



Modern Slavery Statement 2022



**Help more
people to
look after
their future.**

**Always
striving
for better
together.**



Admiral Group Modern Slavery Statement 2022

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 ('Admiral' or 'Group') during the year ending 31 December 2022 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". We look to do the right thing, and this includes our approach to modern slavery. 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 inform all members of staff of modern slavery risks across all areas of the business and provide them with the tools and platforms to report concerns. Our commitment to the prevention

¹ 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

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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.



2 To assess the risk of modern slavery within the supply chain, our sourcing categories have had a risk assessment undertaken to identify the likelihood and impact of risk, aligned to the thresholds of the EUI risk matrix. The alignment to the EUI risk matrix allows us to set gross and net risk scores for modern slavery and ensure the right actions are taken where managing our supply chain.



Our progress since 2021's Statement

The business has continued to take positive strides towards evolving and strengthening our approach to the prevention of modern slavery in 2022 and has made progress in several areas.

As always, we have 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 2022.

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 embedded in early 2022 which allows us greater visibility of reporting going forward and enhanced ability 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 can monitor related to modern slavery. We continuously monitor this process and appreciate it is an iterative process, thus, although relatively new we have already made an enhancement. The DDQ now offers a dynamic question functionality, this allows us to include additional questions for areas where a risk has been identified, to gather more detail of potential risks.



As part of our approach to evolve our risk management process in this area, last year we stated we would enhance our risk calculator which remains aligned to the UK Motor Risk Matrix, as this strengthens our ability to measure potential modern slavery risks. We have undertaken the risk assessment and the mapping has been completed across our procurement categories. A change is currently being implemented into the eProcurement system where the data will be uploaded. This change will be live during the second half of 2023 and will be able to provide a view of the risk of modern slavery across our supply chain.

We have continued to improve our data and reporting capabilities in order to spot trends and risks quickly and to respond appropriately. Our 2022 changes to due diligence, the risk assessment and supply chain risk controls all are key building blocks for this, giving us far more data. These changes allow us to identify risks in our supply chain quicker and how these risks are being monitored. This in turn improves our speed of reporting capabilities, with the view to develop and customise a comprehensive suite of reports.

Supplier categories were also assessed and updated in 2022 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. Suppliers which demonstrate a higher risk of modern slavery would require additional contract management activities to monitor the risk.

Our teams have continued to monitor modern slavery within the claims supply chain through our due diligence process. 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.

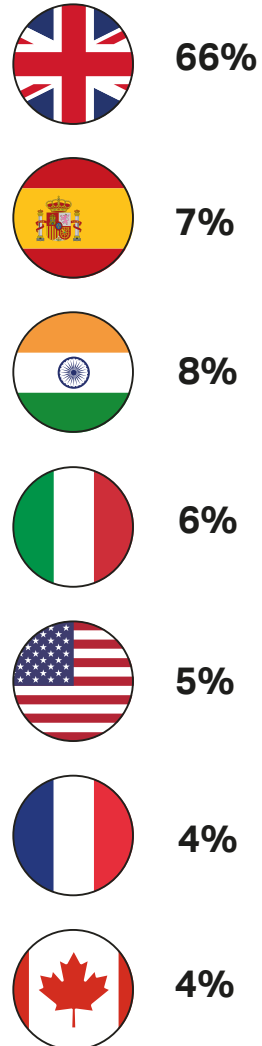
We have also submitted our Modern Slavery Statement to the voluntary Slavery Registry service to promote visibility.



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 2022, the business has over 11,000 employees and 9 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 (<https://admiralgroup.co.uk/>). Our employee headcount per location can be found in the table on this page.

Admiral's supply chain supports our global operations in delivering services to our customers. This supply chain involves over 1,100 contracted suppliers (285 direct and 905 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, to identify issues before they occur and take swift and effective steps to ensure all staff share a collective responsibility towards the eradication of any potential issues.

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 suppliers 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.

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 to 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.



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.

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 2022, 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 timeframes.



Risk assessment and due diligence

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

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 . However, we also have offices in India which ranks higher and is placed 53rd (out of 167) in terms of estimated prevalence of modern slavery.

Our India operation contains 8% 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, many of Admiral's staff either work within one of our offices or from their homes, with our approach to hybrid working since the 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. 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.

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

³Global 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 over 1,100 contracted suppliers. These are further separated into 28 Critical suppliers, 241 Strategic Suppliers, 788 Key Suppliers and 133 suppliers. Admiral does not act as a manufacturer or retailer of physical goods.

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.

"In 2022, we sought to strengthen the detail of our due-diligence questionnaire ."

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 2022, 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. The updated DDQ was launched in the first half of 2022, with a more robust question set related to modern slavery and we have been continuously monitoring its impact, in which we have already gained deeper insights, providing a good platform to more closely monitor this. 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.

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 can 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 the 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 2022.



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 again highlighted below.

Training numbers



8,064 staff members received modern slavery training



96.4% of staff completed the modern slavery training



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

Modern Slavery Training: In 2022, 8064 employees completed modern slavery training as part of their ongoing compliance training (2021: 7940 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 2022 (2021: 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 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.

Admiral reports on a number of additional metrics, noted below:

- Number of staff receiving modern slavery training – 8,064
- Percentage of staff having completed and passed the modern slavery training – 96%
- 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.

⁵UN Guiding Principles on Business and Human Rights, ²⁰¹¹

⁶Crown Prosecution Service



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 . 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 2021, 2022 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 2022, the completion rate for employee modern slavery training was 96%. The business views this as an acceptable outcome within the context of long-term absences which drives the remaining non-completion. In 2022, staff rated our Anti-Slavery, Exploitation and Human Trafficking online course at 4.8/5. 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 2022.



Key priorities for 2023

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 2023 we aim to build upon the work in 2022 with several priorities:



Understanding and analysing the impact of the enhancements delivered in 2022, which included: -

Enhanced DDQ Question set incorporating focus on awareness of Modern Slavery including more detailed information to identify any gaps and potential risks

Embedding the enhanced risk calculator and linking the data to be uploaded into Admiral's eProcurement P2P System. This new system will allow data to flow seamlessly between key systems to improve our monitoring of suppliers and ensure that the correct onboarding process has been adhered to.

Supply chain risk controls, governance activities – higher risk suppliers will be required to demonstrate management of such risks through the ongoing contract management process.

We continue to improve and further align with the guidance set within the Ethical Trading initiative, this includes improved reporting and early identification of any suppliers at risk will support this initiative.

On the transition of the Supplier Working Group (SWG) to be led by Head of Procurement that will include a quarterly standing agenda item for modern slavery. The SWG was previously run elsewhere in the business however it will now be owned and run by our Procurement Department. The agenda item will review the data gathered through the due diligence process and include discussion on the top risks within the supply chain as well as emerging risks.



Conduct a random sample audit of the Modern Slavery Statements of Admiral's Key Strategic / High Value Suppliers in order to ensure the following key areas are being met:-

- Organisational structure, its business and supply chains
- Policy in relation to slavery and human trafficking
- Risk assessment and management
- Organisational effectiveness in ensuring that modern slavery and human trafficking is not taking place
- Training available to staff on modern slavery issues and capacity building
- Annual staff training will continue as part of our continued education for staff on modern slavery.
- Provide a direct link to our modern slavery statement on our website.
- Increase our engagement and collaboration with financial services companies on modern slavery.

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

Signed by;

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

Milena Mondini de Focatiis
Group Chief Executive Officer
25 April 2023