

MODERN SLAVERY ACT STATEMENT

Approved by Natixis Board of Directors on June 23, 2020

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 2019. 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 a subsidiary of Groupe BPCE, the second-largest banking group in France through its two retail banking networks, Banque Populaire and Caisse d'Epargne. Natixis offers its clients asset & wealth management, financing, insurance and financial services solutions. Its clients include corporations, financial institutions, sovereign and supranational organizations, as well as the customers of Groupe BPCE's networks.

Natixis counts nearly 16,000 employees across 38 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 SA 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

In 2018, 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 and shareholders, 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 governance of conduct-related matters. It is chaired by the Chief Executive Officer and is formed of members of the Natixis Senior Management Committee. The Committee is governed by a Charter that describes its duties and how it functions. It 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 and supervise their roll-out.

Whistleblowing system

The whistleblowing procedure is an integral part of the Conduct system. 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 process sets out a clear timeline, with:

- immediate acknowledgement of the report;
- notification within 15 business days of the date of acknowledgement of whether the information reported is eligible for further investigation;
- notification within three months of the date of acknowledgement of the steps taken to process the information reported or, if this process has been completed, the action taken (or not taken) based on the information.

The procedure provides protection to the whistleblower (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 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.

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. 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, labor, the environment and anti-corruption.

In this charter, Natixis encourages its suppliers to promote and respect international law on human rights within their sphere of influence and to ensure that their own corporations are not implicated in the violation of human rights: the supplier commits to promoting and enforcing its own suppliers, service providers and / or subcontractors, to abide by the principles stated in this charter.



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. The map, which was delivered in June 2018, covers the ethic, environmental and human rights risks by country and by purchase category.

The human right risks include the following issues:

- Health and safety
- Working conditions
- Discrimination
- Forced labor and modern-day slavery
- Child labor

Among more than 100 purchasing categories in the banking sector, the mapping system identified ESR risk-type purchases that are to be the subject of targeted duty of vigilance measures.

Under the new consultation procedures conducted by BPCE Procurement in these sensitive categories, suppliers are assessed on the basis of their ESR performance. A first set of suppliers in high risk purchasing categories (servers, payment cards, furnitures...) has been assessed under the process applied since 2018 and other categories of suppliers are under assessment.

Indicators are used to monitor the roll-out of the duty of vigilance process for high ESR risk procurement categories. At the end of 2019,

- 31% of relevant procurement categories have been assessed;
- 46% of relevant procurement categories are currently being assessed;
- 100% of BPCE Procurement buyers responsible for these procurement categories have received training.

Duty of vigilance in everyday 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 nearly 70 % of Natixis employees) including labor law, the personal and property safety policy, and the Professional Risk Assessment Document. A whole host of internal agreements have also been signed in France (relating to union law, collective bargaining, gender equality, the professional integration and retention of employees with disabilities, and quality of life at work).

Internationally, the mapping carried out by the Natixis Human Resources Department shows that the working conditions of Natixis employees comply with local regulations or improve them, in particular in terms of working hours and dismissal conditions.

With regard to salaries, beyond compliance with regulatory minima, each entity participates each year in a targeted salary survey on financial services in order to allow the various trades to adapt their remuneration policy and verify their competitiveness.

In terms of social protection, the entities rely either on surveys conducted on a multi-year basis, or on the expertise of the brokers who intervene in the management of these programs to ensure that they are in line with standards of the financial services industry.

Maternity leave is generally more favorable than regulatory provisions and Natixis is considering a minimum leave applicable regardless of the country.



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, guided by notable ESR charters, including Principles for Responsible Investment (since 2008) and the Equator Principles (since 2010).

Indeed, within the Equator Principles, close attention is being paid to the impact of financed projects on local populations. Since 2013, the Equator Principles were updated to recognize the UN's Framework for companies and human rights. They refer to the International Finance Corporation's Performance Standards on labour matters which include such issues as harmful or exploitative child labour or forced labour.

Besides, whenever material human rights issues are detected by Risk, Compliance or ESR, during the internal client onboarding process or the credit process, those issues are raised for full account in the decision to enter into or pursue business relations with the client. In order to make this approach systematic, Natixis is currently working on an ESR screening tool aiming to refine the review of all its corporate clients from an environmental & social risk perspective, including human rights. The new solution will be integrated with the client onboarding and loan approval processes and will be gradually rolled out across all regions in 2020

Signatory of the Principles for Responsible Investments, several entities of Natixis have adopted exclusion policies for sectors and issuers that do not respect certain human rights and fundamental principles of corporate responsibility. DNCA, Ostrum AM, Mirova, Seeyond, Thematics AM, Ossiam and Natixis Assurances apply these policies to their investments, in full compliance with their fiduciary duties towards their customers. The following sectors and issuers are excluded:

- controversial weapons;
- tobacco [1];
- companies deemed the worst offenders (which do not observe the principles of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises) [2];
- blacklisted countries (those on the FATF list or under US or European embargo).

[1] Except at Seeyond, and only for certified funds at DNCA.

[2] Except at Seeyond, and only for index funds at Seeyond



30, avenue Pierre Mendès France
75013 Paris
Tél. : +33 1 58 32 30 00
www.natixis.com

