

# Swiss Re Modern Slavery Statement

## Introduction

This Modern Slavery Statement (**Statement**) for the financial year ending 31 December 2021 is made pursuant to the *Modern Slavery Act 2018* (Cth) jointly by the following Swiss Re Reporting Entities:

- 1) Swiss Re Asia Pte. Ltd. (**SRAL**);
- 2) Swiss Re Australia Ltd (ACN 004 360 909) (**SRAuL**);
- 3) Swiss Re Life & Health Australia Limited (ACN 000 218 306) (**SRLHA**);
- 4) Swiss Re International SE (**SRI**); and
- 5) Swiss Pillar Investments Ltd (**SPIAG**)

(**Swiss Re Reporting Entities, we or us**).

Swiss Re Reporting Entities form part of the Swiss Re Group of companies ultimately fully owned by Swiss Re Ltd, a company incorporated in Switzerland and listed on the Swiss Stock Exchange (SIX Swiss Exchange symbol: SREN) (the **Swiss Re Group** or **Swiss Re**).

The Swiss Re Group is a leading wholesale provider of reinsurance, insurance and other insurance-based forms of risk transfer in both the Property and Casualty and Life and Health sectors.

Swiss Re Reporting Entities recognise that 'modern slavery' is used to describe a situation where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. It is used to describe serious exploitation such as human trafficking, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services and child labour.

This Statement considers the risk of modern slavery practices in the operations and supply chain of the Swiss Re Reporting Entities and the relevant governance framework.

## Structure, Operations and Supply Chains

### Structure and Operation of Swiss Re Reporting Entities

**SRAL** is a company established in Singapore. SRAL is directly wholly owned by Swiss Re Asia Holding Pte. Ltd. (**SRAHL**), which in turn is ultimately wholly owned by Swiss Re Ltd. SRAL is the entity within Swiss Re that writes Property and Casualty and Life & Health Reinsurance in Asia. In addition to operating in its country of establishment in Singapore, it operates via branches in Australia, Korea, Malaysia, Japan and Hong Kong respectively. As at 31 December 2021, SRAL employed 933 employees in the jurisdictions of its operation described in the foregoing, comprising professional executives, managers and administrative officers.

**SRAuL** is a company incorporated in Australia, wholly owned by SRAHL. SRAuL is the holding company of SRLHA and serves as the Agent in Australia for SRAL and SRI pursuant to s118 of the *Insurance Act 1973* (Cth). SRAuL does not have any employees or operate any business.

**SRLHA** is a company incorporated in Australia, wholly owned by SRAuL. SRLHA also operates in New Zealand via a branch office. SRLHA is a registered life insurance company under

section 21 of the *Life Insurance Act 1995* (Cth) and is authorised and supervised by the Australian Prudential Regulation Authority (**APRA**). SRLHA writes Life and Health Reinsurance in Australia and New Zealand and issues direct life and health insurance to retail customers through third party distributors. SRLHA and the Australia branch of SRAL form Swiss Re's reinsurance business operation in Australia and New Zealand. All the employees in Australia are employed by the Australia branch of SRAL, as such SRLHA does not employ employees directly.

**SRI** is a company domiciled in Luxembourg. SRI is the operating entity of the Swiss Re Corporate Solutions business unit, the commercial insurance arm of the Swiss Re Group. SRI operates across many jurisdictions via its headquarter in Luxembourg, 13 branch offices in Australia, Denmark, France, Germany, Hong Kong, Italy, Japan, Netherlands, Singapore, Slovakia, Spain, Switzerland, UK, and a wholly owned subsidiary in the People's Republic of China (**PRC**), Swiss Re Corporate Solutions Insurance China Ltd (**SRCSIC**), which in turn has two branches within PRC in Beijing and Jiangsu. As at 31 December 2021, SRI and SRCSIC employed 312 and 136 employees respectively in the jurisdictions of its operation described in the foregoing, comprising professional executives, managers and administrative officers. All employees of Swiss Re Corporate Solutions in Australia are employed by the Australia branch of SRAL.

**SPIAG** is a company incorporated in Switzerland, wholly owned by Swiss Re Reinsurance Holding Company Ltd which in turn is ultimately owned by Swiss Re Ltd. SPIAG was registered with the Australian Securities and Investments Commission (**ASIC**) on 22 November 2017 as a foreign company carrying on business in Australia. SPIAG is a holding company for Swiss Re Group's real estate business and owns 100% of the shares of its two subsidiaries Swiss Pillar Investments Europe SARL (**Swiss Pillar Europe**), domiciled in Luxembourg, and Swiss Pillar Investments UK Ltd (**Swiss Pillar UK**), domiciled in Cayman. These two subsidiaries hold several Polish, German and UK investment properties. SPIAG held real estate assets in Australia which were disposed of during 2021, bringing its consolidated revenue for the financial year to over A\$100 million. SPIAG, Swiss Pillar Europe and Swiss Pillar UK have not had any employees. Other than investing in real estate properties, the acquisition and asset management of which is outsourced to external asset managers, SPIAG and its two subsidiaries do not conduct any operations.

### **Supply Chain of Swiss Re Reporting Entities**

The Swiss Re Reporting Entities procure various goods and services from external suppliers to facilitate their operations. The main categories, by spend, of goods and services procured externally are office and equipment leasing/rent, consulting services, legal services, contractors, recruitment services. Given the global operation of the Swiss Re Reporting Entities, the external suppliers utilised by the Swiss Re Reporting Entities are spread across the globe.

In addition to external suppliers, the Swiss Re Reporting Entities obtain support on certain aspects of its operation of financial services including underwriting, claims, risk, compliance, finance, actuarial, technical accounting, IT, real estate, client management, investment management, business support and internal audit, from other companies within the Swiss Re Group.

# Assessment of our Operations and Supply Chain under the Modern Slavery Act

## Operational Environment

Swiss Re Reporting Entities operate in a regulated financial services environment, predominantly in developed countries where the rule of law is guaranteed by a form of constitution and independent courts. The nature of our core business – reinsurance and insurance – involves business with other insurance companies and large commercial customers and requires operation by highly skilled or educated employees or external workers. We adhere to Group internal policies and processes relevant in addressing the risk of modern slavery.

### *Swiss Re Employees*

Recruitment of all employees by Swiss Re is conducted in accordance with our Global Standard on Recruitment. This requires all applicants to undergo formal pre-screening for review of their eligibility, work permits and completeness of documents. All Swiss Re employees are employed by mutual agreement through a written contract governed by local law and terminable by either party.

We also recognise that there are inherent modern slavery risks associated with having operations in countries that have been ranked by the Global Slavery Index as having a higher prevalence of modern slavery. However, these risks are mitigated by virtue of the low risk profile of our highly skilled workforce combined with our compliance with Group internal policies and processes relevant in addressing the risk of modern slavery as described in the previous paragraph.

### *External Workforce*

The assessment of modern slavery risk involves the review of the process by which and from whom we procure goods and services.

We recognise that the following supply chain categories may have a higher risk of modern slavery associated with the country of origin/manufacture, industry and workforce: IT and telecommunications hardware, IT system support, logistics, postal and delivery services, utilities, promotional merchandise, stationery and uniforms, cleaning and maintenance services, and food, beverage and catering services.

We have also taken note of our non-controlling investments in our risk assessment.

## Risk Analysis Process

We identified the departments that oversee our operations, asset management, human resources and procurement of goods and services for the Swiss Re Reporting Entities as the key focus for the assessment.

A risk assessment of our Australian operations and supply chain for the financial year of 2021, with the additional focus on a number of material operational service providers, was conducted by way of due diligence questionnaires to representatives in these teams. Specifically, we conducted a supplier mapping and risk assessment exercise in relation to suppliers paid by Swiss Re operations.

## Addressing the Risk of Modern Slavery

Swiss Re Group has various frameworks, guidelines, policies, standards and processes (**governance framework**), which are relevant in addressing the risk of modern slavery. Each Swiss Re Reporting Entity operates in strict adherence to these requirements.

### Group's Commitment

Swiss Re has a long-standing commitment to corporate responsibility and supporting sustainable progress. Swiss Re complies with the UN Guiding Principles on Business and Human Rights (known as the Ruggie Framework) and is a signatory to the UN Global Compact. Swiss Re is also a signatory to the UN-supported Principles for Responsible Investment and to the United Nations Principles for Sustainable Insurance. Swiss Re Group's commitment to addressing the risk of modern slavery can be found in [Swiss Re Modern Slavery Act Transparency Statement | Swiss Re](#).

### Policies and Standards

Swiss Re's commitment to human rights is supported by policies that identify, assess and mitigate risks of modern slavery. These include [Swiss Re Code of Conduct, Sustainable Business Environmental, Social & Governance \(ESG\) Risk Framework](#), standards for managing sustainability risk, investing responsibly, and sourcing ethically. These standards and policies identify, assess and mitigate risks of modern slavery and are reviewed regularly by the Swiss Re Group.

### Compliance Procedures

Any incidents of non-compliance with these standards are, recorded and examined to facilitate the periodic review and continuous improvement of our policies and processes to enhance adherence thereto.

### Whistleblowing

All employees as well as any outside person have access to an externally-hosted Whistleblowing Hotline to report openly and anonymously suspicions of misconduct, including activity appearing to be unethical. The Hotline is accessible by phone or via a website, both of which are operated by an independent service provider. All reports are treated in confidence, and Swiss Re maintains a zero-tolerance policy regarding retaliation against any individual reporting in good faith. These values are also enshrined in our Human Rights Statement for Employees.

### Our supply chain and procurement processes

To run Swiss Re's operations we procure a wide range of goods and services, and we recognise and mitigate the supply chain risk that exists where our suppliers do not apply national or international legal and regulatory standards, or do not follow the principles set out in the UN Global Compact. The principles of the UN Global Compact are incorporated by reference into Swiss Re's Code of Conduct, and specifically cover Swiss Re's relationships with external service providers under the headings of human rights, labour conditions, environmental impact and anticorruption. The procurement of all goods and services from external vendors is conducted in accordance with our Standard on Global Sourcing, which also incorporates these headings from the UN Global Compact. When selecting goods and services, we examine whether they comply with these requirements as part of the overall evaluation process. We review existing strategic suppliers in periodic contract reviews, and we visit selected individual suppliers to inspect them onsite. However due to the COVID pandemic situation, in-person site visits were omitted in 2021 to respect health

requirements. Internally, we hold regular awareness trainings on the principles of our Code of Conduct with all our sourcing staff.

We take a multi-layered and integrated approach to sustainable supply chain management, using collaborative platforms provided by multiple external providers to assess and screen suppliers and supply networks against corporate social responsibility criteria. The methodologies developed by these platforms explicitly incorporate human rights compliance due diligence, including screening for use of child and forced labour, and human trafficking. We use these platforms across all sourcing categories accounting for approximately 80% of Swiss Re Group's spending related to outsourcing.

### **Our clients and business transactions**

Our ESG Risk Framework specifies criteria that may lead us to exclude an entity or project from our (re)insurance transactions or investments. These criteria include human rights violations, forced labour and slavery. We have made the name change from Sustainable Business Risk Framework to ESG Risk Framework after a major review completed in 2021, to reflect its enlarged scope and intent.

The ESG Risk Tool which reflects the criteria of the ESG Risk Framework is embedded into underwriting tools. It gives our underwriters an indication of the ESG risk exposures of their transactions, provides them with clear guidance on what to assess in further detail and signals which highly sensitive transactions need to be referred to our ESG Risk team. The ESG Risk team issues binding recommendations to either proceed, proceed under certain conditions or to abstain from the transaction.

Swiss Re also excludes sensitive industries in countries with particularly poor human rights records. We review and update this list of sensitive industry and country combinations annually.

### **Our investments and acquisitions**

Swiss Re invests its assets responsibly via a controlled and structured investment process, integrating ESG criteria across the entire portfolio. As part of that, we consider better ESG rated companies for our listed equity and corporate bond investments. Furthermore, we apply the principles of the ESG Risk Framework to all our investments, which may lead to the exclusion of a company or a country from Swiss Re's investment scope.

All of our investments comply with the Swiss Re Standard on Responsible Investing which considers ESG criteria when conducting due diligence. These include pre-transaction screening and legal due diligence and, as required, integrity checks by external advisers, in order to identify and assess ESG, legal and regulatory risks. At more advanced stages of the due diligence process, our investment teams work with Group Risk Management and Compliance functions to perform ESG risk, political risk and compliance assessments.

Based on our responsible investing approach as well as our environmental and social performance, Swiss Re has received top sustainability ratings and is part of the major sustainability indices. To learn more about our investing approach, please see the [Responsible Investing in Practice](#) section of our website.

### **Our External investment management monitoring**

Swiss Re has a process for establishing and maintaining oversight and monitoring of external investment managers appointed to manage Swiss Re assets. Within this oversight

framework, ESG is covered as a specific area of review. An ESG assessment is performed as part of the selection for each new external investment manager with the results considered as part of the evaluation and decision-making process. Each external investment manager is regularly reviewed, assessed and monitored from an ESG perspective with a focus on their policies, procedures, governance and application of ESG principles across the investment portfolio. Human rights is a part of the "Social" component of this assessment.

### **Our action against money laundering and financial crime**

An aspect specifically relevant to financial service providers in the context of human trafficking is the link to money laundering. Organised crime activities such as human trafficking often generate revenues in cash with the aim of placement into the financial system. In order to prevent our organization from being misused for money laundering purposes, Swiss Re has a robust Global Anti-Money Laundering Programme in place to ensure compliance with Anti-Money Laundering and Counter-Terrorist Financing (AML) laws. The Programme includes risk-based counterparty due diligence and screening against dedicated AML watchlists (for both sourcing and (re)insurance counterparties), risk-based transaction monitoring, mandatory AML training for all employees, designated group and regional money laundering reporting officers, a requirement for all employees to report illegal, suspicious or unusual activity to their money laundering reporting officer, reporting of AML and terrorist financing suspicions to relevant authorities, internal and independent reviews and audits to test the design and effectiveness of our AML framework, and a whistleblowing hotline for anonymous reporting. Swiss Re also adheres to the Recommendations of the Financial Action Taskforce, the leading international organization in the fight against money laundering and terrorist financing.

## **Assessing the Effectiveness of our Efforts in Combating Modern Slavery**

Swiss Re regularly reviews our governance framework and the monitoring of our compliance with those requirements to assess effectiveness.

Swiss Re launched its pilot vendor development program in the first quarter of 2021. This program will monitor our vendors' ESG score year on year with the goal to gradually increasing the ESG performance of vendors in our Supply Chain between 2021 to 2030.

## **Consultation Process Amongst Swiss Re Reporting Entities and With Controlled Entities**

Representatives of the head offices of each of the Swiss Re Reporting Entities were informed of the requirements of the MSA. The risk assessment for our operation and supply chain was discussed and consulted with the representatives of each key functional team participating in the due diligence process to prepare this Statement.

## Approval

Swiss Re Asia Holding Pte. Ltd is the parent entity of the three Reinsurance Swiss Re Reporting Entities i.e. SRAL, SRLHA and SRAuL, approving the Statement on their behalf.

The Board of Directors of Swiss Re Asia Holding Pte. Ltd, Swiss Re International SE and Swiss Pillar Investments Ltd have duly approved this Statement respectively.

Signature \_\_\_\_\_  
Name: John Dacey  
Director  
Swiss Re Asia Holding Pte. Ltd.  
on behalf of  
Swiss Re Asia Pte. Ltd.  
Swiss Re Australia Ltd  
Swiss Re Life & Health Australia Limited

Signature \_\_\_\_\_  
Name: Hermann Geiger  
Director  
Swiss Re International SE

Signature \_\_\_\_\_  
Name: Claudia Cordioli  
Director  
Swiss Pillar Investments Ltd