

Euler Hermes in the UK Modern Slavery Statement for the year ended 31st December 2017

Introduction

This statement applies to Euler Hermes UK (EHUK), a branch of Euler Hermes SA(NV), and Euler Hermes Services UK Ltd (EHSL). It has been approved by the Board of Directors of EHSL and Euler Hermes Northern Europe Regional Management Team (in charge of operations of EHUK).

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 (“MSA”), 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 rather limited, but any supplier relationship is assessed based on risks as part of the vendor integrity process. 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. In March 2017, EHUK and EHSL implemented a local procurement function to oversee procurement in the UK and strengthen the controls in the supplier chain area. There is a documented vendor integrity screening process to ensure the integrity of any given supplier, which is continuously reviewed to improve controls and checks.

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. Further, a template compliance clause incorporated in all supplier contracts contains specific obligations relating to the MSA compliance. Any infringement of the relevant provisions 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. In June 2017, EHUK and EHSL rolled out an Anti-Slavery and Human Trafficking Policy in June 2017, which applies to all our UK staff and further reinforces 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.

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)