

## DECLARATION ON MODERN SLAVERY AND HUMAN TRAFFICKING

This declaration is published in compliance with Section 54 of the UK Modern Slavery Act 2015, which was enacted to combat slavery and human trafficking.

It describes the measures that Crédit Agricole S.A. implemented in the year ended 31 December 2021 to prevent the risks of modern slavery and human trafficking in its business activities and relationships with its suppliers.

The Crédit Agricole S.A. subsidiaries operating business activities in the United Kingdom also publish a statement describing their efforts to combat modern slavery, in accordance with section 54 of the "Modern Slavery Act 2015". They describe the measures taken to prevent the risks of modern slavery and human trafficking in their activities, including with regard to funding and investment.

### OUR GROUP, OUR BUSINESS ACTIVITIES AND OUR SUPPLY CHAIN

The Crédit Agricole Group has banking and insurance activities in 47 countries, 53 million clients across the world, 11.2 million members and 7.3% individual shareholders. The Group also has 147,000 employees in France and abroad. Its social and environmental commitments are an integral part of its involvement in the investment and business transformation projects undertaken by its clients, which include multi-national groups, SMEs, farmers, tradespeople, NGOs, municipalities and consumers.

In the course of its business, the Crédit Agricole Group purchases goods and services from suppliers, which themselves may use subcontractors. In 2021, our purchases totalled €6.1 billion, most of which were of goods and services in the following categories: real estate, IT, intellectual services, general goods and services, and communication.

### OUR COMMITMENTS

On the strength of its cooperative and mutualist identity and longstanding commitments, the Crédit Agricole Group in 2019 defined its *raison d'être* as "Acting every day in the interest of our customers and society". It is on this basis, in aspiring to anchor its usefulness to society in all its activities, business lines and processes, that the Group develops its strategy which in turn guides its actions by means of three flagship projects: the customer project, the human project and the societal project<sup>1</sup>.

It reflects our desire to build our strategy and objectives around the fundamental principles we adhere to, which are:

- the United Nations' Universal Declaration of Human Rights, of 1948
- the 10 principles of the UN Global Compact, since 2003
- the Equator Principles, since 2003
- the Principles for Responsible Investment (PRI), since 2006
- the UN Guiding Principles on Business and Human Rights approved by the Human Rights Council, in 2011
- the United Nations Sustainable Development Goals, since 2015
- the OECD Guidelines for Multinational Enterprises
- the International Labour Organisation conventions and the performance standards of Société Financière Internationale (SFI)
- the Principles for Responsible Banking (PRB), since 2019
- the principles underpinning the international Business For Inclusive Growth (B4IG) coalition since 2019.

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<sup>1</sup> [Our vision | Crédit Agricole \(credit-agricole.com\)](https://www.credit-agricole.com)

## OUR POLICIES

These commitments are set forth in the following policies, which formally specify the principles of professional, social and environmental ethics to be observed throughout our Group, including in the area of respect for human rights:

- The **Crédit Agricole Group Ethics Charter** published in May 2017, which clearly states that the Group's operational and behavioural principles comply with international laws and regulations on the protection of human rights and on the prevention of forced labour, child labour and corruption.
- The **Code of Conduct** prepared by each Crédit Agricole S.A. group entity in order to implement the principles of the Group's Ethics Charter. The Crédit Agricole S.A. Code of Conduct has been disseminated since September 2018, after being approved by the Board of Directors on 14 May 2018 and presented to employee representative bodies in June 2018, and was updated in 2021.
- The **Diversity Charter**, which since 2008 has underpinned the Crédit Agricole Group's efforts to promote diversity in the workplace and prevent all forms of discrimination.
- The **International Framework Agreement** on fundamental human rights and trade union rights signed between Crédit Agricole S.A. and UNI Global Union, the global union federation for the private services sector, in July 2019.
- The **Responsible Purchasing Policy** and **Responsible Purchasing Charter**, which were revised in 2017 and extended to the entire Crédit Agricole Group in 2018, requiring reciprocal commitments from the Crédit Agricole Group and its suppliers based on the fundamental principles of the UN Global Compact. Furthermore, Crédit Agricole S.A. and its subsidiaries had their Responsible Supplier Relations and Procurement label extended on 16 April 2021; this label recognises firms that are seen to maintain long-lasting and balanced relations with their suppliers.
- **Sector 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 established and analytical criteria are defined with which to evaluate transactions and detect projects and transactions in which the Group does not wish to be involved.

These documents are available on our website [Our sector policies | Crédit Agricole \(credit-agricole.com\)](https://www.credit-agricole.com/en/our-sector-policies).

## MANAGEMENT OF MODERN SLAVERY AND HUMAN TRAFFICKING RISK

Our policies come with action plans and operating processes that are implemented within each entity to manage the risk of modern slavery and human trafficking in our activities and our relations with suppliers. The approach to risk assessment differs depending on the parties and activities concerned.

Risk prevention at Crédit Agricole S.A. focuses on its relations with Crédit Agricole S.A. employees and its relations with the suppliers and subcontractors of Crédit Agricole S.A.

For each of these scopes, the framework for managing these risks consists of policies and action plans that include identification, assessment and risk attenuation phases. The level of deployment of these action plans is assessed in order to ensure they are effective and to make ongoing improvements towards preventing these risks.

### In relations with Crédit Agricole S.A. employees

Crédit Agricole S.A. uses various reference texts to apply its culture of ethics. The Group's Ethics Charter specifies the behaviour that is expected of all employees. Furthermore, Crédit Agricole S.A.'s Code of Conduct reminds employees that they must strictly observe the rules that govern professional ethics and respect for human rights and fundamental labour rights, both in their relationships with other employees and with all other parties. These rules are implemented based on a corpus of procedures in the area of compliance (*Corpus Fides*), which is disseminated and updated on a regular basis. It includes processes for managing non-compliance risk and a specific procedure for reporting non-compliance.

On the operational front, the Group continued to step up its social dialogue in 2021 so as to provide assistance for employees during the public health crisis created by the COVID-19 pandemic.

As part of the enhanced social pact that forms part of the Group's Human Project, on 31 July 2019 Crédit Agricole S.A. 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 sets out a framework by proposing the same social standards for all employees, regardless of where they work, and helping to improve working conditions. As part of this agreement, 16 weeks of paid maternity leave were introduced for all Group employees starting from 1 January 2021. The study launched in 2020 on the existing personal protection, death and disability-incapacity schemes in place at all the group's entities worldwide was presented to the agreement's monitoring committee at its meeting held in December 2021.

To guarantee that the human rights of all its employees are observed, Crédit Agricole S.A. makes sure all its internal HR procedures are consistent with the commitments set out in this declaration. Crédit Agricole S.A. 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 S.A. has also been committed for a number of years to an approach aimed at promoting diversity and gender 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 ensuring an even work-life balance. More broadly, the Group focused its gender balance and diversity policy on 4 goals: continue increasing female representation in its senior management, step up efforts to enhance the international profile of its recruiting ground, speed up the "Youth Plan" and expand its commitments to the employment of people with disabilities.

The Group maintains dialogue with all those involved in labour relations through its Group Human Resources Division and human resources representatives within each entity. This dialogue is organised on a number of levels to take account of the Crédit Agricole Group's structure and extensive presence in Europe. There are two institutions spanning Crédit Agricole S.A. and the Regional Banks: the European Works Council which includes representatives from 13 countries (accounting for over 90% of Crédit Agricole employees); and, in France, the Group Council within which employee representatives and senior management discuss strategy and the Group's economic and social situation. Within Crédit Agricole S.A., there are two other bodies that maintain dialogue with employee representatives: a Cooperation Committee, within which executive managers can present their projects and initiate debate with employee representatives; and meetings of trade union representatives, which are organised monthly to fuel debate, engage in close dialogue and describe any strategic developments in the Group's business lines.

### **In relations with Crédit Agricole S.A. suppliers and subcontractors**

The Group has procedures in place to detect and prevent the risks of modern slavery and human trafficking within or in connection with its supply chain. These procedures:

- identify and assess the most risk-exposed sectors of its supply chain;
- monitor these high-risk sectors in its supply chain;
- prevent the risks of modern slavery practices within its processes.

Crédit Agricole's Responsible Purchasing Policy, including processes to prevent the risk of modern slavery and human trafficking practices, has been signed by the Chief Executive Officers of each Group entity, who are thus committed to complying with its principles within the scope of their responsibilities. This policy applies to employees involved in the purchasing process and to suppliers. The rules governing the purchasing process are also explained in a procedural memo that applies to all employees, and an e-learning course "Responsible purchasing" is freely available to all employees via the Crédit Agricole learning institute platform.

Our suppliers formally express their agreement to observe our values 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 made by the Group and its suppliers, which are based on the fundamental principles of the UN Global Compact. Furthermore, all Crédit Agricole S.A. supplier

contract templates include a specific clause on "Respect for human rights, protection of the environment and the prevention of corruption"; suppliers thus declare and guarantee that they comply, and ensure their own supply chains comply, with all their obligations in respect of identifying risks and preventing serious breaches of human rights and fundamental liberties and serious harm to the health or safety of people or to the environment that 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 26 March 2015 on the prevention of all forms of modern slavery and human trafficking.

In addition, three complementary approaches are taken to analyse the CSR risks involved in purchasing activities: a risk assessment specific to each purchasing category, an analysis of supplier risk, and an analysis of geographic risk, which may negatively impact the overall risk rating.

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

For purchasing categories requiring supplier approval by the Crédit Agricole S.A. group, the CSR supplier assessment form, which includes criteria relating to respect for human rights, is now systematically attached to all requests for proposals. This takes account of both the supplier's CSR policy and the CSR criteria applied to assess the proposal. Since 2012, assessment of suppliers' CSR policies has been entrusted to EcoVadis, an independent company. The CSR credentials of the supplier's goods or services are assessed by including technical and specific criteria in the specifications determined on the basis of the risk map. 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. This CSR score accounts for 15% of the overall rating.

The Group Purchasing Department has also enhanced its procedures for assessing supplier risk and supplier compliance. The Know Your Supplier (KYS) procedure involves getting to know each supplier more closely (exact identity, verification of administrative and financial documents), assigning scores to them and screening them periodically (for any sanctions or negative news flow). 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 more frequently (weekly). The results of the most significant alerts are presented to the Group Supplier Risk Committee which meets on a quarterly basis, for instance for the purposes of deciding whether to continue – or discontinue – relations with a supplier.

## **WHISTEBLOWING PROCEDURE**

In order to reinforce risk prevention, a centralised system for reporting alerts is open not only to Group employees but also to third parties, enabling them to report any breaches of Group ethics, policies or procedures. It is now easier to report alerts relating, among other areas, to human rights, health and safety or the environment thanks to a digital tool for reporting and processing alerts that can be accessed via a link available on our website, <https://www.credit-agricole.com/en/group/ethics-compliance/whistleblowing-system>. Confidentiality of the identity of persons reporting alerts is ensured if an alert is reported in accordance with regulations.

This alert processing tool was introduced within the Crédit Agricole S.A. corporate entity in September 2018 and the roll-out was completed in all Crédit Agricole S.A. group entities in 2020. It is available in 11 languages (French, English, German, Spanish, Italian, Dutch, Portuguese, Polish, Ukrainian, Serbian and Romanian). It makes it easier to carry out quantitative and qualitative analyses of alerts (number and type of alerts), and these analyses are then used to assess non-compliance risk and to update the preventive measures in place.

Since October 2019, an Alerts Management Committee has intervened as and when required depending on the degree of sensitivity of an alert. It meets at least once a year to review the

whistleblowing system (e.g. to examine statistical data and to analyse why alerts were reported and where they were reported).

## **CONTINUOUS IMPROVEMENT**

Measures for preventing risks of breaches of human rights include both obligations arising from international rules and recommendations and those established under national law. Therefore, all efforts to prevent these risks are developed in accordance with the measures set out in the “Sapin 2 Act” of 9 December 2016 on Transparency, the Prevention of Corruption and the Modernisation of the Economy, and the Vigilance Plan established under the French law of 27 March 2017 relating to the duty of care of parent companies and contracting companies.

Each year, Crédit Agricole S.A. also publishes the details of its environmental, social and governance (ESG) risk management procedure in its Non-Financial Performance Statement (NFPS) as well as in the review of its Vigilance Plan which can be found in its Universal Registration Document available on our website at the following address: <https://www.credit-agricole.com/en/finance/finance/financial-publications>.

Crédit Agricole S.A. factors the management of risks relating to modern slavery and human trafficking into its approach to duty of care and non-financial risk management, which is reviewed regularly in order to ensure that its policies are properly implemented and effective.

Management of these risks 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;
- pursuing the deployment of targeted action plans to reduce the CSR risk of suppliers in the purchasing categories identified as ‘high risk’ and ‘very high risk’;
- seeking to involve our suppliers in our efforts, by regularly informing them of our responsible purchasing commitments and strategy.

Montrouge, 24 May 2022

Philippe BRASSAC  
Chief Executive Officer

