

Modern Slavery Act Statement 2024

This statement is made on behalf of Beazley plc and all subsidiaries within the Beazley Group ('the Group'), pursuant to section 54(1) of the Modern Slavery Act ('The Act'). Beazley plc's Board approved this statement on 24th May 2024.

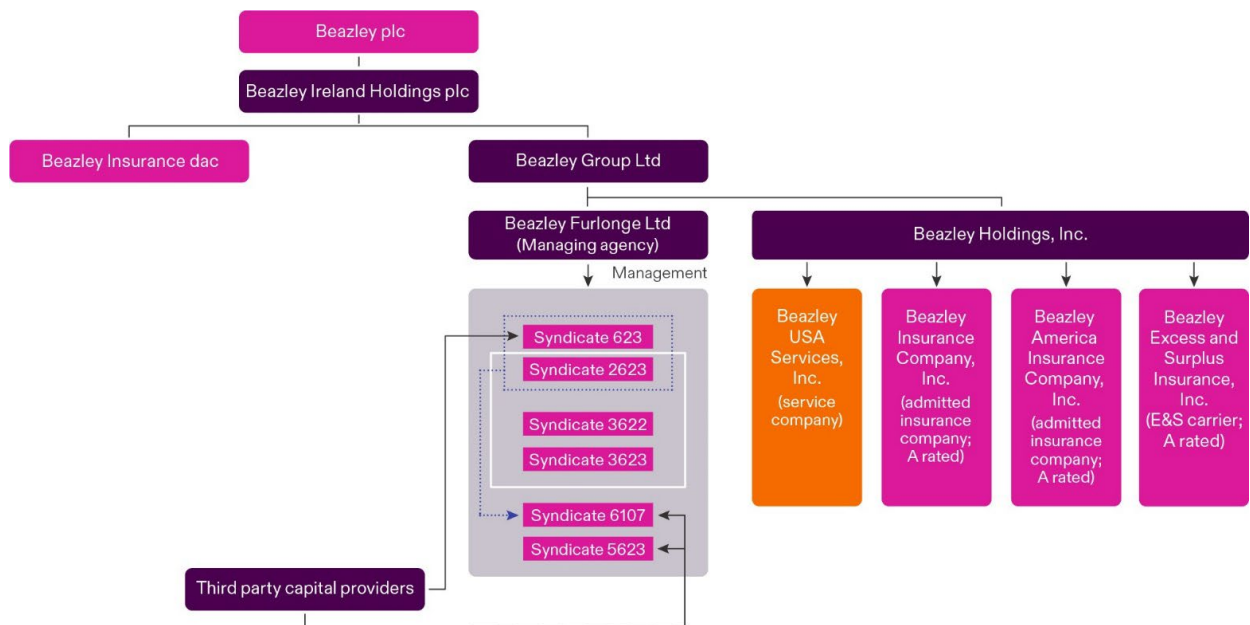
In 2021, an estimated 50 million people were living in situations of modern slavery, and we know it occurs in every country in the world. We also recognise that the risk of modern slavery may be further heightened given the continuation of the cost-of-living crisis which is exerting financial pressure on supply chains and the labour market. We are concerned and appalled that the number of people affected continues to rise, and we fully recognise that as an international company operating in the financial sector, we play an important role in contributing to the end of modern slavery globally.

With these challenges in mind, we remain fully committed to respecting human rights and tackling modern slavery and human trafficking risks in our supply chains and in all parts of our business.

We define our culture by our values – **being bold, striving for better and doing the right thing**. These values inspire the way we work, the way we engage with our stakeholders and partners, how we treat our customers and how we ultimately behave as a responsible business. These values are integral to our approach to identifying, addressing and preventing modern slavery.

Governance

Our parent company is Beazley plc, with its registered office in London, UK but we have subsidiaries that operate in multiple jurisdictions. Our key entities underwrite specialty insurance and reinsurance business through Beazley's syndicates at Lloyd's, managed by Beazley Furlonge Ltd, on Beazley's US insurance carriers, Beazley Insurance Company, Inc., Beazley American Insurance Company, Inc., and Beazley Excess and Surplus, Inc. In Europe, we underwrite business on Beazley Insurance dac. There are also some intragroup reinsurance arrangements.



Beazley plc is listed on the London Stock Exchange, a constituent of the FTSE 100 Index, with operations in Europe, the US, Canada, Latin America and Asia, employing over 2,300 staff worldwide. The company began in 1986 and underwrites a diverse book of insurance and reinsurance business for clients worldwide. Beazley's business is divided into five operating divisions; Cyber Risks, MAP Risks (Marine, Accident & Political Risks), Property Risks, Specialty Risks and Digital. Beazley is a market leader in many of our chosen lines, which include professional indemnity, directors and officers, crime, healthcare, property, environmental liability, cyber liability, marine, reinsurance, accident and life, and political risks and contingency business.

Our environmental, social and governance (ESG) strategy is owned by the Board and Beazley's Executive Committee, and our Responsible Business Steering Group, who is responsible for executing on and monitoring Beazley's progress. This steering group is chaired by the CEO with support from the Chief People Officer and Head of ESG. In this group, the Head of Social Impact is responsible for owning and reporting on our progress in the fight against modern slavery. Other senior leaders with responsibility for modern slavery identification and remediation in this steering group include the Head of Procurement and a Senior Risk Manager.

The Responsible Business Steering Group has delegated authority from Beazley's Executive Committee and reports progress regularly to both this Committee and the Board.

Our vision is to be the highest performing sustainable specialist insurer, and we know that we will not achieve our goal without incorporating environmental, social and governance thinking into every aspect of our business. We believe in operating responsibly; from our environmental efforts, being ethical in our approach to how we do business, with regard to our charitable partnerships, and supporting employee fundraising efforts. We focus on using our expertise, influence and passion as a force for good in our local communities and the wider world. Beazley is also a member to the United Nations UN Global Compact (UN GC) initiative, the Workforce Disclosure Initiative (WDI), the UN Principles for Sustainable Insurance (UN PSI) and the UN Principles for Responsible Investment (UN PRI) which supports our goals for transparency in regards to ESG matters. We also aim to uphold the standards set out in the UN Universal Declaration of Human Rights and the International Labour Organisation (ILO).

Our policies

As a responsible business, we aim to hold ourselves to the highest standards of ethical conduct. We operate a number of group-wide policies that enable us to apply best efforts in identifying and mitigating the risk of modern slavery and human trafficking. These include:

- Human Rights Policy
- Recruitment Policy
- Inclusion & Diversity Policy
- Procurement and Outsourcing Policies
- Whistleblowing Policy

These policies are available to all employees, with employee rights and benefits communicated via our group-wide employee handbooks and individual employment contracts.

Our employees

Beazley commits to treat all employees equally, and aims to recruit, retain and develop people with diverse backgrounds and experiences to thrive at all levels of our business, in a truly inclusive environment that operates zero tolerance to discrimination or harassment and fully supports and celebrates differences. Our commitment to improving diversity and inclusion within our company, and the wider industry, applies to our workforce, but also to our third parties, partners and suppliers who represent Beazley and work closely with our colleagues.

Our employee benefits are designed to be inclusive, and includes financial support towards commuting, medical insurance, generous parental leave, a free lunch allowance when working in one of our offices and financial wellbeing support. There is also a comprehensive set of resources and support available to enhance and protect our employees wellbeing including Employee Assistance Programmes, manager training and guidance information.

Our workforce is predominantly made up of highly skilled direct employees. As a result, migrant or temporary labour is not a salient human rights risk and we have no zero-hours contract workers in our business.

In the locations where we outsource our cleaning, catering or other facilities or technical support, we use best efforts to ensure that workers are paid in line with or above the minimum wage and that companies offering these services reflect our own company values. For example, in the UK, we are both an accredited Living Wage employer by the Living Wage Foundation, committed to fairly remunerating our employees and all third-party staff operating on our behalf and we abide by the 'Employer Pays' principle ensuring that all prospective candidates are able to access our recruitment processes without financial barriers or penalties.

Training

During the past year, we have continued to train our employees on our responsibilities and approach to ending modern slavery. This is covered in an eLearning course including anti-money laundering education and financial crime awareness. In 2023, 100% of our employees completed this mandatory training.

We will continue to ensure that employees in our business remain aware of our commitment to The Act and that they continue to be trained on an annual basis.

Grievances

We aim to maintain an environment where all employees can freely raise concerns relating to their employment and seek a prompt resolution, and this includes grievances that might relate to modern slavery. We aim to resolve issues informally where appropriate, however the formal process includes escalation to senior management and right of appeal. The full grievance process is detailed in our employee handbooks.

In 2023, there were no issues raised via our grievance process in regards to modern slavery at Beazley.

Whistleblowing

We are committed to doing the right thing as demonstrated by our core values. This includes upholding the highest possible standards of openness, probity and accountability. We encourage employees to raise any concern of wrongdoing, including concern related to modern slavery and human trafficking, without fear of reprisal or victimisation.

We have designed our Whistleblowing Policy to reassure employees that it is safe and acceptable to speak up and raise any concerns they have confidentially. Our policy includes escalation to senior management, our Whistleblowing Champion, directly to an applicable financial regulator, to our external third-party whistleblowing hotline Safecall that is available all year round or the independent UK whistleblowing charity, Protect.

In 2023, there were no issues raised via our whistleblowing processes in regards to modern slavery at Beazley.

Our supply chain

As a specialist provider of insurance and reinsurance, we recognise our supply chains may be complex and multi-layered and we are committed to continuous review and assessment to identify where the risks may lie.

We segment our procurement suppliers based on their strategic importance to Beazley. A small number of vendors make up our most important strategic suppliers, Tier 1, and they have been identified as ones that will develop a competitive advantage for the Group. Tier 2 is made up of our critical vendors who directly provide essential business services, and Tier 3 are our preferred suppliers typically providing commodities or dealing with sensitive information on our behalf. Tier 4 are our tail suppliers where the relationship is mainly transactional and does not carry business risk. We do not currently track the locations of our suppliers, but we are aiming to begin doing so as a priority for 2024 and 2025.

In 2023 we made significant progress in our journey to map and assess our procurement supply chain. We have procured and are now planning to roll out supporting tools from EcoVadis, the holistic sustainability rating service. This is central to a wider third-party risk management capability being introduced that will strengthen how we manage supply chain risk.

EcoVadis IQ screens our procurement supply chain and vendors, mapping our supplier risk landscape for ethical, social and environmental risk and performance signals. Using this tool, we have carried out an initial high-level review of our suppliers. Based on the available data we have received, no significant human rights or modern slavery risks were identified in 2023.

EcoVadis Rating covers a broad range of non-financial management systems including Environmental, Labour & Human Rights, Ethics and Sustainable Procurement impacts. Each company we onboard as a material supplier will be required to provide evidence on the aforementioned impacts as pertains to their company's size, location and industry. The resulting scorecards will allow Beazley to understand where pertinent ESG risks lie, what the credentials of our supply chain are and help us understand where we may work with our suppliers to improve social impact.

As this tool is rolled out across 2024 and 2025, we continue to have an expectation on all our suppliers to comply with local laws and regulations. In addition:

- We ensure any engagement with our suppliers is in line with our procurement and outsourcing policies, which are overseen by the Chief Operating Officer
- Material contracts are subject to approval by a commercial contract review group, which is responsible for the review and management of material suppliers
- Material suppliers and outsourced providers are subject to annual monitoring and performance review
- We continue to ensure the group's contracts include a Modern Slavery Act clause

Remediation

As this statement has detailed, no instances of modern slavery were found or reported to us in 2023, and as such no active remedying of issues has taken place. We recognise however that we continue to be at risk of having low visibility over potential multi-tiered supply chains which may cross into more high-risk sectors and into locations where modern slavery risks may be more pertinent.

Our priorities for 2024 and 2025

We recognise that our approach to identifying, remedying and preventing modern slavery risks within our business and our supply chain will continue to evolve as the business and our partnerships evolve. Whilst we have not yet uncovered any instances of modern slavery, we believe it necessary to focus in particular on areas that could present more of a risk due to the nature of the work being undertaken. The areas of heightened risk for Beazley include:

- Outsourced cleaning, catering or other facilities or technical services
- Supply chains for our IT hardware or other commodities procurement
- Conducting business with other parties that engage in modern slavery

These risks are being assessed, understood and managed through the processes detailed in this statement, however we remain committed to the continued mapping of our supply chain and to understanding of the full reach of our global business activities.

We commit to continuing to make improvements in our approach to tackling modern slavery. Given our progress so far, our main priorities for 2024 and 2025 will include:

- Publishing our supplier code of conduct, which sets out our minimum expectations on our suppliers to manage human rights and modern slavery risks
- Fully rolling out the EcoVadis IQ and Rating programmes to understand the social impact risks of our supply chain more clearly
- Establish key performance indicators (KPIs) in order to measure the effectiveness of our actions and progress in tackling modern slavery and human trafficking.
- Creating auditing protocols and mechanisms for regular monitoring of our supply chain allowing for faster identification and remediation
- Introducing location checks on our supply base to enable identification of suppliers operating in higher risk locations
- Continuing to reinforce the company values, encouraging a "speak up" culture

Alignment with UN Sustainable Development Goals

As a specialist insurer, many of our processes support and/or are aligned to the 17 UN Sustainable Development Goals (SDG) and support our commitment to transparency across ESG and the ending of modern slavery – for example being a Living Wage employer in the UK supporting SDG 1 and 8, and the publishing of our gender and race pay gap supporting SDG 5 and 10.



Adrian Cox
Chief Executive Officer
Beazley Group