



Modern Slavery Statement

AUSTRALIA
2024



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Purpose of statement

The purpose of this statement is to outline Liberty's actions to assess and address modern slavery risks in its operations and supply chains. Liberty is a reporting entity for the purposes of the Commonwealth Modern Slavery Act 2018 ("the Act"). The Act requires Liberty to prepare an annual statement covering its reporting period for the year ending 31 December 2024, addressing, at a minimum, seven prescribed criteria:

1. Liberty as an entity (Information about Liberty)
2. Operations
3. Supply chains risks
4. Actions taken
5. Risk assessment
6. Consultation process
7. Other relevant information

Liberty is committed to conducting business in an honest and ethical manner, with integrity and accountability, with responsible business decisions at the heart of our decision making processes.





About Liberty

Liberty Specialty Markets (Liberty) is a trading name of Liberty Mutual Insurance Company, Australia Branch (ABN 61 086 083 605) incorporated in Massachusetts, USA (the liability of members is limited) ("Liberty"). Liberty commenced operations in Australia in 1999 with a view to partnering with, and bringing insurance solutions to, our policyholders and broker partners.

As a mutual, we focus on delivering benefits to our policyholders, without shareholders as a stakeholder group. Because we build for mutual advantage, we're invested in shared success with our policyholders and partners. We are a reliable partner for the long term.

Liberty's mutual advantage means:

- ▶ Consistency through times of uncertainty
- ▶ Stability and accuracy in pricing
- ▶ Profits are reinvested to build a secure future
- ▶ Support through changing market conditions
- ▶ We make decisions for the long-term, rather than to meet short-term targets
- ▶ We put people first

This foundation drives our purpose, which is to help people embrace today and confidently pursue tomorrow. One way we achieve this is by acting responsibly: we choose to do the right thing every day and act with honesty and integrity. Liberty is committed to conducting business in an honest and ethical manner, with integrity and accountability, with responsible business decisions at the heart of our decision-making processes.

Today we bring value and insurance solutions to more than 26,000 of Asia Pacific's most significant business and government organisations – helping them protect what they earn, build and own.

At Liberty, we are serious about providing protection for the unexpected, delivered with care. The many brokers who partner with Liberty understand the difference we provide and trust us to look after their clients.

Our workforce and culture

At Liberty we are committed to living our values every day.

Our people are ambassadors of our values and together we support our local communities, environment, social projects and charities.

Charity support

We understand how important security is for business. We also know how critical a sense of security is to help people confront and overcome adversity.

As a Mutual, we exist to help people embrace today and confidently pursue tomorrow. This purpose serves as a guiding principle for our philanthropic efforts. The focus of our charitable giving is to invest in community initiatives dedicated to:

- ▶ **Empowering** individuals who are experiencing homelessness
- ▶ **Advancing** access for people with disabilities
- ▶ **Expanding** educational opportunities for underserved students

Pay equity

Liberty is committed to maintaining pay equity for like roles and performance. We continue to monitor and review our people processes to ensure that there is no bias in how we pay our people and to ensure we have pay equity in like-for-like roles regardless of gender identity.

Liberty has formal policies in place that directly address working conditions and standards of conduct to ensure a work culture and work environment of respect and fairness is maintained.





Liberty's position on modern slavery

As a responsible business, Liberty aims to ensure that modern slavery does not exist in its supply chains or in any part of Liberty's business

Liberty has, and will continue to maintain, a zero tolerance for modern slavery and will take all necessary steps to ensure that this value is maintained.

The Liberty Modern Slavery Program to date has focused on establishing our commitment to eradicating the risks of

modern slavery in our operations and supply chains, improving our understanding of our operations and supply chain risk profile, and the implementation of controls.

This Modern Slavery statement was approved by the Board of Liberty Mutual Insurance Company on 17 June 2025. The Modern Slavery Statement is signed by the Senior Officer outside Australia and the Liberty President, Australia.



Crystal Ottaviano

Crystal Ottaviano
Senior Officer outside Australia
Liberty Mutual Insurance Company,
Australia Branch



John McCabe
President
Australia
Liberty Specialty Markets

Our structure and operations

Liberty is part of the Liberty Mutual Insurance Group which operates globally through local companies and trading names.

We belong to the Liberty Mutual Insurance Group

The 8th largest property & casualty insurer in the world, writing more gross written premium annually than the entire Australian insurance industry.



Operating since 1912



87th on "Fortune 100" list



US\$50.2B in annual consolidated revenue



40,000 employees



29 countries

Liberty's head office is based in Sydney, with further offices in Adelaide, Brisbane, Melbourne and Perth.



Liberty provides general insurance services and products to our policyholders through intermediaries (brokers and agents). Our policyholders may be individuals, local and global businesses or government organisations. Liberty and our appointed intermediaries pay claims to our policyholders or to third parties under the terms of the issued policies.

Our operations comprise:

► **Core business activities**

Liberty's core business activities revolve around the provision of general insurance products and services and the processing and payment of claims.

► **Services supporting these core business operations**

Supporting services are provided by staff, contractors and suppliers, third-party service providers, such as information and communication technology suppliers, the placement and recovery of reinsurance, as well as a range of professional services across many disciplines, recruitment, office supplies and facilities.

Liberty is committed to maintaining the highest ethical hiring standards with the aim of ensuring that no forced labour, involuntary labour or child labour forms any part of our operations. We ensure that we have the appropriate people

working for us by following an employment process that requires all individuals to undergo pre-employment checks to verify their identity, eligibility to work and qualifications.

Where contractors support our operations, they are also subject to probity checks, helping to ensure compliance with all laws and regulations applicable to the provision of their services. Liberty has appropriate governance, monitoring and supervision controls in place to ensure that our workplaces are safe for our staff so that they can carry out their duties safely.

Liberty engages with Liberty Specialty Markets Singapore Pte Limited's Malaysian operations to provide Liberty with specified services. Liberty has oversight of the services provided by the Malaysian operations to Liberty, albeit we do not own these operations. The Singapore and Malaysian operations as part of the Liberty Mutual group maintain a zero tolerance for modern slavery within their operations



Our supply chains

Liberty's supply chains support both the core business functions of general insurance delivery and the business support roles. They are predominantly service-based and include insurance intermediaries (brokers and agents), reinsurers, consultancy and professional services firms, and other service providers.

A smaller component of our supply chains is comprised of suppliers of goods and services supporting its office functions including IT, marketing, and travel.

Liberty uses, and continues to introduce, due diligence process to help identify potential suppliers, third party vendors and supply chains who hold similar values.

Liberty's supply chains support both the core business functions of general insurance delivery and the business support roles.

Identifying risks in our supply chain

Liberty is committed to conducting business in an honest and ethical manner, with integrity and accountability, with responsible business decisions at the heart of our decision-making processes. We will continue to act as a responsible business, ensuring that modern slavery does not exist in our supply chains or in any part of our business. Liberty has, and will continue to maintain, a

zero tolerance for modern slavery and will take all necessary steps to ensure that this is maintained.

Key to the procurement process is the Supplier Code of Conduct which, amongst other things, takes into consideration the risk of modern slavery activities that may involve our suppliers, and we will act accordingly as they are identified.



Modern slavery risk

Based on an analysis of our operations and supply chains, and considering the nature of our products and services, we believe that the risk of modern slavery practices existing within Liberty's operations and supply chains is low.

The inherent risks that the service-based intermediaries and professional service suppliers are linked to modern slavery are likely to also be low.

The products and industries that have been identified as possessing the potential of a higher risk of modern slavery in Liberty's supply chains include:



IT Hardware and Software

Where the risk emanates from the extraction of raw materials for, and manufacture of, hardware and electronics, and the disposal of the electronics at the end of their life. This risk will also include software and networks that are integral to the provision of our core business activities and services.



Marketing Products

Where the risk is in the supply chain for corporate clothing both in branded and nonbranded goods purchased for non-resale.



Travel

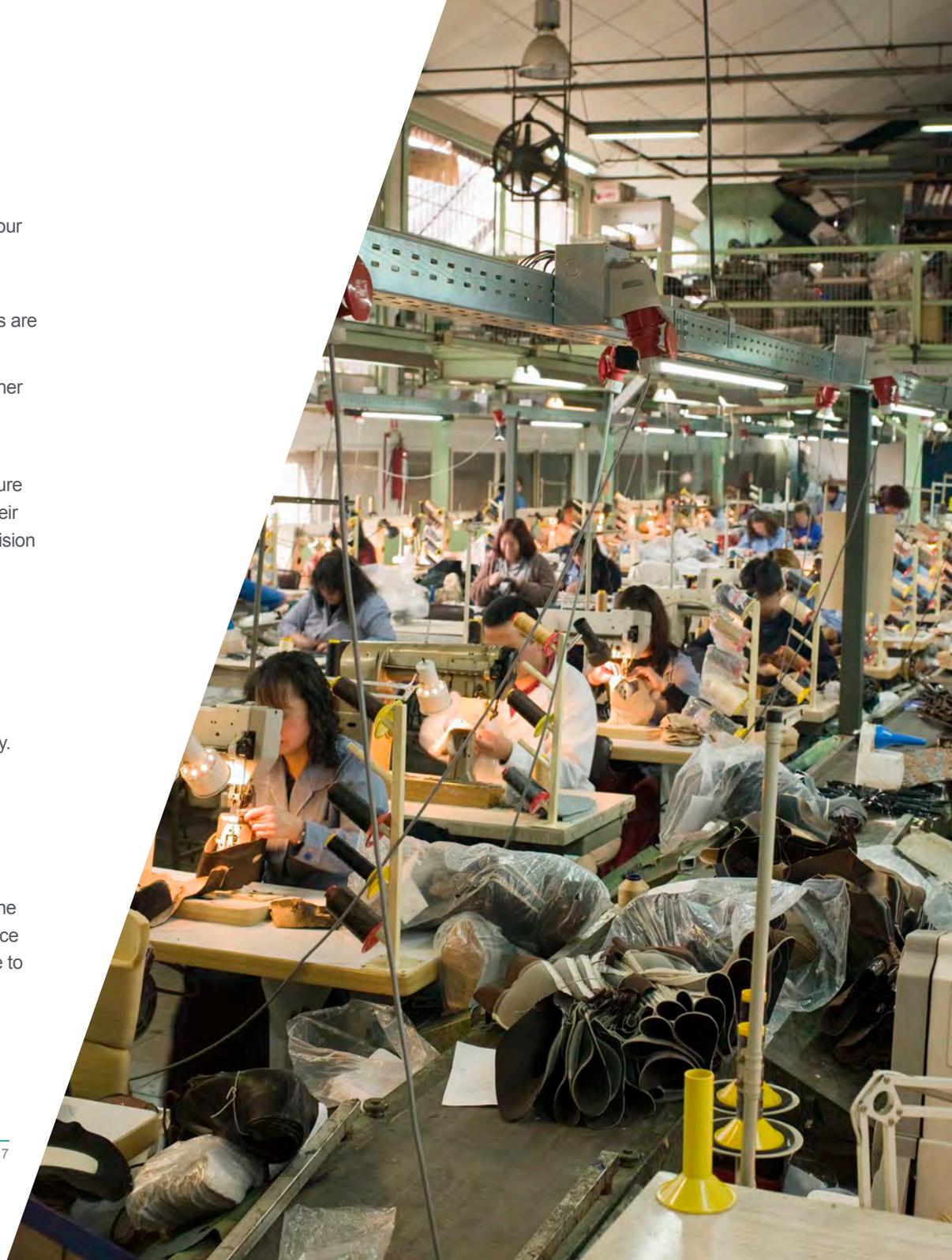
Where the risk is of exploitation in both transport, accommodation and hospitality.



Labour Hire

Where external labour is used for contract cleaning and security.

Liberty acknowledges modern slavery risks are constantly evolving. We keep up to date and are committed to deepening our understanding of these risks. There continues to be the potential for indirect modern slavery risk exposure within our supply chains, such as in office supplies, marketing merchandising and office cleaning arrangements, Liberty will continue to strengthen our processes to identify, monitor and mitigate these risks.





How we address Modern Slavery Risk

This section provides an overview of how we address modern slavery risks across our operations and supply chains. This includes the implementation of internal policies and procedures, training and awareness and our actions undertaken to date.

Policies and procedures

Liberty has in place formal policies to directly address working conditions and standards of conduct to ensure a work culture and work environment of respect and fairness which includes:

- ▶ Code of Business Ethics & Conduct Policy
- ▶ Insurance Anti-Corruption Policy
- ▶ Anti-discrimination & Harassment Policy
- ▶ Employee Handbook Australia
- ▶ Whistleblowing Policy
- ▶ Incident Management Policy
- ▶ Gifts and Hospitality Policy
- ▶ Complaints & Disputes Management Policy
- ▶ Remuneration Policy
- ▶ Fraud Risk Management Policy

Additionally, Liberty has in place policies and agreements to promote transparency, integrity and honesty when doing business with suppliers in their supply chains which includes:

- ▶ Outsourcing Policy
- ▶ Third Party Vendor Framework
 - Supplier Code of Conduct
 - Procurement Policy
 - Intermediary Broker Agreements
 - Service specific agreements and contracts.

All our policies and related procedures are reviewed regularly to ensure Liberty has robust governance processes in place.

Liberty has in place formal policies to directly address working conditions and standards of conduct to ensure a work culture and work environment of respect and fairness.



Code of Business Ethics & Conduct

The Liberty Code of Business Ethics & Conduct (the Code) is the foundation for how we conduct our business, puts our values into practice and guides our ethical behaviour. The Code outlines the professional standards we expect from our employees and provides guidance to support ethical behaviour when conducting business.

We also expect anyone acting on our behalf to share our values and conduct themselves in a manner consistent with the Code. All employees are required to complete Code of Business Ethics & Conduct training annually and complete an annual declaration.



Supplier Code of Conduct

The Liberty Supplier Code of Conduct sets out standards and behaviours we expect from our suppliers when providing goods and services to or on behalf of Liberty.

We do not tolerate any form of modern slavery within our business or supply chain. Suppliers are expected to comply with human rights and fair employment practices

At Liberty, we treat each other, our customers and those in our communities with empathy, dignity and respect.





Training and awareness

All staff are responsible for adherence to Liberty's policies that apply to their employment and for reporting any suspected breaches of law or our Code of Conduct.

Training is provided on commencement of employment via a formal induction program and is supplemented by continuous awareness training on an annual basis across a range of frameworks, policies and procedures.

Liberty staff identified as having direct responsibility with our supply chains undertake mandatory training sessions specifically designed to assist with the identification of modern slavery risk within our operations. We have developed a training module located in our intranet learning library and is available to all staff.

As Liberty continues to uplift its framework, awareness training sessions are available to

all staff. It is our expectation that our people maintain their skills, helping to ensure they understand the risks of modern slavery, and remain vigilant to indicators that it is occurring, or has infiltrated any part of our operations and/or supply chain.

Raising Concerns Whistleblowing

Liberty believes that a transparent whistleblower policy is an essential part of good risk management and corporate governance. It helps uncover misconduct that may not otherwise be detected. It encourages the reporting of any concerns about actual, potential or suspected wrongdoing, where there are reasonable grounds to suspect such wrongdoing, or a breach of the law by Liberty or an employee, contractor or supplier to Liberty. The policy also provides guidance as to the protection for any whistleblowers.

Awareness of modern slavery risks is important, and Liberty staff undertake Code of Conduct training on an annual basis.

Remediation process

Depending on the nature of the concern and the channel through which it is raised, Liberty will respond to instances of suspected Modern Slavery concerns in accordance with the relevant policies and process(es), for example, those outlined in the incident management policy and Whistleblower policy. Liberty will examine and investigate all instances raised and develop action plans to remediate concerns where necessary.



Actions taken to date

In order to support compliance with the Act and as part of our commitment to an ethical and responsible culture, Liberty:

- ▶ **Continued to build maturity across our procurement process** in the management of third-party vendor services by a dedicated procurement team. Such enhanced operational capability will also expedite improved identification and mitigation of modern slavery risks through greater focus upon our third-party vendor management activities and exploring technical solutions to support these activities.
- ▶ **Reviewed and updated whistleblowing and grievance procedures** to ensure Liberty staff have access to several robust, well understood and confidential avenues to raise any concerns with respect to governance practices and their treatment in the workplace. These practices are ingrained in the company's corporate culture .
- ▶ **Continued to improve our risk culture** which promotes the proactive raising of incidents for remediation with an updated incidents management framework and resources dedicated to support these practices.
- ▶ **Operating in an environment of continuous improvement and focus** on our employee's well-being with ongoing refinements to policies to protect workers' rights in Liberty's operations and reinforce a culture of respect and fair work conditions.
- ▶ **Regularly reviews compensation structures** (which are subject to the Remuneration Policy) to ensure that they meet or exceed the required legislative and market rates.
- ▶ Has, as the foundation for how we conduct our business, **implemented a Code of Conduct** which puts our ethical Values into practice for every business interaction. We set clear expectations that all staff must comply with the Liberty Code of Conduct during onboarding and on an annual basis with training and an annual declaration of awareness.
- ▶ **Incorporated management of modern slavery risk** across various governance policies.
- ▶ **Undertakes due diligence** which included a desktop assessment of spend, modern slavery indicators, an entity search for adverse media findings, and review of published modern slavery statements.





Effectiveness of our actions

Liberty has established governance, risk and compliance frameworks and processes in our operations. This enables us to identify and monitor our risks, including the effectiveness of the approaches taken to manage them. Our Risk and Compliance management is supported by:

- ▶ A strong and positively evolving risk culture across the business to support the effective management of our risks
- ▶ A Risk Management Framework which sets the direction of our risk management activities.
- ▶ A Compliance Framework which sets the commitment to adhering to both legal and regulatory requirements
- ▶ A Risk Appetite Statement which is fit for purpose; that is, it is aligned to and appropriate for the nature, scale and complexity of the business and in turn assists the business to achieve its strategic goals
- ▶ A maturing three Lines of Defence model which clearly defines the roles and responsibilities across the business
- ▶ Independent Risk and Compliance functions that partners with the business. These activities will be monitored to ensure that the modern slavery processes Liberty is refining, building and implementing are effective.

Liberty has established governance, risk and compliance frameworks and processes in its operations.



Continuous improvement

Liberty is committed to continuously improving our policies and procedures over time to help prevent modern slavery within our operations and supply chains. We have now implemented the following processes and procedures:

- ▶ Refined the formal Modern Slavery Statement to articulate Liberty's commitment and approach to modern slavery
- ▶ Updated relevant internal policies, including third party vendor framework documents to embed modern slavery commitments
- ▶ Promoted staff awareness through compulsory training on modern slavery and educational communications throughout Liberty
- ▶ The ongoing monitoring modern slavery better practices within the insurance industry to ensure our processes are proactively updated.

Liberty is committed to continuously improving our policies and procedures over time to prevent modern slavery within our operations and supply chains.





Looking forward/next steps

Each year Liberty is committed to improving our efforts to identify and mitigate modern slavery risk within our organisation and supply chains. Our next steps include:

- ▶ Expanding supplier due diligence and engagement
- ▶ Continue to roll out training to create awareness and uplift our modern slavery understanding
- ▶ Monitoring developments with regards to the Modern Slavery Act 2018 (Cth) and assessing our actions against legislative requirements
- ▶ Our goal is to continue to evolve our approach to identify modern slavery risks across our supply chains. Through our compliance review actions undertaken and underway, we are also developing a greater understanding of our third-party landscape.



Global reach. Financial strength. Local authority.

Distinct, complex and constantly evolving – every business is as unique as its insurance needs. To confidently progress in the face of risk and uncertainty requires a level of security you can only achieve through working with specialists.

Liberty Specialty Markets offers a breadth of world-class insurance and reinsurance services to brokers and insured clients. We bring value and solutions to more than 26,000 of Asia Pacific's most significant business and government organisations – helping protect what they earn, build and own.

We're part of the global Liberty Mutual Group, a Fortune 100 company that's been in business since 1912 with a Standard and Poor's 'A' rating.

[+](#) View our office locations



Connect and join the Liberty conversation

Liberty Specialty Markets is a trading name of Liberty Mutual Insurance Company, Australia Branch (ABN 61 086 083 605; AFSL No. 530842 (for claims handling and settling services only)) incorporated in Massachusetts, USA (the liability of members is limited).

