

New Reinsurance Company Ltd.'s 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 New Reinsurance Company Ltd.'s (NewRe) slavery and human trafficking statement for the financial year ending 31 December 2023. As part of the Munich Re¹ Group, NewRe applies the same principles Munich Re has signed up to and has adopted the Munich Re Statement for NewRe as follows.

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

NewRe is a Swiss reinsurer based in Zurich. In 1988, NewRe became part of the Munich Re Group, one of the leading reinsurers. During its long history, NewRe has constantly moved with the changing market environment and client needs. Whereas in the past NewRe focused mainly on traditional property and casualty reinsurance, it has now become a leading underwriter of structured life and non-life reinsurance solutions. NewRe also offers weather derivatives and parametric trigger covers, and additionally specialises in variable annuity reinsurance and capital management solutions for life business.

NewRe procures many different goods and in particular services throughout the world. By purchasing at best total value in terms of quality, time and cost, while ensuring compliance at all times, the procurement activities seek to deliver a substantial and lasting contribution to the success of NewRe.

NewRe's policies in relation to slavery and human trafficking

Respect for human rights is a part of our management approach to include economic, environmental and social challenges in our definition of success.

We are subject to Munich Re's declaration to respect and protect human rights, which is published on the Munich Re website at www.munichre.com/sustainability/download. This statement underscores Munich Re's commitment to human rights, as defined in the UN Guiding Principles on Business and Human Rights, in the International Bill of Human Rights and in the ILO's Declaration on Fundamental Principles and Rights.

Since 2017, we have published a yearly statement on the UK Modern Slavery Act in accordance with international rules signed by the CEO.

NewRe are committed to apply its respective due diligence and to respect internationally recognised human rights.

¹ Munich Re (Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft in München)

As part of the Munich Re Group and subsidiary of Munich Re who has been a signatory to the UN Global Compact since 2007, we are committed to the following principles:

- Promoting and protecting internationally recognised human rights within our scope of activity
- Taking precautionary measures designed to prevent NewRe from contributing to human rights violations, for example human trafficking
- Upholding the freedom of association and the effective recognition of the right to collective bargaining
- Supporting the elimination of any kind of forced or child labour
- Helping to put an end to discrimination in hiring and employment

These principles are also enshrined in our Code of Conduct, compliance with which is mandatory for all Munich Re Group staff. This reflects our Group-wide, shared understanding of the value of safeguarding human rights.

In addition to our commitment to these standards and others specified by the Principles for Sustainable Insurance (PSI), and the Principles for Responsible Investment (PRI), we have implemented a due diligence process that covers our commitment to the following guidelines:

- UN Guiding Principles on Business and Human Rights
- International Bill of Human Rights, consisting of the:
 - Universal Declaration of Human Rights
 - International Covenant on Civil and Political Rights
 - International Covenant on Economic, Social and Cultural Rights
- ILO Declaration on Fundamental Principles and Rights at Work

With due diligence processes in place to prevent and mitigate human rights abuses, we strive to comply with the requirements of these standards and guidelines as well as the requirements of the German Supply Chain Due Diligence Act (LkSG).

NewRe's risk management processes in relation to slavery and human trafficking in its business and supply chains

Our management strives to prevent potential adverse impact on human rights arising from our business operations. To identify such impact, the following four dimensions have been defined: employees, procurement, business and investments. Munich Re has introduced instruments for each of these aspects at Group level, which allow us to manage our respective decision-making processes in terms of human rights. This supports us in minimising risks regarding human rights violations.

Our corporate due diligence requirements are set out in various Group guidelines, codes and work instructions which apply to NewRe as well. The Group processes include the following components:

- A risk management system with clearly defined processes and responsibilities:
 - Regularly conducting risk analyses
 - Embedding preventive and remedial measures
 - Monitoring and reviewing the effectiveness of measures
- Grievance mechanism (whistleblowing management system)

- Documentation and reporting

On Group level, in the event of increasing risks or concrete evidence of potential human rights violations, such risks or violations are either revealed in the course of the monitoring or supplied via the whistleblowing channels. The human rights officer carefully reviews the facts and initiates the preventive or remedial measures needed in order to avoid, end or mitigate the violation in question. In line with governance processes, depending on the extent of the breach, corporate committees responsible for assessing ESG risks are involved in the decision. These are the Reputational Risk Committees for investments and reinsurance and the ESG Management team as a working committee of the ESG Committee.

Assessment of human rights risks

At Group level, Munich Re has implemented a structured risk analysis to check which business units or activities could be exposed to an increased risk of human rights violations or environmental harm. These risk analysis processes have been implemented within the four dimensions of employees, procurement, business and investments. In addition, risk analyses are carried out on an ad hoc basis in response to significant changes in the risk situation, such as expansions into new business areas or product offerings, or when becoming aware of related breaches of duty on the part of indirect suppliers.

Munich Re's risk analysis is based among others on a country-and-sector list that Munich Re compiles and regularly updates at Group level, drawing on external databases to do so. This is also used to screen new and existing business relationships where relevant and, if necessary, initiate preventive or remedial measures.

Measures to manage human rights risks

The processes we developed to comply with human rights due diligence obligations are continuously revised and expanded. Munich Re has defined the following processes at Group level, which are reviewed annually:

- Commitment by management to comply with human rights
- Appointment of a Human Rights Officer for the Group
- Structured identification and assessment of risks with regard to human rights violations
- Implementation and monitoring measures
- Annual reporting and communication
- Support and grievance mechanism

Staff and non-staff can use NewRe's whistleblowing portal to report possible or actual human rights violations. If a human rights violation is reported, or we otherwise learn of one, our Legal & Compliance department will investigate. Every potential case is investigated in accordance with a procedure set out in internal guidelines. Every potential case of misconduct will be investigated and resolved. If we learn of substantial human rights violations in an existing contractual relationship, we decide on appropriate and effective remedial action in dialogue with the responsible parties.

Moreover, we endeavour to decline any business relationship with, and exclude investments in, companies that have been involved in confirmed and substantial violations of humans rights. For this purpose, a list of companies with which we want to exclude business has been developed by Munich Re at Group level in a multi-stage process based on information from external data

providers. This list is regularly reviewed, updated and adopted as part of Munich Re Group's ESG governance. The Group began applying these policies to investments, to procurement and to single-risk business in primary insurance and facultative reinsurance in the course of 2023.

Employees

As an employer, we are committed to complying with international human rights standards and offering adequate working conditions to our staff. This entails aspects such as transparent remuneration conditions, an extensive company health management framework with a wide range of healthcare options, comprehensive employee assistance programmes, as well as flexible working conditions and working-time models.

Our Code of Conduct, as a set of binding rules for all our staff members, explicitly states that we do not tolerate any kind of discrimination in respect of employment and occupation and upholds the freedom of association and the effective recognition of the right to collective bargaining.

Procurement

Our goal in procurement, when making decisions and taking action, is to comply with our principles, and thus assume corporate responsibility along the entire supply chain. Avoiding ESG risks is pivotal to our procurement of goods and services. We had previously required our suppliers to accept the principles of the UN Global Compact. Munich Re has now made the expectations in terms of respecting human rights even clearer by adopting a Group-wide Code of Conduct for suppliers that came into effect on 1 January 2023 and which NewRe has also implemented. Accordingly, the vast majority of procurement contracts ~~within reinsurance~~ include a corporate responsibility clause. This serves, among other things, to formalise the Munich Re Group's human-rights-related requirements for suppliers and, if necessary, to have audit and special termination rights in the event of a breach.

The structured and continuous risk analysis process that is currently being introduced at Group level will allow us to even better identify potential human rights violations in future, and to mitigate or avoid them accordingly. Substantial cases are discussed in dialogue with the responsible parties and remedial measures are taken if necessary.

Reinsurance

In addition to taking into consideration the above exclusion list of companies that have been involved in confirmed and substantial violations of human rights, Munich Re has updated the Group underwriting guidelines for single-risk business in primary insurance and facultative reinsurance in the 2023 reporting year to include an enhanced risk analysis for certain large commercial business clients. The focus here is on client groups for which – given their geography and sector – structural factors contribute to an increased risk of human rights violations.

Should in this context significant reputational or human rights risks be identified in the underwriting process, the underwriting guidelines stipulate an extended review process, and risks may need to be presented to the respective Reputational Risk Committee prior to acceptance.

Investment

As part of a sustainable investment, government bonds (including the sub-sovereign level) and notes from government-related institutions rated CCC under the MSCI ESG Rating scale are excluded due to high risks related to socio-economic or political factors. Such MSCI ESG Ratings also take human rights into account. The Group-wide Responsible Investment Guideline (RIG) has been updated to include human rights standards, among others. Exclusions also apply to these

asset classes if, on the basis of a specific country rating for human rights, their risk exposure is extreme. If the risk exposure is high, the portfolios of assets in question are monitored.

The list of companies we exclude due to their significant human rights violations is also used in our investment business, where application of the exclusion lists is mandatory for our asset managers.

We have integrated human rights into our due diligence process for our alternative investment activities, particularly for the asset classes of infrastructure, direct investments in forestry and farming, and direct real estate.

As a responsible investor, we also support the international conventions addressing controversial weapons (including but not limited to the weapon categories anti-personnel mines and cluster munition), and exclude any direct investment in equities or bonds from companies active in those sectors.

Grievance mechanism

The compliance whistleblowing portal of NewRe allows employees to report potential or alleged human rights violations. Since 2023, NewRe's whistleblowing portal was made publicly accessible to external parties such as clients, suppliers and other business partners via the NewRe website. Additionally, employees can access the portal by using the internal web. Employees can also report incidents to their direct managers or the Legal & Compliance department. Accordingly, relevant information can be shared securely, confidentially and, on request, anonymously. Evidence of potential human rights violations that reaches us via other channels is handled using the same principles and processes.

There is a joint responsibility for investigating possible human rights violations. The Legal & Compliance and HR team investigate issues of possible human rights violations within own operations. At Group level, the human rights officer is responsible for investigations relating to possible human rights violations within the value chain. The investigations to be initiated and the procedures are defined and set out in an internal set of rules. Every possible case of misconduct is investigated and clarified. If we learn of human rights violations in an existing contractual relationship, we immediately enter into dialogue with the relevant stakeholders and pursue remedial measures.

Raising Awareness: Training and capacity building on slavery and human trafficking

In order to raise staff awareness and familiarise them with the key compliance rules and help them understand the importance of following these rules at work at all times, employees re-certify their knowledge of the Code of Conduct regularly. This training course includes information on topics such as full equality, reporting of infringements, data protection and corruption. Furthermore, special training courses on human rights due diligence have been established at Group level for employees in the procurement units.

"ESG Basics", a Group-wide ESG awareness-raising measure, is aimed at all employees of Munich Re Group, including NewRe. It includes the ESG criteria relevant to our business success, such as climate and environmental aspects, social criteria like working conditions and human rights, and compliance and governance requirements.

We coordinate the implementation of the Principles for Sustainable Insurance (PSI) and the integration of ESG aspects in our business with Munich Re's corporate responsibility experts. With

this in mind, we provide relevant training for managers, underwriters and client managers in the different departments.

Progress in the financial year 2023

We will continue to work on the implementation of human and labour rights aspects and to consider our obligations under the UK Modern Slavery Act 2015.

In 2022, Munich Re adopted an overall Group guideline on respecting human rights in the business, which was introduced and implemented in all units affected by the legal requirements of the German Supply Chain Due Diligence Act (GSCDDA) in the 2023 financial year. Also NewRe as part of the Munich Re Group adheres to the guideline. It sets out the basic human rights compliance requirements for employees and suppliers across the Group and defines how we address human rights risks in our business operations.

In addition, Munich Re has strengthened the Group-wide due diligence process in single-risk business in primary insurance and facultative reinsurance during the course of 2023. The process had already been developed and piloted in the previous year and henceforth will help us to even better identify, analyse and assess potential risks to human rights.

With the introduction of a Group-wide process in 2023 we endeavour to decline any business relationship with, and exclude investments in, companies that have been involved in confirmed and substantial violations of human rights. This has been applied to investments, to procurement and to single-risk business in primary insurance and facultative reinsurance in the Munich Re Group.

Our goal is to continuously improve our compliance-related processes and expand our risk assessment. Our risk management processes and risk analysis are therefore reviewed periodically.

Zurich, 7 June 2024

Dr. Thomas Braune
CEO and Managing Director
New Reinsurance Company Ltd.