



## **Compagnie Française d'Assurance pour le Commerce Extérieur – 'COFACE'**

### **Modern Slavery & Human Trafficking Statement for the year ended 31<sup>st</sup> December 2021**

This statement sets out the steps Coface has taken to ensure that slavery and human trafficking are not taking place in its own business or its supply chains.

Coface is committed to operating ethically and with responsibility in all of its businesses throughout the world. Our Values Charter sets out the framework, which guides our business operating principles and the behaviours of everyone who is part of Coface.

#### **1. Organisation structure and supply chains**

COFACE SA is a public company quoted on the Euronext Paris Stock Exchange. Coface is one of the world leaders in credit insurance, and it performs its activities through its primary operating subsidiary, Compagnie française d'assurance pour le commerce extérieur. Coface has gradually extended its international presence and now operates in 100 countries.

Coface in the UK is a branch of Compagnie française d'assurance pour le commerce extérieur. We provide companies with solutions designed to protect them against the risk of financial default by their customers.

As a financial services company, Coface is authorised in France by the Autorité de Contrôle Prudentiel et de Résolution and authorised in the UK by the Prudential Regulation Authority.

Coface is subject to regulation by the UK Financial Conduct Authority and limited regulation by the UK Prudential Regulation Authority. Details about the extent of our regulation by the Prudential Regulation Authority are available from us on request.

The vast majority of our suppliers are services companies based in the UK. One supplier is based in India, but the company is fully owned by the Coface group and it is subject to the same rules and policies as the rest of the group.

#### **2. Policies in relation to slavery and human trafficking**

Since 2003, the Coface group has signed up to the ten Principles of the United Nations' Global Compact and is committed to operating in ways that meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption.

Coface undertakes to promote and respect the protection of international human rights law in its sphere of influence and to ensure that it is never complicit in human rights violations.

We operate a number of internal policies and procedures to ensure that we are conducting business in an ethical and transparent manner.

- Group corporate social responsibility: When promoting safer trade, we do so with a constant commitment to ensuring we have a positive impact on our environment, our communities, our clients, our employees and all the Group's stakeholders.
- Diversity and inclusion: Coface pledges to create a safe and inclusive working environment for its staff, to promote diversity and to take action against all forms of discrimination within the company.
- Employee code of conduct: The Coface code of conduct makes clear to employees the actions and behaviour expected of them when representing the organisation. The organisation strives to maintain the highest standards of employee conduct and ethical behaviour when operating in the UK or abroad.
- Whistleblowing policy: Coface encourages all its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains of the organisation. Our whistleblowing procedure is designed to give people a choice between several reporting and communication channels and to enable them to report incidents without fear of retaliation.
- Recruitment and international mobility: Coface continues to foster a multicultural approach and exposes a large proportion of its teams to work with diverse cultures through its global and integrated business model. International mobility is essential to employee development and the sharing of a common corporate culture. The Board of Directors is responsible for ensuring that appropriate policies are in place to govern areas of our business susceptible to human trafficking.

### **3. Due diligence processes**

Coface has established a regularly reviewed purchasing procedure that sets out the general conditions for the purchase of supplies and services, and specifies the rules to be followed in terms of supplier consultation and selection.

Standard contracts must incorporate a number of conventional contractual clauses. Their conclusion is subject to the implementation of a Know Your Supplier due diligence which flags suppliers as low, medium or high risk. The level of risk determines who is authorised to approve a new supplier;

- Low and Medium risk supplier authorisation is completed with the support of the local compliance officer
- High risk suppliers are reviewed by the local compliance officer and then authorised or rejected by the Regional Compliance Officer or Group Compliance Officer.

Coface apply a series of controls and audits against the Know Your Supplier process to check that the Know Your Supplier rules are respected.

Coface and all its subsidiaries strive to select service providers who meet the high-quality service standards and have the qualifications and skills necessary to efficiently handle the service required, while avoiding any conflict of interest and guaranteeing data confidentiality.

### **4. Risk assessment and management**

Due to the nature of our business, we consider the inherent risk of modern slavery and human trafficking occurring to be low. Our suppliers are mostly service companies, often regulated themselves, and they employ highly qualified staff, trained on a regular basis.

We are committed to ensuring that our suppliers adhere to the highest standards of ethics, including corporate social responsibility.

## **5. Key performance indicators to measure effectiveness of steps being taken**

Whilst the information on suppliers is reviewed on a regular basis as part of our Know Your Supplier process, we currently have just a few KPIs in place: we monitor where the higher risks are and we measure the number of people trained.

## **6. Training on modern slavery and trafficking**

All new employees have to complete e-learning modules on all our policies, which are then reviewed on a regular basis. We also require employees in the UK to complete training on modern slavery.

The modern slavery training covers:

- how to identify the signs of slavery and human trafficking,
- what initial steps should be taken if slavery or human trafficking is suspected,
- how to escalate potential slavery or human trafficking issues to the relevant parties within the organisation,
- what external help is available, for example through the Modern Slavery Helpline and the Gang masters and Labour Abuse Authority.

As well as training staff, the organisation raises awareness of modern slavery issues by encouraging discussions when allegations of modern slavery and labour exploitation appear in the news, as was the case last year in the UK.

Statement approved by the Management Board of Compagnie française d'assurance pour le commerce extérieur, branch in the UK on 07/07/2022

Frédéric Bourgeois

Managing Director, UK and Ireland