

Modern Slavery Statement



Financial Year 2023



This statement has been authorised by the Board of:
Insurance Australia Group Limited, 30 November 2023

ABN 60 090 739 923

Acknowledgement of Country

IAG acknowledges Traditional Owners of Country throughout Australia and recognises the continuing connection to lands, waters and communities.

We pay our respect to Aboriginal and Torres Strait Islander cultures; and to Elders past and present. We empower Aboriginal and Torres Strait Islander peoples, business and communities.

Artist: Marcus Lee is a descendant of the Karajarri peoples.



Contents

	Page	Requirement*
CEO's Introduction	3	
About our Statement	4	
Our structure, operations, and supply chains	4	1, 2
The risks of modern slavery practices in our operations and supply chains	6	3
Actions taken to assess, address and manage our modern slavery risks	9	4
Assessing the effectiveness of our actions	15	5
Our consultation	16	6
Looking forward	16	7
Annexure 1: Reporting Entities	17	1

* *Modern Slavery Act 2018 (Cth)* Reporting Requirement:

#1 Identify the reporting entity

#2 Describe the reporting entity's structure, operations and supply chains

#3 Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities it owns or controls

#4 Describe the actions taken by the reporting entity, and any entities it owns or controls, to assess and address these risks, including due diligence and remediation processes

#5 Describe how the reporting entity assesses the effectiveness of these actions

#6 Describe the process of consultation with any entities the reporting entity owns or controls

#7 Provide any other relevant information

CEO's introduction

The IAG Way is how we work together to deliver on our purpose 'to make your world a safer place'. We're proud of this purpose. We're proud that what we do and the decisions we make means your world - at home, work, leisure, in the community - can be safer. It keeps us focused so we know why we do what we do for our customers, people and communities.

We have a responsibility to manage the Environmental, Social and Governance (ESG) risks and opportunities impacting our business. As a large general insurer, we focus on the risks in our operations, as well as in our value chain and investments.

There are an estimated 50 million people living in modern slavery conditions today.^{1,2} Our shared value approach means we want to work collaboratively with communities, governments and other organisations to foster meaningful connections and effect change to address modern slavery.



Preparing our FY23 Modern Slavery Statement has allowed us to reflect on the actions we have taken, share the progress we have made in our most recent reporting year and identify opportunities for further improvement.

Our key achievements during the FY23 reporting period include:

- upskilling our people via a targeted modern slavery awareness training module;
- ongoing review of risks in our supply base and embedding modern slavery mitigations in contracts;
- introducing supplier and investment fund manager questionnaires and assessment activities;
- launching a supplier toolkit to provide practical modern slavery guidance to Small and Medium Enterprises we partner with.

I am pleased to present IAG's fourth Joint Modern Slavery Statement (Statement), made in accordance with the *Modern Slavery Act 2018* (Cth), for the financial year ending 30 June 2023 (Reporting Period).

This Statement has been reviewed and approved by the Board of Insurance Australia Group Limited on behalf of IAG and themselves and each Reporting Entity on 30 November 2023.

A handwritten signature in black ink that reads "Nick Hawkins". The signature is written in a cursive, slightly slanted style.

Nick Hawkins

Managing Director and CEO, IAG
December 2023

¹ Modern slavery happens when an individual is exploited by others, for personal or commercial gain. Whether tricked, coerced, or forced, they lose their freedom. This includes but is not limited to human trafficking, forced labour and debt bondage.

www.walkfree.org/global-slavery-index/findings/global-findings/

² The Global Slavery Index 2023

<https://cdn.walkfree.org/content/uploads/2023/05/17114737/Global-Slavery-Index-2023.pdf>

About our Statement

Insurance Australia Group Limited (IAG) has prepared this Statement as a joint Statement covering IAG and the other Reporting Entities (set out in Annexure 1) in compliance with the Australian Modern Slavery Act 2018 (Cth) (the Act).

This is IAG's fourth Statement and covers the FY23 reporting period. The Statement discloses the actions we have taken to identify, endeavour to mitigate and account for how we address our modern slavery risks in our operations, supply chains and investments. We adopt a risk-based approach and consider the perspective of human rights due diligence,

which means that we will aim to address the most severe risks to people first, as outlined in the United Nations *Guiding Principles on Business and Human Rights*.³ Our modern slavery approach is underpinned by a framework and supported by the IAG Modern Slavery Working Group.

Table 1. Our Modern Slavery Program

Our commitment	Our management systems and controls	Our grievance mechanisms and principles for remediation
Our policies, framework and standards, responsibilities and accountabilities, stakeholder agreements and industry participation and collaboration.	How we assess our risks, ensuring consistency in the application of our assessments, building capacity and education, engaging suppliers and ongoing monitoring and reporting.	Having grievance mechanisms in place that align with the approach outlined in the United Nations Guiding Principles on Business and Human Rights to identify, assess and manage risks, put in place processes aimed at remediating harm to people if we identify a modern slavery issue in our operations or supply chains.

Our structure, operations and supply chains

IAG's Purpose and Strategy

Through its trusted brands, IAG has helped customers manage risk for over 160 years, delivering on IAG's purpose - to 'make your world a safer place'. IAG believes its purpose will enable it to become a more sustainable business over the long term, meeting customer and community needs while delivering stronger and more consistent returns for shareholders.

IAG's strategic vision to 'create a stronger, more resilient IAG', is underpinned by four pillars – Grow with Our Customers, Build Better Businesses, Create Value through Digital, and Manage Our Risks.

More information on IAG's purpose and strategy can be found here

³ United Nations Guiding Principles on Business and Human Rights: www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinessshr_en.pdf

Our Structure

Insurance Australia Group (IAG) (Group) Limited, headquartered in Sydney, is a publicly listed company on the Australian Securities Exchange (ASX: IAG) and is a constituent of the S&P/ASX 50 index.

The Reporting Entities covered by this joint Statement are set out in Annexure 1 (together the Group). They include wholly and majority owned entities that meet the definition of 'reporting entity' under the Act. References to 'our' and 'we' in this Statement are references to the Reporting Entities. This Statement describes practices that are common to the Reporting Entities and to subsidiary entities owned and/or controlled by the Reporting Entities.

Our Operations

IAG is the largest general insurance company with controlled operations in Australia and New Zealand. Our businesses underwrite over \$14 bn⁴ of premium per annum and provide a broad range of general insurance products to protect the homes, motor vehicles and businesses of more than 8.7 mn customers across the Group.

During this Reporting Period, IAG employed over 13,000 people across our businesses which includes full-time and part-time permanent employees, casual employees and workforce contractors. IAG employees are employed under a relevant agreement and/or individual contracts of employment.

Our Investments

As a signatory of, and committed to implementing, the United Nations supported Principles of Responsible Investment⁵ (PRI), we believe that successful investing requires consideration of sustainable business practices, as well as traditional financial risk and return assessments.

IAG Asset Management Limited (IAGAM) is a wholly owned subsidiary of Insurance Australia Group Limited. IAGAM has \$11.8bn invested and is responsible for providing investment advisory and implementation services for the IAG's investment assets in accordance with IAG Group policies, including the IAG Responsible Investment Policy. This includes direct and indirect portfolio management responsibilities, with the latter via management and oversight of IAG's external investment managers.

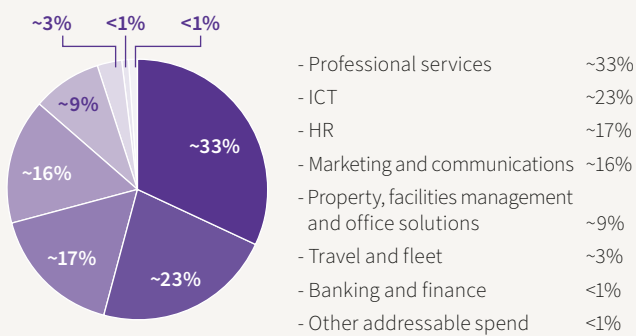
⁴ Note. In the interests of clarity, all dollar values included within this Modern Slavery Statement are represented in Australian dollars.

⁵ www.unpri.org/about-us/what-are-the-principles-for-responsible-investment

Our Supply Chain

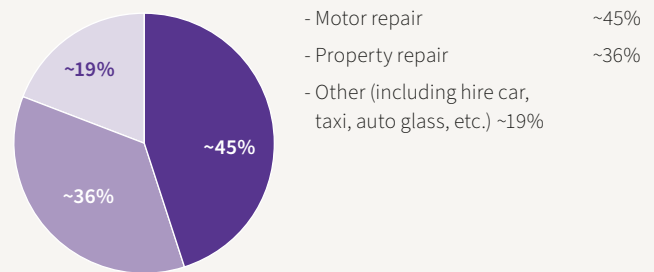
Our supply chain includes suppliers operating in multiple geographies across different products and services. Corporate Procurement refers to external spend supporting our operations, and Claims Procurement refers to external spend to fulfill customer insurance claims.

IAG's Corporate Procurement includes ~1600 suppliers and \$1.2bn spend. During the Reporting Period, our main spend categories for Corporate Procurement included:



In FY23, IAG paid around \$10.2bn in claims payments⁶ across multiple insurance portfolios and claim types. A proportion of this spend was made to our ~450 partner suppliers within our Insurance Claims Supply Chain.

Our main spend categories for partner suppliers within our Insurance Claims Supply Chain comprise:



The risks of modern slavery practices in our operations and supply chains

As part of the financial sector, we recognise that we have an important role to play in addressing modern slavery risks in the value chain.

IAG is a founding signatory to the Principles for Sustainable Insurance (PSI), which is part of the United Nations Environment Programme Finance Initiative. Through the PSI, IAG seeks to embed environmental, social and governance (ESG) issues into our decision-making, and collaborate with government, regulators, customers, business partners and other stakeholders to raise awareness of ESG issues, manage risk, develop solutions and promote widespread action.

How we identify modern slavery risks in our operations

The risk of modern slavery in our direct workforce is considered low due to processes in place for employee onboarding and ongoing mandatory training modules for employees, covering IAG's values, policies and standards.

⁶ Source: www.iag.com.au/sites/default/files/Documents/Results%20%26%20reports/IAG-announces-FY23-financial-results.pdf

How we identify modern slavery risks in our supply chain

IAG's approach to identifying inherent modern slavery risks in our supply chains is based on three key indicators:

Our key indicators on modern slavery risks:



Geographic risk indicators Some countries are reported to have a higher prevalence of modern slavery. Our supplier risk ratings are based on the Walk Free Global Slavery Index.



Product and service risk indicators Some products and services have a higher prevalence of modern slavery because of how they are manufactured, how core components are sourced or the workforce profile utilised to deliver the service or develop the product.⁷



Supplier tiering Where practicable, we consider supplier tiering and the location of where our supplier's supplier operates to improve the accuracy of our risk assessments. We acknowledge that assessing modern slavery risk throughout the entire supply chain (ie fourth parties) remains a challenge and focus.

Source: Walk Free Global Slavery Index: www.walkfree.org/global-slavery-index

How we assess modern slavery risks in our investments

Risks associated with modern slavery have the potential to arise through our investment activities, our use of external fund managers and associated suppliers. To manage these risks, our external fund managers are required to complete:

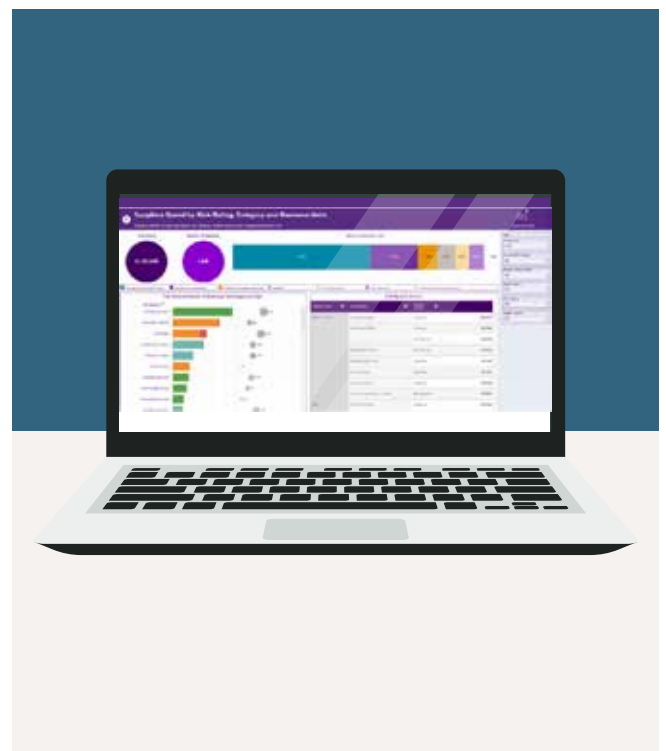
- an annual ESG questionnaire, which considers how investment activities are assessed for direct exposure to high risk countries and industries and if modern slavery and broader human rights risks are assessed in the ESG approach for investments, and
- an Operational Risk and Compliance questionnaire every 12-18 months, considering the process to assess the risk of modern slavery across business operations and supply chain, whether internal reporting channels are available for monitoring and reporting of modern slavery risks, and if ongoing due diligence and oversight of modern slavery risks is embedded in their supplier management processes.

Our supply chain risk mapping tools

IAG's Third Party Risk Management (TPRM) system enables a structured approach to monitoring IAG's modern slavery risk profile.

The TPRM system incorporates modern slavery considerations within the Group-wide TPRM process. The system enables monitoring and reporting of modern slavery risks across IAG's supply chain and provides insights into IAG's modern slavery risk profile. The TPRM system adopts a methodology consistent with the Global Slavery Index, including suppliers' locations, vulnerability and prevalence of modern slavery, as well as supply type.

Our Corporate Procurement team use a dashboard to visualise modern slavery risk per supplier and spend category to prioritise modern slavery initiatives.



⁷ Walk Free Global Slavery Index: www.walkfree.org/global-slavery-index/methodology/methodology-content/#g20-imports

Our modern slavery hotspot categories

Nine hotspot areas (not in priority order) have been identified; each is described below and includes the potential modern slavery risk:

Table 2. IAG’s supplier category hotspot areas

Identified hotspot	Description	Potential modern slavery risk within the context of the ‘continuum of involvement’:
1. Contingent Labour	Contract workers are a critical component of our workforce.	There is potential to be directly linked to modern slavery through recruitment practices. The risk is heightened where recruited workers are from migrant, lower socio-economic, culturally and linguistically diverse backgrounds and may experience systemic issues, such as underpayment or withholding of wages, and excessive working.
2. Business Process Outsourcing (BPO) Services	Our BPO Services partners are located in Australia, Philippines, South Africa and India, and provide ongoing support in the areas of finance and accounting, sales and service, major events, compulsory third party services, recoveries and claims management functions.	There is potential to be directly linked to modern slavery through recruitment practices, particularly through the utilisation of external agencies located overseas.
3. Information and Communication Technology	Technology services are core to our operations and include hardware, software, and various project delivery and cloud services.	There is potential to be directly linked to modern slavery where systemic labour issues related to this industry persist. Suppliers may operate in countries that are associated with a higher risk of forced or child labour and rely disproportionately on base-skilled or migrant workers.
4. Marketing and Communication	These services include direct mail houses, promotional items and printing services, sponsorship and events, and mail and courier services. While these products and services are sourced directly from Australian suppliers, we recognise that our suppliers may source their products from overseas locations.	There is potential of contributing to or being directly linked to modern slavery where our suppliers engage with suppliers located in high-risk locations overseas. The risk increases where there is no visibility over these supply chains, where base-skilled workers are utilised and/or where there is excessive or persistent pressure to meet unreasonable deadlines.
5. Property, Facilities Management and Office Solutions	We engage with suppliers that provide facility management services (including office cleaning), construction, office supplies, catering and security.	There is potential to be directly linked to modern slavery due to a number of contributing factors such as the reliance on migrant labour, and often low skilled/manual nature of the work performed. The risk is heightened where work is performed out of regular business hours.
6. Travel and Accommodation	We utilise services in relation to our business activities in the areas of accommodation, vehicle fleet and ground transportation. We also provide our customers with temporary accommodation to support their property claims journey.	There is potential to be directly linked to modern slavery where base-skilled or migrant workers undertake this work and there is limited visibility over management practices which can lead to situations of underpayment of wages, excessive working hours and other forms of exploitation.
7. Collision and automotive repair services, and associated products	We operate a partner smash repairer network to deliver high quality repairs for our customers. Associated products include lubricants, oils, batteries, auto parts, glass, tyres and windscreens.	There is potential to be directly linked to modern slavery where there is limited visibility over the supply chain through the use of subcontracting and outsourcing practices, and where certain products are sourced from high-risk geographies.
8. Property Partner Network	We engage a property network comprising 75 suppliers. This network includes builders, restorers and suppliers that support our customers whose homes or property have been damaged or stolen. Associated building products include paint, timber, plasterboard, metal and tile roofs and fasteners, and contents items such as jewellery, televisions and mobile phones.	There is potential to be directly linked to modern slavery where there is limited visibility over the supply chain through the use of subcontracting and outsourcing practices, and where certain products are sourced from high-risk geographies.
9. Investments - External Fund Managers	~41% of our investments are managed by external fund managers.	There is potential to be directly linked to modern slavery where there is lack of oversight of the risk assessment and management practices of these managers and the due diligence performed over investment decisions.

Actions taken to assess, address and manage our modern slavery risks

Actions taken in FY23 to assess and address modern slavery risks in our operations and supply chains are structured based on our three-pillar framework as described in Table 1 and detailed in the following paragraphs.

Our commitment	Our management systems and controls	Our grievance mechanisms and principles for remediation
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Key policies

We take ethical and responsible decision-making seriously, and we expect our people, suppliers and business partners to do the same. IAG has the following policies in place to help safeguard our modern slavery approach.

Table 3. Key policies relevant to modern slavery

Policy	Description
Code of Ethics and Conduct	Outlines the values and behaviours expected at IAG and provides guidance to support people with their decision-making and to 'speak up' when something is not right.
Supplier Code of Conduct	Outlines the behaviours that IAG intends to demonstrate in our interactions with suppliers and clarifies our expectations of suppliers in relation to modern slavery, child labour, worker entitlements, freedom of association, and the humane treatment of workers.
Group Social and Environmental Framework	This Framework outlines IAG's commitments to managing sustainability and social and environmental risks and opportunities for its business.
Group Procurement Policy	Outlines the principles and requirements for IAG's Procurement Activities that must be undertaken.
Responsible Investment Policy	Outlines IAG's commitments to responsible investment and how we manage ESG risks and opportunities, including risks related to modern slavery and broader human rights issues.
Group Outsourcing Policy (internal policy)	Policy sets out IAG's approach to outsourcing. It supports IAG in meeting regulatory requirements, including APRA Prudential Standard CPS 231 Outsourcing.
Group Third Party Distribution Governance Standard (internal policy)	The Standard outlines IAG's approach to governing Third Party Distribution Risk (TPDR).
Group Whistleblower Policy	Outlines the rights and responsibilities of people involved in a whistleblowing report, including how people can report wrongdoing safely and confidentially without fear of retaliation.
Group Anti-Bribery and Corruption Policy	Outlines IAG's requirements in relation to managing bribery and corruption risks and supports IAG's purpose and strategy by prohibiting bribery and corruption and providing clear requirements on the management of such risks.

Improved representation of the Modern Slavery Working Group

The role of the working group is to mitigate modern slavery risk across the Group in a consistent and strategic manner with representatives from:

- Investments
- Procurement Partnering and Commercial
- Insurance Supply Chain
- Direct Claims
- Intermediated Claims
- Legal and Company Secretariat
- New Zealand Supply Chain & Adjacencies
- Group People, Performance and Reputation
- Operational Risk and Assurance

Industry collaboration on the review of the Act

Through membership with the Insurance Council of Australia (ICA) and participation in the ICA's Modern Slavery working group, IAG contributed to and reviewed the ICA's response to the Australian Government's Statutory Review of the Act. The ICA submission outlined key areas where the Act could be strengthened.

Our commitment

Our management systems and controls

Our grievance mechanisms and principles for remediation

In our operations

Managing risks within the context of State and Territory based legislation

IAG has extended its TPRM processes to assess labour suppliers against state and territory-based Labour Hire Licence legislation (VIC, QLD, SA, and ACT). The licensing scheme, which protects labour hire workers and promotes responsible practices in the labour hire services industry, helps IAG to manage modern slavery risks.

Since September 2022, the onboarding process for IAG's labour hire suppliers requires them to confirm situations where they are providing an individual to undertake work for IAG and they are obliged to pay that individual. This allows IAG further transparency over working arrangements. In FY23, 62 labour hire suppliers responded to this question and confirmed compliance to legislation.

Embedding modern slavery clauses in contracts

IAG's contractual agreements with all Talent Acquisition Panel suppliers were uplifted. In this Reporting Period, 19 contracts in Australia and 18 contracts in New Zealand were uplifted to include clauses relating to modern slavery.

Case Study 1. Strengthening Talent Acquisition's contractual agreements and supplier engagement

Uplifting contracts with modern slavery clauses requires IAG's suppliers to adopt and align with our stated expectations and relevant external regulation and legislation. The clauses added included uplifting supplier obligations, ensuring that all suppliers hold correct licences to provide services as well as:

- a) Take steps to ensure no modern slavery is in the supplier's operations and supply chains
- b) Implementing appropriate training of personnel
- c) Implementing due diligence procedures for its suppliers, subcontractors
- d) Not providing agreed services from overseas without prior written consent
- e) Confirmation that neither the supplier, nor its representatives have been convicted or an offence involving modern slavery.

Monitoring risks in our contingent workforce

IAG's contingent workforce has an elevated risk of modern slavery practices. To manage these risks, we performed regular monitoring of hours worked to identify irregularities in work patterns for further investigation.

Upskilling our people

IAG's anti-slavery e-learning module was assigned to procurement and supplier management roles to ensure that indicators are understood and considered in decision-making.

Online training included:

- What modern slavery is and how it is defined;
- Common indicators of modern slavery; and
- IAG's response to modern slavery.

As of 30 June 2023, 90% training was complete with the remainder in progress. The training module is available to all employees across Australia and New Zealand.

Modern slavery training in risk modules

To increase the risk intelligence of IAG employees, the following training was delivered in FY23:

- **Third Party Risk Management (TPRM) awareness:** Sessions introduced modern slavery as a material risk within IAG's supply chain, an overview of TPRM and IAG's risk appetite, system features when managing third party risks, and where to access additional resources. 323 employees attended this training.
- Two TPRM e-learning modules were developed and launched in December 2022 as part of IAG's accessible training plan to support business owners and relationship managers to better understand the risks associated with third party engagements.

In our Investments

Utilising third party tools for investment activities

Third party ESG research and screening tools were deployed to identify potential supply chain issues, including labour issues in investments. Metrics assessed included child labour, supply chain labour standards, and controversial sourcing to gauge the extent to which entities may face regulatory compliance costs, reputational damage or supply chain disruptions.

During the Reporting Period there was engagement with external fund managers on 12 portfolio holdings in relation to human rights and labour standards.

Addressing modern slavery risk in external fund management

External fund managers were required to respond to a due diligence questionnaire covering ESG practices, including risks of modern slavery, supply chain and investment activities. Three were engaged where investment holdings demonstrated poor ESG characteristic and/or labour-related challenges.

External fund manager operational risk assessments were conducted on six continuing managers to assess modern slavery risks of the manager and its supply chain. No material weaknesses were identified.

In our Supply chain

Third party risk management

Modern slavery risk assessment is embedded into IAG's TPRM processes. In FY23, 344 modern slavery supplier assessment questionnaires were completed (6 suppliers rated major risk, 233 moderate, 105 minor), an uplift of 73% year on year.

Detailed Supplier Assessment

Detailed supplier assessment was prioritised for organisations with annual spend of \$500,000 and above. The result of this assessment is shown below. Those suppliers identified as a high risk were assessed using their prior year published Modern Slavery statements.

Corporate supplier base

Major risk

Supplier categories:

- Information and Communication Technology
- Business Process Outsourcing
- Contingent Labour
- Property, Facilities Management and Office Solutions

Moderate risk

Supplier categories:

- Professional Services: Project Delivery & Staff Augmentation
- Marketing and Communications
- Travel and Fleet

Minor risk

Supplier categories:

- Banking and Finance
- Professional Services: Legal Services, Business Advisory and Auditing

Case Study 2. Reinforcing modern slavery expectations through Third Party Risk Management

In line with IAG's purpose and strategy, suppliers must adhere to our Supplier Code of Conduct (SCOC) to ensure they can demonstrate compliance with relevant laws, regulations and expectations regarding modern slavery. Early in FY22, a supplier was identified that could not fully comply with the SCOC.

Engaging with the supplier on IAG's expectations and the repercussions of failures, the supplier was suspended from IAG's approved list. IAG's goal is to encourage service providers to remediate processes to address modern slavery risks and to use influence and leverage to incentivise change.

In February 2023, the supplier committed to the SCOC and was reinstated.

IAG is willing to work with suppliers where misalignment on standards arise and is prepared to act when required.

Targeted risk profiling in supply chain hotspots

IAG commenced a supplier risk assessment program at category level in IAG's Claims Supply Chain (e.g. vehicle smash repairers and builders). The program enables IAG's Claims Procurement teams to incorporate risk management discussions as part of the prospective procurement process, resulting in IAG partnering with suppliers to reduce their modern slavery risks.

Supporting our small to medium enterprise suppliers

Modern slavery supplier toolkit for Small to Medium Enterprise (SME) has been developed, providing practical support to IAG's SME suppliers. The toolkit provides a high-level understanding of the Act, what modern slavery is, the minimum modern slavery requirements in IAG's Supplier Code of Conduct, and shares examples of modern slavery 'red flag' indicators. In FY23, this toolkit was launched to targeted suppliers for improvement and increased deployment in FY24.

Modern slavery considerations embedded in the tender process

Case Study 3. Addressing Modern Slavery Risk in the Auto Glass Tender Process

An auto-glass tender process was undertaken in FY23. IAG identified this procurement category as having an elevated risk of modern slavery due to the tendency for suppliers in this category to have supply chains that are global, complex and with limited visibility, as well as the common use of subcontracting services.

To support IAG's decision-making, prospective auto-glass tenderers were required to disclose how they would ensure ethical and sustainable procurement principles throughout their end-to-end supply chain, including:

- having effective processes in place to identify and assess modern slavery risks in their operations and supply chains, and if there were adequate control measures in place to address and remediate these risks;
- utilisation of labour hire agencies and whether relevant standards were in place to protect minimum conditions of employment for employees' and contractors' rights at work; and
- visa holders and/or foreign workers in its employment and how these individuals were supported.

This process supported our Claims Procurement team in building knowledge of modern slavery risk. It also offered insights that were used to assess and select the most suitable supplier, giving assurance that modern slavery risks are being effectively managed through the value chain and in alignment with IAG expectations.

Our commitment

Our management systems
and controls

Our grievance mechanisms
and principles for remediation

IAG's whistleblower mechanism

IAG's independent whistleblower mechanism, ActionLine, is managed by a third-party provider. Once an issue is raised through ActionLine it is allocated for investigation in line with IAG's Whistleblower Policy. This whistleblower mechanism allows our people and suppliers' workers to report alleged misconduct in a confidential manner and helps to facilitate the protection of the identity of whistleblowers if they wish to remain anonymous. In FY23, there were no reported instances of modern slavery through our grievance mechanism.

IAG's principles of remediation









We have principles in place for remediation that align to the *United Nations Guiding Principles on Business and Human Rights*. If a modern slavery incident is verified in our supply chain, our immediate action is on performance management of the supplier to improve practices. Our key focus is to take steps to protect any affected stakeholders from risk of further harm.



Assessing the effectiveness of our actions

We are committed to a process of continuous improvement related to modern slavery actions and the measures used to evaluate the effectiveness of those actions.

Assessing the effectiveness of our actions is a key component of understanding the impacts of our business activities, and whether our modern slavery identification

and mitigation processes are addressing our modern slavery risks. We are committed to continuing to expand our approach to effectiveness.

Modern slavery framework	Element	How actions contribute to assessing effectiveness
1. Our commitment	 Policies and procedures	Policies and procedures have been reviewed and uplifted to reflect ESG considerations. Policies and procedures are the foundations of rolling out and embedding modern slavery measures across our organisation and are therefore considered an effective instrument.
	 Governance	An effective governance structure and mechanism to measure performance, ensure the right stakeholders are involved in risk identification and management, and support a cycle of continuous input and improvement.
	 Collaboration with peer organisations and industry bodies	Collaboration deepens understanding of industry trends, organisational challenges, approaches to addressing modern slavery and sharing learnings.
2. Our management systems and controls	 Supplier engagement	Direct engagement with our suppliers fosters two-way dialogue and collaboration on addressing our shared modern slavery risks.
	 Training and awareness	Modern slavery training allows us to increase awareness and knowledge of where modern slavery risks may arise and encourage reporting of risks.
	 Assessing risk processes in our investments	Review of portfolio holdings aims to identify modern slavery risks and facilitate engagement with external investment managers to improve practices.
	 Supplier contracts and agreements	Modern slavery contract terms allow us to set our expectations of suppliers and provides a basis for monitoring and reporting
3. Our grievance mechanisms and plans for remediation	 Grievance mechanism reports and substantiated complaints of modern slavery	Modern slavery reports received through IAG's whistleblower hotline, ActionLine, allow us to encourage identification of issues.

-  Effective
-  Continue in FY24

Our Consultation

This Statement was circulated to the IAG Group Leadership Team (GLT) and the Board of Insurance Manufacturers of Australia Pty Limited (IMA) for comment and endorsement, prior to being put to the IAG and Insurance Australia Limited (IAL) Board of Directors for review and approval.

An education session was conducted at the November 2022 IMA Board meeting to confirm IAG's obligations under the Act and provided guidance on the reporting obligations where required.

The boards of each of the reporting entities comprise members of the GLT and senior leadership team. As part of the consultation process, members of the GLT, who are collectively responsible for each of the Reporting Entities (and all entities owned or controlled by those Reporting Entities), were engaged to provide their review and feedback.

Following GLT endorsement, the Statement was approved by the Boards of IMA, IAL and IAG. The Board of IAG also approved the Statement on behalf of the other Reporting Entities.

Looking forward

IAG intends to seek opportunities for collaboration with our people, suppliers, peers, industry associations and communities, and raise awareness of the risks of modern slavery. We also acknowledge the statutory review of the Act, and the recommendations being considered by the Government.

Our roadmap includes the following priorities:

- Continue to roll-out training to create awareness and uplift our modern slavery understanding.
- Strengthen oversight of modern slavery risk into existing governance forums, particularly in quarterly ESG Steering Committee forums.
- Review our risk assessment methodology and update external sources to determine risk based on country of origin and spend category.
- Continue to engage our supply base through sourcing events, supplier management and / or our SME toolkit.
- Aim to establish a modern slavery incident governance framework.
- Deliver modern slavery training for IAG Subsidiary Directors on modern slavery risks.

Annexure 1: Reporting Entities

Reporting Entity

Insurance Australia Group Limited [ACN 090 739 923]

Insurance Australia Limited [ACN 000 016 722]

Insurance Manufacturers of Australia Pty Limited [ACN 004 208 084]*

IAG International Pty Limited [ACN 084 509 982]

Insurance Australia Group Services Pty Limited [ACN 008 435 201]

IAG General Holdings Pty Limited [ACN 620 745 753]

NRMA Personal Lines Holdings Pty Limited [ACN 088 394 398]

Vehicle Repairhub Pty Limited [ACN 632 384 224]**

* Controlled entity - 70% owned

**Controlled entity - 64% owned



Australia



New Zealand

