

# Modern Slavery Act Statement 2021



## Introduction from Sara Gomez Chief People Officer

Lloyd's is committed to being a responsible global corporate citizen by adopting ethical principles and practices, sharing knowledge and expertise, and making a positive contribution to social and environmental issues.

We support the principles set out in the United Nations Universal Declaration of Human Rights and the International Labour Organisation core labour standards. Lloyd's is also a signatory to the United Nations Global Compact and is committed to operating in a way that, as a minimum, meets fundamental responsibilities in the areas of human rights and labour, as well as environment and anti-corruption.

We recognise that modern slavery is a crime and a violation of fundamental human rights. It can take various forms including: slavery, servitude, forced and compulsory labour and human trafficking. Lloyd's has a zero-tolerance approach to modern slavery and we are committed to being a responsible business in all our dealings and relationships; this includes improving business practices, systems and controls to combat slavery and human trafficking.

## Structure of Lloyd's

Lloyd's is the world's leading insurance and reinsurance marketplace. The Corporation of Lloyd's oversees and supports the Lloyd's market, ensuring it operates efficiently and retains its reputation as the market of choice for specialist insurance and reinsurance risk.

The Corporation's role includes:

- Ensuring that policyholders and members are protected through the Corporation's oversight of the market;
- Managing and protecting Lloyd's network of international licences;
- Agreeing syndicates' business plans and evaluating performance against those plans;
- Monitoring syndicates' compliance with Lloyd's minimum operating standards;
- Continuing to raise standards and improve performance across two key areas:
  - overall risk and performance management of the market;
  - maintaining and developing the market's attractiveness to capital providers, distributors and clients, while preserving its diversity.

For further information about Lloyd's, please visit [lloyds.com](https://lloyds.com).

## Our supply chains

Our supply chain comprises a global supplier base, providing a wide range of products and services.

Lloyd's is committed to the highest professional standards and ethics, and we expect the same high standards from the parties we work with.

Our aim is to work collaboratively with our supply chain partners to uphold high standards of conduct around safe working conditions, treating workers with dignity and respect and acting fairly and ethically.

## Supplier due diligence

The Corporation's suppliers are engaged in accordance with Lloyd's Group Procurement Policy and overseen by a central Procurement Centre of Expertise and dedicated Supplier Management team.

Our procurement process includes the vetting of new suppliers and annual risk and performance reviews of our most critical supplier relationships.

As part of the tender vetting process, suppliers are asked a series of responsible business questions which assess a supplier's position on human rights, environmental and social issues. Suppliers are also provided with Lloyd's Supplier Code of Conduct which sets out the standards of business conduct which all suppliers and any third-party sub-contractors should comply with, including: their responsible business approach, protection of human rights, diversity and inclusion; environmental and health & safety practices.

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## Our policies

We are committed to ensuring transparency in our business and in our approach to tackling modern slavery and human trafficking. We continue to implement and develop appropriate policies to support our commitment to act ethically and with integrity in all our business relationships.

### Employees

We fully support the principles set out in the UN's Universal Declaration of Human Rights and the International Labour Organisation core labour standards. We respect the dignity and rights of each individual who works for us and with us. This also extends to the employees of suppliers working on our sites, where we have proactively sought to improve their living standards through the Living Wage Foundation.

We have a Corporation Consolidated Compliance Policy in place, outlining the whistleblowing process for current and former staff, with an independent confidential Lloyd's whistleblowing helpline and website. Members of the Lloyd's London market can contact the confidential AdviceLine. If there are any genuine concerns about any wrongdoing or breaches of law, these concerns can be raised in confidence without fear of disciplinary action.

## Our progress

This year our approach to the implementation of the Modern Slavery Act 2015 (Act) has included:

- Implemented a rigorous supplier onboarding process to ensure crucial due diligence is conducted as early as possible in the sourcing process.
- Updated the Lloyd's Supplier Code of Conduct.
- Improved dashboard reporting to drive transparency.
- Continued re-affirmation of our zero-tolerance approach to human rights abuses via the Supplier Code of Conduct.
- Continued review of our supplier contract templates to ensure that they remain fit for purpose.
- Continued market engagement through the Lloyd's Corporate Social Responsibility (CSR) network, which is made up of CSR and ESG professionals across the market. The network convenes three times year to share experiences, best practice and gain support from the network and Lloyd's in their Corporate Social Responsibility activities and initiatives
- Continued to raise staff awareness and safeguard whistleblowers with a refreshed mandatory e-learning module launched in Q3 2021
- Identified areas within our online training portfolio to be developed into e-learning to further raise awareness of modern slavery and human trafficking

## Next steps

We will continue to review our supply chain policies and protocols, developing specific measures to ensure that our obligations under the Act are disseminated through our supply chain. These measures will include:

- Continuing to identify new ways to strengthen our procurement processes.
- Investigating systems and software that enable increased visibility and robust supplier screening, due diligence and monitoring.

Review of our third-party questionnaires.

- Extending the supplier performance and risk management framework to include assessments of modern slavery risk.
- Working collaboratively with key insurance market participants to share best practice and extend the responsible business network.
- Continuing to safeguard whistleblowers as outlined in the Corporations' Consolidated Compliance Policy.
- To assess what our key suppliers are doing with regards to developing their key teams, as well as our employees' knowledge and understanding of modern slavery and human trafficking and where appropriate develop an e-learning module

## Modern Slavery Act Statement 2021

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Corporation of Lloyd's slavery and human trafficking statement for the financial year ending 31 December 2020.



**Sara Gomez, Chief People Officer, February 2022**