

## **STATEMENT ON TACKLING MODERN SLAVERY AND HUMAN TRAFFICKING**

This statement is published in accordance with section 54 of the UK Modern Slavery Act 2015, which addresses the issues of modern slavery and human trafficking.

It describes the steps taken by Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) for the financial year ended December 31st, 2018 to tackle all forms of modern slavery and human trafficking in its business activities and relationships with suppliers.

This statement has been approved by the Board of Directors of Crédit Agricole CIB on July 31<sup>st</sup>, 2019.

### **CREDIT AGRICOLE CIB, CORPORATE AND INVESTMENT BANK OF CREDIT AGRICOLE GROUP**

Crédit Agricole Group has banking and insurance activities in 47 countries, 51 million clients across the world, 10.1 million members and almost 900 000 individual shareholders. The Group has 141 000 employees in France and abroad. The compliance with social and environmental commitments is an integral part of the investment and business transformation projects of the Group clients, which include multi-national groups, SMEs, farmers, tradespeople, NGOs, communities and consumers.

Crédit Agricole CIB, subsidiary of Crédit Agricole SA, is the corporate and investment bank of Crédit Agricole Group, serving 2 228 corporate customers and 1 857 financial institutions.

Crédit Agricole CIB offers its clients a wide range of products and services in capital markets and investment and corporate banking. Crédit Agricole CIB provides support to its client in key international markets through its global network in 37 countries, including major countries in Europe, Americas, Asia-Pacific and the Middle-East.

In the course of their business activities, Crédit Agricole Group and Crédit Agricole CIB may use suppliers who may themselves use sub-contractors.

In 2018, the main purchase agreements and services agreements involved property, information systems, intellectual services, general purchases and communications.

### **OUR COMMITMENTS**

We do not tolerate any form of modern slavery or human trafficking in our supply chain or in our business operations. We are therefore committed to tackling all forms of modern slavery and human trafficking throughout our supply chain and we require the same standards from all of our suppliers.

Our main commitments have their roots in the fundamental principles we adhere to, which are :

- The principles of the Universal Declaration of Human Rights promulgated by the United Nations in 1948,
- The ten principles of the United Nations Global Compact since 2003,
- The Equator principles since 2003,
- The United Nations Sustainable Development Goals since 2015,
- The United Nations Guiding Principles on Business and Human Rights,
- The OECD Guidelines for Multinational Enterprises,
- The conventions of the International Labour Organization and the performance standards of Société Financière Internationale (SFI).

These commitments are set out in policies formalizing the principles of professional ethics and ethical behaviors in social and environmental aspects that apply within our Group, particularly with respect to human rights :

- **CSR sector financing policies**, which set forth the social and environmental criteria that apply to lending and investment activities and which include respect for human rights. For each sector covered, a reference framework is defined and analysis of transactions as well as exclusion criteria delimiting the projects and the operations the Group does not want to support.
- **Diversity Charter** since 2008, which affirms Crédit Agricole SA Group's commitment to promoting diversity and tackling all forms of discrimination.
- **Human Rights Charter** adopted in 2009, which confirms that all Crédit Agricole SA Group entities respect the principles and fundamental rights set out in the Universal Declaration of Human Rights and the conventions of the International Labour Organization covering, in particular, issues related to forced labour, child labour, discrimination and freedom of association.
- **The Responsible Purchasing Policy and the Responsible Purchasing Charter** revised in 2017 and extended to the entire Crédit Agricole Group in 2018, which is based on reciprocal commitments between Crédit Agricole SA Group entities and their suppliers based on the fundamental principles of the United Nations Global Compact.
- **Crédit Agricole Group's Ethics Charter**, which was first issued in May 2017, and which sets out the Group's guidelines for action and behavior in line with the applicable international agreements and conventions on human rights, the prevention of forced labour and child labour, and the fight against bribery and corruption.
- **The Code of Conduct**, which each Crédit Agricole S.A Group entity must prepare to implement the principles of the Group's Ethics Charter. The Crédit Agricole CIB's Code of Conduct was disseminated in January 2019, after being approved by the Board of Directors on December 13<sup>th</sup>, 2018.

All of these documents are available via the links below :

- <https://www.credit-agricole.com/responsable-et-engage/la-rse-facteur-de-performance-durable-pour-le-groupe-credit-agricole>
- <https://www.credit-agricole.com/le-groupe/ethique-et-conformite/culture-conformite-et-ethique>
- <https://www.ca-cib.fr/nous-connaître/responsable-et-engage>

The procedures that are currently in place or in process of being implemented at Crédit Agricole CIB include, but are not limited to the following :

- **With respect to our employees**

We ensure that all our internal HR procedures abide the commitments taken by Crédit Agricole S.A at the Group level, as referred to above.

As a signatory of the Diversity Charter, we affirm our commitment to cultural, ethnic and social diversity and state our goal of tackling all forms of discrimination.

Furthermore, the Group's Ethics Charter and Code of conduct of each entity specify the behavior that is expected for all employees. Thus, the Crédit Agricole CIB's Code of Conduct reminds employees that they must strictly observe the rules that govern professional ethics and the respect for human rights and fundamental labour rights, both in their relationships with other employees and with all other parties.

In addition to the Group procedures, Crédit Agricole CIB has put in place a set of rules that include notably a whistleblowing mechanism. The centralized procedure for reporting alerts and gathering reports made available to all Group employees in the fight against fraud and corruption also enables them to exercise ethical alerts transmitted to the compliance officer of their entity without going through the line management. In accordance with regulations, the confidentiality about the identity of the employee is the rule in case of alert. To assist employees who wish to exercise their whistleblowing right, the Crédit Agricole Group is deploying a new IT platform for reporting compliance alerts that ensures the strict confidentiality of the whistle-blower's identity, of the information reported, of the person or people involved, and of the information exchanged between the whistle-blower and the person who processes the information. This tool will be progressively deployed throughout the Crédit Agricole Group in the first half of 2019.

- **With respect to our suppliers**

In order to identify and tackle the risk of modern slavery and human trafficking practices within or in connection with our supply chain, we have put in place procedures to:

- Identify, assess and monitor the areas of greatest risk in our supply chain ;
- Tackle the risk of modern slavery and human trafficking in our supply chain.

The Crédit Agricole Group's Responsible Purchasing Policy has been signed by the chief executive officer of Crédit Agricole CIB, who is thus committed to complying with its principles within the scope of his responsibilities. This policy applies to employees who are involved in the purchasing process and to suppliers. The rules that apply to purchasing are also explained in a procedural memo which applies to all employees. In April 2018, Crédit Agricole S.A. was once again awarded Responsible Purchasing and Supplier Relations certification from the Ombudsman of the French Republic and the National Purchasing Council, and this certification was extended to all of the Group's subsidiaries (including Crédit Agricole CIB) for the first time.

Our suppliers' agreement to observe our values is formally expressed in the Responsible Purchasing Charter, which they must sign before responding to a request for proposals or signing a supplier contract. This charter sets forth the reciprocal commitments of the Crédit Agricole CIB and its suppliers, which are based on the fundamental principles of the UN Global Compact. Furthermore, all contract templates include a specific clause on "Respect for human rights, protection of the environment and the prevention of corruption", by which suppliers represent and warrant that they ensure compliance within their supply chains with all of their obligations in respect of the identification of risks and the prevention of serious breaches of human rights and fundamental liberties, or of serious harm to the health or safety of people or to the environment which may result from their activities, in accordance with the laws and/or regulations in the areas of human, social and environmental rights. For the United Kingdom, this clause refers expressly to the Act of March 26<sup>th</sup>, 2015 on the prevention of all forms of modern slavery and human trafficking (MSA).

The analysis of CSR purchasing risks is based on three complementary approaches, which include an assessment of the risk that is specific to each category of purchases, an analysis of the supplier risk, and an analysis of the geographic risk, which may negatively impact the overall rating. In 2017, the Group Purchasing Department participated in an interbank working group in collaboration with AFNOR, to remap the intrinsic CSR risks related to the purchases in the banking sector.

Based on one analysis of gross risk, the three categories of purchases identified as high or very high risk are the categories of construction, IT equipment and advertising objects. An action plan is developed in order to reduce the net CSR risk of suppliers for these categories. As of now, for the categories of purchases that require supplier approval by the Crédit Agricole S.A. Group, the CSR supplier assessment form is systematically attached to all requests for proposals. This assessment covers their CSR management system and offering, and includes human rights criteria. Since 2012,

this assessment has been entrusted to EcoVadis, an independent company whose contract was renewed in 2018. It is used to obtain an overall CSR rating, which accounts for the supplier purchase decision.

Lastly, Crédit Agricole S.A. provides funding to Human Resources Without Borders, an international NGO that promotes and defends human rights at work. Human Resources Without Borders provides its contributors with forced labour and child labour risk maps for each geographic region, which are an additional source of information we use to update our purchasing risk map. Crédit Agricole CIB, as part of Crédit Agricole S.A Group respects the Group's commitments.

## **AWARENESS-RAISING AND TRAINING**

A Purchasing Responsibly e-learning module has been made available to the Crédit Agricole S.A. Group's purchasing staff, to inform them of the various risks involved and the measures that have been implemented, and enable them to comply with their employer's procedures and policies. This module, which is included in the employee training catalogue, is also accessible to all Crédit Agricole CIB employees. This ensures that any employee who may potentially be involved in a purchasing transaction is able to be informed of and comply with the Responsible Purchasing Policy.

## **CONTINUOUS IMPROVEMENT**

Crédit Agricole CIB, like the Crédit Agricole SA Group, intends to integrate its actions to tackle modern slavery into its overall strategy, which aims a sustainable performance based on principles of actions and behavior in line with the values the company supports.

Thus, the prevention of the risk of human rights abuses will be developed in line with the Group Vigilance Plan 2018 established in the framework of the French law of 27 March 2017 ("*loi française du 27 mars 2017 relative au devoir de vigilance*") and with the framework set up by the French law of 9 December 2016 ("*loi française du 9 décembre 2016 relative à la transparence, à la lutte contre la corruption et à la modernisation de la vie économique – Sapin 2*").

Crédit Agricole CIB's entire approach is part of a process of continuous improvement that focuses on the following areas:

- Strengthen risk identification and control tools by updating, if necessary, risk mapping and deploying targeted action plans to reduce the CSR risk of suppliers in the purchasing categories identified as 'high risk' and 'very high risk';
- Seeking to associate our entire supply chain with our approach by regularly informing them of our responsible purchasing commitments and strategy. In July 2019, the Purchasing department of Crédit Agricole SA and 160 suppliers were reunited in an auditorium dedicated to the CSR in order to share the Group's values.
- Making our whistle-blowing procedure more easily available to our suppliers by enabling them to access the IT platform we are currently deploying.

Montrouge, July 31<sup>st</sup> 2019



Jacques Ripoll  
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