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# Modern Slavery and Human Trafficking Statement 2024



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This statement covers the activities of Royal & Sun Alliance Insurance Ltd and its subsidiaries (“RSA”) and is our Modern Slavery and Human Trafficking statement for the financial year ended 31 December 2024 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 raise awareness of modern slavery and improve transparency and are taking the appropriate steps to ensure that everyone who works for RSA 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

Royal & Sun Alliance Insurance Ltd is a leading international general insurer, headquartered in London with core markets in the UK, Ireland and Europe. Our parent company, Intact Financial Corporation is headquartered in Canada. We have over 5,800 colleagues across our business and in 2024 our Net Written Premiums were £3.8 billion. Further detail on the structure and performance of RSA can be found in the Strategic Report section of the Annual Report and Accounts 2024 which is available on our website.

In all of our regions, we aim to develop trusted commercial brands that deliver great service and relevant products to our customers. We are driven to help 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 through our commitment to building resilient communities.

RSA has a long-term commitment to high standards in Environmental, Social and Governance (ESG) practices 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. Through our parent company’s commitment to the UN Principles for Sustainable Insurance, we continually seek to embed ESG practices into decision making and raise awareness of issues amongst our customers and business partners.

Our approach to ESG reflects our commitment to integrating responsible business practice into our operations to maximise the positive impact of our business on society and the environment. More information on our approach to ESG and the progress we have made during 2024 can be found in our Annual Report and Accounts available on our website and in the Intact Social Impact Report. 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 RSA are recruitment and engagement with third parties in our supply chain. In 2016 we reviewed our practices within the People

and Procurement functions and consequently we updated relevant procedures and policies to ensure they included consideration of modern slavery.

In 2023, we conducted a review of our business-wide risk assessment to identify gaps and opportunities in our approach to modern slavery. This involved consultation with various business functions, including Procurement, People Operations, Underwriting, and our Social Impact and ESG team. During 2024 we have taken forward actions based on this assessment with the launch of a refreshed modern slavery training module, an in-depth review of our escalation process for potential incidents, and updated guidance for underwriters where there may be an enhanced exposure to modern slavery based on the location and sector of business, further information is included in the statement below.

We review our policies on an annual basis to ensure they remain fit for purpose, manage risks and reflect good practice. In 2023, we refreshed our Human Rights Policy and Employment Practices Policy to simplify the language, make them more principles-based and provide additional clarity on expectations of our business operations. In 2024, we extended the scope of our Third Party Risk & Outsourcing Policy to apply to all third party relationships and made its requirements more principles-based. We also introduced a separate Procurement Policy to more clearly set out our supplier management processes. Our policies follow a template that 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 publish an external version of our [Human Rights Policy](#), which 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 Risk & Outsourcing Policy:** demonstrates robust standards and processes are in place across our business to manage risks relating to RSA's relationships with third parties, including ongoing management. The Policy sets out controls to comply with regulatory and legal requirements, including that appropriate assessment of risks associated with services are undertaken to meet human rights commitments.
- **Procurement Policy:** establishes clear controls and processes across our business to manage supplier selection, contracting and ongoing monitoring.
- **Employment Practices Policy:** sets out the RSA UK and International minimum standards for local policies and processes across the employee life cycle, including 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 of contracts.
- **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 our People function, 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 RSA and, under the governance of our Risk Management Framework and Board Governance, Conduct and Remuneration 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 People procedures to be in place. 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, company inductions and written employment offers. We provide employees further opportunities to stay informed and representative forums for their voice to be heard, for example through the Employee Representative Body (ERB), Unite the Union and The Managers' Association. Further, we have employee resource groups, the European Works Council (EWC), and an internal diversity and inclusion council.

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, and suitability for the role. Our approach applies to all employees and temporary 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.

We conduct regular monthly checks on our UK payroll for duplicate bank accounts, which can be a warning sign of forced labour. If any duplicate accounts are identified, we verify that the employees are in a relationship with a joint account. No concerns have been identified through our checks.

Our policies and belief in a fair and inclusive culture and ways of working are brought to life through our company 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' through a combination of key indicators, employee surveys and contributions from our People function and 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.

Our colleagues are made aware of the principles of human rights through our Human Rights Policy. 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. 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, our People function 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 2024.

In 2024, we engaged Slave Free Alliance, to support a review of our Modern Slavery escalation processes to test that our business is equipped to respond to any cases of modern slavery should they be raised through our reporting channels. We engaged a range of stakeholders across the business representing the People Function, Procurement, Loss Adjusting, Risk Consulting, Underwriting and Social Impact and ESG through a mix of interviews and roundtable discussions. Following this review, we have clarified reporting channels and formalised internal guidance for the escalation, investigation, and remediation of concerns raised related to modern slavery. We are also publishing an update to our employee-facing reporting guidance and Speaking Up and Whistleblowing case management guide in early 2025 to ensure consistency with the revised approach.

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 RSA, 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

Our supply chain is made up of around 900 indirect and direct suppliers, largely based in the UK and Europe. Our indirect supply chain provides products and services for our operational functions, including professional services, IT services and facilities management. Our direct supply chain supports our claims functions across various sectors, such as legal, property and motor.

We choose to work with partners that hold the same high standards as RSA, 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 Risk & Outsourcing Policy establishes the requirements for due diligence and ongoing management of third parties and our Procurement Policy sets out the requirements related to supplier selection and contracting. Our procurement and legal teams work closely with the business and potential suppliers to ensure these are adhered to. These policies confirm key requirements and expectations on procurement processes, risk management and monitoring activities.

Complementing our Third Party Risk & Outsourcing Policy, our third party management framework (launched in 2019) 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 controls and management practices on a range of subjects including labour practices, human rights, diversity and inclusion and anti-bribery and corruption. Suppliers are asked for their policies and to confirm the actions they take to manage human rights and modern slavery risks which is reviewed periodically.

We ask our suppliers to reconfirm their answers to our due diligence questions on environmental, social and governance topics (including human rights and modern slavery) annually, and new suppliers are

on-boarded during the contracting process. In addition to our annual assessments, our regular supplier relationship management process covers a range of topics including responsible business practices. Oversight of this process is provided by our Third Party Oversight Committee.

In 2023, we conducted an assessment of 362 existing suppliers, building a Labour Rights Index to measure supplier performance across 24 indicators related to labour standards and modern slavery. We refreshed this assessment in 2024 with a review of 355 suppliers using a newly introduced ESG scoring methodology provided by our supplier risk management platform. We also conducted a review of supplier compliance with the Modern Slavery Act, which identified two companies with out-of-date Modern Slavery Statements. We are engaging with these organisations to require that these are updated. In 2025, we will build on existing direct engagement with suppliers to determine how we can improve ESG performance over time.

Our direct (claims) suppliers, which generally present a higher modern slavery risk, are subject to additional due diligence during onboarding. As part of the review process, suppliers are assigned a high, medium or low risk rating on modern slavery topics, including reporting, training, recruitment and supply chain due diligence. Where opportunities are identified to improve supplier performance these are logged on an action plan and assigned a status and action owner. Our Claims Supply Chain team directly engages with flagged suppliers to track progress. Completed and overdue actions are reported on a quarterly basis to the Chief Operations Office (COO) Risk and Control Committee. All direct suppliers with delegated authority are periodically subject to risk-based due diligence site visits, in which they are asked to demonstrate relevant policies, modern slavery training modules, and a Modern Slavery Statement where relevant. We conducted 17 due diligence reviews in 2024.

Our Third Party Risk & 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 was updated in 2022 and sets out our expectations on the environmental, social and governance standards we expect our suppliers to comply with. In 2024, 87% per cent of suppliers on our due diligence portal confirmed compliance with the Code (the portal currently represents 39% of our suppliers). 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. RSA 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. In 2024, we initiated a review of the Code to standardise our expectations for suppliers at a Group level. An updated Supplier Code of Conduct is set to be published in 2025.

## Our customers

RSA 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, RSA 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 RSA deems higher risk in certain regards. This includes alerts for enhanced exposure to 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 RSA's underwriting activities. In 2022 we updated our advisory notes following a desk-based assessment of countries presenting a higher risk of modern slavery, using data from the Global Slavery Index 2018 and Human Freedom Index generated by the Cato Institute. In 2024, we published updated guidance for underwriters to support them to screen and assess modern slavery risk when writing business in high-risk countries. Underwriters are expected to review and document the nature and relevance of the modern slavery risk, including risk management practices, and implement risk acceptance referrals within their business as appropriate.

## 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: bribery and corruption, conduct, supplier management, and whistleblowing.

It's important that all our colleagues understand human rights and we provide guidance to our People, 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 is made available to employees through our learning and development platform and provides information on specific risks, how to spot signs of modern slavery and advice on how to engage suppliers on this topic. In 2023, we reviewed and updated this training to reflect changes to our business and to provide more specific and actionable guidance on identifying and preventing modern slavery. The new module was launched in 2024 as a mandatory training for employees in key roles, including Procurement, Underwriting, Risk Consulting, Counter Fraud and Financial Crime, and People colleagues. As of publication, 93% of in-scope employees have taken the training. In 2025, we will build on this training by introducing a Modern Slavery Hub on our Intranet with information and resources on modern slavery that our colleagues can access at any time.

## Board approvals

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

Signed:

**Jonathan Cope**

General Counsel and Company Secretary