



# Corporate Social Responsibility Report 2019





## An introduction from David Stevens, CSR Board Representative

Admiral has been in business for just over 25 years. I would like Admiral to be around in another 25 and 125 years as a prosperous, independent company, based in South Wales.

Achieving that long term ambition requires more than just short term financial success. It must ensure that Admiral delivers for all of its stakeholders – our customers, our people, our local communities and, in an increasingly connected and global environment, the wider community.

I am proud to introduce our Corporate Social Responsibility Report which explains the very many things Admiral does to lay strong foundations for that long term success.

A handwritten signature in black ink that reads "David G. Stevens".

**David Stevens**

Chief Executive Officer  
5th March 2019

# 2019 Achievements



## Focusing on our Customers

Best Motor Insurance Provider, Personal Finance Awards

Best Insurance Provider: Customer Service, 2019 Personal Finance Awards

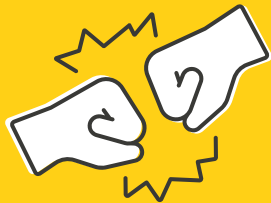
Home Insurance Provider of the Year 2019 Moneyfacts Awards



## Valuing our People

#1: Best Big Company to Work For in the UK – 2019 Sunday Times Best Big Companies Awards

#3: Great Place to Work Best Workplaces for Women (UK) Great Places to Work



## Engaging with our Community

£400,000 committed to fund four charity projects in South Wales over 2019/20

Headline sponsor of Pride Cymru's Big Weekend



## Acting sustainably for our Environment

BREEAM Excellent Rating For our Cardiff and Newport offices

Green & Renewable Energy Procurement 100% of purchased UK energy comes from green, renewable sources

# Our CSR Framework

At Admiral we adopt a principle-based approach to CSR, with a focus on the needs of all our stakeholders.

It is our aim to adopt a fair and principle-based responsible approach to CSR, with a focus on creating a positive impact for our stakeholders and the wider community. This has always been an integral part of how we do things at Admiral. By considering the needs of our stakeholders and the wider community, we aim to continue to develop our approach to being a responsible business and to deliver sustainable returns to our shareholders. Our awards in 2019 are a testament to our continued focus on our stakeholders. Highlights from 2019 include first place in the Sunday Time's Best Big Companies to work for in the UK and being named the Personal Finance Award's Best Motor Insurance Provider for the seventh year in a row.



Satisfied Customers

Being a Responsible Business

Shareholder Returns

# Our Customers

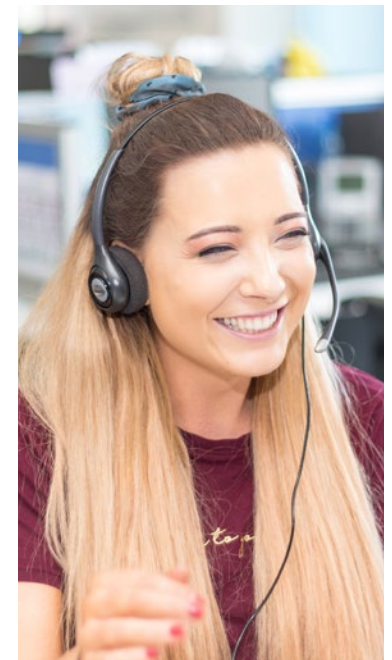
We strive to ensure that our customers receive great customer service and an effortless experience whenever, and however, they contact us.

Our customers are at the heart of everything that we do; without them we wouldn't have a business. We strive to ensure that our customers receive the best service possible and an effortless experience whenever, and however, they get in touch. As technology has evolved, we have adapted to provide new and effective methods for us to stay connected with our customers, be it through webchat, on our website, email, telephone, and via Facebook Messenger. This year we further improved our

MyAccount offering, which now enables Admiral customers to instantly update more of their policy and payment details online. It is a continuation of our journey into true self-service and we will continue to offer additional self-service options in the future.

Whilst many of our customers will only need to contact us at renewal or when they are making a claim, in all cases we aim to provide as smooth and efficient a service as possible. Feedback is also vital for us to

know exactly what we're doing well and where we need to improve. We try to make giving feedback as quick and easy for customers as possible, be it by text and email, to more stringent monitoring of calls.



Our Reevo results	
NPS score <sup>1</sup> 2018: 71	<b>75</b>
Would buy again <sup>2</sup> 2018: 98%	<b>98%</b>

<sup>1</sup> based on 17,136 responses

<sup>2</sup> based on 27,211 responses



**5,000**

Number of calls monitored  
by senior managers in 2019



**80%**

Average score for an external  
monitoring call in 2019

## Our Customer Initiatives

### Cristina's Customer Commentaries

Cristina, our UK CEO, shares a customer commentary every month in which she talks about all things relating to the customer. She includes customer stories and changes to processes that have helped improve the customer experience. As well as customer comments Cristina also awards the title of monthly Customer Champion to one of our customer-facing agents who have received a score of 10 out of 10 on all questions asked in SMS feedback. Cristina personally gives the Customer Champion a thank you card and a gift to show her appreciation. Cristina's SGM presentation this year was focused around the customer, and she gave a shout out to her Customer Champions at the same time.

### Kudos

Kudos is a customer experience measurement programme used across all our customer facing contact centres. The programme focuses on three key areas which directly impact, or are influenced by, our customers. These areas are: average speed of answer, customer SMS feedback and

external call monitoring by senior management. Through external call monitoring, senior managers across all areas of the business evaluate customer calls monthly and are able to gain an in-depth knowledge about what our customers think of us, and provide feedback to agents about the service the customer received.

#### Jess: Customer Champion, August 2019

"My champion this month is Jess who works in Admiral Van, Swansea. I was very impressed with her 10/10 scores for the month of August, as well as all her fantastic comments from lots of customers."

- Cristina Nestares, UK Insurance CEO

"I spoke to Jess when I called to renew my insurance, she was very helpful and very friendly. The quote was £20 more than another price I'd had online but because Jess was so helpful I went with the price anyway. She is a credit to your company."

- Customer Feedback

**Above and Beyond: Lauren, New Business**

Lauren, from our New Business department asked her customer if there was anything else that she could do to help at the end of her phone call. In response to this, the customer said a cup of tea would be lovely. Lauren acted on this and sent the customer a card to thank him for his call and business and included tea bags, shortbread and a china cup!

Our UK Insurance CEO Cristina Nestares praised Lauren in her Customer Commentary and said: “Lauren has provided great service, and by putting the customer at the centre of everything we do will in turn ensure that we have a very healthy, sustainable growing business”.

**The Above and Beyond Campaign**

We aim to delight customers when they interact with us and aim to go above and beyond. This happens throughout the business in customer-facing departments. One example of this is New Business’ Above and Beyond Initiative which encourages handlers to send a nomination when they think their customer deserves a special something. These are often things that have come up in conversation during our calls such as birthdays, new jobs or the purchase of a new car. In 2019 we sent 170 surprises to our customers which have included: a cake and tea hamper for two neighbours who recommended us to each other, coffee gift cards and more.

**Customer Care Hearts Campaign**

In 2018 Customer Care made a commitment to reach 100,000 hearts. A heart is gained when a customer gives our agents a score of 8 or above in our SMS feedback. The Customer Care hearts campaign continued into 2019 and they received a total of 229,687 hearts.

**Customers Matter**

We introduced a new cross-departmental project called Customers Matter in May 2019. This project focused on

improving the way we interact with our customers across our customer-facing departments by tracking metrics such as average speed of answer, Kudos scores, SMS scores and complaint percentages. Since then the business celebrated National Customer Service week with lots of activity across the business. Departments created an Admiral banner filled with the words they thought best described our customer service, with some of the most common words being “friendly”, “personal” and “caring”.



### Vulnerable Customers

In 2019, all customer-facing staff were trained to enhance our identification of support for vulnerable customers. This includes being flexible with our processes and procedures to meet the customer’s needs, and the ability to refer to a specialist vulnerable customer team for advice. Admiral is committed to further strengthen our services for vulnerable customers in line with emerging regulatory guidance and our own experience of our customers’ needs. We are also an active member of the Association of British Insurers Vulnerable Customers Working Group, which looks to develop the insurance market’s understanding of the treatment of vulnerable customers.

### Conduct Risk

Fair treatment of customers is at the heart of our business, and our Conduct Risk Framework has been established to ensure that our culture, products, services, processes and customer interactions deliver fair outcomes for customers. The framework provides effective reporting to identify any risk to outcomes, and these are reported to senior management. Conduct risk appetite and standards have been set by the Board, and our conduct risk reporting (CRMI) is aligned to these. The CRMI metrics include quality assurance monitoring results from across the business, which are analysed monthly. This process allows us to continually assess and challenge ourselves to achieve the best outcomes for our customers.

Measures of customer service from the CRMI report	2017	2018	2019	Target
Claims First Notification of Loss (FNOL) call answer rates <sup>3</sup>	95.1%	95.5%	95.7%	>90%
Customer Services SMS feedback <sup>4</sup>	9.09	9.05	9.15	>8.0

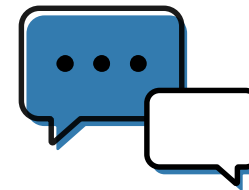
<sup>3</sup> Based on Motor FNOL and Frontline calls

<sup>4</sup> Based on SMS feedback in which we ask customers to rate the level of service they received and the handler they interacted with on a scale of one to ten. The score shown is the average of both metrics following a policy change.

# Our People

96% of our staff believe that Admiral is a friendly place to work.<sup>5</sup>

At Admiral we have created an environment where our people look forward to coming to work and providing great service to our customers. As a responsible employer, we aim to create an inclusive working environment and to support our staff wherever possible. This approach is underpinned by our four pillars:



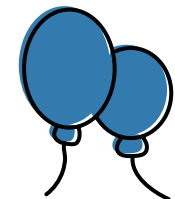
Communication



Equality



Reward and Recognition



Fun

<sup>5</sup>Group-wide results in the 2019 Great Place to Work Survey





## The Four Pillars: Communication

**88% of our staff feel that they get empathy and support from their managers and supervisors when needed.<sup>6</sup>**

Effective and transparent communication is at the heart of our culture, and we take pride in the many ways that we share information and updates across the Group. Face-to-face communication is a huge focus for us as a company. Our senior managers promote open-plan workplaces and demonstrate the importance of constant communication and interaction across teams and departments. Staff are encouraged to break down barriers and build a collaborative environment with teamwork at its core. In the following paragraphs we outline some of our most important channels and communication initiatives.

**Quick Fact**  
In 2019 the Communications department consulted with over 2,000 staff members through various face-to-face forums.

## Employee Consultation Group (ECG)

Whilst we have always had an open culture and encouraged feedback from staff to anyone from our leadership team, we decided to formalise this at the start of 2019 and launched the Employee Consultation Group (ECG). The ECG promotes employees as key stakeholders and acts as a platform for two-way communication between Admiral Group Board

and the employees of its UK businesses. In 2019, the ECG met quarterly and topics for review included holiday entitlement, flexible working and pension contributions. These have been allocated as tasks across working groups within People Services. Through a series of 360 interactions, employees can be confident that their views and opinions are discussed at the most senior level.



<sup>6</sup>Group-wide results in the 2019 Great Place to Work Survey

## Performance Reviews

All members of staff receive a formal annual performance review from their immediate manager, often these will take place over a coffee or meal. These reviews are designed to reflect upon performance in the previous year, integrate rounded and informed development feedback, and set objectives for the year ahead. The appraisal is a two-way process in which staff members can openly discuss topics with their manager. 360-degree evaluations are also used across the company for managers. This is at the heart of our belief that managers are here to support their employees.

## Staff Annual General Meeting

Each year, all UK-based staff are invited to attend the Staff General Meeting (SGM)

in the UK. Since 1998, the gathering has been designed to provide lively and engaging presentations about company performance and forward-looking business plans. Our senior managers address everyone, including our offices around the globe, via a live streaming link. Our SGM is informative, fun, and extremely important to us in terms of communicating the same message directly to all staff on the same day. We find this to be a powerful and effective way to promote a renewed sense of pride in Admiral each year.

## Atlas

Our biggest communication tool is Atlas, our intranet. This social media style platform has been designed to encourage

### Quick Fact

Christina's videos were watched 4538 times in 2019.

constant interaction, allowing senior managers to speak to staff via topical news stories and video messages.

One of the most popular features on Atlas is a series of videos filmed by Cristina Nestares, UK Insurance CEO, who chats to employees about their roles, their challenges and milestones. Atlas also provides a way to share frequent business updates within the Group. David Stevens our Group CEO, Geraint Jones our Group CFO, Milena Mondini our Head of UK and European Insurance, and Alistair Hargreaves, our UK Insurance COO, take turns to update our staff on global business performance and operational milestones.

## Friendly Forums

Each month, we host between four and six Friendly Forums across Cardiff, Swansea and Newport. Attendees are typically made up of twelve members of staff from

different departments and one senior manager, with the meeting facilitated by the Communications team. Each forum lasts an hour and staff attending can raise any topic they want to discuss. The informal atmosphere provides a comfortable way for staff to meet others from across the business, discuss any relevant issues in a relaxed atmosphere and enjoy some tea and coffee.

### Quick Fact

We held 39 Friendly Forums with 367 attendees in 2019.



People from **53** different nationalities work in our UK offices



**6%** of our employees identify as BAME



There are **17** different religions or belief systems followed across our UK based offices



**40%** of Admiral Group Board are women



**9%** of our employees identify as LGB+



Just under **3%** of employees consider themselves to have a disability or long-term condition

## The Four Pillars: Equality

**96% of our staff believe that people at work are treated fairly regardless of their race or ethnic origin.<sup>7</sup>**

We work to promote a sense of fairness at Admiral. No matter where you are from or what you do, everyone is given the same opportunity, including the same base plan share scheme for full-time employees. Our staff represent different genders, sexual orientations, ethnicities, and abilities, and we are always working towards improved representation throughout our business. Our Group CEO, David Stevens, takes pride in meeting with every new starter to discuss our history and company values. He also presents everyone with a piece of jigsaw

puzzle - this symbolic gesture serves to remind people that to complete the picture you need all the parts, and every part has an important role to play.


### 2019 Diversity Report Findings

We have a Diversity and Inclusion Working Group to ensure that we recruit, develop and keep a diverse workforce, including working groups for LGB+, gender, age, ethnicity, social mobility and disability.

We also work with Autism Spectrum Connections Cymru (ASCC) by providing a business partner to help find employment opportunities, work experience and placements with Welsh anchor companies as well as offering placements for people with Autism at Admiral.

<sup>7</sup>Group-wide results in the 2019 Great Place to Work Survey

The data in the 2019 report was taken from answers to inclusion and equality questions posed on the employee self-service portal. The response rate for these questions was 69% on average, with a further 4% of people selecting an answer preferring not to say.



Admiral has also signed up to the Women in Finance Charter, the Social Mobility Charter, The Race to Work Charter, and is working with organisations including Business in the Community, The Social Mobility Foundation, and Disability First in order to learn from others and support best practice.

Further information on the work and activities of our Diversity and Inclusion working groups can be found in the 2019 Diversity Report, which is available on our corporate website.

### Parental Leave

To help our staff attain a work life balance as new parents, our family friendly policies allow mothers, fathers, partners and adopters to spend cherished time at home with their new family, so that when they return to work they can thrive and flourish. If both parents work for the Group, then our full pay benefit can be split and shared.

Gender Pay Gap	2019	2018
Women's hourly rate lower (mean)	12.87%	12.88%
Women's hourly rate lower (median)	4.49%	3.60%
Pay Quartiles (M/F)	Gender Split	Gender Split
Top quartile split %	62/38	61/39
Upper middle split %	48/52	48/52
Lower middle split %	45/55	44/56
Lower quartile split %	47/53	47/53
Pay Quartiles (M/F)	2019	2018
Women's bonus pay lower (mean)	28.55%	28.08%
Women's bonus pay lower (median)	29.71%	24.93%
Men receiving bonus pay	91.5%	89.46%
Women receiving bonus pay	90.9%	87.71%

### Admiral Group Gender Split:

Total Headcount	% Male	% Female
11,223	49	51

### Gender Pay Gap

The gender pay gap figures show that the median pay gap has widened from 3.6% to 4.5% in 2019. Improvements have been made to the recruitment process and to flexible working and parental leave to help improve the female talent pipeline. Such measures do not have an immediate impact on the overall balance however, and take time to work through. It can be noted that our gap is relatively small compared to others in the Insurance and Financial Services sector. The overall median pay gap for the UK is 8.9% but in the Financial Services Industry it stands at 23%<sup>8</sup>

For more information on Board gender distribution and remuneration, please see our 2019 Annual Report.

<sup>8</sup>According to the latest Women in Finance Charter reports.



## The Four Pillars: Reward & Recognition

We firmly believe that a job well done should be appropriately rewarded, be it with a departmental awards ceremony, the award of additional shares, or even just a simple ‘thank you’. Without the hard work and dedication of our staff, we wouldn’t be where we are today. At the heart of our Reward and Recognition pillar is our performance-related pay structure and share ownership scheme. Our focus is to reward and recognise our employees for their own progress and accomplishments, as well as the overall performance of the Group.

### Share Scheme

All staff who have been fully employed for one year receive the same number of shares (pro-rated for part time staff) through our Approved

Free Share Plan (SIP). Some management staff additionally receive shares through a DFSS bonus, a scheme that links awards, to dividends paid, to shareholders. More detail surrounding the SIP and the DFSS scheme can be found in the Remuneration report of the 2019 Annual Report.

In addition to our share scheme, we have many initiatives to show appreciation to our staff for the hard work they put in every day. These range from prestigious company awards to individual peer-to-peer recognition schemes. They all work in harmony to ensure

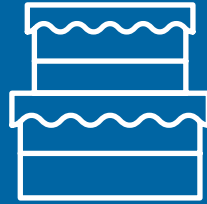
our staff feel appreciated and recognised by the company, and by their peers.

### Managers Awards

An example of this can be seen with our Managers Awards. In 1993, executives and senior managers created a set of awards reflecting the skills and qualities that they valued. Today, there are 20 awards in total, ranging from the Stuart Clarke “Details Make a Difference” award to Lorna Connelly’s “Rebel with a cause” award. These awards embody the Admiral culture and carry a great deal of prestige.

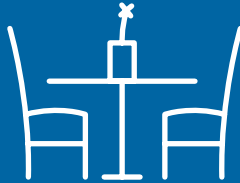


5  
Years



In 2019, 330 staff celebrated their 5-year anniversary at a ceremony with afternoon tea

10  
Years



222 staff celebrated their 10-year anniversary with a nice lunch with senior managers and the afternoon off

15  
Years



108 staff celebrated their 15-year anniversary with a three-course lunch with Welsh rugby legend Scott Quinnell

### Big Ideas

To promote our dedication to innovation, 'Big Ideas' is a scheme that encourages staff to think outside the box and share their thoughts on how to continually improve - for our customers, for our people and for our share price. In return for their thoughts, staff are rewarded and recognised accordingly.

All Big Ideas suggestions are reviewed by an internal expert and rated on a star system. Periodically our Head of Support, Brian Martin, reviews the selection of 5-star ideas and selects one recommendation as the winning idea. This idea wins a cash prize and the employee also benefits from company-wide recognition.



### Just because...

The extra little things count, most departments have staff member of the year awards, and other non-financial rewards include early finishes, chocolate, vouchers and much more.

## The Four Pillars: Fun

**88% of our staff feel that they have a 'family' or 'team' in the workplace.<sup>9</sup>**

Our philosophy is that people who like what they do, do it better, and that happy staff are key to our business' success. Whilst we work hard with a strong business ethic, we also pride ourselves on the relaxed, fun, and informal atmosphere at Admiral. Our offices are intentionally open plan, brightly decorated, and distinctive. We celebrate as many events and occasions as possible to build strong relationships between colleagues and to improve morale all round.

These core principles work together to create an environment where people

look forward to coming to work, celebrate being who they are, and where they feel happy and supported to give that little bit extra. We truly believe that happy staff leads to happy customers and the way we treat our staff is integral to our success as a business.

To enhance and promote this aspect of our culture, we task all team managers to contribute to, and support our own 'Ministry of Fun,' a light-hearted platform that

has evolved and grown with Admiral over the last two decades. The Ministry of Fun extends across all Admiral sites and encompasses every team. Each month of the year, different departments across the business take the lead to implement fresh and interesting ways for team members to engage with peers and colleagues.



<sup>9</sup>Group-wide results in the 2019 Great Place to Work Survey



96

ILM qualifications received by employees in 2019

209,408

online courses completed

979

classroom sessions delivered

3256

books purchased via David's Buy a Book scheme in 2019

## Training and Development

As a business we recognise that our future success relies on our ability to develop and retain our people. Training and Development is an important part of Admiral's culture, and we ensure that our people are able to develop themselves from the moment they join the company and throughout their career with us.

### Induction Training

When a new colleague joins Admiral, they are given a comprehensive induction period that covers core topics, such as compliance and data protection, in addition to material that is tailored to their role. For example, the New Business induction programme typically lasts 10 weeks. This comprehensive training programme ensures that our people have the knowledge and confidence to take their first calls from customers.

### Admiral Academy

Admiral Academy is Admiral's central training team and offers support, learning opportunities, and career advice to all employees. We have a team of over 100 learning and development professionals and trainers across the Group, with

the skills necessary to support the needs of our business and our people. The Academy understands that our people possess unique development needs and the Academy offers a prospectus of training programs and standalone courses to help meet these needs.

### Learning and Development Conference 2019

In November, the Admiral Academy hosted their 5th International Learning and Development Conference. Over 150 training professionals came together from all corners of the business to collaborate, share best practice, network, and most importantly celebrate success.

The day kicked off with a performance by the Admiral Inspire Choir and an opening speech from senior managers. Group CEO, David Stevens, also recorded a personal thank you message to attendees for their efforts in winning the L&D Award at the Best Big Companies to Work for Awards this year.

## Institute of Leadership and Management

The Admiral Academy is an accredited Institute of Leadership and Management (ILM) centre, which provides nationally recognised management qualifications to employees, and delivers ILM qualifications at levels 2, 3, 5 and 7. The programme Admiral Academy has developed with the ILM means that from the outset of their career with Admiral, staff can pursue a professional qualification that complements their professional development. Delivering the ILM qualification in-house means that the courses are aligned with our objectives and culture. In 2019, 96 employees gained ILM qualifications through the Academy.

## iLearn

In addition to the Admiral Academy, we have an online training and development platform called iLearn, which hosts a range of online courses, including mandatory training and a range of optional personal development courses. Our catalogue includes over 670 courses and is growing. During 2019, our staff completed 209,408 online courses. As well as the above, iLearn also hosts non-work-related training such as mindfulness videos from our in-house ministry of health. This year we also launched a 'learning playlists', to allow experts to share learning from anywhere on the internet.

### Quick Fact

The most frequently ordered book in 2019 was *The Chimp Paradox* by Professor Steven Peters, with over 180 copies ordered!

## Talent Bank

Our Talent Bank allows employees to search for colleagues with different skills, which can provide our people an opportunity to add value to the business and get involved beyond their day-to-day job. In addition to work-related skills, this also includes personal skills such as sports, languages or playing instruments. The Talent Bank currently has over 1,450 registered users.

## David's Buy a Book Scheme

David's Buy a Book Scheme allows staff to purchase books for their personal development. On average we order around 300 books per month. This year we have also held a 'book amnesty' encouraging people to return books they no longer want, creating a library on each site.

## Neurodiversity Training

Admiral is proud to be a diverse workplace and is always looking at the ways in which we support our people to help them succeed. In 2019 the Admiral Academy introduced training around dyslexia and more. The focus of the training is to increase awareness, challenge perceptions, and highlight examples of support or adjustments that may benefit individuals.

In 2019, 159 managers from around the business, including trainers, coaches and operations managers, completed neurodiversity training. An additional 126 employees in non-management positions were trained on a condensed course on how to enable a safe space for individuals to ask questions about their own experiences or that of family, children, or partners. The Academy have received positive feedback, and training will be delivered to more staff members in 2020.

## Management Training

**We have a number of initiatives in place to support our managers throughout the business.**

### Talent Development Plans

These plans have been developed to ensure that talent within our customer-facing departments is nurtured, and that we can provide the company with highly skilled managers. The Talent Development Plans are split into three levels; bronze, silver and gold. The bronze level is for Customer Contact Representatives, the silver for Senior Customer Contact Representatives and the gold for Team Managers.

### Graduate Scheme

We have a graduate scheme in place to ensure that we bring new talent into the business. The scheme offers two routes – core and analyst. On both schemes the graduates undertake a number of placements in different areas of the business where talent is needed, before securing a full-time role. We also have a partnership with the Welsh Data Science and Welsh Financial Services Graduate Programmes, offering work placements to students on these schemes as well.

### Management Performance Programme

All people managers within Admiral complete the Managing Performance Programme. This programme consists of online courses, classroom sessions and practical on-the-job training,

completed with the support of a mentor. It aims to equip participants with the core skills necessary to thrive as people managers within the business.

### Role-Specific Training

Some departments offer additional bespoke training to enhance the development of management. One example of this is the Claims-specific Manager Induction Programme, which delivers a series of 10 modules over the course of a

week to participants. These modules are delivered by senior managers within the department, including the Head of Claims. In 2019, the Claims Manager Induction Programme was arranged for 5 inductions, and 46 managers within Claims felt the benefit of attending the programme. This programme will be rolled out to more members of staff in 2020.



## Senior Management Training

The Admiral Leadership Development Programme was launched in May 2019 in partnership with Cardiff Metropolitan University and aims to develop the next generation of Admiral leaders. The programme enables participants to develop a unique set of business and

interpersonal skills, which they are able to apply to their roles within Admiral. The 2019 cohort consisted of twenty participants and was delivered in a series of seven two-day workshops on topics such as leadership, communication and strategic planning amongst others.

## Professional Qualification Sponsorship

We encourage our staff to study for qualifications that are relevant to their role. Anyone employed by Admiral on a full-time or part-time basis and that has passed their probationary period can apply for educational sponsorship, regardless of their level within the organisation. Staff have utilised this to complete a wide range of qualifications, including accountancy and marketing qualifications.

### Professional and Higher Education Sponsorship

Daniel Kennedy is one of our employees who has benefitted from educational sponsorship to undertake an MBA at Cardiff University. He had this to say about his experience:

“Admiral agreed to fund an Executive MBA at Cardiff University, which I started in September 2017. Having worked in Admiral for over ten years – I hoped that attending the program would broaden my understanding of business which would allow me to increase my skill set to benefit both myself and the company.

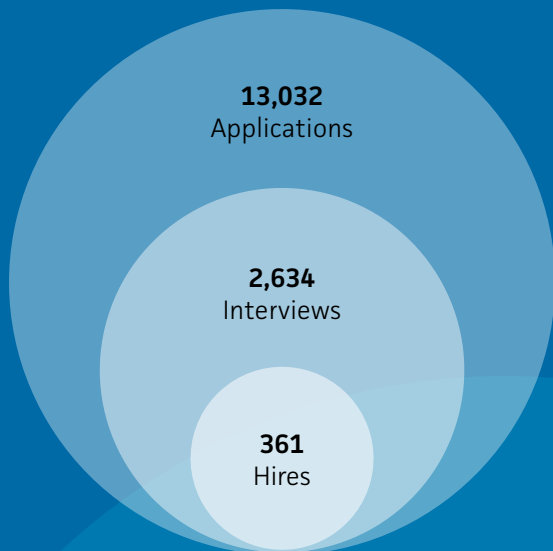
After completing twelve modules on topics ranging from Sustainable Business to Corporate Finance, I’m currently completing the final assessment – a 30,000-word dissertation.

Overall, the course has been hugely beneficial – and I’m hopeful that my dissertation will prove useful to the business once complete”.

## Operational Roles



## Support Roles



## Combined Figures<sup>10</sup>



## Recruitment

We approach recruitment as a two-way process – we aim to make Admiral an attractive opportunity for prospective applicants, and we are committed to developing and retaining our employees in line with our company culture.

Our centralised recruitment team within our People Services (HR) department work in partnership with our managers throughout the selection process and strive to word all job advertisements in an open and inclusive way. Admiral’s recruitment approach is different because it does not necessarily look for people from certain backgrounds, or for those with experience. We look for the right attitude and customer service ethic and believe that we can teach people the rest.

Our culture has always been based on teamwork, empathy, and communication. We look for people who want to pitch in, make a difference, and take responsibility. We aim to keep our application process as smooth as possible and look to accommodate the needs and requirements of candidates.



<sup>10</sup>Figures for UK offices only



## Work-life Balance

**85% of our staff believe that we take an active interest in their health and wellbeing.<sup>11</sup>**

When Admiral was set up, one of our founder, Henry Engelhardt's, core aims was to create a company that offered staff a good work-life balance. Twenty-seven years later his wish remains as important as ever. A balanced approach is fundamental to our culture, and ensures that people have a healthy living and a work-life balance. We genuinely believe that if we offer our people flexibility, we can create a happier and more effective workforce.

Examples of flexibility initiatives on offer include working from home, part-time hours, compressed hours, job sharing, and 'My Time,' a scheme that allows our people to take an additional three days of unpaid leave each

year if they choose to. We offer maternity and paternity provisions that go above the statutory requirement. We also offer time off to care for dependants and compassionate leave career breaks. We encourage our people to attend routine medical appointments and offer four hours of paid leave to travel to, and attend, breast screenings, prostate screenings, and smear tests.

Additionally, our People Services department run a dedicated Ministry of Health (MOH), tasked with maintaining and promoting a high quality of health in the workplace. Popular MOH initiatives include; an occupational health service, free gym facilities, and supplying free fresh fruit to both UK sites and international operations every day.

### Emotional Resilience Training

One of our Academy trainers worked in partnership with Swansea University to create an emotional resilience training programme that is tailored to our business and culture. The course has been designed to equip staff with a range of techniques to help them promote emotional resilience both within work and their personal lives. 291 staff members completed the training in 2019, and the course will be rolled out further in 2020.

In 2019 we reviewed our Mental Health Strategy, and appointed Charlotte Bennett, Chair of Admiral's Diversity and Inclusion Forum, as our 'Healthy Heads Ambassador'.

<sup>11</sup>Group-wide results in the 2019 Great Place to Work Survey

# Our Community

When asked, 85% of our people feel good about the ways in which we contribute to our community.<sup>12</sup>

Giving back to our communities is an important part of our culture and translates into the initiatives we take to drive positive impact for those in need. Whether through fundraising, community outreach, or sponsorships, we aim to actively engage with the communities around us and bring meaningful impact.

## A Global Fundraising Community

In Cardiff, Admiral's newest graduates cohort were introduced to the Wallich, who highlighted the work that the charity does to help alleviate homelessness in Wales. The Graduates were challenged to

raise funds, and awareness for the Wallich. To achieve this they hosted events, and completed personal challenges, raising over £25,000 in the process.

In our French operations, staff participated in a telethon to support children affected by rare diseases. They also held green workshops where the profits were donated to the Association Against Breast Cancer, and organised clothes sales supporting people living in poverty.

In Spain, Admiral Seguros supported five charities through a series of community and charitable activities.

One example of this is their collaboration with Pulseras Rosas (Pink Bracelets), an association supporting cancer patients and their families throughout their treatment period.

In Italy, ConTe's dedicated charities for 2019 were La Casa di Andrea and La Grande Casa di Peter Pan, two children's hospices. Through ConTe's support these two hospices were able to undergo various renovations and provide a better environment for the children.

<sup>12</sup>Group-wide results in the 2019 Great Place to Work Survey

Overall, these are just a few of the initiatives from across the Group and reflect a small part of the work our staff does for their communities. Fundraising is actively encouraged throughout the business and the wide range of initiatives we see happening every year across the globe are a testament to the support they bring.



### Community Chest

The Admiral Community Chest is a fund set up by the Company to provide financial support to staff directly involved with local charities and organisations and the scheme has been running since 1998. We have been able to contribute to around 350 applications a year to different charities and organisations. What may be a small sum to many can have a huge impact on small community projects, and encourages staff involvement in the community. The budget in 2019 was £130,000 and has gone towards helping many staff and their families.



### Ministry of Giving

In 2018, Admiral committed £400,000 to fund four charity projects in South Wales over 2019 & 2020. The charities were chosen following an employee vote for the types of causes most important to them. These were brightening the lives of children with life limiting illnesses (Wooden spoon); supporting cancer care facilities and charities (Maggie's); improving the lives of vulnerable elderly people (Royal Voluntary Service) and supporting young people at risk of homelessness (Llamau).

#### 2019 Progress

Llamau opened a much needed Learning 4 Life project in Newport and with our support they were able to employ a full-time tutor to deliver training.

Maggie's newly funded psychologist based in Swansea has seen over 300 people in the first months of 2019 and facilitates several network support groups for specific cancers.

A full-time Royal Voluntary Service Community Engagement and Development Worker has been recruited and has been able to make great progress in establishing volunteer-led social groups for local older people in Swansea, Cardiff and Newport.

Throughout the year we've continued to work with Wooden Spoon to find projects in south Wales to help brighten the lives of children with life limiting illnesses, such as gardens and sensory rooms.

## Promoting Employability in our Communities

At the heart of our growth are our talented people, many of whom are from the local communities we operate in. As such we feel a strong sense of responsibility to give back to our communities through various outreach programs, aimed at promoting employability and career development.

We have partnerships with a number of learning and development organisations within Wales, such as Cardiff and Vale College who have delivered a series of apprenticeship and development schemes over the last few years. We have also partnered with the Welsh Assembly and host an annual continuous learning event for their learning and development professionals. In 2020, we will host another event focusing

on the theme of resilience and wellbeing in the workforce.

We have signed a pledge with Cardiff Commitment to help young people from various social backgrounds enter employment. This involves initiatives such as visiting schools within Cardiff and providing employability talks. In 2019 we visited 9 schools and spoke to over 400 children aged between 7 and 12.

Many of our employees work in partnership with 'One Million Mentors, an independent charity working to connect mentors with young people. They act as mentors to help increase youth employability, support social action, and help break down barriers.



### Festival of Sport

In 2019 we continued our 15-year relationship with the Festival of Sport; a sports and activity event hosted by Neath Port Talbot Council for children with disabilities. Over 200 Admiral employees volunteered and were on hand to help and provide support to various activities including cycling, rock climbing, canoeing, rugby and archery.

### Pride Cymru

Admiral has a longstanding partnership with Pride Cymru, in 2019 we celebrated our diversity by headline sponsoring Pride Cymru's Big Weekend. Wales' largest annual celebration of LGB+ equality and diversity. As part of our sponsorship, over 50 members of staff, along with their partners, family and friends, took part in the Pride Cymru parade through Cardiff city centre. Our Inspire Choir also joined the parade before performing on the main stage of the event.

## Promoting Diversity & Inclusion

Alongside providing financial support to charities and improving employability skills in our communities, important to our business and many of our staff is the impact Admiral can have on promoting better diversity & inclusion.

In Spain Admiral Seguros supports Red Acoge, an association working to promote the rights of immigrants, equal opportunities and socio-labour integration. In 2019, Admiral Seguros was recognized by Red Acoge for their corporate commitment to diversity, inclusion and equal treatment, ranking as one of Red Acoge's top ten companies with both internal and external initiatives in place to promote diversity and inclusion.

## Corporate Sponsorship

Admiral is also very proactive in partnering with corporate sponsors. With our headquarters in Cardiff, a rugby nation, Admiral is thrilled to sponsor the Welsh Rugby Union as a motivational and engagement tool for staff, and a way to give back to the wider community in which we are based. The 'Admiral way' is not to secure excessive branding, marketing or advertising. Our sponsored partnerships are selected to offer 'money can't buy' experiences for our staff, to help us show our appreciation for all their hard work as well as providing support to local organisations. In 2019, We also sponsored a number of events and organisations in South Wales including the ice rink at Cardiff's Winter Wonderland, and Chapter Arts Centre.

# Our Environment

As the Group continues to grow it is increasingly important to manage our impact on the environment. Working hard to ensure we continue to build a sustainable future for all.

## Climate Change

Admiral acknowledges the reality of climate change and the growing risks that our society faces if we do not play our role in mitigating our impact on the environment. We recognize the risks of inaction and the impact on our customers, employees, shareholders, our communities and more.

This year, a Climate Change-Related Risks Project (CCRR Project) has been initiated, with monthly steering meetings, to understand current and potential future risks arising from climate-related change, disclosure

and reporting requirements (as compared to current practices), and to determine how to incorporate climate-related risks into our risk management processes.

The effects of climate change will be felt by different parts of the business, and over different time frames. These are viewed as emerging risks with the largest impacts expected across non-life premium (pricing) risk, reinsurance risk, and strategic risk. Other risks and opportunities have been considered, and their impacts assessed. Physical risks will impact many lines of business, including motor, household and travel. Transition risks,

however, may have the bigger impact in the short-to medium term, especially in a 1.5c or 2c scenario. Some climate change-related physical risks were modelled as part of the 2019 General Insurance Stress Tests, using both internal modelling as well as expertise provided by CAT model providers. Some transition risks were highlighted in Admiral's Group Strategy Review, completed in 2019, and follow-on projects are ongoing to ensure that climate change is factored into decision making processes.

For more information on climate impact to the business please see our 2019 Annual Report.

## Environmental impact

### 85% of our staff believe we are working to reduce our environmental impact<sup>13</sup>

As a global business with operations in multiple countries, a key impact we have on the environment is in the carbon emissions we produce.

In order to help reduce our emissions we have developed a new 2019 Environmental Policy of which one of the primary goals is to better measure, record and reduce our Greenhouse Gas emissions. Our Environmental Policy is aligned with our vision for sustainable growth and our focus on profitability, as outlined by our Group business model and strategy in our 2019 Annual Report. By monitoring and reporting on our annual carbon emissions, we can identify

areas of the business where energy usage could be reduced, leading to the potential for cost-savings. Focusing on our environmental impact, in 2019, our approach remains to avoid emitting carbon emissions in the first place. This includes a focus on purchasing electricity from 100% green sources where we have operational control, and minimising our impact in places where emissions are still unavoidable in our day-to-day operations.

Between 2018 and 2019, the overall group CO<sub>2</sub>e emissions decreased by 5%. All operations (with the exception of our French and Spanish offices) showed a decrease in their emissions output. This is a positive improvement following from our increase between 2017 and 2018, which was largely attributed to our continued growth as well as

improved reporting which gives a more accurate view of our total group emissions. Our emissions per employee also continued to decrease year on year with an 8% reduction between 2018 and 2019.

## Everyday initiatives

### 100% of our UK non-recyclable waste is sent to an incinerator where it is converted into energy.

### Energy usage

Our Cardiff and Newport offices are rated BREEAM Excellent for exceeding sustainability benchmarks above regulatory requirements, with energy controls throughout our buildings to limit the use of utilities. Since 2015, all electricity purchased in the UK originates from 100% green sources. In many of our

buildings across our operations we use motion sensor lights which switch off after a short period of inactivity to reduce unnecessary electricity consumption. Solar panels have also been installed on the Cardiff and Newport offices providing direct solar powered electricity.

### Raising Awareness

We use signage to encourage recycling and energy saving in a clear and simple way, with an ongoing focus on raising awareness and encouraging engagement. In 2019, the Admiral Green Team hosted its largest annual green awareness week to date. As part of the week we hosted a range of local sustainability focused companies in our offices. Articles and hot topics were also circulated daily discussing the company's impact on the environment.

<sup>13</sup>Group-wide results in the 2019 Great Place to Work Survey

## Promoting Low Carbon Commuting

Our offices are in easily accessible locations to promote the use of public transport, and we try to include facilities that encourage cycling to work, such as showers on site and secure bike storage. Our UK offices benefit from a travel to work scheme, linked to discounts on most bicycles and safety equipment, so that our people can spread the cost of commuting and can access low carbon commuting options. Globally, staff such as those based in our Canadian office, have access to subsidised transit passes to encourage employees to use city transit instead of cars. We also work with CarShare, a company that provides sustainable transport schemes for big companies and organisations, matching people travelling from the same area to encourage car sharing.

## Reducing Plastic Consumption

We acknowledge the rising problem that single use plastics creates for society, so we have rolled out several recycling initiatives including: trialling reusable plastic water bottles in our offices, removing all single-use plastic from our Cardiff canteen, and using recycled cardboard cups at our water fountains. Our I.T. departments across several UK offices also recycle and refurbish their old hardware.

## Reducing Paper Consumption

Across our UK offices we use recycled printer paper. Our printers default to 2-sided printing to reduce paper consumption, and we encourage the re-use of paper as scrap paper. To further reduce paper usage, we give customers the option to access their policy documents online, rather than being sent them through the post.

### Sustainable Paper Trial

In 2019 we partnered with envopAP to trial a new kind of recycled paper. Using paper created through a reclaimed waste product called bagasse, envopAP uses by-products from existing indian sugarcane farming practices which helps to reduce both air pollution and deforestation in local communities.



Type of Emission	Total CO <sub>2</sub> e (tonne)		Movement Total
	2019	2018	
<b>Scope 1</b>			
Company Van	4	-	4
Gas	491	503	-12
Air conditioning/refrigeration			
<b>Total</b>	<b>495</b>	<b>503</b>	<b>-8</b>
<b>Scope 2</b>			
Purchased electricity	1649	1717	-68
<b>Total</b>	<b>1649</b>	<b>1717</b>	<b>-68</b>
<b>Significant Scope 3</b>			
T & D Electricity	31	35	-
<b>Employee Business Travel</b>			
Domestic flight, average class	27	12	15
Short-haul int. Flight, average passenger	144	171	-27
Flights: Long Haul Average Passenger	1010	939	70
Average car diesel	177	200	-23
Regular Taxi	0	0	0
National rail	147	155	-8
International rail	-	-	-
Light rail and tram	-	-	-
London Underground	-	-	-
<b>Waste</b>			
Mix Recycling	2	2	1
Paper and board: board	0	14	-14
Paper and board: paper	3	17	-14
EfW	5	0	5
Landfill	0	28	-28
<b>Water</b>			
Water supply	10	44	-34
Water Treatment	20	90	-70
<b>Total</b>	<b>1576</b>	<b>1706</b>	<b>-130</b>
<b>Combined Total</b>	<b>3720</b>	<b>3926</b>	<b>-205</b>

## Methodology

The reporting process is centralised at our UK head office, and our international businesses send their data to the team regularly. This way, our people can be engaged in recording and monitoring their environmental impact and we hope that this will encourage each of our sites to make continual improvements.

### Measuring and Reporting

We follow UK government guidance on how to measure and report greenhouse gas emissions. In particular, the data has been prepared with reference to the WRI/WBCSD Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition) and in accordance with the guidance for corporate reporting issued by DEFRA.

Admiral's three largest UK offices meet the GHG Protocol Corporate Standard and, therefore, Admiral is exempt from reporting greenhouse gas emissions from electricity supply, which is in accordance with GHG Protocol Scope 2 guidance released 20th Jan 2015.

We have a cross functional team in place to monitor and report on our annual greenhouse gas emissions, including employees from our Finance and Facilities departments. We've never been subject to prosecution or fines as a result of non-compliance with environmental reporting regulations.

### Greenhouse gases

All GHG emissions figures are in tonnes of carbon dioxide equivalents (CO<sub>2</sub>e) and include all six GHGs covered by the Kyoto Protocol.

CO<sub>2</sub>e per Employee: 0.36 tonnes (2018: 0.39 tonnes)<sup>14</sup>

<sup>14</sup>Average employee number excludes employees from offices for which data could not be collected.

### Organisational boundary

We have chosen to use the operational control approach because we maintain the ability to direct the operating policies of each of our organisations, with a view to achieving economic benefits. Specifically excluded from the organisational boundary is our outsourced contact centre in Bangalore, India, which we do not have control over.

### Operational scopes

All Scope 1 (direct GHG emissions), Scope 2 (indirect GHG emissions) and significant Scope 3 emissions have been reported for operations

CO2e (Ton)	2019	2018
UK	2435	2483
Spain	171	134
US	162	169
India	354	384
France	18	2
Halifax	277	339
Italy	303	389
<b>Total</b>	<b>3720</b>	<b>3926</b>

within the organisational boundary, with the exception of exclusions listed below. Where appropriate, emissions from multi-occupancy offices are determined on the basis of the recharge statement provided to the Group by the relevant managing agents.

### Exclusions to operational scopes

Excluded from our Scope 1 emissions are air conditioning emissions produced by all of our operations. We are continuing to work with the managing agents to obtain this data, however, it is likely we will continue to exclude this from reporting for the foreseeable future. due to difficulty in obtaining accurate, timely information.

Elephant, in the USA, AECS in Spain and LeLynx in France have been unable to provide data for 2019 but their impact is small and immaterial on our full group reported figures. As part of our focus on improved

data collection we will work to include these in the future.

### Operational scopes – calculation approach, conversion tools and emission factors

The carbon emissions linked to the activities listed above have been determined on the basis of measured or estimated energy and fuel use, multiplied by relevant carbon conversion factors. The large majority of our fuel and energy consumption is based on actual mileage data, purchase invoices and information supplied by the managing agents of our leased buildings. However, it has been necessary to make estimations in some circumstances, where this form of evidence has not been available. In particular, we have made estimations when monthly invoices have not been available for the full reporting period. Where this was the case, an average of available invoices was applied to the months for which invoices were



unavailable. This process of estimation represents less than 10% of data.

We have calculated emissions using the 2019 carbon conversion factors downloaded from the DEFRA website, which are valid until 2020. Overseas electricity conversion factors have been taken from IEA online data service and are valid for the 2019 reporting year.

### Green tariffs

All of the electricity tariffs we control in the UK use energy from green sources. Our current green electricity tariffs have been renewed in 2019. Our international offices either select their own tariffs or use those selected by the managing agents of the buildings they reside within. However, international procurement is not yet centralised at our UK head

office hence there is no record of the number of international sites using green tariffs.

### Assurance Statement

We have not received external assurance of our carbon emissions data for the 2019 reporting year. However, as a Group we have completed an internal peer review to assess the reasonableness, accuracy and completeness of the data presented. This included: recalculation of formulae, checking conversion factors applied, agreement of data to detailed breakdowns and sample checks to source data. The process did not highlight any uncorrected deficiencies in the reported data.

As part of our ESG focus in 2020 and improved environmental management, we are currently looking to receive external assurance for our carbon emissions data.



# Data Protection & Information Security

Our dynamic team of data protection and information security professionals work to support the business' global pursuit of privacy-conscious innovation.

Data plays a critical role in everything we do, from accurate pricing and fraud prevention, to renewal reminders and customer support. We understand our responsibility to ensure a firm and uncompromising approach to data security. Our Privacy Policy explains in detail how and why we collect data, our security measures, and how to exercise data subject requests. This is available on our website, along with our cookie policy.

Data is a crucial part of the Group's operations; each entity interacts with it in its own, unique way and we are

always striving to maximise the potential of our data. However, Admiral is aware of its responsibilities when processing personal data and takes the protection of our customers' and employee's data very seriously. Regular reporting between streamlined risk committees across all sites, with engaged stakeholders at every level, underpins a proactive and effective approach to privacy and security. Admiral has also acquired Bronze member status from the International Association of Privacy Professionals and many of our UK-based data protection

team members are certified with a wide range of industry qualifications.

We are always scanning the horizon for the next development or challenge, ensuring we are best prepared to meet the ever-increasing requirements and expectations of both our regulators and those who provide us with their data.

Our employees are at the heart of what we do as a business, and we make sure that they have the right tools to work effectively. We firmly believe in the adage that 'fore-warned

is forearmed', and we provide regular, detailed training to all staff – including contractors – throughout the year and tailor it by role to ensure we are communicating our messages in the most effective way.

## Information Security

Admiral aims to protect its assets, including its financial, business, customer and employee data, by implementing the necessary technological, procedural, and organisational measures to withstand a cyber-attack, while fulfilling all applicable contractual, regulatory, and legal obligations. Admiral's Board of Directors has delegated the accountability for cyber security throughout the organisation to its Chief Information Security Officer (CISO). The CISO is Head of the Information Security Team who is assigned the ongoing responsibility for driving

improvements to cyber security throughout the organisation, as well as monitoring and reporting on cyber risk.

The implementation of, and compliance with, cyber security measures is the responsibility of all Admiral employees. We have a Group Information Security Policy in place to ensure that all employees understand their responsibilities when it comes to information security. This policy is reviewed and re-approved annually by Group Board, or when material changes occur. We also provide all employees – including contractors – with information security training three times a year. The training covers a variety of topics, which include password complexity, tailgating, risks of USB devices, data classification, suspicious emails, and phishing. In addition to this, there is targeted training for high risk users, as well as regular simulated phishing campaigns.

We have a number of measures in place to reduce our cyber security risk. Admiral is audited annually by external auditors and audit reports are reviewed by the Audit Committee. Information security risk assessments are carried out regularly by the Information Security Team. Results are provided to senior management and form part of Admiral's enterprise risk management system. Furthermore, all new technology initiatives are subject to risk assessment and associated control deployment prior to launch. Admiral has adopted, and operates in accordance with, the NIST Cyber Security Framework.

# Our Policies

At Admiral Group, we are committed to grow while embedding sustainability in the way we do business. The purpose of our policies is to communicate our expectations of employees at Admiral Group level and to provide clarity to the reader when dealing with accountability issues or activities that are of critical importance to the company. We have a number of Group policies relating to Corporate Social Responsibility, including:

## Responsible Investment Policy

Admiral has fully integrated a Responsible Investment Policy which is applicable to all investments. The purpose of the Policy is to mitigate Environmental Social and Governance (ESG) related risks and achieve more sustainable

long-term returns. In particular the Policy requires ESG considerations to be integrated in each step of investment decision-making and Admiral has set requirements for its asset managers to be signatories to the Principles for Responsible Investment (PRI).

Admiral will also monitor the ESG-risks of our investments carefully and for impact investments, monitor the social impact target. Green bonds are specified as an allowable asset class within the Policy, and this has led to investment as a result. The ultimate investment decision is delegated to Admiral's asset managers, who invest based on investment rationale and the green characteristics of the potential investment. Through time, monitoring and analysis

of underlying securities may lead to disinvestment if an investment does not satisfy our ESG requirements. The Responsible Investment Policy may evolve as opportunities arise and responsible investment practices develop. Compliance with our Policy is monitored by the Investment Committee who have incorporated ESG into regular reporting and their committee meeting cycle.

## Anti-Bribery Policy

We recognise that market practice can vary across the territories in which we operate and that what is acceptable in one may not be the case in another. This policy prohibits any inducement which results in a personal gain or advantage to the recipient or any person or body associated with them,

and which is intended to influence them to take action which may not be solely in the interests of the Group, the person, or the body employing them or whom they represent. Staff receive regular online training informing them of the Group's expectations and their responsibilities in relation to the policies.

## Modern-Slavery Act

Admiral Group, and all its subsidiaries and branches, is opposed to the exploitation of people in any way and has a zero-tolerance approach. Our policy, which explains in detail what this means to us as a business, to each of our employees, and to everyone as members of our community, can be found on our corporate website.



## Whistleblowing Policy

We take care that our staff know not to feel uncomfortable for doing the right thing. It is always acceptable to raise concerns even if it is later found to be a mistake; we prefer our staff to be vigilant. We inform employees about two different ways to report any suspected wrongdoing - both internally through designated HR channels and externally through the Financial Conduct Authority (FCA), the Prudential Regulation Authority (PRA), or the independent charity, Public Concern at Work - with the reassurance that they will be taken seriously. This policy is a core part of initial training taken during induction and is repeated regularly throughout the year.

## Procurement Policy

Procurement exposes an organisation to financial, operational, compliance, environmental, reputational

and strategic risks. Procurement also exposes individuals to potential risks. A coherent Procurement Policy, supported by appropriate procurement procedures, is essential for ensuring effective governance of these risks. The Group Procurement and Outsourcing Policy provides the framework and policy guidelines at a global level for all Admiral Group procurement activity, with the exception of the placement of reinsurance (which is governed by the Reinsurance Policy). All Admiral Group employees who engage in procurement activity are expected to enhance and protect the standing of the business, maintain the highest standard of integrity in all business relationships, promote the eradication of unethical business practice, and ensure full compliance with laws and regulations.

During a tender process, potential suppliers are required to complete a due diligence

questionnaire focusing on the following items: Financial Stability, Financial Crime, Conflict of Interest, Modern Slavery, Environmental accreditation, Information Security, Data Protection, Payment Card Industry Data Security Standard, where applicable and Customer Conduct, where applicable. The Group Procurement department work with the business to ensure third party agreements are monitored proactively to ensure that the business adheres to the Group Procurement Policy. This includes an annual review of the services and commercials and, for key and strategic suppliers, a review of the due diligence questionnaire. The Head of Group Procurement is responsible for reviewing and monitoring the effectiveness of this Group Procurement Policy. For critical or important functions, Internal Audit will review the outsourced provider, in line with their risk-based approach.

# Our Priorities For 2020

## Our Customers

### Creating processes with customers at the heart of everything we do

In 2020 our focus remains unchanged, we'll continue to put our customers at the heart of what we do and improve upon the service that we offer. Our 2020 focus continues to be:

- Continue to improve our Net Promoter Score (NPS)
- Continue to improve our digital and automation capabilities
- Continue to improve upon the products and services that we offer to customers
- Continue to ensure appropriate measures are in place to treat customers fairly

## Our People

### Building an equal and supportive workplace where our people are engaged

We believe that a happy workforce inspires employees to give that little bit extra, moving forward our focus is to:

- Continue to train and develop our people
- Continue to be a great place to work
- Commit to increase female representation at executive level to 40% by 2023
- Maintain a minimum of 33% female representation on the Admiral Group Board, and achieve this ratio on subsidiary Boards.

## Our Communities

### Giving back to the communities around us

Our communities and the role we play to drive a positive impact around us is integral to our culture, In 2020 our focus is:

- Complete our commitment to donate £400,000 to fund four charity projects in South Wales over 2019 & 2020
- Continue to engage with our community
- Continue to empower our people to give back to our local communities through initiatives such as optional charity breaks, Community Chest and volunteering opportunities.

## Our Environment

### Playing an active role in reducing the impact that we have

We continuously work to minimise our impact on the environment. Our focus moving forward will be to:

- Have our CO2e emission verified by an external third party in 2020
- Set Group-wide emission reduction targets in 2020
- Continue to explore best practice developments and mitigate our impact on the environment
- Further develop our Group Environmental policy.

