



PACIFIC LIFE RE

Modern Slavery Statement 2021

Reporting entity and period

Pacific Life Re (Australia) Pty Ltd (ACN 601 822 431) (**PLRA**) is a private company incorporated in Australia, governed by a board of directors (**Board**). PLRA is a member of the Pacific Life Re global group of companies (**PL Re Group**). PLRA is a wholly owned subsidiary of Pacific Life Re International Limited (a Bermudan company), which is an indirect subsidiary of US-based Pacific LifeCorp LLC.

The reporting entity for this inaugural Modern Slavery Statement is PLRA only. PLRA does not own or control any other entities.

This statement covers PLRA's activities in the year to 31 December 2021 and has been prepared to comply with the requirements of the *Modern Slavery Act 2018* (Cth) in Australia.

Operations and supply chains

PLRA is a life insurance company, licensed and regulated by the Australia Prudential Regulation Authority (**APRA**) since 2015. PLRA provides financial services to life insurance companies in Australia, primarily reinsurance services.

The products and services that contribute to PLRA's own operations are professionally managed offices, office products and services (eg stationary, catering cleaning), professional and financial services (eg legal, accounting, banking, insurance) and IT products and services (eg hardware, software, telecommunications, managed services).

Actions to address the risks

1. *Anti-Modern Slavery Policy* and related processes

PL Re's Division internal *Anti-Modern Slavery Policy* (**Policy**) has been adopted by and applies to PLRA, and is designed to cover the requirements of the Australian Modern Slavery Act.

The Policy explains to staff what modern slavery means and sets out the process to be adopted when contracting with new suppliers to reduce the risk of modern slavery. As well as providing guidance on the level of risk posed in our business and likely higher risk suppliers, the policy sets out what staff are required to do if they suspect modern slavery is occurring in our business or our supply chain, and where to seek guidance if they are unsure.



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The Policy interoperates with the PLRA Whistleblowing Policy, which encourages the reporting of wrongdoing more broadly, and with the Third Party Risk Management and Outsourcing Policy, which addresses pre-engagement risk management more broadly.

PLRA's legal team, to whom suspicions will be reported, have formulated an approach which includes investigation, reporting to the PLRA Board, and appropriate resulting action, which may include reporting incidents to the relevant law enforcement or governmental authorities and terminating commercial arrangements.

2. Staff training

PLRA's office management staff have been given additional training on the due diligence requirements of the Policy, given their role in engaging Higher Risk suppliers (see *Risk assessment* section below). Training on the Policy is incorporated into PLRA's induction training program for all new staff.

3. Conduct risk assessments as required by Policy

In 2020, PLRA carried out a modern slavery risk assessment of its own business operations and its supply chain, in accordance with its Policy. The results of that assessment are described in the section entitled *Risk assessment* below. New suppliers are assessed before engagement in accordance with the Policy.

4. Mitigate the risk of Higher Risk suppliers

Having identified certain existing suppliers as being Higher Risk suppliers (see *Risk Assessment* section below), as required by its Policy, PLRA contacted existing suppliers (at the date the Policy came into effect) and required that each review PLRA's *Supplier Ethics and Values Declaration* and either:

- Declare and confirm their compliance with PLRA's stated ethics and values; or
- Immediately contact PLRA so that further discussions can take place.

A similar process is followed prior to engagement of new Higher Risk suppliers.

In 2021, we reviewed the implementation of this process, refreshed training of relevant office management staff and identified compliance activity for 2022. This includes quarterly management review of outstanding Declarations.

Risk assessment

Due to the nature of our business we consider that the overall risk of modern slavery in our business and supply chain is low.

The objectives of the Modern Slavery Act are aligned with the PL Re Division's values.

In 2020, PLRA carried out a modern slavery risk assessment of its own business operations and its supply chain. PLRA will review this risk assessment at least every 3 years, taking into account any changes in the nature of PLRA's business or supply chain.



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PLRA has assessed the modern slavery risk of its own business operations to be low, in circumstances where:

- PLRA is regulated by APRA and operates in the highly regulated life insurance / financial services market, and is subject to annual external audits of its compliance with applicable APRA regulations;
- Most employees of PLRA are highly trained professionals, and all staff are subject to PLRA's HR policies, which include policies addressing equal opportunity employment, remuneration, anti-bullying and harassment, whistleblowing, diversity and inclusion, and fitness and propriety;
- PLRA operates a mature system of risk management and internal audit; and
- PLRA's Board provides rigorous oversight of its operations, and includes non-executive directors.

In 2020, PLRA assessed that the modern slavery risk of its supply chain related to its office-related services and supplies is somewhat higher when compared to its own operations and to the professional, financial and IT services used by PLRA, as these are recognised as higher risk industries globally. Higher Risk suppliers include those supplying: office cleaners and maintenance; catering; waste disposal and recycling; deliveries and couriers.

As a result PLRA will continue to prioritise anti-modern slavery engagement activities with these suppliers in the coming reporting periods.

How we assess the effectiveness of our actions to assess and address risks

We assess the effectiveness of our actions in the following ways:

- Annual reporting by management to the PLRA Board on progress of actions
- Reviewing the Modern Slavery Statements of industry peers to ensure our actions are consistent with industry good practice
- Periodic audits of compliance with the Policy – the first of these audits is yet to occur

This Statement has been approved by the Board of Directors of Pacific Life Re (Australia) Pty Ltd.

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Tyson Johnston

General Manager

Date: 27 May 2022