



Modern Slavery Act Statement

Approved by Natixis board of Directors on June, 16, 2023

INTRODUCTION

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Company's slavery and human trafficking statement for the financial year ending 31 December 2021. It sets out the steps that NATIXIS has undertaken to ensure that modern slavery or human trafficking is not taking place within its human resources policy, its supply chain or its businesses.

As a signatory to the United Nations Global Compact, NATIXIS is committed to the respect of human rights, including anti-slavery.

ORGANISATION'S STRUCTURE

NATIXIS is the global arm of Groupe BPCE, the second-largest banking group in France through its retail banking networks, Banque Populaire and Caisse d'Epargne. NATIXIS focuses on two global businesses: Asset & wealth management, and Corporate and Investment banking. Its clients include corporations, financial institutions, sovereign and supranational organizations, as well as the customers of Groupe BPCE's networks.

NATIXIS counts more than 13,000 employees across 40 countries and operates throughout the Americas, Asia-Pacific and EMEA. Natixis SA is the ultimate parent company based in France and operates in the UK via its London branch.

NATIXIS has an annual turnover in excess of the £36 million threshold.

NATIXIS operates a number of policies to ensure that it respects human rights and is committed to acting in an ethical manner. The respect of human rights is a fundamental principle factored in at various levels at NATIXIS:

NATIXIS CODE OF CONDUCT

NATIXIS published its code of conduct, gathering in a single overarching document all NATIXIS rules and guidelines employees can refer to in their relations with the company's stakeholders: our customers, teams, suppliers, as well as society at large.

The goal is for each employee to act with the highest professional ethics and a keen sense of responsibility, notably by embracing NATIXIS' corporate and social responsibility commitments. The Code of Conduct applies to all NATIXIS employees, entities and affiliates over the world, across all business lines. It also applies to our suppliers and all our business partners in their dealings with NATIXIS.

All staff are required to complete mandatory training on the Code of Conduct.

A dedicated committee, the **Global Culture and Conduct Committee**, is responsible for the governance of conduct-related matters. It is chaired by the CEO and comprises members of the NATIXIS Senior Management Committee and governed by a charter that describes its duties and how it functions. The Global Culture and Conduct Committee is responsible for all matters concerning the NATIXIS Code of Conduct and its application by all subsidiaries and direct branches. It is in charge of overseeing and regularly monitoring matters pertaining to the rules of conduct, including updates to the Code and deciding on individual or operational cases. An escalation process is also in place to consult the committee if required.

The Global Culture and Conduct Committee meets every quarter or on an ad hoc basis to discuss individual cases, approve ESR procedures, review ESR exceptions and transactions with a reputational dimension.

Whistleblowing system

The whistleblowing procedure is an integral part of the Conduct framework. It allows any member of staff who becomes aware of an inappropriate act or behavior (illegal activity, unethical behavior, violation of the Code of Conduct or the applicable policies and procedures) to inform the competent body within NATIXIS and receive the guarantees and protection set forth in regulations. The whistleblowing procedure is open to:

- all individuals with a current employment contract with NATIXIS, regardless of the type or duration of the contract.
- employees of external companies (suppliers or subcontractors) who work with NATIXIS either on a permanent or irregular basis.

The procedure provides protection to the whistleblowers (who may in no circumstances be subject to disciplinary action or legal proceedings in respect of the report, provided they have acted impartially and in good faith) and ensures the information is treated appropriately and in full confidence, in accordance with the applicable regulations.

The whistleblowing system is based on an overall policy which represents the minimum standard to be applied throughout NATIXIS. Each entity, subsidiary and branch office must adapt the overall policy to its activities and its own local regulations.

NATIXIS DUTY OF VIGILANCE PLAN

The French law on the duty of vigilance requires Natixis to prepare, publish and implement a duty of vigilance action plan containing reasonable vigilance measures that can identify and prevent the risks of violating human rights and basic freedoms, harming the environment, and endangering occupational health and safety, that are associated with the activities conducted by Natixis as well as its subsidiaries, subcontractors and suppliers

When drawing up its vigilance plan, the following issues(1) were identified:

Human rights and fundamental freedoms	Discrimination, infringement of equality, of respect for private and family life, of the right to strike, of freedom of assembly and association as well as infringement of freedom of opinion.
Health and safety of people	Decent working conditions, compensation, social protection, forced labor, child labor, health risk, harm to workers' safety and unequal access to health.
Environment	Damage to the fight against global warming and biodiversity, the risk of pollution (water, air, soil), waste management, preservation of natural resources.

(1) these "issues" are classified here according to the risk of major infringement, but this does not exclude other infringements

This vigilance plan launched in 2017 covers Natixis employees in its own locations, as well as suppliers during purchases of products and services made by BPCE purchases on behalf of Natixis. In addition, the procedures to be carried out as part of the bank's financing operations are strengthened each year.

Duty of vigilance in Natixis' operations

Regarding the risks incurred by Natixis employees and service providers in terms of human rights, the decision was made to extend efforts in areas deemed most important in view of Natixis' businesses: working conditions, prevention of discrimination, and personal safety.

These issues are already strictly governed by a number of regulations in France (representing more than 50% of Natixis employees) including labor law, the personal and property safety policy, and the Professional Risk Assessment Document. It should be noted that since 2021, new agreements have also been signed within the scope of France (relating in particular to remote working, employee savings schemes, profit-sharing and supplementary health guarantees).

Internationally, the working conditions of Natixis employees comply with or improve local regulations at the various sites under corporate governance. With regard to salaries, compensation surveys are regularly conducted to verify their competitiveness in their reference market.

Duty of vigilance in NATIXIS purchasing

In 2017, Natixis participated in a joint initiative involving several French Banking and Insurance companies and signed the Responsible Purchasing Charter ⁽¹⁾. The aim of the charter is to encourage the suppliers of the signatory banks to implement duty of vigilance measures as part of their overall ESR approach. The charter sets a series of commitments that both parties are required to observe, based largely on the basic principles of the United Nations Global Compact in the areas of human rights, working conditions, the environment and anti-corruption.

Regarding the enforcement of the duty of vigilance law, Natixis and BPCE Procurement took part in a concerted effort in the banking and insurance sector to map out ESR risks in purchasing activities, involving three other banking groups.

Presented to the Purchasing and ESR functions in 2018 and associated with a vigilance plan, it makes it possible to identify and prioritize ESR risks and to prioritize the risks to be monitored with suppliers, by purchasing category (142 in 2022). It also takes into account risk related to countries in which most of the added value of the product and service is realized.

Based on this mapping, BPCE Procurement estimated the number of very high - or high-risk purchasing categories at 47. This includes structural work, servers, real estate work, IT storage, waste recycling, merchandising and vehicles.

Based on the risk assessment work, mitigation measures are applied: for high- and very high-risk purchasing categories, suppliers must answer a questionnaire specific to each category and communicate the actions taken to mitigate the risks and prevent serious breaches. This action plan is assessed by BPCE Procurement and generates a rating that is significantly integrated into the supplier's overall rating. Depending on the results, a progress plan is drawn up with the suppliers selected and must be reviewed six months later.

For purchases made directly by Natixis, an equivalent process was implemented since 2020 as part of the new Know Your Supplier procedure (KYS). For all purchases of more than fifty thousand euros in a sensitive category, this process is now followed for purchases made in France and in international platforms.

BPCE Procurement has provided training to familiarize the procurement and ESR functions with the mechanism. 100% of BPCE Procurement buyers responsible for these procurement categories have received training.

(1) <https://back.bpce-achats.fr/storage/ILzDIs8m2NdPWQ7qY0VtZ2R3Ke8YqWIZBBhX8Tb5.pdf>

Managing Human rights issues in our financing and investing activities

Human rights issues, including slavery, are taken into account in our financing and investing businesses, most notably by applying the Equator Principles for project financing or specific policies for sensitive sectors.

Indeed, within the Equator Principles, close attention is being paid to the impact of financed projects on local populations. A new amended version (EP IV, dated July 2020) became effective on October 1, 2020. The new version extends the scope of application of the Principles and strengthens the conditions applied when assessing transactions, in particular in terms of human rights (especially the rights of indigenous communities).

NATIXIS and some of its affiliates have adopted exclusion policies for sectors and issuers that do not respect certain human rights and fundamental principles of corporate responsibility.

Dorval, DNCA, Ostrum AM, Mirova, Seeyond, Thematics AM and Ossiam are implementing these commitments in their investments, in full compliance with their fiduciary duties towards their clients. The following are excluded:

- ✓ controversial weapons;
- ✓ tobacco;
- ✓ companies deemed the worst offenders (which do not observe the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises);
- ✓ blacklisted countries (those on the FATF list or under embargo).

In addition, the ESR Department has implemented with the business lines, the Compliance and Risk divisions an "ESR Screening" tool to identify, assess, and monitor corporate clients' environmental, social and governance (ESG) risks.

This solution is applied throughout the client onboarding and credit approval processes for CIB's corporate clients. ESR Screening with two levels of assessment:

- during the KYC (Know Your Client) process, each client company is assigned a level of vigilance based on an ESR questionnaire covering four areas (controversies to which the client may be exposed, sectors in which the client operates, maturity of the risk management framework and type of business relationship with Natixis);
- during credit approval process, clients identified as most at risk are subjected to in-depth analysis (16 risk dimensions covering ESG factors are taken into account and analyzed according to their materiality). The findings are communicated to the decision-making authorities.

Stéphanie PAIX
CEO