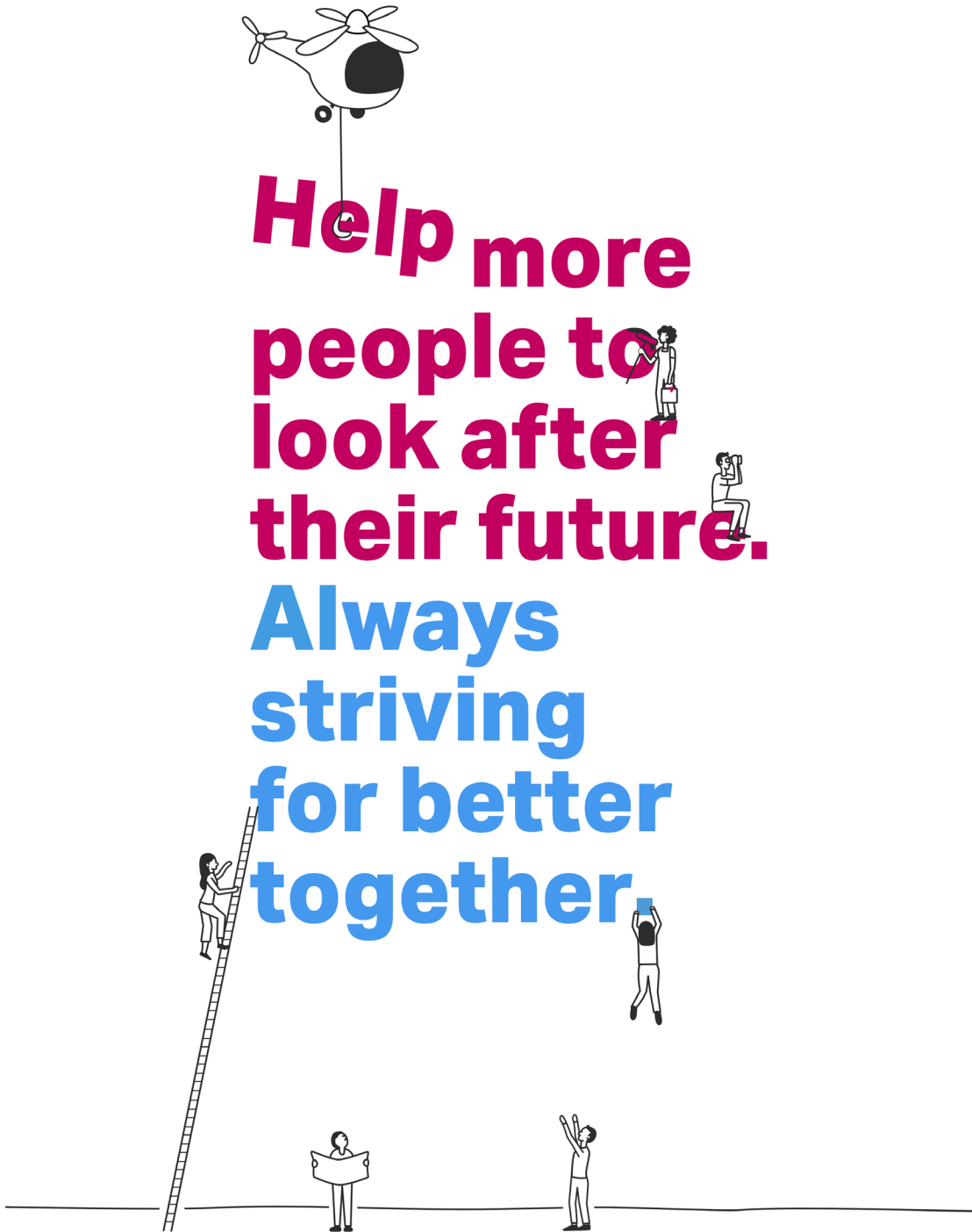




# Modern Slavery Statement

2021



# Admiral Group Modern Slavery Statement 2021

This statement has been published in accordance with the Modern Slavery Act 2015. It also follows the guidance as set within the Home Office’s “Transparency in Supply Chains: A Practical Guide” document and utilises the framework as described within the Ethical Trading Initiative’s Modern Slavery Framework.

The statement sets out the steps taken by Admiral Group Plc and other relevant group companies<sup>1</sup> (‘Admiral’ or ‘Group’) during the year ending 31 December 2021 to prevent modern slavery and human trafficking in its business and supply chain.

Admiral Group’s purpose is to “Help more people to look after their future. Always striving for better, together”. Since the publication of our first modern slavery statement in 2017, the business has continued to follow a zero-tolerance approach to modern slavery in all forms. We seek to sensitise all members of staff to modern slavery risks across all areas of the business and provide them with the tools and platform in which to report concerns.

<sup>1</sup> This statement sets out the steps taken by Admiral Group plc, Admiral Insurance Company Limited, EUI Limited, and Admiral Financial Services Limited, all of which fall within the scope of section 54(2) of the Modern Slavery Act 2015 and the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015. Admiral subsidiaries that are not required to comply with the requirements are required to follow Group guidance.



### Continued from previous page

Our commitment to the prevention and termination of modern slavery is championed through our robust approach, policies, training, and risk management.

Admiral Group supports the aim of the Modern Slavery Act 2015 and seeks to ensure that modern slavery and human trafficking does not feature in any form across our business and supply chain.

The Group recognises that modern slavery can occur in various forms. We define modern slavery in accordance with the Modern Slavery Act 2015 in that it encompasses servitude, forced or compulsory labour, child labour, exploitation, being controlled by an employer, debt bondage, being physically constrained, being sold or treated as a commodity, having restrictions on freedom of movement and human trafficking in order to exploit them for personal or commercial gain, all of which constitute an offence under the Act.







## Our progress since 2020

The business has continued to take positive strides towards evolving and strengthening our approach to the prevention of modern slavery in 2021 and has made progress in several areas.





As always, the business has continued to monitor any risks or breaches related to modern slavery within the business and its supply chain. The business is pleased to report that no breaches were identified in 2021.

The business has also worked on enhancing our due diligence questionnaires (DDQs) with the aim to provide additional insight into our supply chain's approach to modern slavery and improve KPIs. This allows for greater collaboration within our supply chain to identify any gaps or challenges and create a platform to engage with and support our suppliers.

Based on this, a new and updated DDQ was launched in early 2022 which allows us greater visibility of reporting going forward and to assess risks as identified by the International Labour Organisation guidelines. The additional information gathered provides the business with more insight into our supply chain, and hence enhances the KPIs the business are able to monitor related to modern slavery. In addition to these KPIs, additional metrics have also been identified and are monitored from an internal training perspective.

As part of our approach to evolve our risk management process in this area, supplier categories were also assessed and updated in 2021 to allow for an enhanced environmental and modern slavery view in our procurement system. These will trigger activities for contract owners to perform annual assessments on each item. Admiral continues to build our supplier risk registers, and modern slavery will be included on all individual supplier risk registers as an operational risk.

Our teams have continued to monitor modern slavery within the claims supply chain through our due diligence process, as physical supplier visits were restricted during the pandemic which limited our ability to monitor modern slavery in this respect. This includes monitoring our direct supply chain as well as any breaches within their supply chain. Our approach is that in the scenario when a supplier fails to provide a response with regards to modern slavery, we engage with them to seek clarity on their approaches and policies and how we can support them.



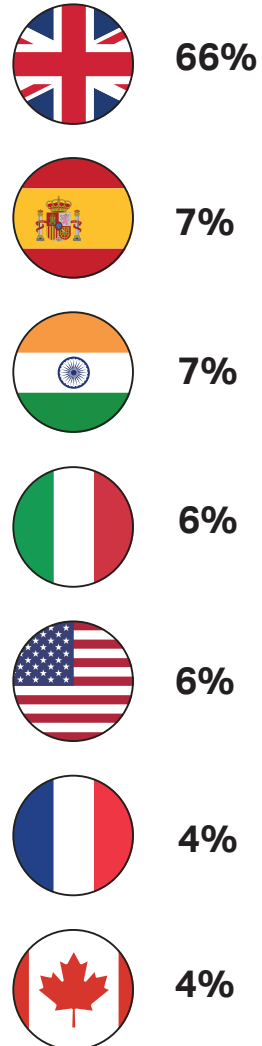


## **Our organisation, structure and supply chain**

Admiral Group Plc is the holding company for a group of companies providing insurance and ancillary products and services. As of 31 December 2021, the business has over 11,000 employees and 7 million customers worldwide.



## Our employee headcount (%) per location



Admiral operates principally, and is incorporated, in the UK. The business is also licensed to underwrite insurance in Europe and the United States of America.

The Group has offices in multiple countries across the world (UK, USA, Canada, France, Italy, Spain, and India) and is listed on the UK Stock Exchange. All companies within Admiral Group are regulated insurance or service companies or provide ancillary services to our insurance activities. Further details about Admiral's structure can be found on our website [admiralgroup.co.uk](http://admiralgroup.co.uk)

Admiral's supply chain supports our global operations in delivering services to our customers. This supply chain involves over 1,500 contracted suppliers (280 direct and 1274 indirect). We define a direct supplier as those who support our claims settlements. Admiral do not act as a manufacturer or retailer of physical goods.



## **Our approach, policies and contractual controls**

Admiral Group is fully committed to running our organisation in a responsible and ethical manner.



Whether it be through our comprehensive recruitment processes, procurement of service activities, training and support, we endeavour to continuously monitor any potential risks of modern slavery, in the business and supply chain, before it happens and take swift and effective steps to ensure all staff share a collective responsibility towards its eradication.

## Recruitment

Our recruitment processes involve several background checks which include identification validation, financial history information, and references along with an individual's right to work status. Our members of staff are also allocated working patterns and hours relevant to their role.

Admiral Group currently trades between 8am and 10pm Monday to Friday, 9am to 8pm on Saturday and 10am to 8pm on Sunday. We are also open on public holidays except for Christmas Day, Boxing Day and New Year's Day. To meet the demands of our customers each department operates its own shift system. If an employee works in a department that operates outside Admiral Group trading hours, they will have specific working hours stated in their offer letter or on a company change of hours form.

Admiral ensures that the cost of recruitment is not passed onto employees whether they are recruited within the UK or overseas. Cost of recruitment, interviews and training is fully paid for by Admiral Group. Should a candidate be recruited from overseas, and a visa required, Admiral will also bear that cost.



## Procurement

Admiral acts as a purchaser of goods or services from supplier to support our colleagues and customers. It is expected that these suppliers hold an equally high regard for efforts against modern slavery themselves and within their supply chain. Admiral Group regularly risk assesses suppliers within our supply chain to ensure modern slavery is not a feature. 2021 saw day to day responsibility of modern slavery procedures transfer to our Procurement department.


We elaborate further on our supply chain and procurement practices later in the statement.

## Training

Admiral Group is proud to offer an extensive platform in which to train our colleagues on all aspects of modern slavery and, crucially, what to do if they suspect its existence in any part of our business or supply chain.

Modern slavery training is mandatory for all staff as part of their annual compliance training schedule.





**Admiral employs several internal policies which drive our efforts against all types of modern slavery.**

**Such policies include:**

- ✔ General Standards of Conduct
- ✔ Anti-Fraud and Suspicious Events Policy
- ✔ Anti-Bribery Policy
- ✔ Financial Crime Policy
- ✔ Equality, Diversity and Dignity at Work Policy
- ✔ Procurement Policy
- ✔ Anti-Slavery, Exploitation and Human Trafficking Policy

## Processes

Admiral also provides all staff with the tools and processes that allow them to highlight any modern slavery concerns within our day-to-day operations. Furthermore, we ensure that management have the tools and confidence to act upon any reports of modern slavery swiftly.

These policies look to equip all staff with the knowledge and guidance needed to have a shared responsibility for the identification of modern slavery. Final responsibility for the prevention of modern slavery sits with the Admiral Group Board with delegation to our Group Procurement department. Group Procurement also took over day to day responsibility for policy implementation, monitoring and queries, from our People Services department in 2021. This decision was made on the premise that if any instances were to occur, it is more likely to exist within our supply chain.





## Anti-Slavery, Exploitation and Human Trafficking Policy

Specifically, our Anti-Slavery, Exploitation and Human Trafficking Policy which was released in 2017, highlights our shared responsibility in the prevention of modern slavery and the steps we can all take to report any concerns. The policy, found clearly within our internal employee handbook, provides more information on modern slavery and informs colleagues to notify appropriate individuals if they have any concerns regarding modern slavery. We also include information should the staff member wish to use our Whistleblowing Policy. Finally, we signpost the modern slavery Helpline number.

2021 also saw us release a chatbot function for colleagues. Our chatbot seamlessly directs colleagues to our Anti-Slavery, Exploitation and Human Trafficking Policy should they type in words such as "slavery", "exploitation", "trafficking" etc...

## Whistleblowing Policy

Admiral Group also has a comprehensive Whistleblowing Policy that is visible to everyone internally in our employee handbook and further signposted from our chatbot function. It clearly outlines why such a policy is important within the company and lists 10 potential areas of concern that may guide colleagues if they wish to highlight any issues. The policy details the steps taken after a disclosure is made and remains transparent as to who in the company will receive notifications about concerns. Colleagues are given information such as an internal and external telephone number to raise concerns along with an email address. In 2021, there were no whistleblowing reports of modern slavery.

Any reports are fully investigated by a small, specialist team and actions are taken when appropriate such as notifying the authorities. A record is maintained of Whistleblowing issues and where appropriate reported to the Regulators.



"We believe that our policies highlight Admiral's commitment to the delivery of ethical business practices and ensuring that modern slavery risks are identified and addressed throughout our supply chain."

## Procurement Policy

Admiral has a detailed Procurement Policy that remains aligned with the Chartered Institute of Procurement and Supply code of conduct and sets out the minimum standards to be followed should any procurement activity happen in the UK. This policy includes reference to the fact that it is the responsibility of staff, when undergoing procurement activities, to promote the eradication of unethical business practices by responsibly managing business relationships and undertaking due diligence to understand modern slavery risks.

We believe that our policies highlight Admiral's commitment to the delivery of ethical business practices and ensuring that modern slavery risks are identified and addressed throughout our supply chain. These policies are clearly signposted to staff in a variety of methods such as our employee handbook, intranet and chatbot.

We understand that increases in demand for supplier services can put pressure on suppliers, often financial-related, and this can sometimes be a catalyst for unethical behaviours in any supply chain. The nature of our business means that most procured services are reactive to claims frequency and the size of policy book. As increased demand in these areas may put financial pressure on suppliers, Admiral takes a proactive approach with specific prompt payment schemes negotiated within our supplier contracts to ensure fair payments are made within transparent time frames.



## Risk assessment and due diligence

Admiral Group provides insurance and ancillary products and as a result, we have evaluated our risk of modern slavery in the business to be low.



"Admiral takes our responsibility towards ethical working conditions seriously and employs several measures to evaluate and monitor our suppliers across the Group."

The 2018 Global Slavery Index places most of our business locations towards the lower risk end of the ranking of estimated prevalence of modern slavery <sup>2</sup>. However, we also have offices in India which ranks a bit higher and is placed 53rd (out of 167) in terms of estimated prevalence of modern slavery.

Our India operation contains 7% of our workforce and is monitored closely in terms of modern slavery. In fact, Admiral monitors modern slavery very closely across all operations, including India, which follows the same policies and practices as the UK in upholding the highest standards against modern slavery. These include financial checks, employing whistleblowing policies and procuring services from suppliers as done in the UK.

From a colleague perspective, most staff work within our offices, or from home where they otherwise would be in one of our offices, due to the ongoing COVID-19 pandemic.

In addition, there are mechanisms in place within the business to prevent modern slavery and ensure adequate visibility and training, as mentioned in the previous section.

Hence, any risk relating to modern slavery that can be found within the Group is more likely to exist within our supply chain who provide services in various forms. Admiral takes our responsibility towards ethical working conditions seriously and employs several measures to evaluate and monitor our suppliers across the Group.

Within this context, Admiral Group has delegated day-to-day policy implementation operations to our Group Procurement department, which allows us to maintain tighter controls and to remain close to our suppliers.

Admiral's approach to risk assessment is to aid us in identifying any potential concerns with regards to modern slavery within our supply chain, and our processes are reviewed annually.

<sup>2</sup> Global Slavery Index 2018, Table 4 "Estimated prevalence of modern slavery by country", Page 178 - 181



Our comprehensive risk assessment process considers several factors to understand our exposure such as geographic location, the nature of goods and services being supplied, supply chain length and the use of temporary or migrant labour.

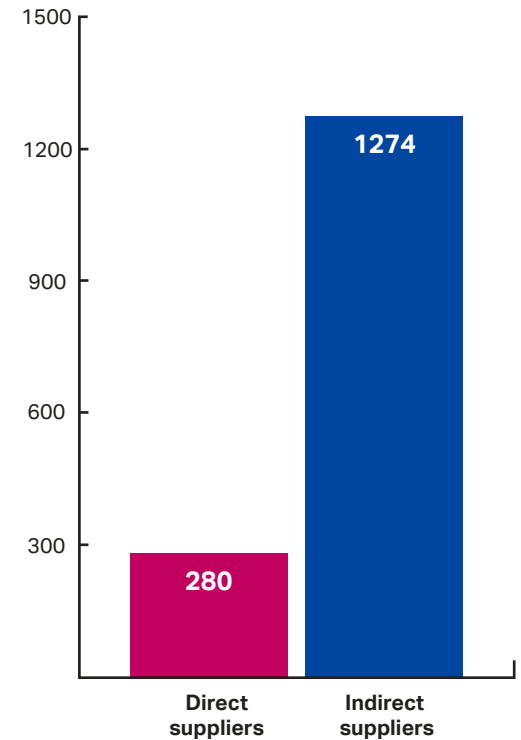
Following this assessment, we look to categorise our suppliers into 3 supplier types based on a risk profile generated from the following criteria:

- Total cost of ownership
- Criticality of service
- Sharing of data
- Access to internal systems
- Category of purchase

As noted above, we have 280 direct and 1274 indirect suppliers. These are further separated into 12 Critical suppliers, 328 Strategic Suppliers, 895 Key Suppliers and 319 suppliers.

All suppliers identified as Critical, Strategic or Key are mandated to complete a due-diligence questionnaire that captures a supplier’s position on anti-modern slavery processes. This encompasses their risk management processes in their own supply chain and any breaches that may have occurred within the preceding 12 months. The above risk profiling questions allow us to assign a modern slavery risk value to each supplier.

### Number of suppliers





"We have not identified any instances of modern slavery in our business or supply chain in 2021."

Admiral engages with a number of suppliers who have policies that prevent them sharing their practices against Modern Slavery. We take proactive steps to review available documentation, such as their own Modern Slavery statement, and work closely with that supplier to ensure they uphold the same high standards against Modern Slavery as we do.

Staff within our procurement areas currently act as the auditors by engaging and working with those suppliers who we require further information from. We are currently in the process of scoping out bespoke external audit capabilities that will encompass both desktop and site-based visits to ensure our suppliers are adhering to the same robust anti-modern slavery policies as Admiral Group.

In 2021, we sought to strengthen the detail of our due-diligence questionnaire (DDQ) so that we can better understand a supplier's approach towards the eradication of modern slavery as well as accessing more data to spot trends. An updated DDQ will be launched in the first half of 2022, with a more robust question set related to modern slavery. We also look to assess our supplier by considering the spirit of the 11 indicators as set out within the International Labour Organisation's guidelines.<sup>4</sup>

Admiral Group's procurement policies see us work with suppliers to ensure their practices are fit for purpose. Whilst we would always endeavour to assist our suppliers, we retain the right to terminate contracts should breaches of modern slavery be identified.

Within Group Procurement, by categorising our supply chain, we are able to identify those operations in our supply chain that constitute high-risk. For example, within the UK we have a higher risk category which recognises that our accident repair network represents a potential higher risk to modern slavery than other suppliers.

We have not identified any instances of modern slavery in our business or supply chain in 2021.



## Our effectiveness and KPIS

Admiral Group continues to monitor our effectiveness to counter modern slavery through various KPIS with the two main KPIS mentioned in our 2020 statement.



## Training numbers



**7,940** staff members received modern slavery training



**97.4%** of staff completed the modern slavery training



**100%** of staff attained a 'Pass' score of their modern slavery training assessment

**Modern Slavery Training:** In 2021, 7940 employees completed modern slavery training as part of their ongoing compliance training (2020: 7791 employees). We continue our commitment to creating a culture of informing our staff and encouraging shared responsibility for modern slavery identification.

**Reports of Modern Slavery:** There were no reports of modern slavery in 2021 (2020: nil). We continue to monitor the risk of modern slavery and Admiral is committed to principles as set within the UN Guiding Principles on Business and Human Rights<sup>5</sup> to provide guidance on ethical operation. Should any violations be identified, we will confirm the violation and will take action to improve and refine practices that protect and respect human rights and provide appropriate remedy.

Admiral Group understands that the risks associated with modern slavery are fluid and our approach to mitigation and measurements must evolve to meet these challenges. Within this context, we continue to improve our monitoring and a key priority for Admiral in 2021 was to further develop a comprehensive set of modern slavery key performance indicators.

From this process, a number of initiatives were started in 2021 that will, once completed in early 2022, see us obtain a greater amount of data from our suppliers, allowing us to identify trends and risks more quickly than before.

- Percentage of Key or Strategic suppliers who are yet to complete a due-diligence questionnaire – 7%
- Number of modern slavery or related complaints / reports about Admiral Group or its supply chain - 0
- Number of confirmed modern slavery cases identified within Admiral Group or its supply chain - 0

Within the context of the pandemic, the business wasn't able to visit suppliers on-site as part of our ongoing monitoring and risk assessment. Despite this challenge, we are committed to delivering against these priorities in a way that ensures we remain alive to potential modern slavery concerns whilst keeping people safe. Admiral's due-diligence questionnaire is issued via our supplier portal and is completed electronically. The checks have continued to be issued to our supply chain throughout the pandemic, and we have worked with suppliers to navigate any challenges in terms of timing and accuracy of completion of questionnaires.



## Training

As part of Admiral's approach to preventing all aspects of modern slavery, the business reinforces our policies through robust, relevant and assessed training and communication.





**Admiral Group also attended external training and has taken the opportunity to learn more about mitigating modern slavery, including training that was hosted by the CPS<sup>6</sup>. These engagements were used to help create more robust internal policies as well as our comprehensive training package.**

Our modern slavery awareness training was created in 2017 and is offered to all employees via our in-house e-learning platform. This training is mandatory for all staff. As in 2020, 2021 saw us offer this package to staff either as part of their induction training or annual compliance training. In order for the modern slavery training course to be classed as “complete” staff must attain a score in excess of 80% on an assessment following the training. All staff who completed the modern slavery training achieved a score above this mark.

During 2021, the completion rate for employee modern slavery training was 97.4%. The business views this as an acceptable outcome within the context of long term absences which drives the remaining non-completion. In 2021, staff rated our Anti-Slavery, Exploitation and Human Trafficking online course at 4.7/5. We also continued to offer an additional course on Anti-Slavery, which was offered in podcast format in 2021. As the global risk to modern slavery is ever evolving, so too does our approach to mitigation against it. We look to review the relevance of our training annually, with the latest version having been released in October 2021.





## Key priorities for 2022

Committed to amplifying our voice against all forms of modern slavery in our business and supply chain, Admiral continues to strengthen the processes in place.





In 2022 we aim to build upon the work in 2021 with several priorities:

- Enhancing the strength of our due-diligence questionnaire by adding further detailed questions that challenge each supplier to be clearer on their efforts against modern slavery.
- Create an enhanced risk calculator that remains aligned to the UK Motor Risk Matrix, which enhances our ability to measure potential modern slavery risks.
- Enhance our alignment to the guidance as set within the Ethical Trading Initiative and submit our Modern Slavery Statement to the voluntary Modern Slavery Registry service to promote visibility.
- Continue to improve our data and reporting capabilities to spot trends and risks quickly and to respond appropriately.
- Continue to engage with suppliers and support them with tools and processes to combat modern slavery.

This statement was approved by the Boards of Admiral Group, Admiral Insurance Company Limited and EUI Limited.

A handwritten signature in black ink, appearing to read 'Milena Mondini de Focatiis', written in a cursive style.

**Milena Mondini de Focatiis**  
Group Chief Executive Officer