



Slavery and Human Trafficking Statement

This statement covers the activities of RSA Insurance Group plc and its subsidiaries (the “**RSA Group**”) and is our Slavery and Human Trafficking statement for the financial year ended 31 December 2016 required under the provisions of the Modern Slavery Act 2015 (the “**Act**”).

Modern slavery in all its forms of slavery and servitude, forced or compulsory labour and human trafficking is a heinous crime and we will not tolerate any such activities within our own operations or our supply chain. We are committed to stamping out modern slavery and are taking the appropriate steps to ensure that everyone who works for the RSA Group benefits from a working environment in which their fundamental human rights are respected and anyone that we do business with also upholds these principles.

Background

The RSA Group is one of the world’s leading multinational quoted insurance groups. Domiciled in the UK with headquarters in London, we focus on general insurance having core markets in the UK, Ireland and the Middle East, Scandinavia and Canada with the capability to write business across the globe. We have around 13,500 employees across our core businesses and, in 2015, our net written premiums were £6.8 billion.

The RSA Group has been a participant of the United National Global Compact since August 2007 and annually reports compliance against its Ten Principles which cover human rights, labour, environment and anti-corruption. We are a constituent member of the FTSE4Good Index which measures the performance of companies demonstrating strong Environmental, Social and Governance (ESG) practices.

The information in this statement details policies, processes and actions we have taken to ensure that slavery and human trafficking are not taking place in our supply chains or any part of our own business.

Assessing our risks

In October 2015, we established a cross-functional working group to identify the functions and geographical locations in our business with a risk of modern slavery. This exercise identified that our company was most likely to encounter modern slavery when recruiting employees and working with third parties in our supply chain. We have therefore reviewed how we do business within the Human Resources and Procurement functions and updated some of our procedures and policies.

Supporting policies

The following company policies support us in ensuring that modern slavery is not taking place in our supply chains or business:

- **Human Rights Policy:** ensures appropriate procedures are in place to prevent any breaches to international human rights standards including the Universal Declaration of Human Rights (UDHR), the International Labour Organisation (ILO) core conventions on Labour Rights and the Act.
- **Third Party Contracts Policy:** ensures robust processes are in place to manage the risks relating to the RSA Group’s business contracts with third party suppliers, to also manage the risks relating to business relationships and contracts with other companies within the RSA Group.
- **People Risk Policy:** mitigates the risk of direct or indirect loss resulting from the deliberate or unintentional action/inaction of employees and/or management of the company. It covers behavioural and cultural risk including human rights, equal opportunities and dignity at work.

These policies apply to the RSA Group and provide a framework for identifying, measuring, managing and controlling the risks we take. The policies are available to all employees via our intranet site and are managed by local policy owners who ensure that they are communicated and embedded within the business. Adherence to the policies is overseen by the Board Risk Committee.

Our people

To ensure that we recruit and treat employees fairly, avoiding modern slavery at all costs, our People Risk Policy requires appropriate human resources procedures to be in place throughout the RSA Group. These procedures make sure we seek to:

- Recruit and select employees in a fair, lawful and professional manner, both for internal and external candidates;
- Treat all employees fairly during their employment and if there is an occasion when an employee does not feel that they have been treated fairly, there are procedures in place to raise a grievance or involve local trade union/works council representation, where they exist or, where this is a legal requirement to do so; and
- Manage the exit of an employee from the business in a fair and consistent manner.

Our employees are made aware of the principles of human rights through the RSA Group intranet site and are encouraged to access the site in their offer letter. Our Group-wide 'Guide to Business Conduct' which is applicable to all employees details how we must put customers first, support each other to act ethically, respect our local environments and communities, keep regulators updated and deliver a sustainable, profitable performance to our shareholders. All staff are required to take the e-learning module on whistleblowing which provides guidance on how employees can raise concerns in a secure, confidential and if they wish, anonymous process. Concerns about slavery and human trafficking would be considered to be in the public interest and could be raised through this process.

In addition to the People Risk Policy, we have a Cultural Risk and Health Index, which helps leaders and human resources teams to identify and manage cultural health and identify potential issues around culture that could lead to a failure of ethics, controls or governance before they occur. Slavery and human trafficking would be picked up as a potential issue through this assessment.

We ensure that we comply with all relevant law and regulation regarding paying a minimum wage in countries where there is a legal requirement to do so. Within the UK, everyone working at RSA, regardless of whether they are permanent, non-permanent employees or third-party contractors who supply labour to RSA sites receive the Living Wage, which is reviewed and implemented annually and we are proud to be accredited by the Living Wage Foundation as a Living Wage employer.

Our suppliers

We seek to partner with suppliers who uphold our high standards of social, environmental and ethical conduct providing safe working conditions, treating workers with dignity and respect, acting fairly and ethically and using environmentally responsible practices where practicable.

In the UK, we have strengthened our due diligence of suppliers introducing Corporate Responsibility questions which assess a supplier's position on human rights, environmental and social issues. These questions will be asked of all potential new and renewing suppliers. Where appropriate, suppliers will be asked to provide additional information to address any identified gaps. These questions will be rolled out across the RSA Group in due course.

We have developed a Supplier Code of Conduct (the "**Code**") which sets out basic ethical requirements that we expect of our suppliers. In the UK, the Code has been included in the contractual terms and conditions and we expect our suppliers to confirm that their operations comply with the Code. Where we suspect a breach of the Code or become aware of a case of modern slavery, we will work with the supplier to implement remedial action. The RSA Group reserves the right to terminate a relationship with a supplier or third party that are unable to demonstrate compliance to the Code or progress towards the eradication of modern slavery within their organisations and supply chain. The Code will be rolled out across the RSA Group in line with the Corporate Responsibility questions.

Training

To make relevant employees aware of the Act, we have provided training to the Human Resources and Procurement functions across the RSA Group. Training has involved a presentation on the requirements of the Act and the processes we have updated to ensure compliance with the Act.

We will raise awareness of the requirements of this Act through our internal communication channels and a copy of this statement will be made available on the RSA Group's Corporate Responsibility pages (www.rsagroup.com/responsibility) which are accessible from the RSA Group's homepage.

Board approvals

This statement is made pursuant to section 54(1) of the Act, has been approved by the Board of Directors of RSA Insurance Group plc and will be updated annually in line with the Act's reporting requirements.

Signed:



Charlotte Heiss
Group Chief Legal Officer & Company Secretary

Date: 24 March 2017