



RWE Supply & Trading GmbH Slavery and Human Trafficking Statement

This statement has been published in accordance with section 54 of the Modern Slavery Act 2015. It outlines the measures that we have taken at RWE Supply & Trading GmbH to ensure that no slavery or human trafficking is present in our business or supply chains.

Introduction

We are committed to ensuring that neither we, nor any constituent part of our supply chain, are involved in slavery, servitude, forced labour or human trafficking. We recognise that, as a market-leading multinational company, it is incumbent upon us to take steps to combat this growing global issue.

Our Business and Supply Chains

We are a leading European energy trading house headquartered in Essen, Germany, with a significant presence in the UK, and associated offices worldwide, including in the Czech Republic, China, India, Indonesia, Singapore, the Netherlands and the USA.

We are a member of the RWE Group, headed by RWE AG, which ranks among the biggest electricity and gas utilities in Europe with around 60,000 employees across 19 countries.

We act as the interface between the RWE Group's operating companies and global wholesale markets for energy and energy-related raw materials in both physical and/or derivative forms. We are responsible for the economic optimisation of power generation and the entire non-regulated gas business of the RWE Group.

Our supply chains vary greatly in terms of size, complexity and location, reflecting the diverse nature of our business. As a result, the risk of modern slavery and/or human trafficking in our supply chains varies from low (such as in our derivatives trading activities) to high (in the purchase of combustion fuels, for example).

Our Policies and Processes

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

The RWE Group has been a member of the United Nations Global Compact since 2004, and we, like all other members of the RWE Group, are committed to recognising, supporting and putting into practice its ten principles in our area of influence, including the elimination of all forms of forced and compulsory labour and the effective abolition of child labour. The ten principles are enshrined in the RWE Group's Code of Conduct, as are the core labour standards set out by the International Labour Organisation.

The RWE Group Code of Conduct sets out our expectations of how we work, the standards for collaborating with contractual partners and the common basis on which to build contractual relationships. All employees are issued with the Code of Conduct as part of their induction and the Code of Conduct is also published both on the RWE website and on the corporate intranet.

We expect our business partners to accept the principles set out in the RWE Code of Conduct which also states that any violation of those principles will result in a re-examination of the business relationship with us taking any appropriate measures that we deem necessary.

During 2016, we amended our standard recruitment agency terms specifically to require suppliers to comply with the Modern Slavery Act, including obliging suppliers to implement appropriate controls to prevent modern slavery, and to notify us if they become aware of any modern slavery within their supply chains. The terms permit us to terminate the contractual relationship with a supplier immediately upon becoming aware of any breach of the Modern Slavery Act.

We have additional measures in place in high risk areas of our business, for example:

- We review all potential trading partners for energy commodities before we enter into any business relationships with them. As part of our Counterparty Risk Assessment, we undertake a standardised multistage process to check international databases and information systems as well as conducting more generalised internet searches to see whether any misconduct is known in relation to the ten principles of the UN Global Compact and our Code of Conduct.
- As a significant trader and consumer of coal, we are one of the founding members of the Bettercoal initiative, which exists to promote the continuous improvement of corporate responsibility in the coal supply chain. As a member of Bettercoal, the RWE Group undertakes certain obligations, including the implementation of the Bettercoal Code in its coal supply chain. The Bettercoal Code provides that coal mining companies *“will not participate in, or benefit from, any form of Forced Labour, including bonded labour, forced prison labour, slavery, servitude, work performed under the menace of a penalty, or Human Trafficking”*, with the terms “Forced Labour” and “Human Trafficking” being broadly defined. The Bettercoal Code forms the basis for assessments (using self-assessment questionnaires and independent third-party site assessments) of coal mining sites. We take into account the results of such assessments in purchasing decisions and due diligence processes.
- In our physical freight trading business, we seek to ensure that all vessels chartered by us are manned and controlled in accordance with the recommendations of the International Transport Workers Federation, and that all officers and crew are employed on terms and conditions which are no less favourable than those prescribed by the Maritime Labour Convention.

Training

All of our employees are required to complete regular compliance training, which takes into account recent regulatory developments. The training ensures that employees are aware that they are able to raise concerns about how colleagues are being treated, or about practices within our business or supply chains, without fear of reprisals. We intend to update the training to include specific reference to modern slavery in 2017.

This constitutes the slavery and human trafficking statement for RWE Supply & Trading GmbH for the financial year ending 31 December 2016.

Signed:

Date: 7.4.2017



Dr. Markus Krebber
Chief Executive Officer



Tom Glover
Chief Commercial Officer, Commercial Asset Optimisation