

# Great Lakes Insurance UK Limited

## Statement on the UK Modern Slavery Act 2015

This statement is made pursuant to section 54 (1) of the UK Modern Slavery Act 2015 and constitutes Great Lakes Insurance UK Limited’s slavery and human trafficking statement for the financial year ending 31 December 2023.

Great Lakes Insurance UK Limited (GLLS) provides non-life insurance in the UK and is a fully owned subsidiary of Great Lakes Insurance SE (GLISE). Both entities are part of the Munich Re Group<sup>1</sup>. GLLS is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

As GLLS supplies services within the United Kingdom (UK), it must provide a statement of steps taken to combat slavery and human trafficking during the financial year. Where relevant, the references in this statement to Munich Re are also reference to GLLS. Munich Re standards are explained in Munich Re’s statement on the UK Modern Slavery Act, which is published on its public website.

### GLLS’s structure, its business and its supply chains

GLLS is a provider of UK non-life insurance solutions powered by Munich Re, conducting delegated authority business via Agency and Coinsurance Business in the UK, Isle of Man and Channel Islands.

GLLS outsources functions concerning Human Resources (HR) and procurement to Munich Re UK Services Limited (MRUKS). References to HR in this statement mean the recruitment, retention and administration services provided by MRUKS. GLLS employees include staff seconded to GLLS but contracted with MRUKS. GLLS procurement also refers to the services provided by MRUKS to manage tools and

processes and the procurement of external goods and services.

### GLLS’s policies in relation to slavery and human trafficking

The Munich Re business concept of sustainable and responsible action is adopted, so GLLS is committed to combat slavery and human trafficking. A suite of policies, specific to our risks and controls, are in operation to set out and maintain business standards, which are integral in preventing modern slavery or human trafficking. Specifically, the Munich Re Supplier Code of Conduct adopted in January 2023 (with ESG aspects) is aligned with our business and operational activities and the Munich Re group internal Code of Conduct.

### GLLS’s due diligence processes in relation to slavery and human trafficking in its business and supply chains

Munich Re has developed a process that covers key components of human-rights due diligence. Additionally, GLLS has local processes that reduce the risk of modern slavery and human trafficking as explained below.

### GLLS’s assessment and measures to manage slavery and human trafficking risks

GLLS continually keeps under review where its business may be at risk of encountering modern slavery or human trafficking, and has taken steps to assess and manage that risk as follows:

### GLLS Employees

GLLS employees contribute to our success through their skills, performance and dedication. That is why we are committed to investing in their development and providing all staff with equitable opportunities and excellent working conditions.

GLLS is aware that poor recruitment procedures and working environments can lead to instances of compulsory labour or servitude, if left unchecked. Our HR function undertake employment screening checks which include residency and right to work status to ensure the legitimacy of our employees right to work in the UK. They also operate wage structures and working hour models that meet legal requirements and market standards, which are monitored through remuneration benchmarking exercises on an annual basis. Any additional employment or hours worked are subject to sign-off procedures and monitored to prevent any environment that would facilitate an offence.

HR have taken part in initiatives to achieve optimal working conditions for employees, with reviews of equitable opportunities and health and safety related topics. The working conditions are measured using ‘continuous conversations’ and feedback obtained through hybrid working check-ins, new joiner surveys and, occasionally, exit interviews with employees under notice. Employees have the opportunity to report concerns or compliance breaches through various

<sup>1</sup> Munich Re (Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München)

## Progress in the financial year 2023

mediums; robust whistleblowing channels are in place that allow any incidents to be raised securely, confidentially and, on request, anonymously. Appropriate whistleblowing awareness training has been undertaken for existing staff and is standard practice for new joiners.

### GLLS Diversity Equity & Inclusion

Munich Re launched its Diversity, Equity & Inclusion (DEI) strategy in January 2023. The DEI team's key responsibility has been to build and communicate the DEI strategy with the aim of growing a forward-thinking, progressive environment of inclusion. GLLS aims to build a culture of belonging across the organisation so all employees are comfortable being themselves at work and are able to work positively and efficiently.

### GLLS Procurement

GLLS are conscious that we are part of a wider picture as we engage with a number of suppliers. GLLS recognise the different risk profiles of suppliers in regard to them potentially drawing benefit from modern slavery or human trafficking.

A Corporate Responsibility clause is implemented into procurement contracts and reserves the right to cancel the contractual relationship for any breach. Suppliers must have processes in place that allow the timely remediation of any deficiencies or non-compliance with the Supplier Code of Conduct, as identified by Munich Re.

Our Procurement function only engages with reputable suppliers, who largely trade in low-risk goods, like professional services, software and office supplies. We have an active tender process that is periodically reviewed at contract renewal, where a supplier's ethics and risk of modern slavery and human trafficking offences are part of GLLS's overall consideration to conduct business. Our

Procurement function operates a risk-based approach, which is influenced by factors like the services, goods, and operational territories of the suppliers, to determine the level of due diligence applied.

### GLLS (Re)Insurance Business

GLLS operate an agency model for accessing insurance business but recognise delegated authority can present greater risk due to the operational separation of such arrangements.

GLLS include contractual obligations on agents to not commit any criminal activity. It also expressly instructs agents to exercise care and skill in sub-delegating or performing their duties.

Our Agency function conduct due diligence when onboarding (re)insurance business and any concerns around modern slavery or human trafficking are escalated. GLLS's dedicated Agency Audit function also include the topic of Modern Slavery in the scope of audits and assess the adequacy of agents' Modern Slavery Statements, resolving any identified issues.

### GLLS's training in relation to slavery and human trafficking

All GLLS employees are required to complete training on the Munich Re Group Code of Conduct to ensure they are familiar with the standards of ethical conduct and are aware of the need to observe these rules day to day. This training includes the reporting of infringements, data protection and corruption.

GLLS will introduce a mandatory learning module in 2024 to build awareness of the risk of modern slavery across our business functions.

Hybrid Working: Hybrid working is now the normal working pattern across GLLS with a blend of remote and office working fully embedded in our culture. This continues to support wellbeing and assists with work-life balance, staff caring responsibilities and childcare. During 2023, the number of employees requesting and now working part-time hours has increased.

Employees: As well as embedding the hybrid working policy, HR have continued to run managing/working with respect workshops during 2023. The course material focuses on each staff member's own behaviour and the impact on the workplace environment and psychological safety. In addition, the DEI team have launched DEI 101 and Inclusive Mindset training for all managers and employees, positioning inclusive mindset as a core competency in the company.

Procurement: A core model for digital supplier management went live at Munich Re's headquarters in Munich in 2020 and has been rolled out in stages across the group. During 2023, GLLS continued to make good progress in adopting additional features with full implementation due in 2024. This will enable GLLS to further support the full acceptance and documentation of the UN Global Compact Principles (UNGC) throughout its procurement supply base. The Munich Regroup-wide Supplier Code of Conduct went live and was adopted by GLLS in January 2023. Through use of the global core model and the associated standardised supplier onboarding/contracting process, UNGC coverage is expected to increase.

**Final Remark**

We will continue to work on the implementation of human and labour rights and further consider our obligations under the UK Modern Slavery Act 2015.

Signed by order of Great Lakes Insurance UK Limited Board of Directors:

*CL Weston.*

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Name: Claire Weston

Position: Chief Executive Officer (CEO)

Company: Great Lakes Insurance UK Limited

Date: 30<sup>th</sup> June 2024