

## Berkley Insurance Company - Modern Slavery Statement 2020

### Introduction

This Modern Slavery Statement is made by Berkley Insurance Company (“BIC”) pursuant to the *Modern Slavery Act 2018 (Cth)*. This Statement sets out the actions taken by BIC to address modern slavery risks across our business and supply chains.

BIC is committed to combatting all forms of modern slavery and human rights abuse. We carry out our business in a fair, honest, ethical and open manner. BIC operates under the philosophy of “Everything Counts, Everyone Matters®” and has embedded this approach into its business. This philosophy is fostered on personal responsibility, accountability and doing the right thing for all of our stakeholders.

### Business, Structure and Operations

W. R. Berkley Corporation (“WRBC”) is the ultimate owner of BIC. Founded in 1967, WRBC is an insurance holding company that is among the largest commercial lines, property and casualty insurance providers in the United States which is based in Greenwich, Connecticut, USA. WRBC is listed on the New York Stock Exchange under the symbol “WRB.”.

BIC is a Delaware corporation licensed to write insurance and reinsurance in the USA and is regulated by the Delaware Department of Insurance. BIC is directly owned by Signet Star Holdings Inc., a Delaware holding company that is 100% owned by WRBC. WRBC is comprised of 53 distinct operating units and employs approximately 7,500 staff globally.

In Australia, BIC is authorised by the Australian Prudential Regulation Authority under the *Insurance Act 1973 (Cth)* to conduct insurance business as a branch in Australia. BIC Australia branch has underwritten property and casualty reinsurance risks in Australia since 2007 under the registered business name “Berkley Re Australia” and has, since October 2014, written direct insurance business with a casualty focus under the registered business name “Berkley Insurance Australia”.

BIC and its subsidiaries, along with other WRBC insurance subsidiaries, are divided into two segments: Insurance and Reinsurance & Monoline Excess. Each segment is comprised of individual Berkley companies, or “operating units,” which serve distinct markets requiring specialised knowledge of a particular territory, product or type of business.

In the insurance segment, BIC and/or its subsidiaries write business worldwide, including the United States, the United Kingdom, Continental Europe, South America, Scandinavia, Australia and Asia. In each of our operating territories, products and services are tailored to the local customer base.

In the reinsurance segment, BIC and/or its subsidiaries operate globally, primarily in the United States, the United Kingdom, Continental Europe, Australia and the Asia-Pacific Region.

## Modern Slavery Risks

As a provider of insurance and reinsurance products, BIC's supply chain is considered extremely low risk as we do not act as a producer, manufacturer or retailer of physical goods. Operating in the corporate sector, with a relatively low risk of modern slavery practices in our supply chain, BIC is mindful that modern slavery risks may be prevalent in our suppliers supply chains.

During 2020, BIC engaged suppliers who provided services, including but not limited to, consulting services (e.g. accounting and legal services), investment management services, office premises and associated services (e.g. utilities, rent, building repairs, cleaning services, etc.), professional education, information technology (e.g. computers, printers, telephones, software, etc.) and other miscellaneous services that would be expected of a corporate sector company.

Although having assessed our supply chain as being extremely low risk, BIC continues to take steps so that BIC deals with suppliers who have similar corporate values as us in their approach to eliminating modern slavery and human rights abuse in their business practices. BIC engages with reputable companies which are built on strong value foundations. A third party risk management assessment of any major suppliers may be performed.

Specifically, in relation to BIC Australia branch, a review of individual suppliers where expenditure by BIC Australia branch exceeded A\$200K per supplier was carried out to assess the risk of modern slavery concerns. This category of suppliers accounted for 85% of payments made by BIC Australia branch to its suppliers in 2020. These suppliers provided services in the areas of insurance regulation, accounting, IT, office premise / tenancy, insurance broking and reinsurance coverage.

The modern slavery statements of these suppliers were then obtained (where possible) and reviewed to ensure that the suppliers were cognisant of their modern slavery responsibilities and that a robust framework is in place to control and monitor any modern slavery concerns.

This review concluded that BIC Australia branch is not exposed to any significant modern slavery concerns via its supply chain.

BIC is built on a foundation of values that encompasses the mindset "Do the right thing." The Group's 2019 Sustainability Report highlights our approach to environmental, social and governance issues most relevant to our company and we reference how our work practices align with the United Nations 17 Sustainable Development Goals. BIC strives to conduct its business in a manner that has a positive impact in terms of environmental, social and governance issues and is committed to preventing modern slavery and abuse of human rights as part of our supply chain.

## Policies

BIC is committed to strong corporate governance so that our decisions and actions are based on transparency, integrity and honesty, which promote the long-term sustainability and ongoing success of our business. We strive to maintain high ethical standards in our business practices.

A Code of Ethics and Business Conduct policy (the "Code") underpins our vision for the right way to do business; a way of managing ourselves so that our day-to-day business decisions and actions reflect the core values. As we do business in different countries and jurisdictions, we are committed to complying with all applicable laws, regulations and corporate policies.

If there is ever a conflict between the Code and an applicable law or regulation in a country or jurisdiction that we operate, the higher standard will always apply.

The WRBC Chief Compliance Officer oversees the Group's ethics and compliance programs, including business ethics, compliance with applicable laws and regulations and efforts with respect to anti-corruption and avoiding anti-competitive behaviour. The senior management teams in each of the Group's 53 operating units are also responsible for their individual operational compliance. Across our organisation, managers are expected to set a strong example of ethical conduct, help their teams understand the Code and encourage employees to speak up about any ethical concerns.

In addition, WRBC's General Counsel and Audit Committee of the Board of Directors are responsible for reviewing concerns received through our ethics hotline. The Code is supplemented by specific policies relating to economic sanctions and anti-corruption as well as other compliance related topics.

As the Code is updated regularly to remain current with changing laws, regulations and industry best practices, each year, all employees are required to certify that they have reviewed the Code. This annual certification process is completed online through a third-party vendor and includes questions regarding conflicts of interest and reports of any new potential conflicts not previously reported.

BIC mandates ethics training for all new employees, covering the Code and related BIC policies. The training sets the expectations for new employees with respect to ethical conduct and reviews the procedures to raise concerns of possible violations of law or Company policy.

Every BIC employee is responsible for reporting possible incidents of fraud or other legal or ethical violations of which they become aware. BIC is committed to investigating all such reports and as a matter of BIC policy, any confirmed retaliation against an employee who reports illegal or unethical behaviour is treated with disciplinary action, which can include termination.

## Actions

Based on BIC Australia branch's current assessment, no immediate action to rectify any modern slavery or human rights abuse concerns is required. However, to ensure that no modern slavery issues or the abuse of human rights risks arise in the future, BIC Australia branch will continue to enhance our understanding of modern slavery risk within our business operations and supply chains by:

- Improving relevant policies and commercial arrangements to reference modern slavery;
- Improving staff awareness of modern slavery risk;
- Enhancing due diligence and risk management processes for selection and screening of potential partners and suppliers to include consideration of modern slavery risks; and
- Regularly reviewing and assessing (on an annual basis) our practices and procedures against the requirements of the *Modern Slavery Act 2018 (Cth)*.

## Other Information

This Modern Slavery Statement is to be published on the following BIC websites:

- Berkley Insurance Australia <https://berkleyinaus.com.au/>
- Berkley Re Australia <https://www.berkleyre.com/anz/>

The WRBC 2019 Sustainability Report can be viewed at:

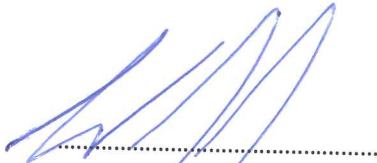
[https://s22.q4cdn.com/912518152/files/doc\\_financials/2019/ar/WR-Berkley-Sustainability-Report-Full-2019-Final.pdf](https://s22.q4cdn.com/912518152/files/doc_financials/2019/ar/WR-Berkley-Sustainability-Report-Full-2019-Final.pdf)

## Consultation and Approval

This Modern Slavery Statement was developed by the Australian branch of BIC and has been reviewed and approved locally by the Asia Pacific Risk Committee. The WRBC Legal Department and the WRBC Chief Compliance Officer reviewed this Statement prior to presentation to the Board of BIC.

This Modern Slavery Statement was subsequently approved by the Board of BIC.

Signed for and behalf of the Board of BIC.



**W. Robert Berkley, Jr.**

President & Chief Executive Officer