



## MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT ON BEHALF OF BNP PARIBAS ASSET MANAGEMENT UK LIMITED

The Modern Slavery Act (“**MSA**”) came into force in the United Kingdom in 2015 requiring large organisations doing business in the UK to produce a “Slavery and Human Trafficking” statement. The MSA applies to both organisation subsidiaries and the parent organisation if they carry on a business or part of a business in the UK.

This Statement relates to the steps that BNP Paribas Asset Management UK Limited (**BNPP AM UK**) and the BNP Paribas Group have taken to ensure that slavery and human trafficking are not taking place in their direct operations or supply chains. It also refers to the risk management process the Group and its affiliates have put in place to mitigate any potential human rights violation from its financing and investment activities. This Statement is for the financial year ended 31 December 2016. The Board of BNPP AM UK shall attest annually that the BNPP AM UK complies with this Statement through the information provided by the respective departments of Corporate Social Responsibility (“**CSR**”), Procurement and Human Resources.

### Introduction

BNP Paribas is a leading bank in Europe with an international reach. It has a presence in 74 countries, with more than 190,000 employees, including more than 146,000 in Europe. The Group has key positions in its three main activities: Domestic Markets and International Financial Services (whose retail-banking networks and financial services are covered by Retail Banking & Services) and Corporate & Institutional Banking, which serves two client franchises: corporate clients and institutional investors.

BNP Paribas has had a presence in the UK for nearly 150 years. The UK is a key hub for the Group with a presence across BNP Paribas’ core businesses: Corporate & Institutional Banking (CIB) and Retail Banking & Services. There are about 7,500 employees in the UK with the majority of employees based in and around London.

BNPP AM UK is the BNP Paribas Group’s asset management specialist in the UK. BNPP AM UK offers the full range of asset management services to both institutional and private investors around the world. BNPP AM UK works closely with the BNP Paribas Group in implementing policies and procedures.

BNP Paribas seeks to be a contributor to responsible and sustainable global development. The Bank’s ambition is to have a positive impact on its stakeholders and on the wider society. That is why the Group upholds the highest standard of conduct and ethics in the areas of human rights, labour, environment and anti-corruption.



## Our commitment and policies

BNP Paribas is committed to respecting a number of principles and norms which underpin the way it does business:

- The United Nations Sustainable Development Goals;
- The 10 Principles of the United Nations Global Compact;
- The United Nations Guiding Principles on Business and Human Rights;
- The internationally-accepted OECD Guidelines for multinational enterprises;
- The internationally-accepted standards of Human Rights, as defined in the International Bill of Human Rights;
- The core labour standards set out by the International Labour Organisation.

In addition to these public commitments, Group Policies are in place, which contribute to tackling numerous subjects on social, environmental and governance issues, including Human Rights violations. These include:

- BNP Paribas Group Code of Conduct;
- Statement of BNP Paribas on Human Rights;
- BNP Paribas Suppliers Charter.

## Our employees

BNP Paribas commits to offer a working environment in which all employees are treated with respect and dignity. The employees should not make any discrimination vis-à-vis any other person within the Group. Everyone has the responsibility to behave professionally and responsibly with their colleagues, which means: be pro-active in knowing and complying with the Group's permanent policies, procedures and other instructions given by management relating to professional activities; respect applicable professional secrecy rules at all times; treat all colleagues with respect; make sure that interactions with colleagues are professional and effective at all times; listen to and value the input from colleagues, even if they express different views.

### Raising concerns

Within the framework of the Group whistleblowing procedure, all BNP Paribas employees are entitled to report a proven or suspected breach of the Group's Code of Conduct or of a Group policy, procedure or regulation, not only to their line manager, but also, alternatively, to the Compliance Function of the entity to which they belong or to a higher entity.

Any concern about an issue or a suspicion on human rights within the BNP Paribas business operations or in the supply chain can be reported in accordance with the Group whistleblowing procedure, unless local regulations or procedures provide otherwise.

Our whistleblowing policy ensures that anyone raising in good faith such concerns will not suffer, as a result, dismissal, disciplinary action, threats or other unfavourable treatment.

## Our suppliers

BNP Paribas believes that the behaviour of its suppliers must also adhere to its commitments on environmental, social and governance issues.

The Group Procurement central team in France has a governance role across geographies and, as such, has drafted Procurement norms and standards which are applicable across the Group. The Group Procurement norms foresee that environmental and social criteria must be taken into consideration in the suppliers' selection process. As part of the BNP Paribas Group, BNPP AM UK's procurement and CSR matters are centralised within the BNP Paribas Group and the policies and procedures of the BNP Paribas Group ensure that high standards are met.

These Procurement norms cover the Procurement process, i.e. the steps going from the internal needs analysis to the selection of the supplier and the entering into a contract. The main spend categories are IT (hardware, software and IT services), professional services, facilities management, real estate and travel.

In 2016 BNP Paribas initiated a Know Your Supplier process that covers financial security controls on suppliers. These controls measure regulatory compliance of suppliers in terms of sanctions and embargoes, money laundering and financial crime related issues. The intention is to include progressively also controls relating to CSR.

Concerning specifically adverse impacts on human rights, at the date of the statement, the information reported below principally addresses global spending managed from France.

BNP Paribas Group Procurement has implemented the following steps to mitigate environmental or social risks in its supply chain:

- The identification of environmental and social risks on its spend categories through a risk mapping review;
- A BNP Paribas Suppliers policy that requests suppliers to comply with environmental and social laws and regulations in the countries where they operate, as well as with the social principles outlined in the following reference texts:
  - Universal Declaration of Human Rights of 1948 and its two additional covenants; and
  - Conventions of the International Labour Organization, in particular regarding minimum age and child labour and abolition of forced and compulsory labour.
- The inclusion of a sustainability questionnaire in calls for tenders that requires suppliers to sign up to the BNP Paribas Suppliers Charter, in particular the clauses on ethics and human rights, as well as disclose their current commitments and practices in regards to all matters of social, environmental and governance performance; and
- The inclusion of contractual clauses in supplier contract standard templates, that requires the suppliers to observe the principles of the conventions of the International Labor Organization in all countries in which it operates and to make every effort to ensure its application by its own suppliers, subcontractors and distributors.

## Awareness and Training

BNP Paribas took part in the development of an awareness-raising e-learning module called "Business and Human Rights" and co-created with the other members of the French association "*Entreprises pour les droits de l'Homme*" (Enterprises for Human Rights – "EDH"). Aimed at employees of EDH member companies, this module is included in the BNP Paribas training catalogue. It is mandatory for all employees who directly contribute to the promotion of Human Rights: Risk people, Procurement business lines, business relations officers in CIB and the CSR network. Employees who directly contribute to the promotion of Human Rights should make themselves known to Human Resources and Compliance so that appropriate training can be organised.

This initiative is monitored by one of the thirteen managing indicators of the BNP Paribas' CSR strategy: the "percentage of employees contributing directly to the promotion of Human Rights who have received a specific training". This indicator is also one of the nine CSR indicators used in calculating the deferred variable compensation of the Group's 5,000 top managers, accounting for 20% of the conditions for attributing this compensation.

**Deborah Lancaster**  
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