

Modern Slavery Act Transparency Statement

Cardano Risk Management Limited & Cardano Advisory Limited

June 2025

Introduction

This statement is made by Cardano Advisory Limited and Cardano Risk Management Limited (together “**Cardano**”) pursuant to section 54 of the Modern Slavery Act 2015.

During October 2024 the Cardano Group was acquired by Marsh & McLennan’s Mercer. Integration is underway and will continue throughout 2025. This statement is based on activity undertaken to date and does not reflect future activity as we integrate with Mercer. Access to the Mercer Modern Slavery statement can be found through the [following link](#).

Cardano Structure & Business

Founded in the Netherlands in 2000 and acquired by Marsh McLennan in 2024, the Cardano Group is a purpose-built risk and investment specialist offering a wide range of advisory and investment solutions for institutional investors.

In 2007 an office was opened in the UK with Cardano Advisory- previously Lincoln Pensions Limited- joining the Cardano Group in October 2016. Employees in Cardano have backgrounds in risk management, investment management, research, pensions consulting, actuarial, restructuring, investment and covenant advice.

Cardano Advisory Limited and Cardano Risk Management Limited are registered in England and Wales¹, have financial year end of 31 December, and are authorised and regulated by the Financial Conduct Authority.

Cardano believes that our world deserves better financial solutions – that are more resilient and sustainable. That demands we do things differently.

At Cardano, we bring a distinct approach to advisory and investment management that challenges the status quo.

Cardano Risk Management Limited offers two core services – investment advice and asset management to pension scheme trustees (also known as fiduciary management) and other institutional

¹ Cardano Advisory Limited registered number 06402742
Cardano Risk Management Limited registered number 09050863

investors. Liability driven investment management is a component of its broader fiduciary management service. The business has now grown to more than 150 employees and has assets under advice and management of over £32bn, of which £13bn is pension scheme clients using Cardano fiduciary management services.

Cardano Advisory Limited services to over 300 clients with combined scheme assets of over £340bn. Providing corporate finance, M&A and restructuring advice, in addition to a full range of risk transfer and covenant advisory services for UK occupational defined benefit pension schemes which includes sustainability integration.

As such, Cardano does not provide services reliant on complex supply chains or in sectors that are generally considered to be at high risk of using forced labour such as agriculture, construction, domestic, hospitality and manufacturing.

Cardano is committed to the highest ethical standards and will not tolerate unethical practices anywhere in its business, including supply chains. Cardano is committed to understanding the risks modern slavery presents and ensuring that there is no modern slavery within its business and supply chains.

Our Policies

Cardano has various policies in place which aim to minimise the risk of modern slavery and human trafficking, as well as requirements to report any related concerns raised by clients or identified within the supply services to the Group.

These policies include and are not limited to:

- Bullying and Harassment Policy
- Diversity and Equal Opportunities Policy
- Engagement Policy
- Sustainable Investment Policy
- Whistleblowing Policy
- MMC Group Code of Conduct

Cardano's position on modern slavery is set out within the Employee Handbook. This requires employees to report identified forms of modern slavery by clients and in the supply of services to Cardano, and sets out the steps taken to prevent modern slavery:

- Employment is freely chosen;
- Punitive deductions from salary are not made;
- Child labour is not used;
- Full legal wages are paid in line with the higher of the legal minimum wage or industry benchmarks standards; and
- All employees are given documented terms and conditions of employment which include details of wages, benefits and other remuneration before commencing employment.

Due Diligence Process

Given the nature of the services provided by Cardano, we consider the risk of modern slavery or human trafficking in our business and supply chains to be low.

Due Diligence in Supply Chains

Supply chains do not involve inputs of manufactured or processed goods. Other than an ongoing relationship with technology / telecommunications hardware providers, there are no supply chains of imported goods from higher risk jurisdictions². Cardano therefore does not undertake due diligence on all suppliers in respect of slavery and trafficking.

- Cardano identifies suppliers of services in higher risk industries and includes anti-slavery and trafficking provisions in contracts with these suppliers.

Due Diligence in Service Delivery

Cardano invests sustainably. This means we seek to generate positive real-world impact and / or reduce negative real-world impact, while seeking to maximise risk-adjusted returns over the long-term, leading to sustainable benefits for the economy, the environment and society.

In our fiduciary management business, we seek to do this by investing primarily through third party managers, including Cardano Asset Management NV ('CAM', based in Rotterdam). CAM's Stewardship Team engage on our behalf, facilitating increased collaboration on key sustainability issues by Cardano in the companies in which we invest through their products. For other third-party managers, we use the services of a dedicated engagement provider to further our efforts on engaging with the companies we invest in. Cardano also invests directly in fixed income assets, and we seek to engage issuers on any relevant environmental, social and governance issues, where human rights issues could be present in the supply chains of companies we invest in. This is primarily implemented through collaboration with CAM's Sustainability Team. These processes continue to evolve.

We respect and support human rights globally and oppose human rights abuses. We have more influence to engage across our physical equity, fixed income, private equity, infrastructure and property funds. As such, we focus our human rights activities on third-party managers.

The manager research process gathers data from external managers, CAM and from a third-party data provider. This information is used to assess whether a manager's policies, processes, monitoring and reporting consider social issues as part of their broader approach to environmental, social and governance issues. This includes;

- checks on whether policies and guidelines consider UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises, including guidance on Responsible Business Conduct for Institutional Investors;
- checks for exclusion based screening against minimum standards of business practice based on international norms (e.g. OECD guidelines, the UN Human Rights Declaration, Security Council sanctions or the UN Global Compact);
- checks to see if a Human Rights Policy is in place and how this integrates into the investment process when reviewing new or existing investments; and
- the degree to which a manager considers, measures or reports real-world sustainability impact through sustainability outcomes. Please see the Cardano Risk Management Limited Sustainable

² [Global Slavery Index | Walk Free](#)

Investment Policy and Stewardship Policy Appendix for information on how Cardano engages with managers.

When providing non-investment advisory services, such as assessing pension scheme covenant strength, we ensure that sustainability risks are always considered as part of our advice. This consideration starts with an initial onboarding process for new clients (reviewing possible sanctions, control and global operations) and extends throughout our engagement, including such things as reviewing the environmental impact, governance structure or the modern slavery risks and controls of the pension scheme sponsor.

The Risks of Modern Slavery

As Cardano does not operate in high risk industries or demand inputs from high risk jurisdictions other than technology / telecommunications hardware used to deliver services to our clients, the identified risk of contact with those involved in slavery and trafficking is through the procurement of local services, specifically of maintenance and cleaning staff. Suppliers of these services have modern slavery provisions in their contracts with Cardano.

As an investment manager, Cardano invests on behalf of our clients in companies through third party investment managers. There is the risk that clients are exposed to modern slavery due to its presence in these underlying companies. Cardano therefore works with the external investment managers used to manage the risk of exposures to modern slavery, set out above.

Training

Training on Cardano's position in respect of modern slavery is included within the schedule of Compliance Training, including all colleague induction and biennial training.

This training highlights the indicators of modern slavery and human trafficking within the supply chain and the requirement for colleagues to speak up if they have any suspicions.

Additionally, in 2023 the sustainability education training was delivered to select colleagues in order to develop a deeper understanding of sustainability and related topics within our client service teams.

Looking Ahead

Cardano and Mercer³ recognise that tackling modern slavery is a continuous commitment and will continue to undertake due diligence within our supply chain as well as review and improve procedures to help identify and prevent the risks of modern slavery or human trafficking.



Kerrin Rosenberg

CEO, Cardano Risk Management Limited



Matthew Harrison

Co-Head, Cardano Advisory Limited

³ Mercer [Modern Slavery Statement](#)