



Modern Slavery Statement 2018

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by Admiral Group Plc and other relevant group companies ('Admiral' or 'Group') during year ending 31 December 2018 to prevent modern slavery and human trafficking in its business and supply chains.

Introduction

Admiral Group published its first Modern Slavery Statement in June 2017 and has subsequently continued to develop its response to this risk.

Our approach

As reported in our previous Modern Slavery Statements, we support the aims of the Act and seek to ensure slavery and human trafficking does not feature in our business or supply chain. We run our business in a responsible manner and our employment practices provide a foundation for operations which are viewed as excellent and supportive employers. To the extent that the Group operates as a purchaser of goods or services we expect a high level of ethical conduct from those businesses with which we do business. We all have a responsibility to be alert to the risks, however small, in our business and in the wider supply chain. Employees are expected to report concerns, using the appropriate reporting channels, and management are expected to act upon them.

Our organisation and business

Admiral Group Plc is the holding company for a group of companies providing insurance and ancillary products and services. Admiral is incorporated in the UK and is listed on the UK Stock Exchange. The companies within the Group are either regulated insurance or service companies or serve a purpose ancillary to the Group's principal activities in insurance, Admiral operates from its Head Office in Cardiff in the UK and has over 10,000 employees and 6.5 million customers worldwide. Admiral operates principally in the UK but is licensed to underwrite insurance business in Europe and the United States of America. Outside the UK, Admiral owns four insurance and five price comparison businesses. The Group has offices in nine countries across the world (UK, USA, Canada, Mexico, France, Italy, Spain, Turkey and India).

Further details of Admiral's structure can be found on our website (admiralgroup.co.uk).

Our supply chain

Our supply chain is varied and includes direct (claims settlement) and indirect suppliers. We provide insurance and ancillary products and services in the UK and internationally and, in addition, use services in India and Canada to support these operations. We do not act as a manufacturer or retailer of physical goods.

[1]. This statement sets out the steps taken by Admiral Group plc, Admiral Insurance Company Limited, EUI Limited and Inspop.com 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

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Policies and contractual controls

Admiral's internal policies include our General Standards of Conduct and our Anti-Fraud and Suspicious Events Policy, Anti-Bribery Policy, Equality, Diversity and Dignity at Work Policies where we confirm we expect staff to act with honesty and integrity and comply with all relevant legislation and requirements. During 2017 Admiral introduced an Anti-Slavery Policy to advise all employees of our commitment to eliminating unethical working practices. It also provides guidance on who to contact should they spot a problem not just at work, but in their local community, Admiral worked alongside the Wales Crown Prosecution Service and several other large local businesses and organisations to ensure that the Policy and associated training to our staff is informative, factual and makes reporting responsibilities clear. All employees are aware that they should discuss any concerns initially with their line manager and then escalate to the Head of HR or HR Governance to ensure that concerns are reported and recorded appropriately. We also operate a Whistleblowing Policy, aimed principally at our employees but also available to others working in our supply chain which encourages staff to report any wrongdoing which extends to human rights violations like Modern Slavery. All reports are fully investigated by a team of Senior Managers (including heads of HR, Communications, HR Governance, Internal Fraud departments) and appropriate remedial actions are taken. A Whistleblowing log is kept and shared on a quarterly basis with the Board, with any concerns reported to our Regulators.

Our policies reflect our commitment to acting ethically and with integrity in all our business relationships, and to implementing and enforcing effective systems and controls to minimise the risk of Modern Slavery taking place in our business or related supply chain. All policies are included in our staff handbook which is available to all employees on the Company Intranet.

Risk assessment, due diligence, suppliers and supply chain

We have developed a risk assessment process to assess the likelihood of Modern Slavery occurring in our supply chain which takes into account a number of factors including geographic location, nature of goods and services being supplied, supply chain length and the use of temporary or migrant labour. The risk assessment process allows us to identify potential areas of concern within our supply chain and is reviewed annually. The annual review has not resulted in any significant change in our risk assessment.

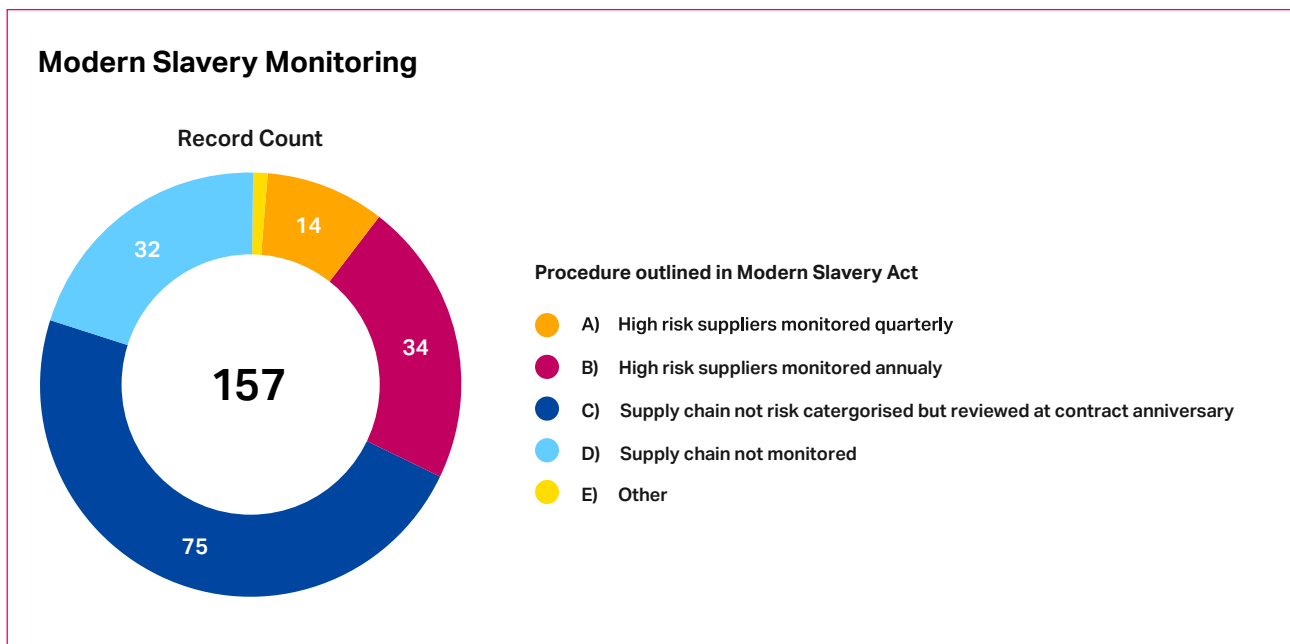
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We categorise our supply chain into 3 supplier types; this is based on the risk profile linked to the following criteria:

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

If a supplier is classed as a Key or Strategic Supplier, the supplier demonstrates a level of risk to the business and are asked to complete a due diligence questionnaire completed by the supply chain. There are currently 157 records stored in our Contract Management System. There is a continued focus to increasing our due diligence processes to ensure all Strategic and Key Suppliers complete our due diligence questionnaire (DDQ) on an annual basis. Where we capture the information, 157 suppliers have recorded no breaches in the supplier chain. One failed to provide an answer, but due to our internal review processes this was flagged and Group Procurement have confirmed the supplier has had no breaches with regards to Modern Slavery, leading to a final zero number of breaches.

Below is an overview of how our supply chain monitors Modern Slavery within their supply chain. Where a supplier has answered either C, D or failed to answer, Group Procurement investigate further by reviewing the responses from the supply chain and asking for further commentary.



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Modern Slavery training

We will continue to communicate this statement to all our staff to ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chain and our business.

In addition, during 2017 the Group introduced Modern Slavery awareness training in the form of an e-learning package as part of our compulsory induction and ongoing compliance training for all employees. There are questions to check the employee has understood the content throughout the course and instant feedback on the employees' responses is given.

This e-Learning session will be included as part of our compliance training for all employees in 2019. This will be repeated on an annual basis and will be updated with any future developments or requirements.

Classroom training for Team Managers has also been introduced and is normally delivered in tandem with an existing course on Anti-Bribery. Team Managers would then be expected to share the message with their direct line reports and identify risk areas within their specific role and responsibility within the business.

In addition, and recognising the extremely complex nature of Modern Slavery, we continue to emphasise the importance of collaboration with others and have participated in government consultations on the Modern Slavery Act. We obtain quarterly reports to monitor trends and update training accordingly.

Assessment of effectiveness in preventing Modern Slavery

We understand that Modern Slavery risk is not static, and will continue our approach to mitigating this risk in the year ahead. In order to assess the effectiveness of the measures taken by Admiral we have reviewed the following key performance indicators:

Key performance indicators:

- Staff training levels - 1857 new starters completed Modern Slavery training as part of their induction training, and 266 Managers were trained in our Classroom Anti Bribery/Anti Slavery for Managers
- Investigations undertaken into reports of Modern Slavery and remedial actions taken in response — no reports of Modern Slavery

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



David Stevens,
Group CEO