

Euler Hermes in the UK Modern Slavery Statement for the year ended 31st December 2016

Introduction

This statement applies to Euler Hermes UK (EHUK), a branch of Euler Hermes SA(NV), and Euler Hermes Services UK Ltd (EHSL).

Euler Hermes is part of the Allianz Group, which as a global provider of financial services has zero tolerance towards human rights violations and is committed to having an ethical and sustainable supply chain. Allianz and Euler Hermes therefore support the Modern Slavery Act 2015, which aims to drive out all forms of modern day slavery and human trafficking from business practices. As such EHUK and EHSL have assessed the risk of acts of modern slavery, human trafficking or child labour occurring within the scope of the activities carried out by Euler Hermes operations in the UK.

Supplier Due Diligence

The nature of the financial services industry limits the exposure of EHUK and EHSL towards modern forms of slavery, human trafficking or child labour, as the tasks carried out require regular training and often regulatory licenses or specific certifications, which cannot be achieved under the usual circumstances of slavery. As the financial services industry does not use raw materials or produce goods, the exposure to supply chain risks is relatively limited. Where goods such as stationery or promotional items are ordered, EHUK and EHSL are obliged to assess the various risks relating to the parties offering these goods. EHUK and EHSL have carried out a review of, and will continue to monitor new and existing suppliers. To date, to our knowledge, no incidents of modern slavery, human trafficking or child labour have occurred.

Euler Hermes is committed to a transparent and robust procurement process. EHUK and EHSL have recently implemented a local procurement function to oversee procurement in the UK and thus strengthen the controls in these areas. This function amongst other things includes carrying out vendor integrity screening, which covers a number of elements such as prevention of corruption, bribery and other forms of non-compliance including modern slavery, human trafficking or child labour.

Contractual Safeguards

In addition, vendors are contractually required to adhere to the Euler Hermes Vendor Code of Conduct (VCOC), which reflects Euler Hermes' commitment to the UN Global Compact's Ten Principles (a framework of ten principles in the areas of human rights, labour, the environment and anti-corruption). It requires all suppliers to promote respect for these rights both internally and across their supply chain through their actions and by engaging with governments of the countries in which they operate. The VCOC extends to inhumane and/or discriminatory behaviour, child, forced or involuntary labour, human trafficking, and workers' rights to freedom of association and collective bargaining. Any infringement of the VCOC is a ground for termination of the relevant supplier contract.

Staff Awareness and Training

These principles and values are also reflected in the Allianz Code of Conduct for Business Ethics and Compliance (ACOC). The ACOC sets out the minimum standards of behaviour expected from staff, in order to maintain trust and integrity, and on commencing employment with Euler Hermes all staff must confirm in writing that they accept and will adhere to it. All new joiners are subject to compliance induction training which includes the modern slavery topic and other areas covered by the ACOC. EHUK and EHSL will also be publishing the new Anti-Slavery and Human Trafficking Policy in the first half of 2017, which will apply to all our staff and further reinforce our zero-tolerance approach to modern slavery and commitment to acting ethically and with integrity in all our business dealings and relationships.

Continuous Improvement

Whilst the above-mentioned activities are being carried out by EHUK and EHSL, we continue to look at how we can further mitigate the risk of modern slavery in all its forms in our supply chain, thus ensuring that we are doing everything possible to identify and mitigate such risk. We will also include this topic in our on-going staff communications.

Signed:



Aemilius Bogaerts

Director of Euler Hermes Services UK Ltd

CEO of Euler Hermes UK and authorised signatory for and on behalf of Euler Hermes SA (NV)