

Modern Slavery and Human Trafficking Statement





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This statement covers the activities of Intact Insurance Group plc and its subsidiaries (the "Intact Insurance Group") and is our Modern Slavery and Human Trafficking statement for the financial year ended 31 December 2020 required under the provisions of the Modern Slavery Act 2015 (the "Act").

Modern slavery in all its forms of slavery and servitude, forced or compulsory labour and human trafficking will not be tolerated within our own operations or our supply chain. We are committed to doing our part to help stamp out modern slavery, and are taking the appropriate steps to ensure that everyone who works for the Intact Insurance Group benefits from a working environment in which their fundamental human rights are respected and anyone that we do business with also upholds these principles.

Background

Intact Insurance Group is a leading international general insurer, headquartered in London with core markets in the UK, Ireland and the Middle East, Scandinavia and Canada. We have 11,840¹ colleagues across our business and in 2020 our net written premiums were £6.2 billion. Further detail on the structure and performance of the Group can be found in the Strategic Report section of the Annual Report and Accounts 2020 which is available on the Group website.

In all of our regions, we are committed to developing trusted consumer and commercial brands that deliver great service and relevant products to our customers. We are driven to help individuals and businesses to manage their risks well, and to support them to recover if things don't go as planned. In a world where our people, customers and communities are continually facing new challenges, we are committed to managing our business operations sustainably, reducing our impact on the environment and having a positive impact on the communities we work in.

The Intact Insurance Group has a long-term commitment to corporate responsibility and has been a participant of the United Nations (UN) Global Compact since August 2007, annually reporting on compliance against its Ten Principles which cover human rights, labour, environment and anti-corruption. In support of the global sustainable development agenda we have identified seven of the UN Sustainable Development Goals (SDGs) where we have the most to contribute, these are laid out in our corporate responsibility report available at www.rsagroup.com/responsibility. We are also signatories to the UN Principles for Sustainable Insurance committing to embed environmental, social and governance issues into decision making and raising awareness of issues amongst our customers and business partners.

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Our corporate responsibility strategy, Confident Futures, reflects our commitment to integrating responsible business practices into our operations to maximise the positive impact of our business on society and the environment. Respect for human rights is embedded within our commitment to supporting 'A flourishing workforce', 'Responsible supply chain' and 'Business integrity'; more information on our corporate responsibility strategy and the progress we have made during 2020 can be found in our corporate responsibility report. In recognition of our ongoing actions, we are a constituent member of the FTSE4Good Index which measures the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.



The information in this statement details policies, processes and actions we have taken to ensure that slavery and human trafficking are not taking place in our supply chains or any part of our own business.

Assessing our risks

When the Act came into effect, we established a cross-functional working group to identify the functions and geographical locations in our business with a risk of modern slavery. This exercise identified that the highest areas of risk and potential touchpoints for modern slavery within our Group are recruitment and engagement with third parties in our supply chain. In 2016 we reviewed our practices within the Human Resources and Procurement functions and consequently we updated relevant procedures and policies to ensure they include consideration of modern slavery.

We review our policies on an annual basis to ensure they remain fit for purpose, managing risks and reflecting good practice. Over the past 18 months our policies have transitioned to a new policy template that more clearly articulates the controls we have in place and validation we conduct over our policies to ensure they are being implemented across our business. We have also published an updated external version of our [Human Rights Policy](#) which more clearly sets out our commitments and the actions we take across the business.

Supporting policies

Guided by the ten principles of the UN Global Compact, the following company policies support us in ensuring that modern slavery is not taking place in our supply chains or business:

- ☐ **Human Rights Policy:** sets out the human rights standards and principles we respect and support in line with the Universal Declaration of Human Rights (UDHR), the International Labour Organisation (ILO) core conventions on Labour Rights and the UN Global Compact, and ensures appropriate procedures are in place to prevent any breaches.
- ☐ **Third Party Contracts & Outsourcing Policy:** ensures robust standards and processes are in place across our business to manage risks relating to the Group's contracts with third parties, including supplier selection, contracting and ongoing management. The Policy sets out controls to comply with regulatory and legal requirements, and ensures that appropriate assessment of risks associated with services are undertaken to meet human rights commitments.
- ☐ **Employment Practices Policy:** sets out the Group minimum standards for local Intact Insurance policies across the employee life cycle; how we recruit, manage and support our people in a working environment that promotes diversity, respect, integrity, safety and wellbeing. The policy also stipulates that, where there is inappropriate conduct, we will take disciplinary action, which may include termination.
- ☐ **Speaking-up & Whistleblowing Policy:** encourages our people to raise concerns, without fear of retaliation, about how we do business or operate as an employer. We provide numerous ways for concerns to be raised: in person to a line manager or Human Resources, or online or by phone to an independent reporting channel. In all cases, we treat concerns seriously, confidentially and provide the option for them to be raised anonymously. In addition, should an employee be concerned about how they are personally treated at work, sometimes referred to as a 'grievance', they are encouraged to raise this with their line manager and processes are in place for these to be fairly investigated.

These policies apply to the Intact Insurance Group and, under the governance of our Risk Management Framework and Board Risk Committee, reinforce how we identify, measure, manage and control related risks, including those related to modern slavery.



Each policy has a local policy owner who ensures that it is communicated and implemented across our operating countries and subsidiaries. The policies are available to our workforce via our intranet sites and, where appropriate, colleagues complete annual training modules to ensure they understand their responsibilities.

Our people

To ensure that we recruit and treat colleagues fairly, avoiding modern slavery at all costs, our Employment Practices Policy requires appropriate human resources procedures to be in place throughout the Intact Insurance Group. These procedures make sure we seek to:

- ☐ Recruit, select and screen individuals in a fair, lawful and professional manner;
- ☐ Treat all people fairly while working for us; and
- ☐ If there is an occasion when an employee does not feel that they have been treated fairly, there are procedures in place to raise concerns.

We make our people aware of our policies and of their employment rights in several ways including: intranet sites, local handbooks, company inductions and written employment offers. We also work with organised bodies to give employees further options to stay informed and for their voice to be heard, for example: unions, work councils and internal diversity and inclusion councils.

In recognition of the heightened human rights and modern slavery risk at recruitment stage, our Employment Practices Policy stipulates the standards for fair and lawful processes, including checks of candidates' right to work, integrity and suitability for the role. Our approach applies to all employees and temporary workers, including the use of agency workers.

We work in partnership with external recruitment providers who manage the end-to-end recruitment process from attraction and screening, through to offer and onboarding. Where we partner with providers in this way, they must comply with the agreements we have in place and be accredited to our satisfaction. This includes completing human rights and modern slavery due diligence assessments. Our internal recruitment experts oversee the end-to-end process to monitor that our standards are followed.

Our policies and belief in a fair and inclusive culture and ways of working come alive through our Intact Insurance Values and performance management processes where employee ratings are based not only on what is delivered, but also on how. We regularly assess our 'Culture Health' at regional and Group-wide levels through a combination of key indicators, employee surveys and contributions from our Human Resources, Risk and Audit leaders. Our aim is to identify and manage risks that may lead to a failure of ethics, controls or governance before they occur; slavery and human trafficking would be picked up as a potential issue through this assessment. Our colleagues are made aware of the principles of human rights through our Human Rights Policy and the Intact Insurance Group intranet site. This explicitly states that we will not use forced or compulsory labour, alongside our commitments to the right to equal opportunity and non-discriminatory treatment, supporting freedom of association and collective bargaining, paying workers a fair wage, providing a healthy and safe working environment and not paying bribes.



All colleagues are required to complete an e-learning module on whistleblowing which provides guidance on how to raise concerns in a secure and confidential way. In 2020 we worked alongside the Slave-Free Alliance to produce a series of videos designed to help raise awareness of modern slavery and human trafficking and the signs to spot which we shared with our people. If a colleague has any concerns that they want to bring to the attention of the business, including concerns about slavery and human trafficking, they should raise these with a line manager, HR Director or can use EthicsPoint, an independent third party provided service. Through our formal channels of reporting there were no cases of human rights issues raised in 2020.

We comply with the relevant law and regulation regarding paying a minimum wage in the countries we operate in. Within the UK, everyone working directly for Intact Insurance, either through employment or an agency arrangement, receives the Living Wage, which is reviewed annually. We are proud to be accredited by the Living wage Foundation as a Living Wage Employer.

Our suppliers

We choose to work with partners that hold the same high standards as Intact Insurance, deliver high-quality products and services, and respect the communities and environment in which they operate. This includes partnering with suppliers who take ethical conduct seriously - providing safe working conditions, treating workers with dignity and respect, acting fairly and ethically and using environmentally responsible practices where practicable.

Our Third Party Contracts & Outsourcing Policy establishes the requirements for due diligence on suppliers, supplier selection, contracting and ongoing management, and our procurement and legal teams work closely with the business and potential suppliers to ensure these are adhered to. In 2020, we updated this policy to clarify key requirements and expectations on procurement processes, monitoring activities and approvals.

Complementing our Third Party Contracts & Outsourcing Policy, our UK and Ireland businesses made significant progress in 2020 on embedding our third-party management process. Launched in 2019, the process improves our ability to assess supplier risk before appointment and facilitates monitoring of ongoing supplier relationships. We work with a third party supplier information and risk management provider to gather information on management practices on a range of subjects including labour practices, human rights, diversity and inclusion and anti-bribery and corruption which is used within our due diligence process. Suppliers are asked for their policies and to confirm the actions they take to manage human rights and modern slavery risks; this provides a risk score which is used to determine whether further engagement or action is required. Oversight of this process is provided by our Third Party Management Oversight Committee.

At 31st December 2020, 831 of our UK suppliers (86 per cent of our supply chain) were covered by our supplier due diligence assessments on environmental, social and ethical issues, including due diligence on Modern Slavery. We ask our suppliers to reconfirm their answers to these questions annually and the remainder of our supplier base will be on boarded during contract renewal. In addition to our annual due diligence assessments, our regular supplier relationship management process covers a range of topics including responsible business practices.



In 2020 we worked closely with the Slave-Free Alliance and the Hellios Financial Services Qualification System to improve modern slavery transparency and understanding across the financial services supply chain. This has focused on broadening the scope of supplier assessment questions on modern slavery to promote higher levels of understanding and awareness. The assessment process includes 18 labour standards questions enabling us to make informed decisions about which suppliers we work with and pinpoint gaps for further focus.

Our Third Party Contracts & Outsourcing Policy is supplemented by our publicly available [Supplier Code of Conduct](#) (the 'Code') which is included in standard service agreements and commercial contracts as they renew. The Code sets out our expectations on the environmental, social and governance standards we expect our suppliers to comply with. In 2020, 72 per cent of suppliers confirmed compliance with the Code. Where we suspect a breach of the Code or become aware of a case of modern slavery, we will work with the supplier to implement remedial action. The Intact Insurance Group reserves the right to terminate a relationship with a supplier or third party that are unable to demonstrate compliance to the Code or progress towards the eradication of modern slavery within their organisations and supply chain.

Our customers

Intact Insurance operates in a global environment and provides insurance to many international customers and their global operations. As part of maintaining an appropriate level of scrutiny for the work we do, Intact Insurance operates a High Risk Country Framework. This incorporates guidance and requirements to refer the writing of certain business or the payment of certain claims to a more senior level where a matter is linked to a country that Intact Insurance deems higher risk in certain regards. This includes alerts for human rights and modern slavery risks associated with high-risk countries.

We periodically monitor the extent to which Modern Slavery risk may be related to Intact Insurance's underwriting activities. In 2018 we conducted a control check consisting of a desk-based assessment of our business in 21 countries identified as having a high prevalence of Modern Slavery. In 2020 we updated our high-risk classification following the publication of the Global Slavery Index 2018 (published August 2019) and plan to repeat the control check based on this latest information.

Training

We ensure employees attain and maintain the skills and knowledge required for their role as well as completing all required mandatory training on topics that are fundamental to upholding our company values. Colleagues receive training on a variety of topics that support our stance on human rights and modern slavery, including: diversity & inclusion, conduct, supplier management, whistleblowing and bribery and corruption.

It's important that all our colleagues understand human rights and we provide guidance to our Human Resources, Procurement and Underwriting teams to ensure they are equipped to follow the processes that support us to identify and address modern slavery concerns. Following face-to-face training delivered in collaboration with Hope for Justice (an anti-modern slavery charity) in 2019, during 2020 we worked with the Slave-Free Alliance to develop and launch a new modern slavery and human trafficking e-learning module for our global procurement colleagues and supplier relationship managers. This training helps increase awareness of specific risks, how to spot signs of modern slavery and provides



advice on how to engage suppliers on this topic.

Board approvals

This statement is made pursuant to section 54(1) of the Act, has been approved by the Board of Directors of Intact Insurance Group plc and will be updated annually in line with the Act's reporting requirements.

Charlotte Heiss

Group General Counsel & Company Secretary Date:

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