



**UK P&I CLUB
MODERN SLAVERY AND HUMAN
TRAFFICKING STATEMENT**

16th May 2022

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes The United Kingdom Mutual Steam Ship Assurance Association Limited's "UKC" slavery and human trafficking statement for the financial year ending 20th February 2022 until it may in future be modified or amended. Such modifications or amendments will be communicated to all our existing and new employees. The statement has been approved by the UKC Board and will be sent to all our suppliers to ensure they comply with our values and ethics.

Introduction

The term "modern slavery" encompasses offences such as slavery, servitude, forced or compulsory labour and human trafficking and, as such, is a violation of human rights. It involves behaviour on the part of the offender as if he/she "owned" a person, depriving the victim of his/her freedom (slavery); the use of coercion and the obligation for a "serf" to live on another person's property and the impossibility of changing his or her condition (servitude); direct or indirect threats of violence to exact work or service from any person under the menace of any penalty and for which the person has not offered him/herself voluntarily (forced or compulsory labour); and the arrangement of facilitation of travel of another person with a view to that person being exploited (human trafficking).

Modern Slavery Statement

We have a zero tolerance approach to modern slavery and human trafficking and are also committed to acting ethically and with integrity in all our business dealings and relationships to ensure modern slavery is not taking place in our own business nor in any of the supply chains we operate. We always work to the highest professional standards and comply with all laws and regulations applicable to the business.

The Club is a global company and the nature of its business is such that the supply chains supporting our business are limited and there is minimal risk that we are in any way involved or complicit in modern slavery or human trafficking either in our own business or in the businesses of our suppliers. We are committed to improving our practices to combat modern slavery and human trafficking.

Organisational Structure

The parent company of the UK P&I Club is The United Kingdom Mutual Steam Ship Assurance Association Limited “UKC” which is a mutual marine insurance company incorporated in England & Wales. As a mutual company, UKC does not have shareholders and is owned by and exists for the benefit of its Members who are ship owners and other entities that have ships insured by UKC. UKC has three subsidiaries, UK P&I Club N.V incorporated in the Netherlands, The United Kingdom Mutual Steam Ship Assurance Association (Bermuda) Limited, which is the 90/10 quota reinsurer of UKC, and The United Kingdom Mutual Steam Ship Assurance Association (London) Limited, which has been in run-off since 1971.

The mutual marine insurance business of the Club is carried on by UKC in London and through its branches in Hong Kong, Japan and Singapore. The Club provides claims handling and advisory services to its policyholders through the Managers (Thomas Miller P&I Ltd) and a global network of correspondents. The services provided by the Club to its insureds also include the provision, on a discretionary basis, of guarantees and undertakings to third parties to enable ships entered for insurance with the Club to be released or to avoid threatened arrest or detention. Other services provided by the Club to its insureds include various advisory services aimed primarily at loss prevention.

The Club is regulated by both the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA) in the UK.

Our Supply Chains and Risk Assessment

Neither the Club nor the Managers are producers, manufacturers or retailers of goods and, as such, do not have supply chains involving the procurement of raw materials, factories, assembly plants or migrant workers. Our supply chains are limited to the procurement of professional services, such as lawyers, surveyors, actuaries and other services to facilitate the Club’s work as an insurance company. Their engagement and ongoing monitoring are the subjects of a Thomas Miller Procurement Policy for Professional Services.

The goods and suppliers of other services, such as cleaning, catering, property management and communications infrastructure that we procure to run our business are the subject of a separate Thomas Miller Procurement Policy for Goods and Services other than Professional Services.

Our branches in Hong Kong, Japan and Singapore are also subject to these procurement policies.

Our Policies

We have reviewed our internal policies and procedures to assess their effectiveness in identifying and tackling modern slavery issues. We currently have no stand-alone policy on modern slavery and human trafficking. We do, however, have a well-developed risk culture based on good governance and the three lines of defence risk management

model. Both the Club and the Managers have developed a number of policies that reflect our approach to risk management and bear on the requirements to combat slavery and human trafficking and on our corporate social responsibility as it relates to the environment. Relevant policies are:

- Procurement Policy for Professional Services
- Procurement Policy for Goods and Services other than Professional Services
- Conduct Risk Policy
- Recruitment Policy
- Remuneration Policy
- Outsourcing Policy
- Risk Management Framework
- Environmental Statement
- Whistleblowing Policy
- Employee Handbook

All policies and procedures are stored on our Electronic Quality Management System (EQMS) and are accessible by all staff.

Our System and Controls - Due Diligence Processes, Measuring Effectiveness and Training

We have a dedicated Risk and Compliance function led by the Risk and Compliance Director with involvement from the Human Resources department and Internal Audit function. The Thomas Miller and Club Boards receive reports from these function areas. We have in place general systems and controls as follows:

- The selection and management of suppliers, including service evaluation and review, are governed by the procurement policies identified above.
- The Outsourcing Policy provides guidance on the assessment of options for outsourcing material activities to a third party which includes a detailed specification of the due diligence review performed on the chosen service provider and the requirement for a written agreement.
- Recruitment methods and standards for potential suppliers are also articulated in the procurement policies.
- Employee rights and responsibilities are set out in Contracts of Employment, the Employee Handbook and other related employment documentation. The established conduct standards ensure we conduct our business responsibly, ethically and in accordance with applicable laws and regulation.
- We communicate this statement and the relevant internal policies to all our existing and new employees to ensure a high-level of understanding of the Club's position on modern slavery and human trafficking.
- We also consider the need for training of key personnel to recognise the signs associated with modern slavery and what to do if they suspect these offences are being committed.
- We have systems in place to protect whistleblowers.

We are satisfied that the structure of these policies could enable the inclusion of additional, more explicit terms to cover respect for human rights and zero tolerance of modern slavery throughout the supplier organisation or in any part of our business if needed.



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Nicholas Inglessis, Chairman
The United Kingdom Mutual Steam Ship
Assurance Association Limited