

Modern Slavery Statement 2022

Assetinsure Group

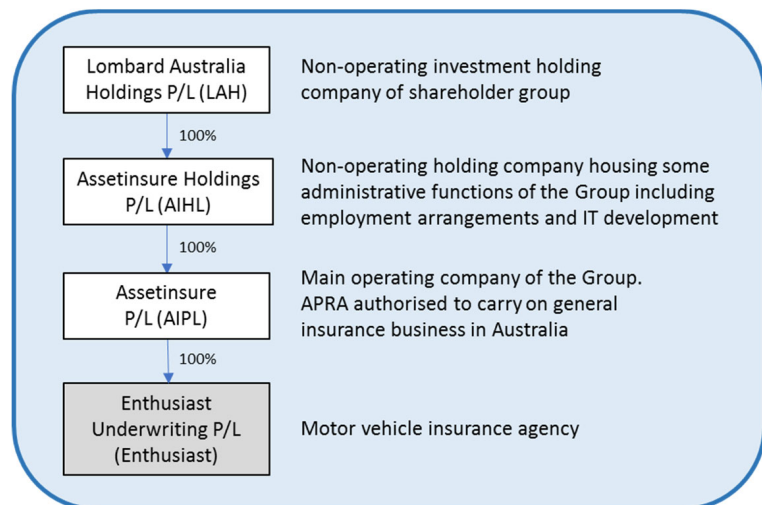
The publication of this Statement represents the beginning of the Group’s journey both in meeting our regulatory obligations and in fulfilling our commitment to our communities, both internal and external, by contributing to the global effort to eradicate modern slavery from our world.

1. Our Business

This Modern Slavery Statement 2022 is a joint modern slavery statement prepared for the four companies shown in the graphic referred to collectively herein as the Group. The three companies shown in white are reporting entities for the purposes of the Modern Slavery Act 2018 (Cth).

The operations of the Group are highly integrated across the four 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 2022.



Entities in the Group are variously subject to regulation by the Australian Prudential Regulation Authority (APRA) and Australian Securities and Investment Commission (ASIC) with both AIPL and Enthusiast holding AFSLs, 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 entities in the South African based Lombard Group.

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 industry 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 less than 100 employees and contractors in total at the end of 2022;
- The great majority are permanent roles with less than 5 roles being fixed term; and
- The entire workforce is based in Australia, except for two 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



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 2022 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.

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. We continue 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.

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

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. 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.

High level action plan

A high level action plan has been developed which maps out the planned response actions to be taken in addressing modern slavery risk. We will report in future modern slavery statements on our progress in implementing this plan.

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

The publication of this Statement represents the beginning 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 in 2022 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, has significantly expanded the level of discussion of modern slavery both within the Group and in engagements with our suppliers.

From 2023 onwards, it is expected that the following activities will contribute to understanding and assessing the effectiveness of actions taken in addressing modern slavery risks in our operations and supply chains:

- The multi-year plan will serve as a baseline against which progress can be measured. This will receive particular focus during preparation of the Modern Slavery Statement each year;
- A series of modern slavery key risk indicators will be developed with appropriate targets set that will underpin regular reporting on modern slavery risk;
- The Anti-Modern Slavery Officer will periodically review the conduct of processes measuring and monitoring the risks of modern slavery, to confirm that the processes are operating as designed;
- Continuous monitoring of all incident capture mechanisms for any reported instances of, or suspicion of, modern slavery in our operations or supply chains;
- Monitoring of modern slavery training completion rates for personnel.

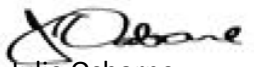
6. Approval

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, and voluntarily includes the one other entity in the Group (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
Date: 23 June 2023



Martin McConnell
Director and Chief Executive Officer
Date: 23 June 2023