

Chubb Modern Slavery Statement 2021



Introduction

Modern slavery is a morally reprehensible act and a violation of fundamental human rights. Modern slavery can take various forms and is imposed on one person for another person's gain. Chubb Insurance Australia Limited (ABN 23 001 642 020; AFSL 239687) (**Chubb**) is fully committed to playing its part to eradicate modern slavery in all its forms (including slavery, servitude, forced labour, exploitation and human trafficking) in our operations and our supply chains. Chubb has taken steps to address modern slavery as outlined in this statement.

This statement is our second statement published in accordance with, and addresses the reporting requirements under, *Australia's Modern Slavery Act 2018* (Cth) as may be amended from time-to-time and any replacement, successor or functionally similar or delegated legislation of the Commonwealth of Australia (**MS Act**). It sets out the steps taken by Chubb to identify, manage and reduce modern slavery risks and impacts across our operations and supply chains. Approved by Chubb's Board, it constitutes Chubb's Modern Slavery Statement (**MSS**) for the financial year ending on 30 June 2021.

Our business

Chubb is the world's largest publicly traded property and casualty insurance company. Chubb, via acquisitions by its predecessor companies, has been present in Australia for 100 years. Its operation in Australia provides specialised and customised coverages, including Business Package, Marine, Property, Liability, Energy, Professional Indemnity, Directors & Officers, Financial Lines, Utilities, as well as Accident & Health insurance, to a broad client base, including many of the country's largest companies. Chubb also serves successful individuals with substantial assets to protect and individuals purchasing travel and personal accident insurance. With five branches and more than 800 staff in Australia, it has a wealth of local expertise backed by its global reach and breadth of resources.

Chubb aims to comply with legal and regulatory requirements everywhere we do business and to embed the values in our Code of Conduct in our activities. The global Chubb Code of Conduct affirms our commitment to compliance with equal employment opportunity laws and other applicable civil rights, human rights and labour laws.

Chubb policies, frameworks and actions, which aim to prevent modern slavery and human trafficking in our business and supply lines include the following.

Our supply chain and corporate risk assessment

Chubb's supply chain includes global and local insurance brokers, underwriting agencies, claims administrators, reinsurers, information technology providers, consultancy and professional services firms, and a wide variety of legal, marketing, travel, catering, cleaning, stationery and courier businesses, which are located primarily in Australia.

Based on the insurance sector in which Chubb operates and its supply chain profile, the risk of modern slavery practices has been assessed as relatively limited. However, Chubb acknowledges the potential for indirect exposure to the risk of modern slavery in our business operations and supply chains and has attempted to identify these and address any risk of modern slavery.

Chubb has developed and implemented a policy and process to conduct a risk assessment for each of our third-party providers within our supply chain by adopting a methodology of supplier due diligence and analysis by size of supplier, by sector and by geography. This review and risk assessment includes but is not limited to:

- an assessment of any potential modern slavery risk at the onboarding stage of any third-party arrangement (using the criteria described above in relation to sector and geography);
- for all arrangements that have been deemed to have any potential modern slavery risk attached, an assessment is undertaken to determine the risk level and a rating (High, Medium, or Low risk) is allocated;
- depending on the risk rating of each supplier, additional controls may be required and in some cases a business decision would be required to determine the suitability of continuing to conduct business with the supplier; and
- the outcome of the risk assessment process is captured on the Third-Party Provider Register (managed by the Enterprise Risk Team) and used for ongoing monitoring.

The greatest risk of modern slavery within Chubb's business is in relation to our suppliers. Our employees are employed by Chubb or entities within the broader Chubb corporate group, which minimises the risk of modern slavery within our workforce. Similar to the risk assessments performed on suppliers, Chubb also considers its operational aspects such as its recruitment processes, agency contracts and arrangements with any independent contractors to identify any modern slavery risks.

These supply chain and operational assessments determine our response and the risk controls we implement to address any modern slavery risks we identify.

Supplier due diligence

Chubb establishes a relationship of trust and integrity with each of our suppliers. Our supplier selection and onboarding procedure includes due diligence of the supplier's reputation including any misconduct risk and respect for the law.

Chubb conducts due diligence on all prospective and new suppliers and for existing suppliers ongoing monitoring is undertaken to ensure the standards we expect from our suppliers has been maintained. This includes assessing risks and requesting to be provided with a copy of their Modern Slavery Statements.

Awareness and training

Chubb provides mandatory e-learning in the form of a modern slavery course to all staff. The training highlights:

- red flags for potential cases of slavery or human trafficking;
- various forms of modern slavery in which people can be held and exploited; and
- how employees can identify the signs of slavery and human trafficking, including unrealistically low prices.

Employees are required to report to their manager any genuine concerns about modern slavery within our business operations or supply chains.

Policies

Chubb strives to maintain high ethical standards in our business practices and currently has the following policies for identifying and preventing slavery and human trafficking in our operations.

- **Chubb Code of Conduct**, which focuses on and reiterates third parties' obligations to comply with modern slavery and human trafficking laws
- **Whistleblower Protection Policy**, which provides a mechanism for staff and external parties to report concerns about improper conduct by Chubb or suppliers, including concerns about the risk of modern slavery practices
- **Third Party Provider and Outsourcing Policy and Procedure**, which describes the initial and ongoing requirements for the selection of and ongoing monitoring requirements that need to be implemented for all third-party supplier arrangements. This includes the modern slavery risk assessment and monitoring process
- **Compliance Incidents and Breaches Policy**, which prescribes mechanisms and processes to investigate and report on breaches, including breaches of the MS Act.

Supplier agreements

Chubb has implemented anti-modern slavery requirements in all of our new or renewed suppliers' agreements to acknowledge, represent and warrant that they effectively comply with the MS Act. This also includes mandatory reporting on any identified Modern Slavery practices or issues.

Control and measuring our performance

Chubb has defined a set of key performance indicators and controls to combat modern slavery in our organisation and supply chain. These include:

- modern slavery considerations as part of supplier onboarding;
- mandatory training for Chubb's employees and completion rate monitoring;
- supplier agreement clauses;
- taking appropriate action where potential violations of the MS Act are identified; and
- outcomes of modern slavery risk assessments are monitored and assessed on an ongoing basis with the business owner of the arrangement being responsible for ensuring the appropriate controls are implemented. At times, second and third line controls testing and assurance activities may also assess the suitability and operational effectiveness of controls related to modern slavery risk.

Chubb's Procurement, Risk, Compliance, HR and Legal teams work together and in close consultation with the business across Australian branches to apply these standards to our business.

We are making our commitment to doing our part to eradicate modern slavery explicit to our customers, employees, suppliers, and business partners through this statement and by continuing to update our policies, procedures and agreements.



Rod McGeoch
Chair

Chubb Insurance Australia Limited

Dated: 16 December 2021

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