community. In 2020, we moved our Pride celebrations online, with over 50 colleagues taking part in our virtual march.

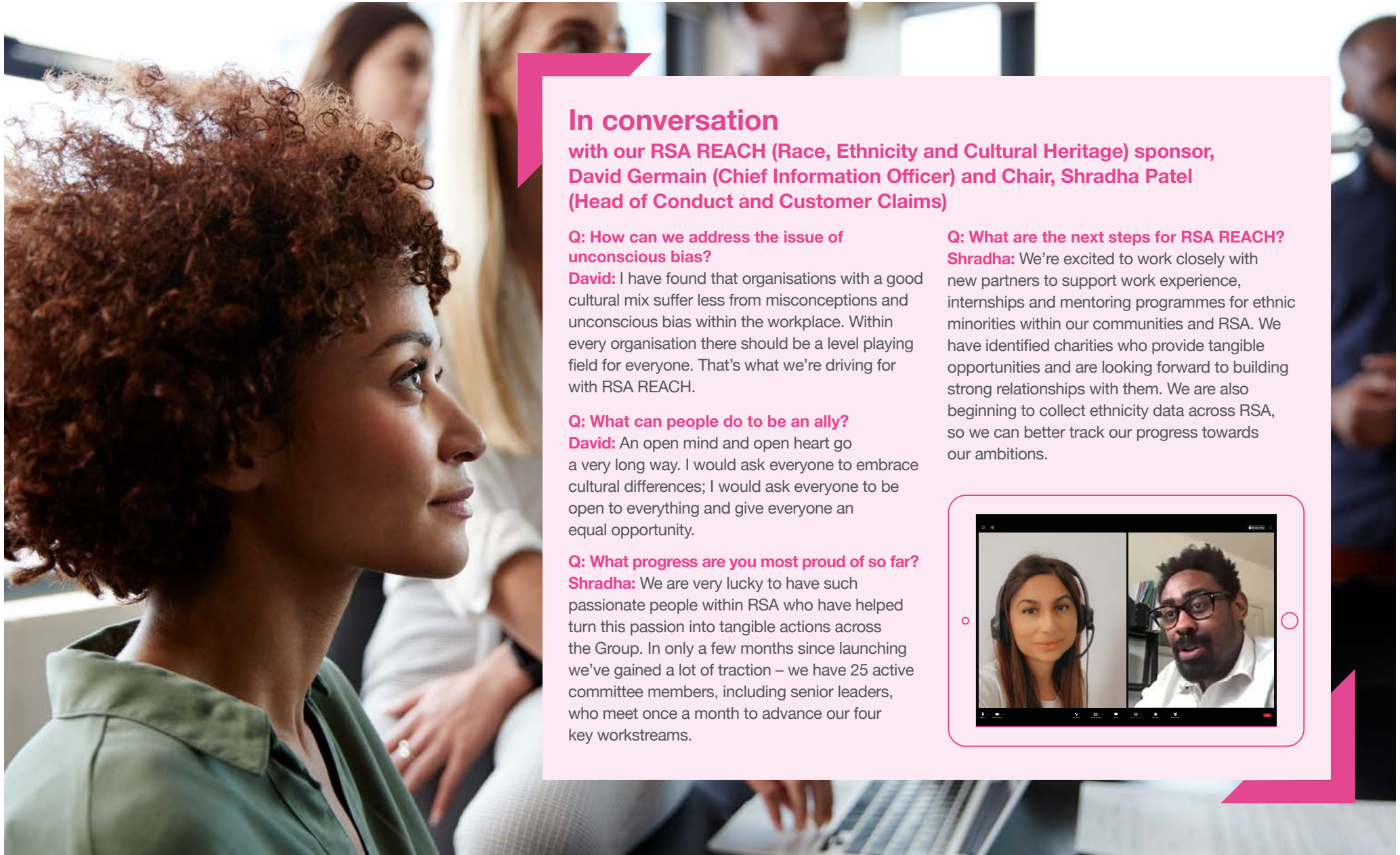
The group also raised charitable donations for LGBTQI+ causes, including Allsorts Youth Project, who listen to, support and connect children and young people under 26 who identify as LGBTQI+ or are unsure of their sexual orientation or gender identity.



Supporting carers and working parents

A family-friendly workplace is key to equality, and in 2020 we were proud to launch the Families Forum in the UK. This forum helps working parents share their experiences and offer support to colleagues having to balance home schooling with work commitments, as well as helpful resources for online schooling.

We have reviewed our HR policies to assess how well they support families and to identify barriers for colleagues with parenting or caring responsibilities. We make our parental policies available to potential as well as existing employees.



In conversation

with our RSA REACH (Race, Ethnicity and Cultural Heritage) sponsor, David Germain (Chief Information Officer) and Chair, Shradha Patel (Head of Conduct and Customer Claims)

Q: How can we address the issue of unconscious bias?

David: I have found that organisations with a good cultural mix suffer less from misconceptions and unconscious bias within the workplace. Within every organisation there should be a level playing field for everyone. That's what we're driving for with RSA REACH.

Q: What can people do to be an ally?

David: An open mind and open heart go a very long way. I would ask everyone to embrace cultural differences; I would ask everyone to be open to everything and give everyone an equal opportunity.

Q: What progress are you most proud of so far?

Shradha: We are very lucky to have such passionate people within RSA who have helped turn this passion into tangible actions across the Group. In only a few months since launching we've gained a lot of traction – we have 25 active committee members, including senior leaders, who meet once a month to advance our four key workstreams.

Q: What are the next steps for RSA REACH?

Shradha: We're excited to work closely with new partners to support work experience, internships and mentoring programmes for ethnic minorities within our communities and RSA. We have identified charities who provide tangible opportunities and are looking forward to building strong relationships with them. We are also beginning to collect ethnicity data across RSA, so we can better track our progress towards our ambitions.



Supporting positive wellbeing and mental health

Recognising the personal and work-related challenges caused by COVID-19, our regional businesses launched new virtual wellbeing resources to provide a wide range of practical and emotional support.

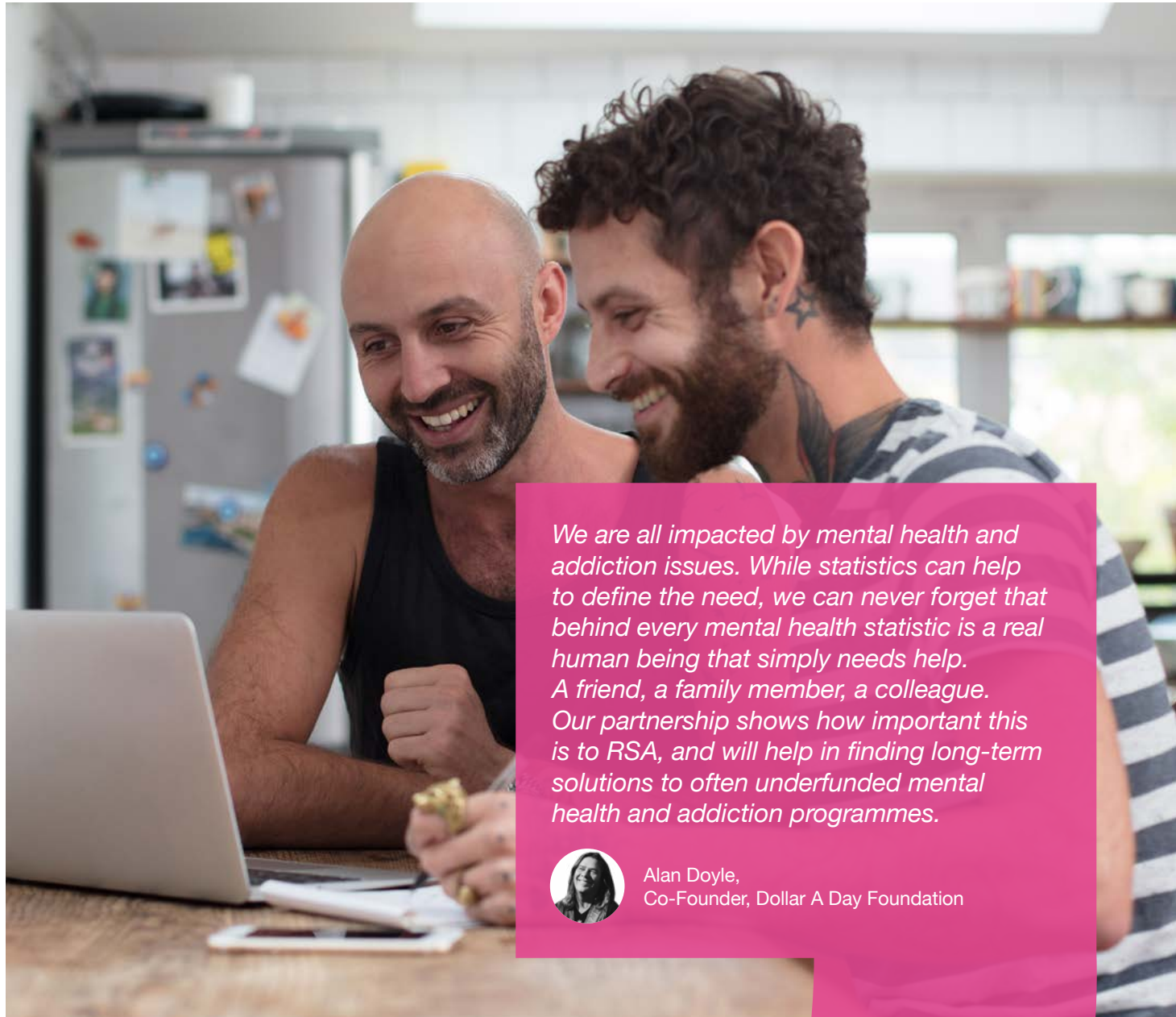
During the year, over 7,000 colleagues accessed wellbeing resources or attended online events on topics covering coping with stress, self-care top tips and how to lead and support virtual teams. Our aim is to help all our employees make the changes they need to better care for their mental and physical health.

Additional support is provided by our network of 148 Mental Health First Aiders (MHFAs) and HR professionals, while our employee assistance programmes offer flexible access to independent, confidential support on a range of issues such as counselling and legal advice.



Championing mental health awareness

Throughout the year we've raised awareness of mental health across all our regions. RSA Canada celebrated World Mental Health Day by hosting a live event for colleagues as part of their partnership with the mental health charity **Dollar A Day Foundation**. On International Men's Day, our UK and Irish businesses invited author and psychotherapist Jonathan Hoban for a virtual interview about burnout, work-life balance and the benefits of walking therapy.



We are all impacted by mental health and addiction issues. While statistics can help to define the need, we can never forget that behind every mental health statistic is a real human being that simply needs help. A friend, a family member, a colleague. Our partnership shows how important this is to RSA, and will help in finding long-term solutions to often underfunded mental health and addiction programmes.



Alan Doyle,
Co-Founder, Dollar A Day Foundation

Providing fulfilling careers

We are passionate about giving every member of our team the opportunities they need to thrive, both now and in the future. Our people strategy – YourBestU – describes our workforce ambitions and how we help people be their best selves.

While a key focus in 2020 has been helping our leaders manage remote teams, we have continued to develop our people through virtual leadership programmes such as Accelerate and our Change Agility training in the Middle East. In Canada we've partnered with the Insurance Institute to offer professional development courses run by in-house instructors.

The RSA Technical Academy helps us develop competencies across the Group, such as underwriting, claims and actuarial skills. The curriculum includes introductory, intermediate and advanced content to meet the needs of colleagues at every stage of their professional development. Each year we celebrate our people's specialist skills through our Technical Excellence Awards, which recognise rising stars, individual successes and high-achieving teams.

Developing future talent

We employ 311 apprentices of all ages at various levels within the business, putting us on track to achieve our target of doubling apprenticeships by 2022 as part of our commitment to **The 5% Club**.

In 2020, we were delighted to be named among the Top 100 Apprenticeship Employers by the National Apprenticeship Service and shortlisted for Apprenticeship Programme of the Year in the Learning and Performance Institute's 2021 Learning Awards.

In 2020, we launched the Step Forward programme to offer female colleagues in the UK a senior mentor within the business to help them progress their career. We believe such programmes will help ensure a strong future talent pipeline for our business.

We also encourage colleagues to participate in the Chartered Insurance Institute's New Generation Programme, supporting the development of our future leaders in claims and underwriting.



20,500

training days completed in 2020



260

colleagues nominated for our Group-wide Technical Excellence Awards



Being part of the Chartered Insurance Institute's New Generation Programme was a fantastic opportunity to work alongside fellow professionals from the industry and be mentored by highly experienced leaders in the claims world. While on the programme I worked on a project focusing on how insurers can respond to flood resilience, which really gave us a chance to research the impact of climate change on claims and local communities.



Katie Knowles,
Technical Consultant, RSA UK



RSA Canada was recognised as a

Top 100

Employer in Canada and in the Greater Toronto Area for the second consecutive year



3,160

nominations for our annual UK and Ireland Shining Stars and Superhero awards



154%


increase in employee-led recognition compared to 2019

Empowering our colleagues

Despite the challenges of 2020, regional employee pulse surveys conducted mid-year showed that our people appreciated the decisions made and the values we displayed. In the UK, our employee Net Promoter Score (NPS), measuring how likely our people are to recommend RSA as an employer, increased to eight out of ten.

In 2020, 6,100 colleagues used our peer-to-peer recognition portal Spotlight to thank colleagues and share good news stories throughout the year. In addition, our people made 3,160 nominations to our annual UK and Ireland Shining Stars and Superhero awards. Overall employee-led recognition increased 154 per cent compared to 2019.

In Canada, we made June our RSA Month to show appreciation for the strength and resilience demonstrated by our employees during the pandemic. We also launched our new employee value proposition, which sets out our values and promises, supported by a network of champions who help colleagues make the most of working at RSA.

 See Business integrity, pages 54–56, for more about how we empower our people to do the right thing.

Next steps...

- Refresh our learning and development offer with a focus on developing our leaders
- Embed our new employee value proposition in Canada to embed a culture of growth and opportunity
- Maintain our focus on increasing the representation of women in leadership roles

Active in communities

We are committed to being engaged members of our communities. In an extremely challenging year, we supported our local communities by sharing our skills and resources, championing the issues our people care about, and supporting those in need.

Our progress



£13m

invested in local communities through cash, time and in-kind contributions



600

charities supported throughout the year



Virtual volunteering

opportunities introduced, including mentoring schemes and problem-solving workshops

Supporting communities through the pandemic

Charities experienced a significant increase in demand for their services in 2020, so providing extra support was crucial. Our businesses rose to this challenge and supported industry and business initiatives to deliver support to those who needed it most.

Our investments are governed by our Group **Community Investment Policy** which ensures activities have a charitable purpose, are aligned to our business, employee and community needs, and are reported accurately and transparently. Our community contributions include cash donations, volunteering time, matched-funding and in-kind donations of products and services.

Emergency relief for the charity sector

As part of an industry-wide relief initiative in the UK, RSA contributed £10.9 million to the **ABI COVID-19 Support Fund** to help our most vulnerable communities. Launched in May 2020, the collaboration has raised over £100 million and donated to the National Emergencies Trust (NET) and national charities such as Barnardo's, Mind, Shelter and Age UK.

Our Canadian business responded to families living in food poverty by donating C\$100,000 to Food Banks Canada, helping their network of 650 food banks continue their critical work.

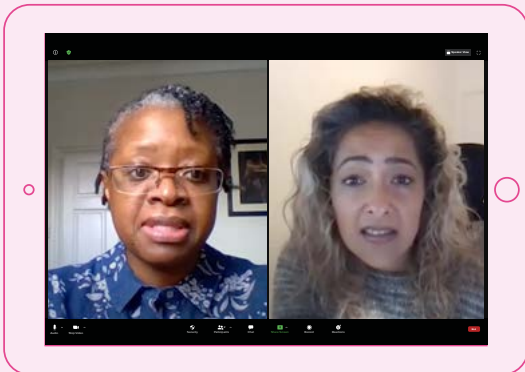
 See [Responding to COVID-19, page 6](#), for more information.



The RSA Community Grant Programme and Hackney Caribbean Elderly Organisation

In 2020, we launched our UK Community Grant Programme to support the charities most impacted by a drop in fundraising events: small charities with an annual income of under £1m. We invited applications from our UK colleagues, who nominated over 240 organisations that provide vital services to their local communities. We were incredibly proud to award 168 small charities cash support totalling £283,000 of community investment.

RSA colleague Vernini Vig nominated the Hackney Caribbean Elderly Organisation (HCEO), which supports the elderly and vulnerable in East London.



[Watch the full conversation](#) on our [YouTube channel](#).

Q: What encouraged you to take part in the Community Grant Programme?

Vernini: It's wonderful that RSA created the Community Grant Programme. I was really pleased to be able to apply as it's a great opportunity to support our communities through these difficult times.

Q: Why did you choose to nominate this charity?

Vernini: I nominated HCEO because I believe in everything that they do. They provide lunch for older people in a safe space to interact. They all have such amazing personalities, it's just great to spend time with them.

Q: How has HCEO and the community it supports been impacted by the pandemic?

Beryl from HCEO: We have been supporting our elderly community in Hackney for the past 35 years. 2020 was an incredibly difficult time for us: we sadly lost eight elders in the space of six months, which has been very emotionally draining.

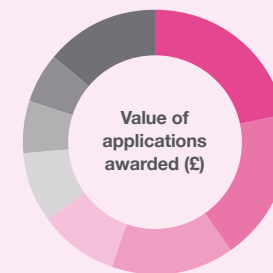
Q: What activities has the HCEO done to help support the elderly and vulnerable this year?

Beryl: During lockdown we have kept busy cooking meals and delivering to our elders at home. We also made and distributed creative activity packs, helping our elders discover new skills.

Q: How has our donation helped support HCEO?

Beryl: It has helped immensely in updating our IT systems. We've bought cameras for all our computers and have been able to help our elders become IT savvy. This has enabled us to stay connected with our communities during these isolating times. We're most grateful for all your support, not just for the donation, but your commitment to support us with your IT expertise has been a great help.

Community Grant Programme



● Young people and education	£61,500
● Mental health	£52,500
● Food poverty and financial hardship	£43,000
● Homelessness	£27,500
● Domestic and sexual violence	£24,500
● Family essentials	£17,500
● Elderly and isolation	£17,500
● Other	£39,000



Focus on: Food poverty and homelessness

Research in the UK shows that demand for food banks increased by 47 per cent during the first six months of the pandemic compared to the same period in 2019⁴. Our colleagues recognised this as a real issue affecting their own communities and have collectively raised £192,000 to tackle homelessness and eliminate hunger for families and children.

Our Irish colleagues helped support local homeless charity **The Simon Communities**, contributing €34,000 to help provide food and shelter. Our Canadian business provided 420 food hampers, equivalent to 25,200 meals, during their #RSACares campaign, and UK colleagues created a cultural cookbook to raise funds for the Trussell Trust, highlighting the amazing cultural diversity across our business and our shared love of food to support those in need.



£192,000

invested in food poverty and homelessness charities

⁴The Trussell Trust (2020)



In Denmark, more than 50,000 people over the age of 65 are affected by severe loneliness. We have worked closely together to find new volunteer visiting friends for Ældre Sagen's visiting service – people who in everyday life make a huge difference in the fight against loneliness in local communities.



Lars Linderholm,
Deputy Director,
Ældre Sagen

Focus on: Mental health and loneliness

The pandemic meant we all had to spend more time apart from loved ones. Many people experienced heightened levels of stress, anxiety and loneliness.

In Denmark, we worked with our partner **Ældre Sagen (DaneAge Association)** and the People's Movement Against Loneliness to address isolation among the elderly. Our campaign saw more than 1,500 Danes sign up to be 'visiting friends', virtual volunteers who provided a friendly voice for elderly people. As part of Age Action's Keep in Touch programme, our Irish colleagues used their volunteering time to share their digital skills with older people and help them stay connected with loved ones through their smartphones and social media apps.

Our Swedish business, Trygg-Hansa, has championed the need for greater advice for children and families experiencing mental health issues to tackle one of the country's biggest public health challenges. In 2020, Trygg-Hansa launched The Teenage Temperature, developed with the support of our partner **BRIS** – Children's Rights in Society, which helps adults to start a conversation with teenagers on everyday issues and their wellbeing, helping to identify mental health warning signs and encourage families to seek extra support. Over 122,000 parents have used the online tools and resources, which are part of our long-term strategic work to improve mental health among young people.



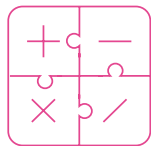
£258,000

contributed to combat mental health issues and loneliness in our communities

+ For more information about how we support our people and customers see [page 26](#) and [page 32](#).

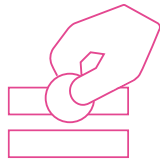
Continuing our long-term community impact

During the pandemic, emergency response has been a lifeline for local communities. At the same time, our strategic charitable partnerships have continued addressing risk awareness, education and employability, social inclusion and environmental protection.



5,200

young people supported through our education partnerships



£69,000

donated to charities tackling social inclusion

I've seen how supporting people and communities through difficult moments can make a real difference. I'm proud that RSA has been able to offer financial assistance to so many organisations during the pandemic, and pleased that we have all been given the opportunity to volunteer and share our skills more widely.



Gareth Kealy,
Head of Talent, Business Partnering & Operations, RSA Ireland



Focus on: Education and employability

Supporting skills development is important for our future talent pipeline as well as society.

In the UK, we have continued our relationship with the **Skills Builder Partnership**, supporting their transition to online career insight days and development of resources for teachers. We also promote virtual mentoring opportunities through our charitable partnership with **Neighbourly**.


Our Europe business supported **Fundación Educación y Cooperación** (EDUCO)'s project which enabled students in rural Burkina Faso to return safely to school during the COVID-19 pandemic by equipping 12 schools with hand-washing facilities, which helped more than 3,600 children.



Focus on: Social inclusion

The COVID-19 pandemic has highlighted deep inequalities across society. Actions that help level the playing field are vital. The killing of George Floyd and the resurgence of the Black Lives Matter movement created a groundswell of support for our Black colleagues and communities, and increased awareness of the discrimination minorities face in terms of social mobility, career progression and financial security.


In Canada, our businesses donated C\$8,000 to charities that help tackle systemic racism, and in the UK our RSA REACH employee resource group began relationships with charities that support anti-racist education and increase awareness of Black British history. As well as financial support, the partnerships offer colleagues the opportunity to mentor young people.

 See [page 29](#) for more about how we foster an inclusive culture.



Focus on: Risk awareness and education

Through our long-term partnerships and campaigns, we help people and businesses to identify and manage risks across key areas including climate change and road and water safety through education, awareness raising and encouraging behaviour change.

 Find out more in *Shaping a smarter tomorrow*, page 14.



Focus on: Environment and conservation

Advancing environmental protection, resilience and conservation is important to us. In 2020, we supported environment and conservation causes through our partnership with WWF Canada and UK community carbon-offsetting programmes through our partnership with Neighbourly.

Empowering our colleagues to give back



We know the positive impact community involvement can have on employee engagement, motivation and skills development. We help our people support charitable organisations they care about, including through match funding and payroll giving incentives. Our two-day volunteering allowance is another way to help colleagues support charities they are passionate about.

With face-to-face volunteering opportunities restricted by COVID-19, our volunteering hours significantly reduced in 2020. We are working closely with our community partner **Neighbourly** to offer virtual opportunities for our UK colleagues, including by piloting mentoring schemes and skills-based sessions, which have proven popular with RSA colleagues and beneficiaries and will be an area of focus in 2021.

 **224,000**
people reached through our Smarter Tomorrow partnerships, products and services

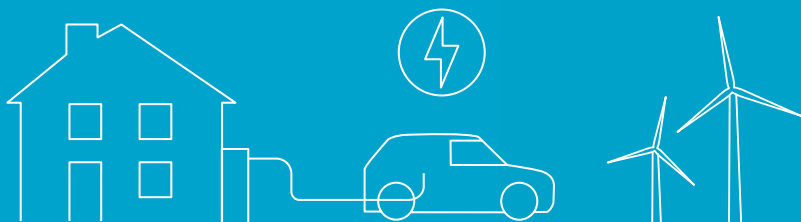
 **£115,000**
donated to help build flood-resilient communities

Next steps...

-  **Increase take-up of skills-based volunteering** across the business to support charities and address the challenges they are facing
-  **Align our community investments** with the SDGs

Managing the everyday well

We want people to be confident that we're running our business in the way they'd expect. This means being responsible in our investment and underwriting practices, thoughtful in our choice of suppliers and partners, and mindful of our environmental impact.



We contribute to the following SDGs:

7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH 	12 RESPONSIBLE CONSUMPTION AND PRODUCTION 	13 CLIMATE ACTION
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Responsible investment and underwriting

Where we invest our policy premiums and the types of risk we underwrite are important choices which can have a positive impact. That's why we are embedding environmental, social and governance (ESG) factors into our decision-making processes.

Our progress



Implemented our **Climate Change and Low Carbon Policy**



62%
of our energy underwriting portfolio is now renewable



New sustainable investment option
introduced in our employee pension scheme

Integrating ESG into our decision making

As signatories to the UN Principles for Sustainable Insurance and through our membership of ClimateWise, we have committed to incorporating ESG factors into our investing and underwriting.

Our ESG Committee, chaired by our Group Chief Risk Officer, brings together stakeholders from our Investment, Underwriting and Risk teams to set and oversee our approach. The group assesses key ESG issues, recommends company positions and monitors how they are adopted into our policies and operations.

Supporting the transition to a low-carbon economy

The insurance sector has an important role in understanding and responding to the risks presented by climate change. We're committed to helping accelerate the transition to a low-carbon future and limit global temperature rise to below 1.5°C. We can do this by supporting the development of renewables and divesting from carbon-intensive industries.

We launched our **Climate Change and Low Carbon Policy** in January 2020, committing to no longer invest in carbon-intensive industries and to reduce our underwriting exposure to the sector. 62 per cent of our underwriting portfolio is now low carbon – ahead of our 50 per cent target and the International Energy Agency's Sustainable Development Scenario's targeted energy mix for 2040.



Insuring renewable energy

We are a market leader in renewable energy insurance. That means we are well placed to support the expansion of renewable energy needed to limit the worst impacts of climate change.

Throughout 2020, our Renewables team continued to play a major role in projects around the world, providing cover for the construction and operation of on- and offshore wind farms, solar, hydro and bioenergy installations. We supported a diverse range of projects including:

- Construction of Scotland’s largest offshore wind farm, which will power 1.3 million homes
- A 600MW offshore windfarm in Taiwan
- A 70MW solar project in Malawi providing access to clean electricity

We work closely with both manufacturers and developers, advising them on how to reduce risks for upcoming projects. Our team’s renewable energy centre of excellence offers insurance for every stage of a project’s life cycle and is supporting the development of new technologies such as battery storage.

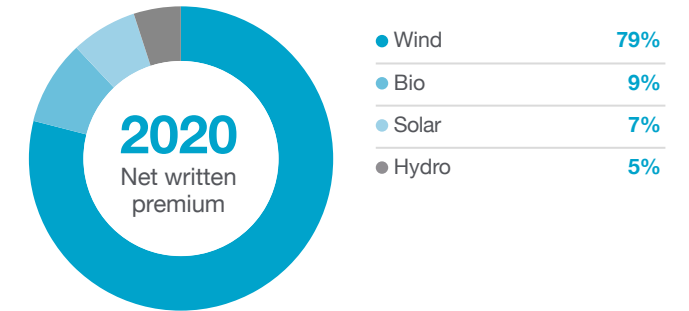
Responsible underwriting

We carefully evaluate the risks we underwrite, and work with our customers to promote sustainable business practices. Our Underwriting Policy, aligned to our risk appetite, sets out our approach to managing our activities, as well as the controls and governance in place.

In 2020, we put Special High-Risk Licences in place, to help manage our exposure to carbon-intensive industries. These Licences follow our Climate Change and Low Carbon Policy and are complemented by our new Low Carbon Policy Decision Guide for Underwriters. During the year, we assessed 45 ESG referrals, choosing to decline 44 per cent because they fell outside our policy.

We also manage social risks through our processes to address financial crime, money laundering and sanctions compliance. Our High-Risk Country Framework gives guidance on when business or payment of claims should be referred. We also screen all transactions to ensure compliance with sanctions. Where human rights and modern slavery risks are considered high, an advisory note is provided to underwriters.

Our mix of renewable energy underwriting



Environmental and social issues are some of the most complex and important challenges society faces. Tackling them requires a coordinated response across the economy, and insurers have an important role to play – both in helping business and communities better understand the risks and in providing solutions. Facilitating the transition to a low-carbon future is a great example of that.



William McDonnell, Group Chief Risk Officer, and Chair of ESG Committee, RSA Group

Insuring the NHS London Nightingale Hospital

We have a long relationship with the UK's ExCeL centre, being the East London venue's insurer. In 2020, as the centre was rapidly transformed into the new Nightingale Hospital to care for COVID-19 patients, we worked tirelessly to ensure a quick and effective change in cover.

Thanks to our colleagues' hard work and our close collaboration with ExCeL, the world's largest intensive care unit opened in April 2020 with the right insurance in place.

I'm proud of how RSA has reached out across the UK to support our customers. Our Regions London team have been able to directly assist our excellent and resilient NHS at a time of great need, which is at the very core of our customer-focused business.



Lee Mooney,
Regions Managing Director,
Commercial Lines, RSA UK

Responsible investments

Our customers and shareholders trust us with their policy premiums and capital. We are committed to investing these funds responsibly.

When appraising external fund managers, our Investment teams consider their ESG policies, while our Climate Change and Low Carbon Policy sets out our requirements for fund managers who oversee investments on our behalf. Our core fund managers also use specialist data sets to review investment options on the quality of their ESG management.

The majority of our fund managers adhere to the **Principles for Responsible Investment** (PRI). As signatories, they commit to incorporating ESG issues into investment practice, which contributes to a more sustainable global financial system.

Introducing our new RSA Pension ESG Fund

Our colleagues can choose where their defined contribution pension scheme is invested. Our new RSA Pension ESG Fund, launched in October 2020, allows employees to direct their investments towards companies with strong ESG credentials. This helps reduce carbon emissions associated with their funds and enables them to actively avoid investing in companies that produce controversial weapons or tobacco, or who violate the UNGC.

Next steps...

- **Delivering on actions** set out in our Climate Change Action Plan
- **Working with manufacturers** to understand development of renewable energy technology and support customers' energy-transition plans
- **Clearly articulating our position** on underwriting and investments in relation to key ESG topics

Sustainable operations

We play an important role in protecting the environment and supporting healthy, safe, resilient and sustainable communities. We're working hard to reduce our impact by cutting carbon emissions, switching to renewable energy and using resources more efficiently, while encouraging our people, suppliers and customers to do the same.

Managing our environmental impacts

By making the right choices about how we operate, we play our part in addressing urgent challenges such as climate change, pollution and pressure on natural resources.

Our **Environmental Policy** sets out how we effectively manage our environmental impacts and improve our environmental performance, while our Climate Change Action Plan helps us manage the financial risks of climate change. The Group Chief Risk Officer chairs our ESG Committee and has responsibility for environmental management and our response to climate change risks.

Across our estate, Facilities Managers help make our sustainable operations possible, supporting efforts to reduce emissions and maximise resource efficiency.

The environmental reporting platform Envizi helps us measure, monitor and manage the factors that influence our overall carbon footprint, including business travel, energy consumption and waste. Using this data, we're able to target actions where they will have the most impact.

Our progress



28%

of electricity from certified renewable energy sources



Achieved Leadership level

in CDP, improving our score from B to A-



Contributed to industry best practice on addressing climate-related financial risks through the

Climate Financial Risk Forum



Reducing our carbon footprint

The challenges posed by the COVID-19 pandemic have drastically changed how we operate. With our offices largely unoccupied and limitations on travel, in 2020 we saw total carbon emissions drop 38 per cent, business travel emissions drop 75 per cent and emissions associated with energy use drop 14 per cent, compared to 2019.

We will use the learnings from this year to inform plans in each of our businesses to continue to reduce carbon emissions. This includes continuing to work flexibly and reviewing how we can be more efficient with our office space. In 2020, we implemented a programme to reduce floor space across our regions and progressed plans to relocate to a new, more energy-efficient office in Glasgow.

Switching to renewable energy

In 2020, we made significant progress towards our Group-wide target of sourcing 100 per cent renewable electricity by 2025.

Across our UK estate, we now source renewable electricity everywhere we directly control procurement, and where we don't, we have been engaging with our landlords to discuss the transition to a low-carbon future. As a result, 78 per cent of our UK estate is now powered by renewables, avoiding 1,700 tonnes of carbon per year. We procure **REGO-backed** energy, which means it comes from a certified renewable source.

 See Responsible investment and underwriting on page 42 for details of our support for the transition to a low-carbon economy.



Our science-based target to

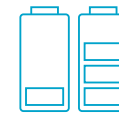
cut carbon emissions by 50 per cent by 2030

aligns with the decarbonisation pathway needed to keep global temperature increases below 1.5°C



1,700

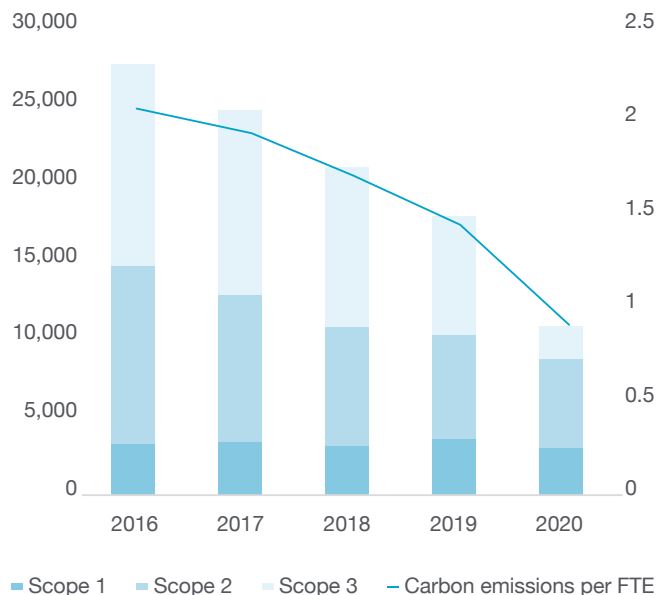
tonnes CO₂e avoided by switching to renewable electricity



4.6 million kWh

energy saving compared to 2018

Annual total carbon emissions (tonnes CO₂e) 2016–2020



I'm passionate about reducing the environmental impact of our operations by improving energy efficiency and changing behaviours among colleagues to reduce waste. I've enjoyed working alongside like-minded colleagues and our landlords to support our switch to renewable energy to power our offices.



John Whitehead,
Corporate Real Estate and
Facilities Manager, RSA UK

Encouraging sustainability at home

As we transitioned to home working, we shared insights with colleagues about how to make their working space better for the environment. This included tips on energy efficiency, avoiding single-use plastics and simple ways to adopt sustainable habits.

Supporting industry-wide climate action

To promote climate-related transparency and best practice across the insurance industry, we report to external organisations including ClimateWise and the **CDP**. In 2020, we achieved Leadership level in the CDP, improving our score from a B to an A-. We've also adopted the recommendations of the TCFD in our Annual Report and Accounts.

In 2020, we took part in the Bank of England's Climate Financial Risk Forum, working across the financial sector to overcome barriers to addressing climate-related financial risks. Workstreams focused on enhancing climate-related disclosures, scenario analysis, risk management and innovation.



ClimateWise is a global leadership group for the insurance industry, supporting better communication and responses to the risks and opportunities associated with climate change. RSA is proud to be a member and to play an active role in building more resilient communities.

Reducing waste and using resources efficiently

We are committed to reducing the waste we produce and developing resource-efficient practices wherever we can. This includes adopting digital solutions to reduce reliance on paper. In Canada we launched a new digital mail service, enabling our broker and customer communications to transition to online formats. In the UK, we continue towards our goals of removing single-use plastics and achieving zero waste to landfill at sites where we manage waste directly.

Next steps...

- **Review business travel policies** to reflect what we've learned from COVID-19
- **Expand renewable energy sourcing** across remaining office locations
- **Implement resource efficiency** opportunities, focusing on paper reduction



3,300

reusable water bottles provided to colleagues in the UK



1,160

items of surplus furniture and equipment donated to charities



83%

of waste diverted from landfill



Responsible supply chain

Being a responsible business means thinking about our impact beyond our own operations. We work collaboratively with our suppliers and partners to gain their commitment to social and environmental standards and share best practice.

Our progress



Established new governance and processes to enhance **supplier relationship management**



Collaborated with the Slave-Free Alliance to enhance **modern slavery awareness**



70+ Supplier Relationship Managers provided guidance to support suppliers through the pandemic

Managing our supply chain

Our Group Third Party Contracts and Outsourcing Policy is reviewed and updated annually to ensure robust standards are in place across our business covering supplier selection, contracting and ongoing management. The policy sets out controls to comply with regulatory and legal requirements and ensures that human rights and environmental risk factors are part of our assessment approach.

The **RSA Supplier Code of Conduct** outlines what we expect of our suppliers on issues including human rights, environmental management, business ethics and community investment. The Code is incorporated into new contracts and agreements and monitored through our due diligence system.

Supporting our suppliers through the COVID-19 pandemic

We depend on close supplier relationships to deliver our services. In 2020, we were mindful that our suppliers and the wider supply chain faced unprecedented pressures.

To support vehicle-repair suppliers facing financial uncertainty we introduced a support package with reduced supplier payment terms and increased rates for repairs, as well as a daily forum to identify issues and share capacity.

We also provided additional training and guidance to colleagues who manage supplier relationships to ensure we maintained our high standards on issues such as cyber and physical security.



Engaging with suppliers

Our Procurement, Legal and Risk teams work closely with potential suppliers throughout the selection, contracting and onboarding process. During supplier selection, we check their policies and management practices across information security and data protection, anti-bribery and corruption, customer treatment, labour practices, human rights and environmental management.

We raise sustainability topics in supplier reviews including quarterly and annual supplier relationship management meetings. In 2021, we will focus on improvements in the most carbon-intensive areas of our supply chain and collaboration on social issues.

Improving supplier management

In 2020, our UK and Ireland businesses made significant progress on embedding our third-party management process. Launched in 2019, the process improves our ability to assess suppliers before appointment and monitors ongoing supplier relationships through our new Third Party Management Committee. As a result, we now have better visibility of our suppliers' relationships and dependencies and have improved risk management.

The integration of themed question sets into our assessment approach has helped us make informed decisions about which suppliers we work with, pinpoint gaps and work collaboratively to achieve our responsible supply chain goals. The questions address environmental management, climate change, labour standards, human rights, anti-bribery and corruption, cyber security and customer treatment.



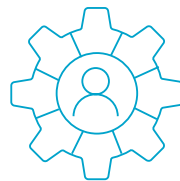
86%

of UK suppliers assessed on environmental and social issues



72%

of UK suppliers confirmed compliance with our Supplier Code of Conduct



70+


Supplier Relationship Managers offered guidance to support suppliers through pandemic pressures



We are active members of the Financial Services Qualification System (FSQS), an industry-wide initiative with 37 financial sector peers to collect and share supply chain information. With over 800 of our suppliers registered on the platform we have a much better understanding of supplier practices on sustainability issues and are building this into our decision making.



Mike Day,
TPM Programme Lead and Vice Chair
of FSQS Governance Committee



Modern slavery is a very real, current issue that affects people all over the world. Often these people are too vulnerable to access help and so the most effective way of tackling this issue is raising awareness of the signs to spot hidden victims of slavery and trafficking. Working with partners like RSA to improve knowledge of modern-day slavery in supply chains and local communities will help us eradicate slavery from today's society.



Marc Stanton,
Director, Slave-Free Alliance

Evolving the financial sector's approach to modern slavery


It's estimated that 40.3 million people around the world are trapped in modern-day slavery. Global supply chains offer an opportunity to identify and prevent this crime.

As we develop our supply chain due diligence process, we are working closely with the **Slave-Free Alliance** and FSQS to improve modern slavery transparency and understanding across financial services supply chains.

Although the insurance industry generally has a low risk of modern slavery, key vulnerabilities do exist in areas such as car repair workshops and valeting, cleaning services and construction.

We have improved our supplier due diligence question set to focus on the steps and actions suppliers take to promote understanding and identify potential problems. We have also worked with the Slave-Free Alliance to create a new training module for our global procurement colleagues, highlighting warning signs when engaging with suppliers.

 See [Business integrity, page 56](#), for more about our approach to human rights.

 Find out how to spot the signs of modern slavery:

[RSA and the Slave-Free Alliance: how to spot the signs of modern slavery](#)

[RSA and the Slave-Free Alliance: an introduction to modern day slavery](#)



Through our supply chain we have the opportunity to influence actions and have a wider impact than through our own operations. I enjoy working closely with our Motor Claims suppliers to make decisions that reduce waste and emissions by prioritising repair and reuse. I'm proud that this year we have also worked with our supplier to offset the carbon emissions associated with our windscreen repairs.



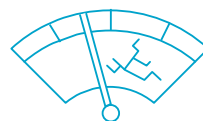
Svante Hedbring, Sourcing and Supplier Relationship Management Specialist – Motor, Trygg-Hansa, Sweden

Delivering sustainable claims solutions for our customers

Our sustainable claims roadmap helps us improve the social and environmental performance of our supply chain. The roadmap has four key elements: repair over replace, encouraging innovation, operational efficiency and future resilience.

We encourage a 'repair over replace' philosophy among our suppliers and wherever possible incentivise repairers to fix parts instead of replacing them, reduce waste and use resources more efficiently. This approach has been particularly successful in our laptop and computer claims and windscreen repair claims in our UK and Scandinavian operations. In Scandinavia our supply chain partner has committed to offsetting the emissions associated with windscreen repairs.

We also seek opportunities to have a positive social impact through our supply chain. Working with our Canadian auto repair supplier, Consolidated Collision Services (CCS), and the **Traffic Injury Research Foundation** (TIRF) we're promoting road safety messages to customers that have been involved in an accident. For each repair completed for our customers CCS donates C\$5 to TIRF to develop educational resources on road safety and fund research.



26,900

windscreen repairs in 2020



1,500 tCO₂e

avoided through repairing windscreen chips



Measuring our supply chain emissions

We conducted a full assessment of our supply chain emissions, including emissions from purchased goods and services and emissions associated with delivering our claims solutions.

We found the carbon intensity of our corporate spend is 0.20kg CO₂e/\$, while our claims supply chain is higher at 0.37kg CO₂e/\$. The higher intensity reflects work such as car repair and building restoration. We're using this information to target our supplier engagement activity in the areas we can have the biggest impacts.

Next steps...

- **Review our Supplier Code of Conduct** and engage suppliers in future developments
- **Collaborate with suppliers** to identify opportunities to reduce emissions and increase resource efficiency

Customer privacy and data security

Data plays a huge and growing role in our daily lives. Our expert information security, data protection and compliance colleagues safeguard our business and give stakeholders confidence in our ability to protect their privacy and information.

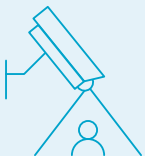
Our progress



Enabled the business to **operate securely** in the rapidly changing work environment caused by the COVID-19 pandemic



Invested in a multi-year **cyber resilience programme** which will continually improve our security capabilities



Increased our focus on **cyber security awareness** and training tailored to specific job roles

Mitigating data security threats

Our systems and processes

Our Group policies and procedures cover information security, cyber security and data protection, reflecting the Information Security Forum's Standard of Good Practice. They make sure that information is collected, stored and used responsibly and that appropriate measures are in place to safeguard information belonging to our customers, partners and suppliers.

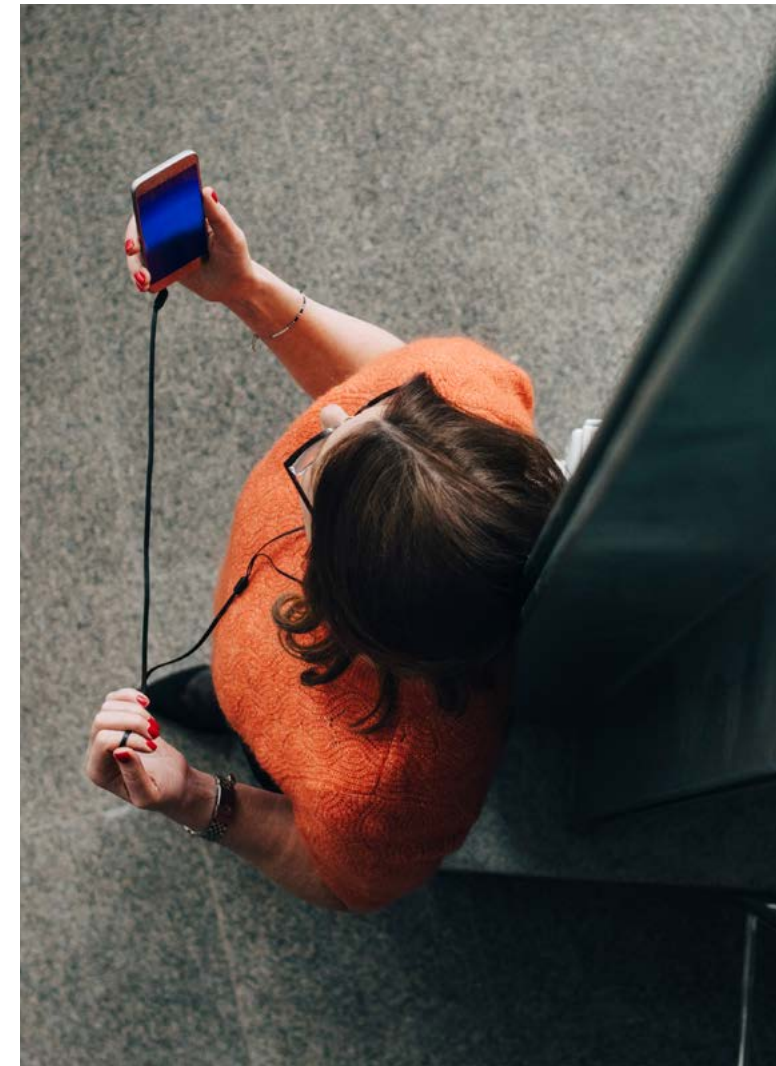
We implement controls and processes to defend our systems from cyber-crime, unauthorised access and human error. This includes firewalls, access control systems and comprehensive incident response plans. External experts regularly review these systems and we undertake technical testing to make sure they effectively help us respond to threats.

This year, we have significantly strengthened our internal security testing capability, improving our ability to identify vulnerabilities in applications and keep our systems and customers safe.

Building our cyber defences

We invest in a mix of preventative and detective controls and tools through our cyber resilience programme. We operate robust access controls to limit unauthorised access to data and adopt 'secure by design' principles to make data as secure as possible.

In 2020, we enhanced our detect-and-respond capability and continued to invest in tools to help identify potential threats before they impact any data or service. Key areas of focus include intrusion detection systems, data loss prevention and recording all network traffic using artificial intelligence and machine learning to spot anomalies.



Governance and risk management

A clear governance structure across the Group helps effectively monitor the controls in place to manage cyber risk. We conduct periodic internal and external audits of compliance with the Information Security Policy, ensuring that the controls in place are managing risk appropriately.

Minimising risk from third parties

Our Group-wide Third-Party Contracts and Outsourcing Policy sets out our expectations about our suppliers' and partners' systems for protecting data and customer privacy.

We use due diligence questionnaires and privacy impact assessments to continually monitor our suppliers' and partners' approaches and to help us identify if additional actions are needed. We also include privacy, data retention and removal clauses in all relevant third-party contracts that involve the transfer of personal information.

At RSA, we have a responsibility to protect the information entrusted to us by our customers and partners and prevent any harm that could be caused by a cyber attack, including maintaining a good level of service for our customers. We are committed to this through ongoing investment in a multi-year cyber programme enabling us to stay up to date with the latest technologies and threats.



Nuno Andrade,
Chief Information Security Officer,
RSA Group

Responding to risks during the pandemic

The rapid change in working environment caused by the COVID-19 pandemic presented new and increased risks for data protection. We needed to enable people who don't normally work from home to do so safely and securely, keeping customer information safe.

We regularly reminded our colleagues of the need to maintain security practices at home, as they would in the office, including using lockable filing cabinets, adopting a clear desk policy, locking screens and securing laptops and computers with cable locks.

To keep information safe, we also introduced a market-leading security awareness and training tool, which enabled us to deliver more targeted anti-phishing campaigns, determine knowledge gaps and measure cyber culture more effectively.

As well as increasing employee awareness, we implemented enhanced threat monitoring and increased monitoring of our data loss prevention tools.

 [Download our 10 tips for staying cyber secure.](#)

212

supplier assessments completed on information security and data protection practices in the UK

Protecting our customers from identity theft

Most people only notice identity theft when they see purchases or withdrawals that they don't recognise. That said, identity theft is not always as obvious as an unexpected transaction. With new types of identity theft on the rise in the wake of COVID-19, our Canadian business, Johnson, recognised an opportunity to improve knowledge and awareness.

The team conducted a nationwide survey to better understand the public's thoughts and beliefs on identity theft. The results showed that although Canadians have noticed an increase in suspicious emails, texts, phone calls and online advertisements, almost half are unable to identify all the warning signs.

Johnson helped to close the knowledge gap through a public campaign, providing useful prevention and protection tips, as well as encouraging Canadians to better understand their identity theft insurance options.



52%

of Canadians are unable to identify the warning signs of identity theft

Cyber security awareness

A proactive workforce with the right knowledge and training is key to information security. In 2020, we enhanced our mandatory cyber security training and awareness programme to ensure vigilance against increasing threats and to reinforce good security behaviours. This included campaigns to help employees recognise phishing attacks, strengthen their passwords and consider physical security when working remotely. We also maintain comprehensive resources and guidance on customer privacy and information security on our intranet.

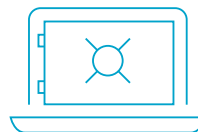
Respecting customer privacy

Respecting our customers' privacy is essential to maintaining their trust in our business. Our approach to collecting, using and managing customer data ensures we respect the confidentiality of sensitive information and the choices customers have made about the use of their data.

The Group Executive Committee oversees the implementation of our privacy policies, while regional management teams have responsibility for customer privacy on a day-to-day basis.

Cyber risk insurance

As business reliance on information technology grows, so do cyber risks. Traditional insurance policies only cover some of the potential impacts of a cyber event. That's why we developed cyber-specific insurance products for individuals and businesses that cover a range of possible losses, such as significant response costs related to notification, IT forensics, credit monitoring and identity theft.



100%

of RSA colleagues are enrolled in information security and data protection training

Next steps...

- **Monitor and respond** to the evolving threat landscape
- Implement strategy focused on our ability to **detect and respond to threats quickly and effectively**
- **Invest in our "human firewall"** through a programme of employee awareness, training and attack simulations

COVID-19 has created new avenues for identity theft – there are many ways that fraudsters can use personal information, including applying for loans, renting property or a car, submitting claims or committing crimes using false information. Our teams worked together to maximise the impact of the campaign and support our customers by providing relevant knowledge and advice so that every Canadian knows how to protect their identity.



Alex Rafuse,
VP Home & Auto,
Johnson Insurance, Canada

Business integrity

Operating ethically is fundamental to our business. We are committed to respecting and protecting human rights, tackling fraud, preventing bribery and corruption, and tax transparency. We promote an open culture that empowers our people to do the right thing for our customers, colleagues and communities.

Our progress



Helped to **improve fraud prevention**

and protect customers with new detection tools



Launched a new e-learning module to **raise awareness of modern slavery**

and human trafficking among procurement teams

Business conduct

The UNGC commits us to integrate its Ten Principles on human rights, labour, the environment and anti-corruption into the way we do business. We make decisions based on what is right rather than what is easy, and we challenge behaviour we believe to be wrong.

We set high standards of behaviour which we expect everyone to uphold, reinforced by our values. How we do things is as important as what we do, and we are all accountable for our actions and for treating others fairly. This expectation shapes a workplace culture that supports transparency and responsible behaviour.

The Group's policies and processes are critical to maintaining our standards around topics such as competition law, conflicts of interest and use of data and information. Everyone at RSA completes relevant training through the Horizon online learning system to ensure policies are understood and correctly implemented. In the UK, our Conduct Framework and Conduct Rules ensure we maintain high standards and adhere to regulations. See a full list of our policies on [page 12](#).



11,470

colleagues completed sanctions, anti-money laundering and fraud e-learning in 2020



Anti-bribery and corruption

We don't tolerate bribery or corruption anywhere in our business. Our robust Anti-Bribery and Corruption Policy outlines the controls in place to mitigate risk and comply with applicable regulations. We review and update the policy annually and have a cycle of audits in place to ensure our anti-bribery procedures remain effective.

Alongside the policy, our anti-bribery toolkit provides supporting materials to our people. Employees with higher-risk roles, such as those in procurement and broker relations, receive additional training and are subject to vetting for financial probity and criminality. In addition, all our regional businesses complete annual anti-bribery and corruption risk assessments.

Preventing fraud

We are determined to tackle fraud. By identifying and stopping fraudulent activity, we protect our business and keep the cost of premiums down for the majority.

We invest in data and intelligence-led fraud investigation tools that use machine learning to help us identify unusual activity. In 2020 we were the first insurer in North America to launch NetReveal 3.3, an industry-leading fraud detection tool. Our specialist teams work with the business, prevention agencies, the police and other insurers to investigate cases across the insurance industry.

Our employees receive regular training, e-learning and awareness-raising sessions to ensure they can identify fraud warning signs and know what to do if they encounter suspicious activity.

Speaking up and whistleblowing

We are committed to maintaining an environment where people feel able to speak up, knowing their concerns will be taken seriously and without risk of repercussion. Our Group Speaking Up & Whistleblowing Policy ensures we responsibly investigate reports, and our whistleblowing e-learning module is mandatory for all permanent, temporary and contractual employees, directors and non-executive directors.

In cases where an individual isn't comfortable raising a concern with their line manager or through internal reporting channels, **EthicsPoint** is available. This is an independent and confidential whistleblowing site which is available to RSA employees, contractors, suppliers and external partners at any time. Concerns can be reported through an online portal or by phone in the person's local language.

We're always looking for ways to improve understanding about types of fraud and the steps people can take to protect themselves. In the UAE we worked hard to raise awareness of rising fraud in the second-hand car market, highlighting the warning signs to customers.



Carol C. Orbon,
Regional Motor Claims Manager,
RSA UAE

Protecting customers against pandemic fraudsters

The ABI highlights that insurers uncovered £1.2 billion of fraudulent insurance claims in 2019, equivalent to a new scam every five minutes. Fraudsters have been quick to adapt scams in the wake of COVID-19, exploiting changing work patterns and vulnerable people.

In the UK, we collaborated with other insurers, the ABI, the Insurance Fraud Bureau and the City of London Police Insurance Fraud Enforcement Department throughout 2020 to share insight and information on pandemic-related fraud risks and threats. Our team also received an Insurance Post Claims & Fraud Award for their collaborative work with DWF Law.

In Canada, we work closely with the Insurance Bureau of Canada, sharing information with industry peers, pooling data and providing early warning alerts on suspicious activity. The collaboration also ensures knowledge is shared with the Canadian National Insurance Crime Services, helping to fight fraudsters and protect customers.



For more on how we've kept our customers safe during the pandemic, see [Customer privacy and data security on page 52](#) and [Excellence in customer care on page 22](#).

Protecting human rights and preventing modern slavery

We are committed to human rights and strive to identify, assess, prevent and mitigate any human rights impacts associated with our operations.

Our Group-wide **Human Rights Policy** sets out our commitments to and actions in support of:

- equal opportunity and non-discriminatory treatment
- security of person
- privacy of employee and customer data
- fair employment standards and a healthy and safe workplace
- freedom of association and collective bargaining
- the effective abolition of child labour and forced labour

The ESG Committee has oversight of this policy and its implementation, as well as making sure our commitments are effectively embedded in our operations.

It's important that all our colleagues understand human rights, and we provide guidance to our Human Resources, Procurement and Underwriting teams. In 2020, we launched a new modern slavery and human trafficking training programme for our Procurement teams, to increase awareness of specific risks and provide steps for intervention.

Our **Annual Modern Slavery Statement** details the steps we take to prevent slavery and human trafficking in our business or supply chains.

Tax transparency

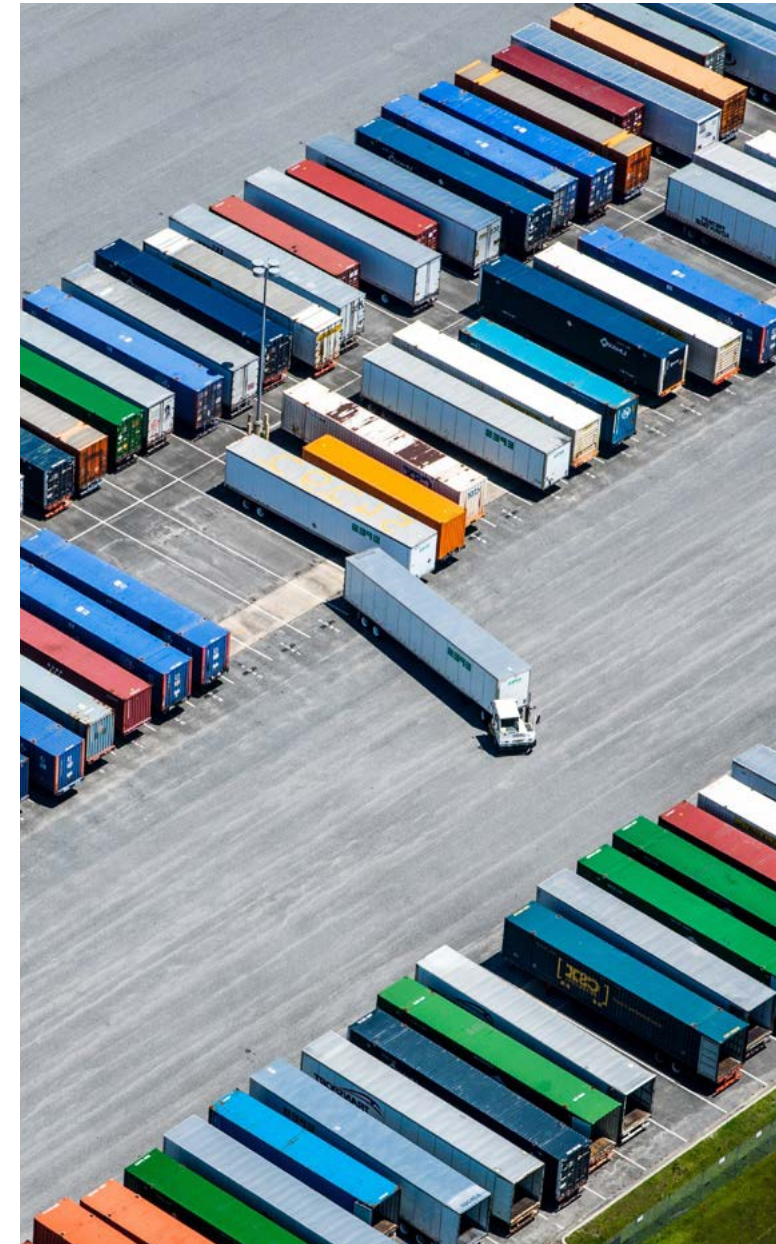
Paying taxes is an important part of our contribution to the economies where we operate. We are committed to managing our tax affairs responsibly and complying with all statutory filing and payment obligations. Our Board holds overall responsibility for our tax strategy, policies and management. Day-to-day responsibility rests with our Group Tax Director, who reports to the Group Chief Financial Officer.

Our **Annual Tax Transparency Report** sets out how we manage tax, including governance, planning, risk management and total tax contribution. We also publish our total tax contributions and taxes paid and collected since 2017 on our [website](#).

At a time when our usual ways of working were turned upside down, I've felt supported by my colleagues and our management to make rapid decisions with confidence. It's reassuring to see our company values shine through when they are most needed and that we've put people first at every step.



Merete Skjødt Nielsen,
Internal Communications Manager,
Codan, Denmark



ESG Appendix

Publicly reporting on ESG metrics is important to show progress in delivering our strategy. By being open and transparent through our reporting we can have a positive impact on society and the environment.

We are developing the metrics we use to track progress against all parts of our strategy and expect these to continue to evolve. Where possible we have used independent external guidance and standards to inform our reporting and help enable comparison with others.

Our key environmental metrics are independently assured. More information can be found in our [CR Reporting Criteria](#).

Our data is reported for the year to 31 December 2020.

Shaping a smarter tomorrow

	2020	2019
Number of people reached through Smarter Tomorrow programmes	224,000	220,000
Number of partnerships/campaigns covering risk education	8	8
Value invested in community risk education/management (GBP)	630,000	295,270

Building stronger relationships

	2020	2019	2018	2017	2016	
Value invested in local communities (GBP)	Cash donations	12,381,874	1,365,064	1,305,148	1,423,358	1,315,931
	Volunteering time	105,851	330,616	239,587	248,971	168,115
	In-kind donations	557,724	149,730	12,818	6,829	105,917
	Total investment	13,045,449	1,845,410	1,557,553	1,679,158	1,589,963
	Leveraged investment	165,572	312,702	285,276	265,928	153,830
Number of hours of employee volunteering time	3,291	11,911	8,193	8,959	6,081	
Community investment by theme ¹	Risk management	29%	16%	-	-	-
	Social inclusion	30%	10%	-	-	-
	Mental health	12%	7%	-	-	-
	Education	21%	30%	-	-	-
	Environment	5%	7%	-	-	-
	Other	3%	30%	-	-	-

¹ Community investment theme analysis excludes the £10.9m contribution to the ABI COVID-19 Support Fund



Building stronger relationships continued

		2020*	2019
Customer retention rate		80.1%	79.8%
Total number of employees (headcount)		12,380	12,848
Total number of employees (FTE)		11,840	12,378
Gender diversity of the workforce	Male (%)	46%	46%
	Female (%)	54%	54%
Roles in Management Group held by women (%)		35.3%	34.6%
Age diversity of the workforce	< 25 years old (%)	8%	-
	25–45 years old (%)	56%	-
	> 45 years old (%)	36%	-
Average length of service (years)		10 years	-
Employee turnover (%)		14.9%	-
Working days lost due to sickness absence (%)		2.4% ²	-
Employees covered by collective bargaining agreement (%)		72% ³	-
Employees with contractual flexible working (%)		17%	-
Training days completed		20,540	18,140 ⁴
Graduate and apprenticeships (% of workforce)		4.4% ⁵	
Employees receiving regular performance and career development reviews (%)		100%	100%
Employee participation in annual peer recognition schemes (%)		42% ⁵	-

* As part of our journey to improve our ESG disclosures we are reporting a number of metrics for the first time in 2020

² Data does not cover Canada

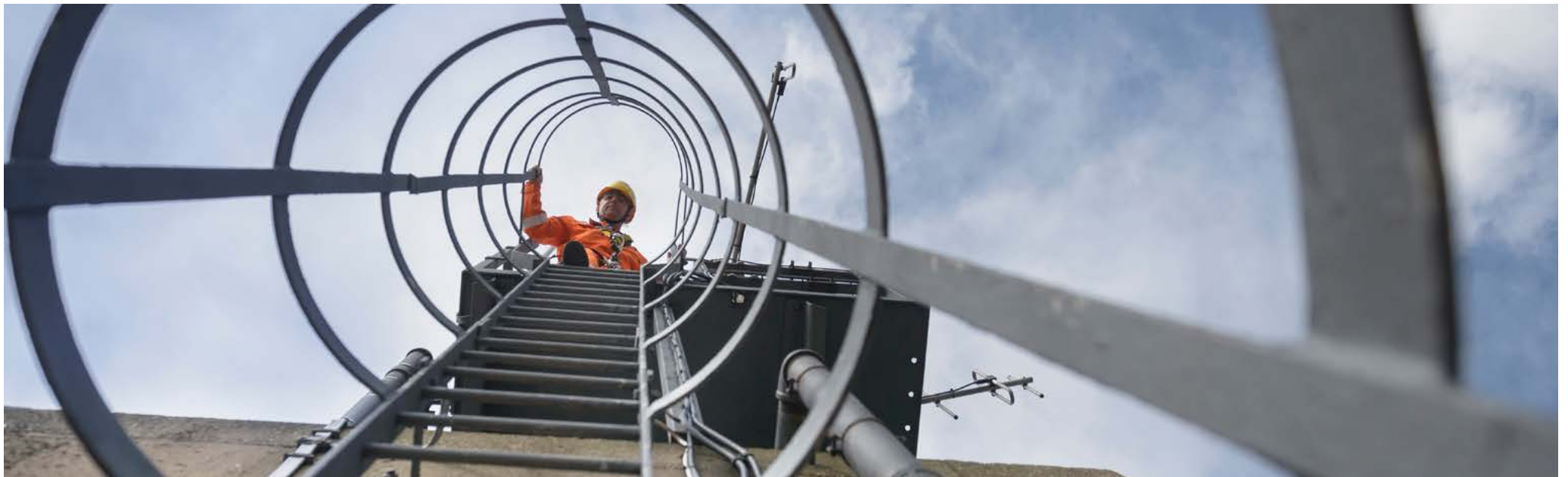
³ Data does not cover Middle East, India, Europe and USA

⁴ Data was not available to cover the full group in 2019

⁵ Data covers UK and Ireland

Managing the everyday well

		2020*	2019	2018	2017	2016	
Responsible investment & underwriting	Funds managed by UN PRI signatories (%)	90%	90%	-	-	-	
	Energy underwriting portfolio that is low-carbon (Gross Written Premium) (%) <i>Target >50%</i>	62%	65%	-	-	-	
	Number of ESG referrals related to Underwriting portfolio	45	-	-	-	-	
	ESG referrals declined due to being outside of policy (%)	44%	-	-	-	-	
	Weather-related losses (£m)	£140m	£167m	£242m	£168m	£166m	
	Weather loss ratio (%)	2.3%	2.5%	3.7%	2.6%	2.5%	
Responsible supply chain	Suppliers assessed on ESG issues (UK only) (%)	86%	80%	-	-	-	
	Suppliers agreeing compliance with the Supplier Code of Conduct (UK only) (%)	72%	-	-	-	-	
	Carbon intensity of supply chain spend	Corporate spend (kg CO ₂ e/\$)	0.20	-	-	-	-
		Claims supply chain spend (kg CO ₂ e/\$)	0.37	-	-	-	-



* As part of our journey to improve our ESG disclosures we are reporting a number of metrics for the first time in 2020

Managing the everyday well continued

			2020*	2019	2018	2017	2016
Sustainable operations	Total carbon emissions (tonnes CO ₂ e) ⁶ <i>Target 50% reduction by 2030 from 2018 baseline</i>	Scope 1 emissions	3,104 ^A	3,642	3,188	3,490	3,364
		Scope 2 emissions (location-based ^{LB})	5,580 ^A	6,554	7,508	9,266	11,243
		Scope 2 emissions (market-based ^{MB})	5,047	-	-	-	-
		Scope 3 emissions	2,393	7,614	10,157	11,611	12,738
		<i>Business travel</i>	1,732 ^A	6,969	9,475	10,891	11,575
		Total carbon emissions (scope 1, 2, 3) ^{LB}	11,077	17,810	20,835	24,367	27,345
		Total carbon emissions (scope 1, 2, 3) ^{MB}	10,544	-	-	-	-
	Carbon intensity	Gross tonnes CO ₂ e/FTE ^{LB}	0.94	1.44	1.70	1.93	2.04
		Gross tonnes CO ₂ e/FTE ^{MB}	0.89	-	-	-	-
	Energy consumption (MWh)	Electricity, district heating and cooling	34,240	36,775	-	-	-
Gas consumption		12,718	14,828	-	-	-	
Transportation – vehicles		6,513	10,406	-	-	-	
Total energy use		53,471	62,009	-	-	-	
Share of renewable electricity consumption (%) <i>Target 100% by 2025</i>			28%	24%	-	-	-
Business travel (million passenger km)			14.7	41.6	48.7	57.1	58.8
Waste	Waste generated (tonnes)	1,680	1,790	2,110	2,590	2,400	
	Diverted from landfill (%)	83%	80%	70%	61%	69%	

* As part of our journey to improve our ESG disclosures we are reporting a number of metrics for the first time in 2020

⁶ Emissions reported above have been restated versus numbers previously disclosed, in accordance with GHG Protocol guidelines. Calculations have been amended to include data that was not available at the time of publication and reflect improvements in methodology (including updated emissions factors). We have also reclassified emissions associated with use of hire vehicles in Denmark from scope 3 emissions to scope 1 emissions in all years to reflect the fact that these are company cars and enable a fair comparison year on year.

^A Indicates values independently assured by PwC in accordance with ISAE 3000 (Revised) and ISAE 3410. For further information, please refer to our reporting criteria and PwC's assurance opinion, which can be found on our Corporate Responsibility pages at www.rsagroup.com/media/kpan5sbd/rsa-cr-2020-isae-3000-revised-signed-opinion-february-2021.pdf.

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