



Direct Line Group Transparency Statement on Modern Slavery 2024

This statement on slavery and human trafficking is published on behalf of Direct Line Insurance Group plc and its wholly owned subsidiaries U K Insurance Limited, DL Insurance Services Limited and UK Assistance Accident Repair Centres Limited pursuant to section 54 of the Modern Slavery Act 2015 (the “Act”), each having a turnover in excess of £36m. References to “we”, “us”, “our”, and “DLG” are to all of these companies. This statement applies to the financial year for DLG ending 31 December 2024 and is the 9th annual statement produced by the organisation.

As an organisation DLG takes its responsibilities seriously. We believe that doing the right thing builds trust, trust builds reputation and reputation builds value. We support the aims of the Act and seek to ensure slavery and human trafficking does not feature in our business or supply chain.

This is reflected through DLG’s purpose and sustainability strategy which is overseen by the Board and can be located on our website (see [link](#)). As part of the strategy, the Customer and Sustainability Committee aims to help ensure we run our business in a responsible manner, and considers emerging social, environmental and ethical issues and opportunities..

Our Organisation’s Structure

DLG is one of the leading providers of general insurance operating in the UK and, through its number of well-known brands, offers a range of personal insurance products to customers. These brands include Direct Line, Churchill, Privilege and Darwin. DLG also offers insurance services for third party bThird-Party its Partnerships division and for the commercial sector via Direct Line for Business, in addition to its Rescue and Recovery offering via Green Flag. Further details of our organisation’s structure can be found on our website (see [link](#)).

We apply a multi-brand, multi-product and multi-distribution channel business model to sell to retail customers and businesses. Products can be purchased online, including via price comparison websites, by phone and indirectly through our partners, and in our commercial business.

Within our structure we employ approximately 10,000 people across [multiple UK](#) locations, amongst which our DLG Auto Services garage network supports our Motor claims function through vehicle repair and our Green Flag patrol supports our rescue provision.

DLG has in place robust recruitment policies that cover permanent, fixed term and contingent employees and require all employees to undergo background checking prior to beginning their employment with DLG. Our standard templates for our Third Party contracts also include requirements around background checking and suppliers must adhere to the applicable level of screening for employees working on DLG services – this is determined by the services being provided by the supplier.

All our employees are required to adhere to our Code of Conduct, which sets out to promote honest and ethical conduct and compliance with all applicable laws, rules and regulations. Adherence to this code, alongside practicing our [Values](#), is key to the successful delivery of our business strategy. As an organisation we have a published Human Rights, Diversity & Inclusion Policy, which is available to view on our [corporate website](#).

Supply Chain

We recognise that, as one of the UK's leading general insurers, we want to look beyond our own commercial interests. Although DLG, as a general insurer, can be seen as within a lower risk industry, it is still important to highlight areas within our supply chains that can be more vulnerable to potential risks relating to modern slavery. Across our supply chain we have over 1800 suppliers. We are actively managing c250 suppliers aligned to our Supplier Management and Outsourcing Policy. This is across both our direct (claims validation and fulfilment) and indirect suppliers, including many well-known brands and industry leaders in their field.

Our direct supply chain provides services to support the fulfilment of our core insurance products.

Household

Our household claims supply chain can be aligned to two key areas, building repair and contents repair and replacement. The fulfilment of our building claims is primarily through a network of home repair providers, supported by specialist disaster and restoration supply chains. Within the household claims supply chain there is a requirement for more seasonal, volume-driven and manual labour to support the service provision alongside the addition of subcontracted services, particularly where there is a response to severe weather events which can lead to the labour force being more vulnerable to potential Modern Slavery exposures.

Our repair and replacement supply chain for our household contents claims includes electrical goods, furniture, carpets and valuables. Our supply chain within this category consists of a combination of UK-based goods fulfilment and service providers offering repair services. Although the direct services provided by these suppliers are lower risk in their provision, the goods being provided do extend to sub-suppliers beyond our contracted supply chain and outside the UK.

Motor Claims

Within our motor claims supply chain, we look at the potential aspects of a motor claim journey including motor repair garages, recovery providers and salvage services. In addition, we source goods provided to facilitate vehicle repair within our own Auto Services, including parts replacement, paint, equipment needed for car repair and, in a small number of repair centres, outsourced car valets. The motor repair industry is a global network of manufacturers and so the source of many of the parts that are used by DLG Auto services, our Green Flag recovery providers and our Third-Party repairer networks come via extended supply chains. It is through this supply chain that we service our Motability partnership claims.

Travel Claims

Our travel claims supply chain is service based. It focuses on patient repatriation and appropriate cost containment across a variety of locations worldwide in order to service our Travel insurance policy holders, for example should they require medical care or repatriation whilst travelling. At present this supply chain is serviced through a direct relationship that utilises an extended supply chain to cover the territories and services required for the travel industry.

Indirect Supply Chain

Our indirect supply chain provides us with the necessary services to run our business including technology, facilities (catering and cleaning), professional services, marketing, print and recruitment. In addition, we receive back office and claims handling services from our offshore service providers, principally located in territories across India and South Africa.

Although our core operations (and most of our immediate supply chain) are based in the UK, we maintain an awareness that this does not mean we do not have any potential Modern Slavery risk exposures within our supply chain, and the supporting processes we follow across our Procurement and Supply Chain function are key to supporting our adherence to the Act..

Approach & Processes

DLG operates Procurement processes subject to those established within our Supplier Management and Outsourcing policy. Our processes are designed to ensure we select and manage our suppliers appropriately, both to support the given service provision and to minimise potential risk exposure to DLG. Our Policy sets out the mandatory requirements for the Group when procuring goods and services. Supporting processes are reviewed on an annual basis and refreshed to ensure they remain relevant and aligned with the potential exposures faced by DLG, with any process updates captured in our core refresher training.

As part of the Sourcing process, due diligence is undertaken on new suppliers sourced through the Procurement and Supply Chain function where our engagement threshold is for activity resulting in expenditure of £100,000 or higher across the term of engagement. We request new suppliers to either provide a link to their most recent Modern Slavery statement or respond to a number of questions (should they fall below the reporting threshold) to articulate the steps they are undertaking to support the Act.

Through our Ethical Code for Suppliers, available on our corporate website (see link) and shared with suppliers when tendering, we have outlined both our key expectations to our suppliers, and detailed our ethical expectations of suppliers that we work with.

These include adherence to: (a) the core International Labour Organisation (“ILO”) standards which ban the use of child labour and forced compulsory or bonded labour (including where the threat of penalty or discipline is used to compel work), whilst protecting rights to non-discrimination; and (b) the non-core ILO standards which include statements that workers should have safe and hygienic working conditions, a living wage should be paid, working hours are not to be excessive and abuse and intimidation are prohibited. Our Ethical Code for Suppliers was updated in 2022 and rolled out to our managed suppliers in Q1 of 2023.

In addition, we expect our managed suppliers to comply with the Act, given this is UK legislation, and provide assurances of compliance through a published statement which outlines the steps that are being taken to support the Act, where applicable. Through our risk mapping activity, it has been identified that the areas where we feel there is more vulnerability across the supply chain tend to be those supply chains where we have suppliers who fall below the reporting threshold of the Act.



Supply Chain

Our suppliers are segmented based on multiple factors including value, expenditure and risk exposures, and our supporting processes provide a higher level of assurance, oversight and diligence for those suppliers and services segmented at higher levels. These supporting processes were enhanced in 2023 to incorporate additional classifications determined by consumer duty, claims oversight and cyber and information security risk.

In addition to our existing supplier segmentation process, we also review our Modern Slavery risk assessment on an annual basis. The Modern Slavery risk assessment includes the geographical location from which services are provided, length of the supply chain, use of migrant or temporary labour and the nature of the goods or services being supplied, supplier expenditure, tiering and the audit status of our supply chain.

On-boarded suppliers are subject to assurance activity aligned to our segmentation approach. Our Supplier Compliance Monitoring team conducts regular field reviews on our actively managed suppliers. The scope includes the requirement to ascertain the supplier's assessment of their adherence to the Act and confirmation of the activity they are undertaking to comply with the Act. This is tailored dependant on the supplier's alignment to the reporting thresholds outlined in the Modern Slavery Act. As an additional element of oversight we review the supplier's approach to contractually agreed background checking including employees' right to work and proof of residence. Findings from assurance activity are documented, managed, and escalated as appropriate within the DLG governance framework.

Across 2024 there were no findings identified in our 3rd Party assurance for Modern Slavery and compliance to the Act and 7 findings identified with respect to the application of the background screening clauses within our contracts. All findings have now been remediated.

Throughout 2025 we will be undertaking a review of our core processes and controls to ensure they allow us to effectively manage the risks associated with our Supply Chain. This will include understanding where we can make enhancements to further improve our controls across the threat of Modern Slavery.

Training

We have continued to utilise a government-sponsored training module provided by Themis, which allows us to provide a consistent and up-to-date overview of Modern Slavery and the Act. This has been supplemented with our annual training tailored to support the individual supply chain. Basic guidance is now included with the Risk & Governance section of the induction documentation for our new joiners.

Throughout 2024 we rolled out Modern Slavery training to over 80 individuals across our central Procurement functions. A review of the rollout approach to centralised training will also be undertaken in 2025 which will include how we support internal colleagues who interact with Third Parties and their understanding of the Act.

The Board of Direct Line Insurance Group plc reviewed and approved this statement on 27 February 2025.

Jane Poole
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Jane Poole, Director of Direct Line Insurance Group plc
Group Chief Financial Officer, Direct Line Insurance Group plc
Date signed: 18 March 2025

The Board of U K Insurance Limited reviewed and approved this statement on 27 February 2025.

Jane Poole
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Jane Poole, Director of U K Insurance Limited
Group Chief Financial Officer, Direct Line Insurance Group plc
Date signed: 18 March 2025

The Board of DL Insurance Services Limited reviewed and approved this statement on 17 March 2025.

Hugh Hession
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Hugh Hession, Director of DL Insurance Services Limited
Chief Operating Officer, Direct Line Insurance Group plc
Date signed: 17 March 2025

The Board of UK Assistance Accident Repair Centres Limited reviewed and approved this statement on 6 March 2025.

Helen O'Murchu
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Helen O'Murchu, Director of UK Assistance Accident Repair Centres Limited
Head of Technical Advisory, Direct Line Insurance Group plc
Date signed: 17 March 2025

