

The Chief Executive Officer

**KLEINWORT HAMBROS — MODERN SLAVERY AND HUMAN  
TRAFFICKING STATEMENT 2021**

## Message from Frédéric Oudéa, Chief Executive Officer

*“For Societe Generale, being a responsible company lies at the very heart of our business lines’ mission and reflects the essence of the relationship bank of reference that we strive to be. Being responsible must be tangible in each of our decisions, positions and actions.*

*As a key player in financing the economy, our mission is to offer the best solutions to individuals, companies and institutions, in order to support them in the development of their projects, the management of their financial resources and the mitigation of their risks. Our success in doing so relies on women and men, whether they are employees, contractors or any other stakeholders. Therefore, respecting human rights and dignity is part of how we perform our mission. This is why we are committed to improving our practices to protect human rights<sup>1</sup> and avoid any violation within our sphere of influence.”*

## Message from Caroline Guillaumin, Group Head of Human Resources at Societe Generale

*“We are proud to have taken our agreement with UNI Global Union even further in 2019. It confirms our commitment to respecting human rights as set out in our Code of Conduct and our recognition of the International Labour Organisation’s Fundamental Principles and Rights at Work, including the freedom of association.”*

## I. Introduction

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This statement is issued in response to the UK’s Modern Slavery Act 2015 which came into force on 29 October 2015 (the “Act”). The Act requires the disclosure by large organisations carrying on business in the UK, in an annual statement, of the steps taken to prevent modern slavery from occurring in their own operations and in their supply chains. This statement is made on behalf of the Societe Generale Group (the “Group”) in respect of the financial year ended 31st December 2020. Each of the Group’s subsidiaries which is directly subject to the Act may rely on this statement for its own declaration.

### Our Group

Societe Generale is one of the leading financial services groups in Europe. With a solid position in Europe and an overall presence in 61 countries, the Group’s 133,000 employees support more than 29 million individual clients, together with large corporates and institutional investors worldwide. For the year 2020, the Group had a Net banking income of EUR 22.1 bn.

The Group has built a solid diversified banking model structured around three complementary pillars: French Retail Banking; International Retail Banking and Financial Services, and Global Banking and Investor Solutions. The Group is organised into 16 Business Units and 9 Service Units, each directly reporting to the Group’s General Management. A detailed presentation of the Group’s business model and activities is set out in the Group’s Universal Registration Document<sup>2</sup>.

Societe Generale is incorporated in France and has its registered office at 29, boulevard Haussmann, Paris. Societe Generale is listed on Euronext Paris.

### Our Company

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<sup>1</sup> In this document, the term “human rights violations” is used to encompass all forms of slavery and human trafficking, including forced labour, child labour, domestic servitude, workplace abuse and human trafficking.

<sup>2</sup> [https://www.societegenerale.com/sites/default/files/documents/2021-03/2021%20Universal%20Registration%20Document\\_1.pdf](https://www.societegenerale.com/sites/default/files/documents/2021-03/2021%20Universal%20Registration%20Document_1.pdf)

Hambros Bank was established in the UK in 1839. Following a series of acquisitions as Hambros Bank it was ultimately acquired by Societe Generale in 1998 and on 6 June 2016 Kleinwort Benson was purchased by SG Hambros Limited, a subsidiary of Société Générale, to form Kleinwort Hambros. With employees across a network of offices in the UK, Jersey, Guernsey and Gibraltar, Kleinwort Hambros has a range of teams offering services to private clients around the world.

## Our supply chains

In 2020, Kleinwort Hambros' main spend categories were IT (software and services), business process outsourcing services, consulting, recruitment, facilities management and real estate. Kleinwort Hambros works with large international groups and SMEs to fill its various purchasing needs in the UK, the Channel Islands and Gibraltar.

## II. Legal obligations and commitments

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The Group strives to act with integrity and in compliance with the laws and regulations applicable to its activities. The Group is subject to certain obligations relating to the management of both environmental and social (“E&S”) risks and human rights risks (which include modern slavery).

In response to the French Duty of Care Act<sup>3</sup>, Societe Generale establishes and implements a Duty of Care plan (“the **Plan**”). This Plan aims at identifying risks and preventing serious breaches in respect of each of human rights, fundamental freedoms, the health, safety and security of persons, and the environment as a result of the Group's activities. The annual presentation of this Plan and its effective implementation can be found in the Group's Universal Registration Document<sup>4</sup>.

The Group is fully committed to maintaining and improving its processes designed to limit the risk of human rights violations, including modern slavery, in the Group's own operations, in its supply chains, and as may be directly connected with its products and services.

The Group's commitments towards human rights are guided by each of the following standards and initiatives:

- The Universal Declaration of Human Rights (1948), the International Covenant on Civil and Political Rights, and the International Covenant on Economic, Social and Cultural Rights;
- The Fundamental Conventions of the International Labour Organisation (“ILO”), which cover issues related to forced labour and slavery, child labour, discrimination, freedom of association and decent working conditions;
- The United Nations Guiding Principles on Business and Human Rights;
- The OECD Guidelines for Multinational Enterprises;
- The United Nations Global Compact;
- The Principles for Responsible Banking;
- The Equator Principles.

In addition, the Group is a member of Entreprises pour les Droits de l'Homme (Enterprises for Human rights), an association promoting discussions, working groups, consultations and best practice sharing in favour of an enhanced integration of human rights, including forced labour, into company policies and practices.

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<sup>3</sup> French Act of 27th March 2017 on the Duty of Care of Parent and Subcontracting Companies.

<sup>4</sup> [https://www.societegenerale.com/sites/default/files/documents/2021-03/2021%20Universal%20Registration%20Document\\_1.pdf](https://www.societegenerale.com/sites/default/files/documents/2021-03/2021%20Universal%20Registration%20Document_1.pdf)

### III. Our policies and processes in relation to slavery and human trafficking

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#### Our policies

The Group strives to act in compliance with the legal and regulatory framework of each of the countries in which it operates. In certain jurisdictions where it may be identified that the legal and regulatory framework may not provide sufficiently security, the Group uses as a reference the international standards and initiatives in terms of the respect for and protection of human rights which are listed above.

Societe Generale and Kleinwort Hambros relevant policies and commitments which aim to address the reduction of the risk of human rights violations include, but are not limited to, the following:

- Societe Generale's **Commitment Towards Human Rights**<sup>5</sup>
- Societe Generale's **Code of Conduct** in which the Group commits to respect human rights (including those relating to modern slavery and human trafficking) and to comply with the rules established by the International Labour Organisation fundamental conventions. This Code applies to all Societe Generale Group employees. In addition, the Group expects its suppliers and those with whom it conducts business relationships to implement practices that are, or aim to be, consistent with this Code;
- The **Worldwide Agreement on fundamental human rights and trade union rights** – signed between Societe Generale and UNI Global Union in 2015, and which was reinforced and renewed for 3 years in February 2019;
- **Internal policies, formal processes and agreements relating to human resources** – in certain cases being submitted to trade union agreement; The Group provides its entities with normative documentation specific to the types of risk, including human right risks. This documentation is updated, disseminated, and accessible.
- The Group's **Policy on Responsible Sourcing & Compliance Rules Applicable to Sourcing** – appended to the UNI Global agreement;
- The Group's **Environmental and Social Guidelines for Business Engagement**;
- The Group's **Policy on the Fight Against Money Laundering and Terrorist Financing Within the Societe Generale Group** (internal document);
- The Group's **Anti-Bribery and Corruption Policy** (internal document) and a dedicated Code Governing the Fight against Corruption and Influence Peddling.

#### Our risk assessment and management processes

Over the years, Societe Generale has implemented a number of processes and has taken various steps in order to prevent modern slavery and human trafficking in the Group's activities and in the Group's supply chains and it continues to develop its work in this area.

The most significant elements of its risk assessment and management processes include:

- An inherent risk mapping exercise:

In the context of its Duty of Care Plan, the Group identified and mapped the risks of breaches of human rights and fundamental freedoms, working conditions (including forced labour, modern slavery, child labour, decent working hours and decent wages), health, safety and security inherent in the banking sector, and also such risks inherent in the various industry sectors of its suppliers and sub-contractors, and the activities in respect of which it provides products and/or services.

These identified risks were then prioritised into four categories from low to high based on sector-related data, including:

- the severity of the potential impact;
- the scale of the potential impact (such as the number of people potentially affected);

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<sup>5</sup> <https://www.societegenerale.com/sites/default/files/sg-human-rights-statement-.pdf>

- the likelihood of the potential impact.

- Overall internal self-assessment exercises:

Measures taken to identify and manage human rights risks are monitored through internal self-assessment exercises. In 2020, the Group conducted a self-assessment exercise to:

- monitor implementation of E&S risk management processes in its Business Units and Service Units;
- identify areas for improvement and monitor the ensuing action plans; and
- leverage additional indicators for monitoring the measures taken by the Group.

Societe Generale also largely finalised the implementation of action plans initiated further to an internal audit on the Duty of Care project in 2020, with a focus on the Sourcing pillar. These action plans concentrated in particular on formally setting out the controls and the scope of measures implemented.

- The effective implementation of an enhanced whistleblowing framework throughout the Group:

In the context of French law, the Group decided to reinforce its Group-wide whistleblowing framework. This evolution has been rolled out in France and internationally since 2019.

Whistleblowing is a right and no employee may be sanctioned in any way whatsoever for having whistleblown in good faith.

Whistleblowers can now use the framework to report any suspected, potential or actual serious and clear violations of an international commitment, a law or a regulation in respect of human rights, fundamental freedoms, health and safety or the environment. It is available to all employees, as well as to external or temporary staff and service providers working with the Group on an established basis (as subcontractors or suppliers). It is hosted on a secure external platform offering the guarantees required by the law *i.e.* protection of personal data and strict confidentiality of any information provided.

In addition to the Group tool, the right to blow the whistle may be exercised in different ways by using the managerial line, the HR correspondent, the local compliance officer or a local set up if any.

The Group's Code of Conduct was updated to reflect this new whistleblowing process and reiterates that Societe Generale protects whistleblowers, guarantees that it will keep their identity strictly confidential throughout the entire Group, and guarantees anonymity where possible under local law.

### *Regarding our employees*

- The worldwide agreement on fundamental human rights and trade union rights which Societe Generale signed with **UNI Global Union** in 2015, was reinforced and renewed in February 2019 for a further three years.

This agreement applies to all of the Group's 133,000 employees throughout its 61 countries of operation and aims to ensure fair working conditions, prevent any form of employment-related discrimination, and to respect health and safety regulations and freedom of association. It incorporates:

- the fight against discrimination and the development of diversity in all Human Resources management processes (a subject already introduced in the initial agreement),
- maintaining a working environment conducive to health, safety and satisfying working conditions for all employees,
- punctual discussions with UNI Global Union on the application of these commitments and a yearly follow-up meeting gathering UNI Global Union representatives and the Bank's Human Resources Division.

- Group-level Human Resources governance, along with labour relations bodies to monitor working conditions and trade union freedom, is structured around:
  - Group-level HR Division members being in charge of social dialogue to ensure freedom of association and staff representation at Group level;

- Human resources officers working on employment conditions and occupational health and safety together with employment law teams each working both at Group level and with local support team members;
  - Operational risk management and compliance teams acting as a second line of defence on different dimensions of the human resources and security risk management system.
- Human Resources and safety risk monitoring and assessment is based on:
    - Internal and external audits of the Group's human resources policies and standards for health, safety and security, which have also resulted in the implementation of action plans adapted to those areas identified for improvement;
    - In addition to these measures and in order to gain direct feedback on their working conditions, the Group measures employee commitment through the Employee Satisfaction Survey, an annual, anonymous internal survey carried out throughout the Group. In 2020, in the context of the health crisis, the annual Employee Satisfaction Survey was replaced by several "Pulse" surveys on issues of morale, commitment, diversity and inclusion. The results, which are regularly shared with employees, have been essential to assessing employee confidence given the unprecedented health situation and their faith in the Group's efforts to improve their daily lives.

#### **Risk mapping and self-assessment 2020 results:**

- **An inherent risk mapping on human rights:** in order to identify and better understand local issues, the Group assesses the level of exposure to risks of serious violations of human rights and fundamental freedoms, together with employee health and safety, in all its countries of operation. Inherent risk mapping was updated in 2020 using an external base of indicators detailing the risk levels specific to the country and to the activities performed in the financial sector. The geographic criteria include the status of the country's ratification of the ILO fundamental conventions, its employment regulations, their effective implementation, and its track record (especially as regards to human rights violations).

The Human Resources Division considers that the local context is critical in the analysis of intrinsic risks and the policies and measures implemented to prevent them. For each subject area assessed, the following results present the proportion of Societe Generale's workforce operating in countries considered to have a high, medium-high and moderate intrinsic risk. The remaining employees are thus located in low-risk countries.

Results: Taken as a whole and covering all human rights analysed, no Group employee is located in a country considered to be high risk according to the external database<sup>6</sup> consulted. In terms of working conditions (covering forced labour and modern slavery, child labour, decent working hours and decent wages):

- 0.2% of the workforce are in a country of operation with a medium-high risk: Benin;
- 4% of the workforce are in countries of operation with a moderate-risk: Equatorial Guinea, United Arab Emirates, China, Turkey, Cameroon, Mexico, Algeria, Congo and the United States.

- **An overall internal self-assessment exercise on residual risk to evaluate the quality of the Group's systems to protect its employees against human rights risks.** The self-assessment included questions relating to the implementation of Group policies as well as formal local policies and processes and the checks performed on a range of issues:

Results: This year's self-assessment exercise covered entities representing 100% of the Group's workforce, up from 99% in 2019. Among the entities located in high, medium-high or moderate risk countries on the Duty of Care topics, the assessment of the risk management systems in the Group's entities shows that:

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<sup>6</sup> Verisk Maplecroft

- 1,5% of the workforce is employed in entities that need to strengthen their policies, procedures and formalised rules to meet International Labour Organization standards: Algeria, United Arab Emirates and Chad.

### *Regarding our suppliers*

At the date of this statement, Societe Generale's internal processes described hereafter, principally address spending managed from France by the Sourcing Division. These processes are currently deployed internationally.

The Group's Sourcing Division has developed and provides guidance tools to its buyers to enable them to manage E&S and human rights risks at various stages of the purchasing process. The purpose of these tools is to identify, assess and manage E&S and human rights risks, both at the level of the product or service purchased and at the level of the supplier or service provider.

- Identification of potential risk areas based on:
  - The Group's Sourcing Division identifies E&S and human rights risks associated with each sourcing categories via the E&S risks mapping of products and services;
  - The Know Your Supplier (KYS) process is based on both Societe Generale's own guidance and on international standards for operational, compliance and reputational risk management and includes a review of E&S controversies.

The following assessment and mitigation tools are used for purchases managed by the Sourcing Division in France and abroad on E&S high risk categories. They include:

- Monitoring of potential risk areas through:
  - the integration of mandatory E&S criteria into requests for tender, and the application of an E&S component in the rating of suppliers' offers, in each case depending on the products or services purchased;
  - the review of suppliers' extra-financial evaluation (targeted suppliers only).
- Mitigation of human rights violation risks within our direct supply chains: when the Sourcing Division identifies a potential risk of human rights violation by a supplier (through an alert raised, a controversy check or a drop in a supplier's E&S rating) an enhanced due diligence is performed, that may lead to a remediation plan being put in place. Societe Generale also reserves the right to carry out a supplier on-site E&S audit.

### **Risk mapping and self-assessment 2020 results:**

- The inherent E&S risk levels of each purchasing category were cross-referenced with the corresponding expenditure amounts per category to identify the share of purchases in medium-high or high-risk categories.

**Results:** Amongst the high-risk purchasing categories, building work was found to bear the greatest risk (renovations and outfitting but also construction of new buildings), together with waste management and telephone and IT equipment. Within the scope analysed by the Sourcing Division, in 2020 some 4% of the spend was on purchasing categories representing a high E&S risk and around 9% on categories representing a medium-high E&S risk.

- In addition, an in-depth analysis was conducted to ensure that purchasing categories presenting the highest potential modern slavery risk were covered by E&S monitoring and mitigation tools.

**Results:** building work was found to bear the greatest potential modern slavery risk, representing 1% of the spend analysed by the Sourcing Division. As one of the high E&S risk categories, building works are covered by the E&S analysis and mitigation scheme of the Group.

### Regarding our products & services

The Societe Generale Group's E&S obligations together with its voluntary commitments related to its business activities (including human rights issues) are set out in **Societe Generale's Environmental and Social General Principles**<sup>7</sup> and the **cross-business and sectoral policies**<sup>8</sup> appended to them.

A dozen policies have been developed relating to sectors which were identified as presenting specific human rights or E&S risks. These policies are public documents and set out the major E&S sector standards applied, the main risks identified in relation to human rights or the environment, and the criteria for E&S and human rights due diligence to be carried out at customer or transaction level.

The due diligence processes to implement the Group's E&S commitments include:

- identification of the E&S issues associated with transactions and customers to whom the Group provides banking and financial services;
- in-depth evaluation of riskier transactions and customers by front officers and in-house expert teams, to assess the consistency with the Group's E&S policies. The E&S client analysis is risk-based, including a more in-depth and more frequent E&S analysis of priority clients;
- where relevant, action for remediation.

These E&S procedures are being gradually incorporated within both the Group's credit risk and reputational risk management policies and procedures to enhance the coverage in terms of Group activities and enhance the associated controls.

### Risk mapping and self-assessment 2020 results:

- **An inherent sector-risk mapping** was previously conducted for the major sectors to which the Group provides products and services, and which will lead to an update of its policies and internal tools. Work was started last year to better shape the results of the risk mapping and increase their accuracy, with the aim of including the risks specific to certain activities within the sectors under review.

Results: Amongst the sectors analysed, a dozen had a significant part of their activities exposed to human rights and E&S risks which included: energy, transport and logistics, agriculture (upstream), industrial, construction, chemistry, mining, forestry, textile and defence.

The main risks identified in these sectors include risks related to working conditions (including workplace accidents), risks of forced labour and child labour, risk of violating community rights, climate risks and a negative biodiversity impact.

At the end of 2020, approximately one-quarter of the Group's corporate exposure<sup>9</sup> relates to sectors or activities that were found to present high risks in terms of human rights and the environment. Taking into account the geographic dimension (quality of local human rights and E&S regulatory framework and local practices), less than 10% of the Group's exposure corresponds to high risk activities in high risk countries.

A first analysis showed that the majority of potentially high-risk sectors were covered either by a sector policy or by the internal E&S watchlist. Moreover, the risk mapping highlighted the need to enhance the existing E&S framework with additional risks, some of which relate to human rights issues. The Group continued to steer implementation of procedures and controls aimed at managing E&S risks in its activities.

- In addition, in 2020 the Group performed its **annual monitoring carried out within the framework of the Declaration of Non-Financial Performance** and a **second Compliance Risk Assessment carried out on more than 180 Group entities on E&S risks**. This exercise provided the Group with more detailed results on, among other things:
  - the level of familiarity with the normative framework for managing E&S risks in the Group and their transposition into the Business Units' own procedures;

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<sup>7</sup> <https://www.societegenerale.com/sites/default/files/documents/2021-03/Environmental-and-Social-General-Principles.pdf>

<sup>8</sup> <https://www.societegenerale.com/en/responsability/ethics-and-governance>

<sup>9</sup> Corporate client outstanding amounts as of December 31<sup>st</sup>, 2020

- the inclusion of an E&S due diligence in the client onboarding and client periodic review processes;
- the human resources and skills devoted to E&S risk management;
- the number of customers and transactions that pose an E&S risk that were the subject of an in-depth E&S due diligence, as well as the main conclusions of these reviews.

The main findings of these assessments were presented to the Group's Responsible Commitments Committee (CORESP).

Results:

- 81% of the Group's Business Units have correspondents or people dedicated to E&S risk management, i.e. all the most exposed Business Units;
- an increase in the number of customers and transactions reviewed with results that are 87% positive, 11% conditional and 2% negative with respect to customer assessments.

#### IV. Effective actions taken to address modern slavery and human trafficking

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In its previous Modern Slavery Act statement, the Group committed to take several actions, and the progress achieved on these in 2020 is as follows:

- **Harmonizing human resources management** within the Group.  
Achievement: The Group policies publicly disclosed in 2019 on Diversity & Inclusion, and on Occupational Health and Safety have been rolled out in 2020;
- **Going one step further concerning Human Resources controls** across the Group to ensure that each entity has the means to implement effective management.  
Achievement: The Group incorporated additional controls into its internal control framework in 2020, including five controls on the prevention of discrimination and the legal obligations regarding the employment of people with disabilities;
- **Reviewing the E&S controversies identification and management process.**  
Achievement: Some work has been initiated, especially on escalation rules, but the review process needs to be further enhanced and formalized. On the purchasing side, 15 suppliers were interviewed in 2020 by the Responsible Sourcing team following the detection of E&S controversies, in order to provide answers on the themes targeted by the latter.
- **Reviewing sector-specific policies** to facilitate their operational implementation.  
Achievement: The E&S General Principles have been reviewed and now include transversal statements on Human rights, Biodiversity and Climate. Moreover, the cross-business and sectoral E&S policies were partly revised and completed in 2020 and some internal implementation guides have also been formalised.
- **Performing the Compliance Risk Assessment on E&S risk including human rights** throughout the Group.  
Achievement: This assessment has been conducted on the Purchasing and Business sides on more than 180 entities, and the main outcomes are presented in this statement. This exercise provided the Group with more detailed results on the implementation of its E&S risk management frameworks over a wider scope and enabled it to define the necessary improvement actions.

Additional achievements consisted of:

- **Sharing of experience on the French Duty of Care** with external third parties via Entreprises pour les Droits de l'Homme (Enterprises for Human Rights) in the context of the European Duty of Care consultation.

### *Regarding our employees*

- **Respecting the commitment made to present the Duty of Care Plan on an annual basis to UNI Global Union.**

### *Regarding our suppliers*

- **Strengthening and extending** to all Group suppliers with significant or sensitive expenses since May 2020, **the KYS due diligence measures implemented** by the Purchasing Division. These measures are now systematically implemented whenever a supplier enters into a relationship with the Group and also during the life of the contract according to that supplier's identified level of risk.
- Following the **update of the risk evaluation tools** for all high and medium-high E&S risk purchase categories, **the development of additional risk evaluation tools** in 2020 for medium-low E&S risk purchase categories.
- **Development of tools** (E&S risk mapping, evaluation tools) to manage E&S risks **outside the Sourcing Division scope for high-risk purchase categories.**
- **Integration of a tailored Corporate Social Responsibility clause** referring to the Group's Code of Conduct and the requirement of non-financial evaluation for certain suppliers, as well as reference to the Sustainable Sourcing Charter in all contract models. The reciprocal commitments set out in the Sustainable Sourcing Charter are based on the fundamental principles of the United Nations Global Compact in the field of Human Rights and Working Conditions, including the fight against modern slavery. In 2020, the Sourcing Division E&S training module was adapted to a remote format and enhanced with a practical case study. By the end of 2020, all buyers working in the Sourcing Division in France and abroad had participated in an E&S training.
- **Creation of a motion design (short animated video) presenting the Group's responsible purchasing program.** This motion design was made available to all Group employees on its intranet site to raise awareness among those more occasional buyers.
- **Launch of 4 on-site CSR audits in 2020** on suppliers identified among the most at risk following an E&S risk analysis. Performed by an independent third party, these audits focused on Human Rights, Health and Safety and Environment issues

Results: Corrective action plans were designed where appropriate, and Societe Generale will support its suppliers in their implementation in 2021. Two examples of such action plans relating to Human rights are:

- The Implementation of training/awareness on Human rights issues for suppliers' employees;
- At the supplier level, defining and deploying a programme to monitor the social responsibility practices, including Human Rights, of the Group's service providers and subcontractors.

### *Regarding our products & services*

- **Validation of the 2021 Duty of Care plan by the Group Responsible Commitments Committee (CORESP)** chaired by the Chief Executive Officer or by the Deputy Chief Executive Officer who specifically sponsors CSR. The CORESP has also validated and dealt with initiatives joined by the Group such as the CFO Principles and the update of cross-business and sectoral policies.
- **Continuous inclusion of E&S risk management into the Business Units' and Services Units' operational processes** in 2020, through the strengthening of their centres of E&S expertise, and specific training for teams in Front offices, the Risk Division and the Compliance Division.
- **The progressive implementation of the controls on E&S risks management** included in the Group's permanent supervision system.

## V. Further steps

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Certain of the existing E&S risk assessment and management procedures were reviewed in 2020, in particular to include those main risks that are either not covered or insufficiently covered by the existing tools and procedures. The risk management framework will be further enhanced (policies, formal processes and/or additional checks) in 2021, alongside continued efforts in respect of its implementation. A global e-learning on E&S risk management in HR, Purchasing and Activities will be launched in 2021 and made compulsory for a large targeted population in the different Business Units and Service Units.

The E&S controversies identification and management processes also need to be further enhanced and formalised, both for suppliers and on the business side.

### *Regarding our employees*

At Group level, the main actions planned are:

- The consolidation of anti-harassment measures and the establishment of internal audits to ensure compliance with the principles of non-discrimination;
- Controls related to non-compliance with labour and human rights laws will be strengthened in those Group entities identified as needing to strengthen their policies, procedures and formalised rules;
- In addition, the Group will continue to take all necessary protection and support measures with regard to the health crisis. Listening attentively to stakeholders will assist the Group to clarify changes in its environment and also help the Group to address them effectively. Appropriate channels have been set up to foster constructive dialogue with all stakeholders by considering the results of internal surveys, the materiality analysis performed on a group of stakeholders, and through continued dialogue with the UNI Global Union.

### *Regarding our suppliers*

The main actions planned are as follows:

- The continued expansion of the Group's normative documentation on sourcing, including in particular E&S risk management standards;
- The continued implementation of E&S risk management tools for high-risk categories (tool sheets, CSR clause and Sustainable Sourcing Charter) in the Group;

### *Regarding our products & services*

The main actions planned are as follows:

- Tightening of E&S risk management governance and controls, at Group level as well as in the relevant Business Units and Service Units;
- Strengthening of the role of the second line of defence on E&S risk issues both centrally and locally, particularly in monitoring the permanent control system and related action plans;
- Continued improvements to E&S policies and risk management tools to clarify them and gradually include more business sectors, sector/country combinations and human rights issues;
- Further integration of E&S checks into client onboarding and client periodic review processes and the systematisation of the related checks and controls;
- Training for target groups on E&S risk management in business activities.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our modern slavery and human trafficking statement for the financial year ending December 31, 2020. This statement has been approved by the Board of Directors of SG Kleinwort Hambros Bank Ltd on 24 June, 2021.

On 24 June, 2021

Mouhammed Choukeir  
SG Kleinwort Hambros Bank Ltd  
Chief Executive Officer