

## STATEMENT ON MODERN SLAVERY AND HUMAN TRAFFICKING

### I. REPORTING ENTITY

This statement is published in accordance with section 54 of the UK *Modern Slavery Act 2015* and section 13 of the Australian *Modern Slavery Act 2018* (Cth). It describes the steps taken by Crédit Agricole Corporate and Investment Bank (Crédit Agricole CIB) for the financial year ended 31 December 2022 to assess and address modern slavery and human trafficking risks in its business, operations and supply chains.

This statement was approved by Crédit Agricole CIB's Board of Directors on 3 May 2023.

### II. OUR STRUCTURE, BUSINESS, OPERATIONS AND SUPPLY CHAIN

Crédit Agricole CIB, a French joint stock limited liability company incorporated in France, is a subsidiary of Crédit Agricole SA and is the corporate and investment banking arm of the Crédit Agricole Group, serving approximately 2138 corporate customers and 1583 financial institutions.

The Crédit Agricole Group has banking and insurance activities in 47 countries, 53 million clients across the world, and 7.3% of individual shareholders. The Crédit Agricole Group has 147 000 employees in France and abroad. The Group's operations support the investment and business transformation projects of our clients, which include multi-national groups, SMEs, farmers, craftsmen, associations, communities and consumers.

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 clients in key international markets through its global network in 30 countries, including major countries in Europe, the Americas, the Asia-Pacific and the Middle-East.

In the course of their activities, the Crédit Agricole Group and Crédit Agricole CIB purchase products and services from approximately 7438 direct suppliers based in approximately 77 countries, principally in EMEA, the Americas, and the Asia-Pacific.

In 2022, Crédit Agricole CIB's purchases totalled €1.04 billion, and the main purchasing and service contracts concerned the following categories: professional services, intellectual services, real estate, IT, general goods, and communication.

### **III. MODERN SLAVERY RISKS IN OUR BUSINESS, OPERATIONS AND SUPPLY CHAIN**

#### **Own staff and operations**

The Crédit Agricole Group has a suite of Group-wide policies and practices which are designed to uphold labour standards within its business and operations, including the operations of Crédit Agricole CIB and its owned and controlled entities. These policies and practices are implemented through actions taken at both the Group and business levels (for more details, see below). Accordingly, the Group considers that its modern slavery risks reside principally within its supply chains.

## **Supply chain**

Since 2018, the Group Procurement Department has completed updates to its risk map by identifying, analysing and prioritising procurement categories that pose risks based on environmental, social, human rights, and ethical criteria. In the initial phase of this mapping process, an analysis of the overall risks has enabled the identification of three procurement categories that are considered to be 'high risk' or 'very high risk' and which were targeted as priorities for action plans to reduce procurement risk. These are the 'real estate works', 'IT equipment and servers' and 'advertising material' procurement categories, for which progress plans devised with our suppliers and specifiers have been implemented.

During the reporting period, France, the UK, the United States, Singapore, Hong Kong, Japan, Germany, Belgium, Italy, and Ireland were the principal jurisdictions where Crédit Agricole CIB's and its owned or controlled entities' direct suppliers were based.

During the reporting period, Crédit Agricole's modern slavery profile continued to be affected by the COVID-19 pandemic. In 2020, following a request for proposals, Crédit Agricole Group signed contracts with suppliers in China and Hong Kong for masks and sanitary products. We obtained confirmation from our masks supplier that their manufacturer was complying with the principles of the Universal Declaration of Human Rights and the International Labour Organization conventions. Since the end of 2020, Crédit Agricole Group has switched to French suppliers.

## **Clients**

Crédit Agricole CIB's core business is the provision of banking products/services to corporations, financial institutions and funds. Certain clients, through their own business or supply chain, may be

exposed to industries (e.g. labour-intensive) and geographies of higher modern slavery and human trafficking risk.

#### **IV. ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS**

Measures for mitigating risks of breaches of human rights include both obligations arising from international rules and recommendations and those of national law.

Efforts to mitigate these risks are developed in accordance with the measures of the ‘Sapin 2 Act’ of 9 December 2016 on the Transparency, the Prevention of Corruption and the Modernization of the Economy, and the Vigilance Plan of Crédit Agricole Group established within the framework of the French law of 27 March 2017 relating to the duty of care of parent companies and contracting companies, and other applicable laws and regulations.

##### **A. ASSESSING MODERN SLAVERY RISKS**

###### **Due diligence and risk assessment of suppliers**

For procurement categories that require supplier approval by the Crédit Agricole Group, a supplier corporate social responsibility (CSR) assessment, which includes criteria relating to respect for human rights, is now systematically integrated into all requests for proposals. This takes account both the supplier’s CSR policies and CSR criteria to assess the proposal. Since 2012, the assessment of suppliers’ CSR policies has been entrusted to EcoVadis, an independent company specialising in business sustainability ratings. The CSR quality of the supplier’s product or service is assessed by including technical and specific criteria in the specifications determined on the basis of risk mapping. The score obtained based on CSR criteria is fully incorporated into decisions on selecting a given good or service when assigning a contract to a supplier. Since 1 January 2020, this CSR score has accounted for 15% of the overall rating.

The Group Procurement Department has also enhanced its procedures for assessing supplier risk and supplier compliance. The Know Your Supplier (KYS) procedure for scoring, screening and identifying suppliers has been reinforced. In the case of suppliers with the highest level of risk, screening for adverse news (on respect for human rights, for instance) is now carried out weekly. The results of these analyses are presented to the Group Supplier Risk Committee, which was set up in early 2020 for the purposes of deciding whether to continue – or discontinue – relations with a supplier.

### **Due diligence and risk assessment of clients**

The risk of exposure to modern slavery and human trafficking through client relationships is addressed through Crédit Agricole CIB's anti-financial crime framework which includes client due diligence and the assessment of clients' risk profiles, transactions and adverse news.

Relevant staff are trained to identify and mitigate financial crime risks.

### **Our policies**

On the strength of its cooperative and mutualist identity and its longstanding commitments, in 2019 Crédit Agricole Group defined its *raison d'être* as "Acting every day in the interest of our customers and society". It is on this basis, with the desire to embed social value in all its activities, business lines and processes, that the Group has developed its new strategic plan, "*Ambitions 2022*", that will guide the Group's actions through three flagship projects: the customer project, the human project and the societal project. Crédit Agricole CIB takes part in these Group projects.

It reflects the Group's desire to root its strategy and its commitments in the fundamental principles it adheres to, which are:

- The United Nations' Universal Declaration of Human Rights,
- The ten principles of the UN Global Compact,
- The Equator Principles,
- The United Nations Sustainable Development Goals,
- The UN Guiding Principles on Business and Human Rights approved by the Human Rights Council,
- The OECD Guidelines for Multinational Enterprises,
- The International Labour Organization conventions and the performance standards of Société Financière Internationale (SFI),
- The Principles of Responsible Banking (PRB).

These commitments are set out in the following policies formalising the principles of professional, social and environmental ethics to be observed throughout our Group, including in respect of human rights:

- The **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 determined, and the criteria for analysing transactions are defined, as well as exclusion criteria delimiting the projects and the operations the Group does not wish to support.
- The **Diversity Charter** since 2008 has underpinned the Crédit Agricole Group's efforts to promote diversity in the workplace and prevent all forms of discrimination.

- **The Crédit Agricole Group agreement on the employment of people with disabilities.**

Since 2005, the Crédit Agricole SA Group has pursued a proactive policy in favour of equal rights and opportunities and places the inclusion of people with disabilities at the heart of the Group's social responsibility. This commitment, strongly anchored in the principles of ethical behaviour, respect for people and accountability, now features in the ambitions of the human pillar of the Group Project 2020-2022 presented in June 2019.

- **The International Framework Agreement** on fundamental human rights and trade union rights signed by Crédit Agricole SA and UNI Global Union, the global union federation for the private services sector, in July 2019.

- **The Responsible Procurement Policy and the Responsible Procurement Charter** revised in 2017 and extended to the entire Crédit Agricole Group in 2018, which is based on reciprocal commitments between Crédit Agricole Group entities and their suppliers based on the fundamental principles of the United Nations Global Compact.

For this, on 16 April 2021, Crédit Agricole SA and its subsidiaries, including Crédit Agricole CIB, obtained the renewal of the Supplier Relations and Responsible Procurement Label, which distinguishes companies that have provided proof of sustainable and balanced relationships with their suppliers. This is issued for a three-year period by the Business Mediator (of the French Ministry of Economy) and the French National Procurement Council (CNA) on the basis of an assessment and a documentary audit carried out by an approved firm (ASEA).

This Label confirms the Bank's commitment to a responsible procurement policy and, more generally, its desire to improve its CSR performance and its societal impact, and to

reduce its environmental footprint.

- The **Crédit Agricole Group's Ethics Charter**, which was first issued in May 2017, and which sets out the Group's guidelines for action and behaviour 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.
- Further, each Crédit Agricole Group entity must prepare a **Code of Conduct** and an **Anti-Corruption Code of Conduct** to implement the principles of the Group's Ethics Charter and to comply with the Sapin 2 Law. Crédit Agricole CIB's Code of Conduct was initially released in January 2019, updated in September 2019 and re-released on 1 October 2019.

All of these documents are available via the links below:

<https://www.credit-agricole.com/en/group/ethique-et-conformite/culture-compliance-and-ethics>

<https://www.ca-cib.com/about-us/compliance>

## **B. ADDRESSING MODERN SLAVERY RISKS**

Our policies are accompanied by action plans and operating processes which contribute to the management of risks relating to modern slavery and human trafficking in our activities and our relations with suppliers. These risks are assessed on the basis of a differentiated approach depending on the parties and activities concerned.

For Crédit Agricole CIB, mitigation of these risks is based on relations with its employees, clients and on relations with suppliers and subcontractors.



The framework for managing these risks consists of policies and action plans that include identification, assessment and risk mitigation phases. The level of deployment of these action plans is assessed in order to ensure their effectiveness and to contribute to the ongoing improvement of the prevention of these risks.

- **Crédit Agricole CIB employees**

As part of the enhanced social pact that forms part of the Group's Human Project, on 31 July 2019 Crédit Agricole SA signed an International Framework Agreement with the global union federation for the private services sector, UNI Global Union. This worldwide agreement covers human rights, basic labour rights and development of dialogue with employee representatives. It builds on Crédit Agricole SA's commitments and those of its subsidiaries including Crédit Agricole CIB, by offering the same social standards for all their employees, regardless of where they work, and helping to improve working conditions. This agreement offers a frame of reference for Crédit Agricole SA's 75 000 employees in the 47 countries in which it operates.

In order to observe the human rights of our employees, we ensure that all our internal HR procedures are consistent with the commitments and policies made by Crédit Agricole SA at the Group level, as referred to above. Crédit Agricole CIB ensures in particular that it offers a working environment that protects the health of its employees, plays an active role in the social protection of all its employees (particularly in terms of matters relating to health, retirement, death, incapacity and disability) and takes care to protect the safety of its employees.

As a signatory of the Diversity Charter, Crédit Agricole CIB has been committed for a number of years to an approach aiming to promote diversity and balance based on the principles of non-

discrimination and diversity with respect to background and age. This mostly involves signing agreements on themes such as non-discrimination in hiring, training, promotion and compensation, and work-life balance.

Crédit Agricole CIB, through its human resources representatives and the Human Resources Division of Crédit Agricole SA, maintains dialogue with all those involved in labour relations. This dialogue is structured on a number of levels to take account of the Crédit Agricole Group's extensive presence in Europe. A total of 14 countries (accounting for over 90% of Crédit Agricole Group employees) are represented within the European Works Council, which meets yearly. In France, employee representatives and senior management meet within the Group committee to discuss strategy and the Group's economic and social situation. Within Crédit Agricole SA, two other bodies maintain dialogue with employee representatives: the Cooperation Committee, within which executive managers can put forward their projects and initiate debate with employee representatives, and meetings of trade union representatives organised monthly to encourage debate, engage in close dialogue and explain any strategic developments in the Group's business lines.

Furthermore, the Group's Ethics Charter and Code of Conduct of Crédit Agricole CIB specify the behaviour that is expected of all employees. The Code of Conduct of Crédit Agricole CIB reminds employees that they must strictly observe the rules concerning responsibility and integrity, mutual respect, knowledge of and adherence to the rules, both in their relationships with other employees and with other stakeholders. The implementation of these rules is based on a corpus of procedures in the area of compliance (Corpus Fides), which is disseminated and regularly updated. This includes processes for managing non-compliance risk and a specific procedure for reporting non-compliance.

- **Crédit Agricole CIB suppliers and subcontractors**

To detect and mitigate the risks of modern slavery and human trafficking within or in connection with our supply chain, we have implemented procedures to:

- Identify and assess the most risk-exposed sectors of our supply chain;
- Monitor these higher-risk sectors in our supply chain;
- Mitigate the risks of modern slavery practices within our processes.

The Crédit Agricole Group's Responsible Procurement Policy, which includes the mitigation of risks of practices relating to modern slavery and human trafficking, has been signed by the Chief Executive Officer of Crédit Agricole CIB, who is committed to ensuring compliance within the Company. This policy applies to employees who are involved in the procurement process and to suppliers. The rules that apply to procurement are also explained in a procedural memo that applies to all employees.

In addition, a "Procurement Responsibility" e-learning module has been made available to Crédit Agricole CIB's procurement staff, to inform them of the various risks involved and the company's procedures and policies. This e-learning program can also be accessed by all Crédit Agricole CIB's employees so that all potentially concerned employees understand and are able to implement the Group's responsible procurement policy.

Our suppliers' agreement to observe our values is formally expressed in the Responsible Procurement 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 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. This clause refers expressly to the UK's *Modern Slavery Act 2015*.

The analysis of CSR procurement risks is based on three complementary approaches, which include an assessment of the risk that is specific to each procurement category, an analysis of the supplier risk, and an analysis of the geographic risk, which may negatively impact the overall rating. In 2017, the Group Procurement Department worked with three leading banking groups and the French standards body AFNOR to remap the intrinsic CSR risks related to the purchases in the banking sector.

### **Remediation**

In order to enhance the identification and remediation of potential modern slavery risks in our business, operations and supply chains, a centralised system for whistleblowing is open not only to Group employees but also to third parties to enable them to report any shortcomings with regard to Group ethics, policies or procedures. To make it easier to report matters relating, among other areas, to human rights, health and safety or the environment, this can now be done via a digital reporting tool that can be accessed via a link available on our website <https://www.bkms-system.com/bkwebanon/report/clientInfo?cin=3CAgr18&c=-1&language=eng>, and on the intranet for the employees. The confidentiality of the identity of whistleblowers (with the option

of speaking on condition of anonymity) is protected in accordance with any applicable laws and regulations.

This whistleblowing tool was rolled out widely across Crédit Agricole CIB. It is now available in 11 languages (French, English, German, Spanish, Italian, Dutch, Portuguese, Polish, Ukrainian, Romanian and Serbian). It makes it easier to carry out quantitative and qualitative analyses of whistleblowing reports (the number and type of reports), and these analyses are then used to assess non-compliance risks and to update the preventive measures in place.

## **V. ASSESSING THE EFFECTIVENESS OF ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS**

Crédit Agricole CIB's overall approach is part of a continuous improvement process, the main components of which are:

- Adapting non-financial risk identification and management tools by updating risk maps when necessary;
- Continuing with the deployment of targeted action plans to reduce the CSR risks of suppliers in the procurement categories identified as 'high risk' and 'very high risk';
- Seeking to involve our suppliers in our efforts, by regularly informing them of our responsible procurement commitments and strategy.

Crédit Agricole CIB participates in external partnerships through the Group to obtain feedback to assist with its reviews of its risk assessment processes. For example, since 2018, Crédit Agricole SA has provided funding to Human Resources Without Borders, an international NGO that promotes 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 procurement risk map.

Each year, Crédit Agricole CIB publishes the details of its environmental, social and governance (ESG) risk management procedure in a dedicated chapter within the Universal Registration Document. The 2022 Universal Registration Document can be found on Crédit Agricole CIB's website at <https://www.ca-cib.com/about-us/financial-information/activity-reports-universal-registration-documents>.

## **VI. PROCESS OF CONSULTATION**

In preparing this statement, Crédit Agricole CIB consulted with a cross-functional working group of employees in Business lines and also those with responsibility for the oversight of procurement, sustainability, legal, financial crime and other risk processes across the business. Crédit Agricole CIB management team members with specific operational responsibility for the entities owned or controlled by it were also asked to provide feedback on the statement prior to it being presented to its Board for final review and approval.

Montrouge, 3 May 2023



**Philippe Brassac**

Chairman of the Board of Directors of Crédit Agricole CIB



**Xavier Musca**

Chief Executive Officer of Crédit Agricole CIB