Munich Re Syndicate Limited Statement on the UK Modern Slavery Act

This statement is made pursuant to section 54 (1) of the UK Modern Slavery Act 2015 and constitutes Munich Re Syndicate Limited’s slavery and human trafficking statement for the financial year ending 31 December 2021.

Munich Re Syndicate Limited (“MRSL”) is owned by Munich Re Specialty Group Limited (‘the MRSG group’) which in turn is wholly owned by Munich Re. Where relevant, the references in this statement to Munich Re and the MRSG group are also relevant and applicable to MRSL.

The organisation’s structure, its business and its supply chains

MRSL manages Syndicate 457 and Syndicate 1804 at Lloyd’s. As well as operating at Lloyd’s, the MRSG group has a global network of service companies located throughout the UK, Ireland, the United States of America and Asia. It is also represented within Lloyd’s China.

Munich Re’s policies in relation to slavery and human trafficking

The Munich Re business concept of sustainable and responsible action is adopted, so MRSL is committed to combatting slavery and human trafficking.

A suite of policies, specific to our risks and controls are in operation to set out and maintain business standards, which are integral to preventing modern slavery or human trafficking.

Munich Re’s due diligence processes in relation to slavery and human trafficking in its business and supply chains

Munich Re has developed a process that covers key components of human-rights due diligence. As part of the Munich Re Group MRSL has local processes that reduce the risk of modern slavery and human trafficking (these are explained in the assessment and measures to manage related risks below).

Assessment and measures to manage slavery and human trafficking risks

As part of the MRSG Group MRSL has assessed where its business may be at risk of encountering slavery or human trafficking, and has taken steps to assess and manage that risk:

Employees

Employees contribute to our success through their skills, performance and dedication. That is why we are committed to investing in their development and providing all staff with equal opportunities and top-quality working conditions.

Poor recruitment procedures and working environments can lead to instances of compulsory labour or servitude, if left unchecked. The Human Resources function (‘HR’) uses pre-employment residency checking to ensure the legitimacy of our employees’ working status in the UK. They also operate wage structures and working hour models that meet legal requirement and market standards which are monitored through remuneration benchmarking exercises on an annual basis. Any additional employment or hours worked are subject to sign-off procedures and also monitored to prevent any environment that would facilitate an offence.

HR have taken part in initiatives to achieve optimal working conditions for employees, with reviews of equal opportunities and health and safety related topics. The working conditions are measured by the use of ‘continuous conversations’ feedback and exit interviews with current and former employees.

Employees have the opportunity to report concerns or compliance breaches through various methods.
Procurement

As we engage a number of suppliers we are conscious that we are part of a wider market and we recognise that suppliers will have different risk profiles regarding modern slavery or human trafficking. As part of the Munich Re Group MRSL implements a Corporate Responsibility clause into procurement contracts and reserves the right to cancel the contractual relationship for breach of that clause.

The procurement function only engages with carefully selected, reputable suppliers, who provide primarily low risk goods such as professional services, software and office supplies. We have an active tender process that is periodically reviewed at contract renewal, where a supplier’s ethics and risk profile in respect of modern slavery and human trafficking offences are part of our overall consideration in deciding whether or not to conduct business. The procurement function operates a risk-based approach, which is influenced by factors such as the types of goods services, goods and operational territories of the suppliers, to determine the appropriate level of due diligence applied.

Training on slavery and human trafficking

All staff are required to complete training on the Munich Re Group Code of Conduct every two years so that they are familiar with the standards of ethical conduct in our daily work and are aware of the need to observe these rules day to day. This training includes, for example, reporting of infringements, data protection and corruption. Staff identified as having a need for enhanced knowledge of the risk of modern slavery in their roles receive specific training every two years.

Progress in the financial year 2021

COVID-19 & Hybrid Working: Throughout the COVID-19 pandemic, MRSL closely monitored concerns in relation to the health and working conditions of its employees. Risk assessments were performed and resultant actions were taken to make the workplace COVID-secure, such as introducing strict policies on self-isolation, social distancing practices, desk booking systems, touch-free mechanisms and deep cleaning. Desk booking and strict hygiene measures remain in place beyond the pandemic.

During the pandemic all staff were able to work from home. Additional support was provided to staff by means of expense schemes, wellbeing initiatives and increased flexibility in working hours to support employees with home office costs, changes in the work environment and balancing childcare/home schooling.

Following a phased return to the office all staff have now fully adopted a hybrid working policy where a blend of remote working and office working has been implemented. This flexible approach will be the normal working pattern going forward.

Procurement: A core model for digital supplier management went live at Munich Re’s headquarters in Munich in 2020 and is being rolled out across the group. The MRSG group started to use some of the features during 2021 with more features becoming available in 2022/2023. This will enable MRSL to improve accessibility, acceptance and documentation of the UN Global Compact Principles (UNGC) throughout its procurement supply base. Through the use of the global core model and the associated standardised supplier onboarding/contracting process, UNGC coverage is expected to increase.

Final Remark

We will continue to work on the implementation of the human and labour rights aspects and to consider our obligations under the Modern Slavery Act 2015. This statement is made pursuant to section 54(1) of the UK Modern Slavery Act 2015 and constitutes MRSL’s slavery and human trafficking statement for the financial year ending 31 December 2021.

Thomas Artmann
CEO, Munich Re Syndicate Limited

London, 30 June 2022