

Modern Slavery Statement 2023

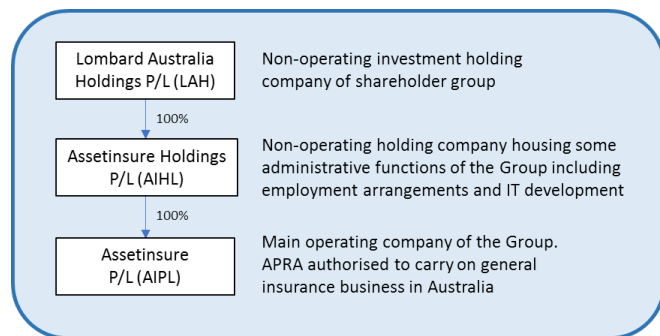
Assetinsure Group

The publication of this Statement continues the beginning of the Group's journey both in meeting our regulatory obligations and in fulfilling our commitment to our communities, both internal and external, by contributing to the global effort to eradicate modern slavery from our world.

1. Our Business

This Modern Slavery Statement 2023 is a joint modern slavery statement prepared for the three companies shown in the graphic referred to collectively herein as the Group. All three companies are reporting entities for the purposes of the Modern Slavery Act 2018 (Cth).

The operations of the Group are highly integrated across the three companies with two of the companies being non-operating holding companies. All aspects of the response to the modern slavery obligations and risks were conducted centrally on behalf of all entities in the Group.



This Statement covers activities undertaken during the year ended 31 December 2023.

Entities in the Group are variously subject to regulation by the Australian Prudential Regulation Authority (APRA) and Australian Securities and Investment Commission (ASIC) with AIPL holding an AFSL, and being a member of the Insurance Council of Australia (ICA), a member of the Australian Financial Complaints Authority (AFCA), and a subscriber to the General Insurance Code of Practice.

The Group structure is simple being a vertical wholly owned structure. The ultimate Australian company is wholly owned by an entity in the South African based Lombard Group.

The previous Modern Slavery Statement had voluntarily included Enthusiast Underwriting P/L, a wholly owned subsidiary, but that entity was sold from the Group effective February 2024 and so has been removed from the considerations in this Statement.

Assetinsure – who we are?

We provide a diverse portfolio of products for insurance, bonds and credit enhancement that we support directly. In addition, our Risk Partners division supports multiple general insurance products under separate brand names.

The company has a team of experienced underwriters who have deep knowledge of the insurance, banking and surety bond industries and are dedicated to providing high-quality solutions for our clients.

For more information about the Group, go to: www.assetinsure.com.au



2. Our operations and supply chains

Operations

As a financial services business, the Group operations consist primarily of leveraging the skills and experience of the workforce in the application of the Group intellectual property, including the core proprietary administration system, to apply the shareholder capital in underwriting general insurance and other financial risks under our various licences.

The Group workforce consists of the following:

- There was 112 employees and contractors in total at the end of 2023;
- The great majority are permanent roles with less than 5 roles being fixed term; and
- The entire workforce is based in Australia, except for three roles based in London.



The maintenance of a working environment that fosters engaged employees supported by strong and transparent workers' rights, is overseen by the internal Human Resources team. All recruitment is coordinated by the internal Human Resources team with support from external recruiters where needed.

Functional structure of the Group at the end of 2023



Supply Chains

The Group sources a range of goods and services from a range of providers. The direct providers are predominantly based in Australia with the majority involved in delivery of some form of professional service. At the end of 2023 there were close to 200 direct service providers.



Direct Suppliers and Sub-Suppliers

Each Direct Supplier to the Group has its own series of suppliers of goods and services. In combination, these form the Group's supply chains.

For the purposes of monitoring the risks of modern slavery in our supply chains, the Group separates the service providers comprising the supply chains into Direct Suppliers and Sub-Suppliers which are lower-tier suppliers within the supply chains of our Direct Suppliers. The Sub-Suppliers are then further categorised prioritising those that contribute directly to the services provided to the Group.

3. The risks of modern slavery practices in the operations and supply chains

Almost the entire Group operation is based in Australia, and the majority of Direct Suppliers are based in Australia, and so this proximate operating environment is low risk for modern slavery.

Australia has a low prevalence ranking for modern slavery ranked in the bottom 10% of all countries, per the Global Slavery Index 2023 (<https://www.walkfree.org/global-slavery-index/downloads/>), estimating that there were 41,000 people living in conditions of modern slavery in Australia. It is accepted that there is also an unquantifiable number of modern slavery victims working in the supply chains of Australian companies around the world.

Operations

Given the type of services provided, the nature, skill levels, and location of our workforce, and the level of transparency and oversight we have over our direct workforce and operations, the risk of modern slavery practices in the operations of the Group is assessed as low.

There has not to date been any reported instances of, or suspicion of, modern slavery in the operations of the Group.

The Group workforce is characterised by the following:

- The entire workforce is engaged by direct contract;
- All staff are remunerated in line with relevant awards and requirements, with all roles paid above minimum wage;
- Employment terms and conditions meet or exceed the minimum requirements mandated by Australian law representing a high standard among international peers; and
- The majority of roles are performed by highly skilled, often tertiary-educated staff with many holding post graduate accreditations.

Supply chains

The initial focus on identifying modern slavery risks within our supply chains has been on Direct Suppliers. A series of risk indicators have been developed for application across our supply chains providing a preliminary assessment of the risk of modern slavery. The five risk indicators used are Geography, Industry, Product/Service, Business model, and Workforce.

The risk indicators may reveal where a service or product is renowned for having a supply chain at high risk of modern slavery or where a service provider has an approach to the treatment of employees and contractors that we consider inappropriate if not borderline illegal.



Direct Suppliers

It is assessed that the risk of modern slavery in the Group's Direct Suppliers is low.

There has not to date been any reported instances of, or suspicion of, modern slavery in the Direct Suppliers of the Group.

In 2022, we began the process of applying the five modern slavery risk indicators across our Direct Suppliers. In 2023 we continued to expand the application of the risk indicators across our Direct Suppliers and build up a clearer picture of where lies the greater risks of modern slavery. This process involves a combination of information sourced directly from the supplier and publicly available information, including where available, a supplier's modern slavery statement.

Sub-Suppliers

While the analysis above reported little risk within our Direct Suppliers, based on research of the available literature, it is recognised that there are components of our supply chains with an elevated modern slavery risk profile. Some services and products have long supply chains involving multiple countries, and it is acknowledged that modern slavery risk can be present further up these supply chains.

4. Actions taken to assess and address the risks of modern slavery practices

We have undertaken a series of actions during 2023 to address modern slavery risks:

- During 2023 we prepared and issued our first modern slavery statement. This process included considerable market research, discussions with experts, and a high level analysis of our supply chains.
- A modern slavery risk expert briefing was delivered to the Assetinsure Group Audit Committee in February 2023.
- Desktop reviews - Potential modern slavery risks in our supply chains are assessed and monitored by using the modern slavery risk indicators. This process commenced in 2022 with starting to apply the system for the larger of our Direct Suppliers. This work continued in 2023. The ordering of approaching suppliers as well as the level of detail sought is influenced by the categorisation of Direct Suppliers and the dollar spend.

Where the desktop review of a service provider identifies that two or more of the modern slavery risk indicators are present, a deeper dive is triggered to manage the elevated risk of modern slavery, noting that the degree of influence that we have with our suppliers varies considerably.

- To broaden the capture of information in support of applying the five modern slavery risk indicators across our Direct Suppliers, a series of questions have been incorporated into the checklist used when onboarding new service providers. This is helping to build out our awareness of where the modern slavery risks lie with our Direct suppliers.
- Modern Slavery training continues to be a mandated component of the compliance training. The modern slavery module forms part of the onboarding training undertaken by all new joiners to the workforce and is periodically repeated by all staff. Greater than 95% of the workforce has completed modern slavery awareness training.



It is planned that as we strengthen the areas of modern slavery risk across our supply chains, we will seek to leverage the data that is becoming increasingly accessible to provide a statistical analysis of the risk so that we may better focus our efforts.

5. Describe how the effectiveness of the actions taken is assessed

The publication of this second Statement represents the early stages of the Group's journey in responding to the risks of modern slavery. Hence there are few actions undertaken to date that can be assessed for effectiveness. It is however noted that the work undertaken to date to incorporate modern slavery considerations into our risk and policy frameworks, including with Board approvals, and to establish processes for the assessment of modern slavery risks in our supply chains, and to train our workforce on modern slavery has significantly expanded the level of discussion of modern slavery both within the Group and in engagements with our suppliers.

The following activities contribute to understanding and assessing the effectiveness of actions taken in addressing modern slavery risks in our operations and supply chains:

- Progress against the initial high-level plan to address modern slavery risk serves as a baseline against which progress can be measured;
- The Anti-Modern Slavery Officer periodically reviews the conduct of processes measuring and monitoring the risks of modern slavery, to confirm that the processes are operating as designed;
- Monitoring the portion of Direct Suppliers for which a modern slavery desktop review has been completed
- Assessing the level of engagement from service providers in responding to data requests for modern slavery key risk indicators and follow up queries where there are modern slavery risk flags evident
- Continuous monitoring of all incident capture mechanisms for any reported instances of, or suspicion of, modern slavery in our operations or supply chains;
- Gauging the actions taken in responding to any reported instances of, or suspicion of, modern slavery in our operations or supply chains;
- Monitoring of modern slavery training completion rates for personnel.



6. Approval

This Modern Slavery Statement has been prepared pursuant to the Australian Modern Slavery Act 2018, Commonwealth.

This joint statement is submitted for all entities in the Group. This covers the three companies that are reporting entities for the purposes of the modern slavery legislation (refer s1).

All aspects of the response to the modern slavery obligations and risks were conducted centrally on behalf of all entities in the Group. The Board of each entity in the Group has reviewed and endorsed the approach to modern slavery risk and has approved the preparation and publication of this joint statement on its behalf.

On behalf of Assetinsure Holdings Pty Limited and Assetinsure Pty Limited, representing the Assetinsure Group:

Julie Osborne
Chair of the Board's
Date: 24 June 2024

Martin McConnell
Director and Chief Executive Officer
Date: 24 June 2024