

**January 2025**

**Bernstein Autonomous LLP – Statement on Modern Slavery and Human Trafficking**

This statement is issued in response to Section 54(1) of the UK's Modern Slavery Act 2015 (the "Act"). The Act requires organisations carrying on business in the UK to disclose in an annual statement the steps taken to prevent modern slavery and human trafficking from occurring in their own operations and in their supply chains.

Bernstein Autonomous is part of the Bernstein Group of companies that now sit within a joint venture launched on 1 April 2024 by Société Générale and AllianceBernstein. Accordingly, we refer to the 2023 AllianceBernstein Global Slavery and Human Trafficking Statement, alongside Société Générale's 2024 Statement on Modern Slavery and Human Trafficking, both of which should be understood as being relevant to the arrangements we have undertaken over the past year and in looking ahead, in order to prevent modern slavery and human trafficking from occurring in our own operations and supply chains.

The June 2024 AllianceBernstein Global Slavery and Human Trafficking Statement can be found here [AB-Global-Slavery-Statement.pdf](#)

The 2024 Société Générale Statement on Modern Slavery and Human Trafficking can be found here [Statement on Modern Slavery and Human Trafficking](#)

This statement is made pursuant to the United Kingdom's Modern Slavery Act 2015 and constitutes, alongside the above-linked documents, Bernstein Autonomous LLP's modern slavery and human trafficking statement for the financial year ending December 31, 2024.



Alexandra Perricone

Chief Talent Officer

Bernstein Autonomous LLP



ALLIANCEBERNSTEIN®

June 2024



# **Global Slavery and Human Trafficking Statement and Report**

# Table of Contents

Reporting Entity: AllianceBernstein and Its Subsidiaries . . . . .	1
Governance . . . . .	2
Operations: Our Employees . . . . .	3
Operations: Our Supply Chain . . . . .	4
Our Investment Activities . . . . .	5
Training . . . . .	14
Industry Participation . . . . .	15
Measuring Effectiveness . . . . .	16
Future Plans . . . . .	17
Appendix . . . . .	19

# Reporting Entity: AllianceBernstein and Its Subsidiaries

AllianceBernstein's (AB's) purpose is to pursue insight that unlocks opportunity. Our mission is to help our clients define and achieve their investment goals, explicitly stating what we do to unlock opportunity for our clients. Because we are an active manager, our differentiated insights can drive our ability to deliver alpha and design innovative investment solutions. For more details on AB's purpose and values, please see our [Responsibility Report](#).

The foundation of our business is high-quality, in-depth research, which we believe can enable us to achieve long-term, sustainable investment success on behalf of our clients. Our global research network spans many disciplines, including economics, fundamental equity and fixed income, and quantitative research. We also have experts focused on multi-asset strategies, wealth management and alternative investments.

As a business and as investors, we're committed to addressing material environmental, social and governance (ESG) issues—both as a corporate citizen and in striving to deliver better outcomes for clients. We foster a culture of diversity, equity and inclusion because different backgrounds and perspectives can lead to better decisions and insights. We've built our business model on a strong risk-aware culture, prudent risk-taking and a robust governance framework that continues to evolve.

We adhere to and promote a culture of strong professional ethics. And we're dedicated to doing business with the highest standards of honesty and fairness, not only to comply with applicable laws and regulations but also to earn and keep the trust of our clients, employees, shareholders, business partners and other stakeholders. We also have ongoing regard for best practices, including the

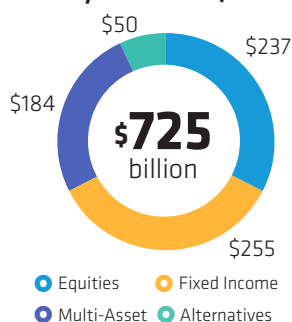
Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises and the United Nations (UN) Guiding Principles on Business and Human Rights.

AB and our subsidiaries (which we'll collectively refer to as AB, "we," "our," "us" and other similar pronouns) are independently operated and majority owned by Equitable Holdings, Inc. We provide research, diversified investment management and related services globally to a broad range of clients through our three distribution channels—Institutional, Retail and Private Wealth Management—as well as our brokerage services, Bernstein Research Services<sup>1</sup> (*Display 1*). As of December 31, 2023, AB managed US\$725 billion on behalf of our clients.

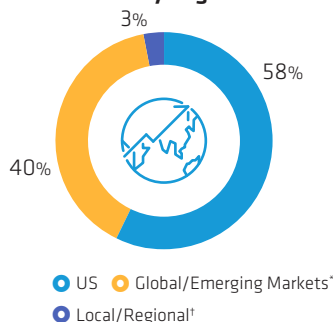
This statement is also made by AB's subsidiaries, including AllianceBernstein Limited (ABL), Bernstein Autonomous LLP (BALLP), AllianceBernstein Preferred Limited, AllianceBernstein Holdings Limited and Sanford C. Bernstein Limited, pursuant to Section 54 of the UK Modern Slavery Act 2015 with respect to the financial year ending December 31, 2023, and AllianceBernstein Investment Management Australia Limited (ABIMAL) ABN 58 007 212 606 pursuant to Section 13 of the Modern Slavery Act 2018 of the Commonwealth of Australia (AMSA). It sets out the steps that AB has taken during the 2023 fiscal year ending December 31, 2023, to combat and prevent modern slavery and human trafficking in its business and supply chains. This statement covers certain aspects of ABL's and BALLP's direct operations and certain aspects of our supply chains. This statement also seeks to provide the information that we're required to disclose under Section 16 of AMSA in relation to ABIMAL with respect to the year ending December 31, 2023.

## DISPLAY 1: AB'S ASSETS UNDER MANAGEMENT (AUM)

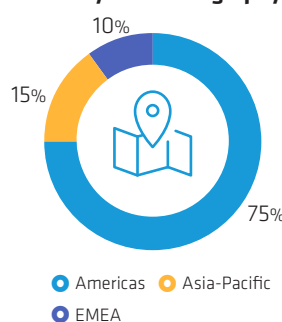
**AUM by Asset Class (USD Bil.)**



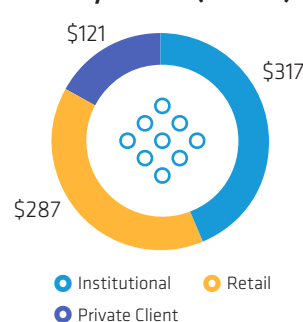
**AUM by Region**



**AUM by Client Geography**



**AUM by Channel (USD Bil.)**



Numbers may not sum due to rounding. | \*Global and EAFE services, including those that invest in emerging markets, as well as stand-alone global emerging-market services. †Single-country/regional services outside the US, including single-country/regional emerging-market services. | As of December 31, 2023 | **Source:** AB

<sup>1</sup> In April 2024, Bernstein Research Services finalized a joint venture with Société Générale, focusing on global cash equities and equity research. The Statement does not encompass the modern slavery-related activities of AB CarVal, except for those that have been vetted by AB.

# Governance

---

## Board- and Management-Related

Our Chief Responsibility Officer spearheads the development of firmwide corporate responsibility and responsible investing policies and practices, including integrating material modern slavery considerations into AB's business activities. The Chief Responsibility Officer is responsible for reporting on these activities, which may include identifying and managing modern slavery risk, to AB's Board of Directors, including our Chief Executive Officer (CEO) and the Audit and Risk Committee of the Board.

AB's Board of Directors and the local boards for our UK and Australian entities approve our annual Global Slavery and Human Trafficking Statement before it's published.

## Investment-Related

Our investors—analysts, portfolio managers and traders—are at the heart of our responsible investing practices, and integrate material ESG investment risks and opportunities into the investment process for most of our actively managed strategies.

The Responsibility Steering Committee, chaired by our Chief Responsibility Officer, serves as an advisory council to the Responsibility team. This committee, which meets quarterly, comprises senior professionals from across AB, giving different businesses within the firm an opportunity to shape AB's approach, including our approach to managing modern slavery risk.

Our Proxy Voting and Governance Committee includes senior representatives from our equity and fixed-income investment teams, Responsibility team, Operations Department and Legal & Compliance Department. Through constructive debate, they establish our [Proxy Voting and Governance Policy](#), oversee proxy-voting activities and provide formal oversight of the proxy-voting process. They also ensure that our proxy policies and procedures capture our latest thinking, formulate AB's position on new proposals and consult on votes that are contentious or not covered by our policy. Our proxy-voting process may also consider ESG issues such as modern slavery and human rights, as well as other factors, when a vote may affect the valuation and performance of an issuer's securities.

The Controversial Investments Advisory Council includes senior representatives from across AB and is co-chaired by our CEO and Chief Responsibility Officer. The council provides a forum for discussing and debating emerging issues such as modern slavery, related international norms—including, but not limited to, the OECD Guidelines for Multinational Enterprises and UN Global Compact (UNGC)—and private prisons. The council discussion may inform specific investment decisions and/or help establish AB policy in these areas.

## Risk-Related

The Responsibility Risk Oversight Committee (R-ROC) is responsible for monitoring ESG-related risks, projects and policies. The R-ROC provides a forum for reporting and tracking ESG-related risk issues, overseeing implementation of strategic projects related to mitigating ESG-related risks, and developing risk-management policies and procedures to support our responsibility activities. Local risk-management functions present and escalate material sustainability risk issues that they have identified independently. The R-ROC also reviews, analyzes and makes determinations regarding ESG-related regulations that affect our products.

## Operations and Supply Chain-Related

Our Vendor Risk Management Committee, which is a subset of our risk-management efforts, provides firmwide oversight of our firm's critical and material vendor relationships. The committee sets the requirement for review of modern slavery risk as part of vendor oversight, and it is also a point of escalation for product managers (internal AB employees who manage relationships with vendors) who have a concern about modern slavery risk in a vendor<sup>2</sup> relationship they manage. The committee also sets training requirements for product managers, which includes training on modern slavery.

<sup>2</sup> "Vendors" are AB's third-party suppliers.

# Operations: Our Employees

---

When considering our business's exposure to vulnerable populations, high-risk geographies, high-risk products and services, and high-risk business models, we believe that our operations would be deemed low risk, based on our analysis of the asset-management industry. In our operations, we take concrete steps to reduce the risk of modern slavery.

We adhere to a [Code of Business Conduct and Ethics](#), which summarizes our values, ethical standards and commitment to addressing potential conflicts of interest that arise from our activities. Each employee is apprised of the [Code of Business Conduct and Ethics](#) when employment begins. Additionally, each employee must certify compliance with the code and undergo training annually.

As an equal opportunity employer, we do not discriminate against current or potential employees on the basis of age, race, nationality, ethnic origin, gender, sexual orientation, religion, marital status or disability.

In 2023, for the eighth consecutive year, AB received a score of 100% on the Human Rights Campaign Foundation's 2023 Corporate Equality Index, the foremost benchmarking survey and report that measures corporate policies and practices related to LGBTQ+ workplace equality in the US.

Employees may raise concerns regarding modern slavery across a variety of official reporting channels, including our incident escalation hotline and other formal reporting channels, such as the Legal & Compliance and People divisions. AB also has a Whistleblowing Policy, and all employees have access to the appropriate policies via our intranet.

Separate and apart from these reporting channels, the AB Ombuds Office serves as an independent and off-the-record resource for raising work-related concerns. Our Ombuds is a neutral and independent third party who offers informal, confidential assistance to AB employees, as well as to consultants and on-premises vendor staff (including, but not limited to, janitorial and catering staff), regarding issues related to their work at AB, including modern slavery. The Ombuds Office provides a way to raise and address work-related concerns safely and anonymously. Consistent with these principles, the Ombuds is not authorized to accept notice of claims against AB, and notice will not be imputed.

AB encourages employees to share their concerns in the forum they find most appropriate, without fear of retaliation or reprisal.

# Operations: Our Supply Chain

---

We purchase products and services from third-party vendors to conduct business operations and deliver on the expectations and requirements of our clients and business partners. These products and services include, but are not limited to, information technology, financial services data and professional services.

We maintain a formal [Vendor Code of Conduct](#) that outlines both our expectations of our vendors generally and our expectation that vendors comply with applicable laws, rules and regulations, which may include modern slavery or human-trafficking laws or regulations.

## Vendor Risk Analysis

We assess our business relationships with vendors using a risk-based approach. Due diligence questionnaires are sent annually to vendors deemed to be critical or material to the functioning of AB's operations, and their responses are reviewed for potential business risks. The questionnaires cover several topics, including modern slavery. In

2023, and in alignment with AB's research best practices, vendors were asked:

1. Does your company have a human rights policy/statement that is compliant with all applicable laws, regulations or guidelines relevant to your business?
2. Does your company have a Vendor Code of Conduct that incorporates all applicable laws, regulations or guidelines relevant to your business?
3. Does your company perform due diligence of vendors or other counterparties related to human rights or modern slavery in alignment with all applicable laws, regulations or guidelines relevant to your business?

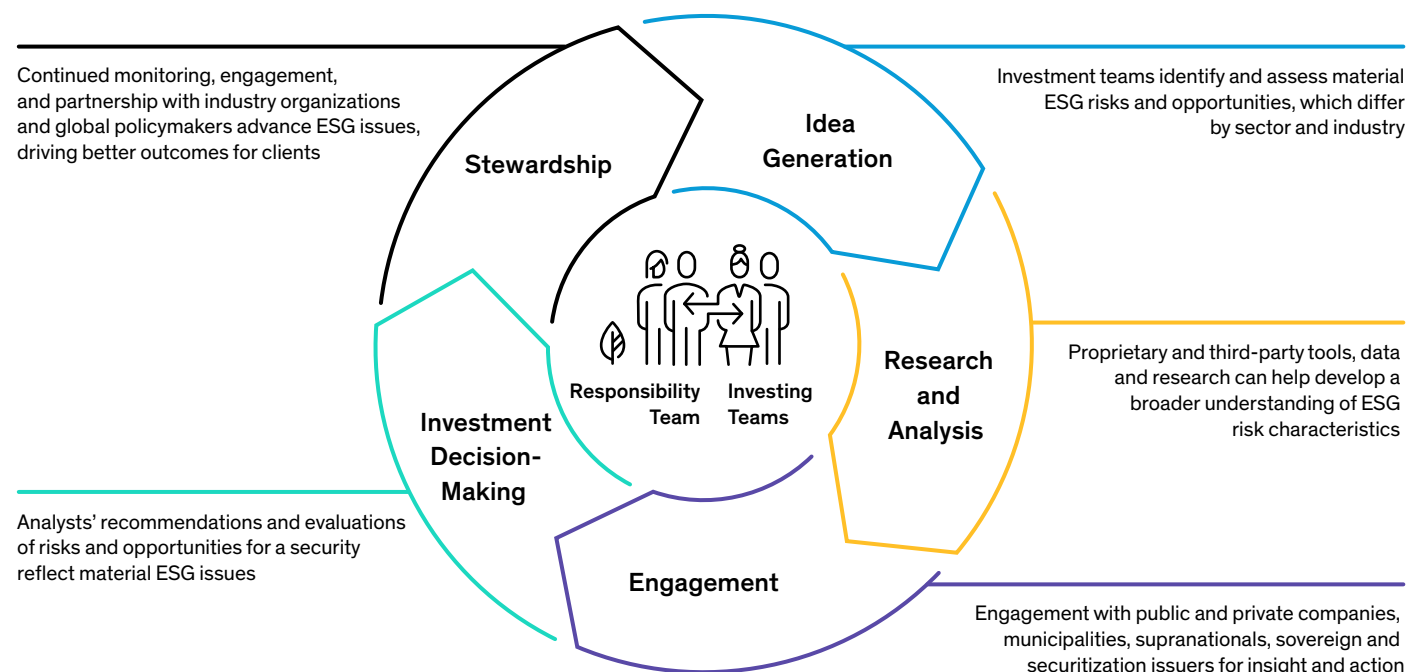
Based on their answers—as well as their geography and industry—vendors' responses were categorized as low risk, medium risk or high risk.

# Our Investment Activities

Evaluating ESG investment risks related to human rights and modern slavery can be important in forming insights and in presenting potential risks and opportunities that can affect the performance of the companies and issuers in which we invest and the portfolios we build. Our [Global Stewardship Statement](#) outlines our policy on responsible investing and ESG integration, engagement and voting.

We integrate material ESG risks and opportunities, which can include human rights risks, throughout most of our actively managed investment strategies. Because ESG issues can affect investment performance, thinking broadly and deeply about these issues can assist our analysts and investment teams in better identifying and quantifying material risks and opportunities for specific issuers and help create better financial outcomes for our clients (*Display 2*).

## DISPLAY 2: ESG INTEGRATION THROUGHOUT THE INVESTMENT PROCESS



AB engages issuers when it believes the engagement is in the best financial interest of its clients.

Source: AB



## Idea Generation: Tools and Data

As a fundamental active manager, we consider research to be an essential part of our process. We equip our investors with high-quality tools and data to improve their ESG integration and investment decision-making processes. These tools are used to support our teams.

ESIGHT, AB's proprietary ESG research and collaboration tool, includes data from our ESG issuer assessments, proxy-voting history, engagements, and third-party research from MSCI and Sustainalytics. It's also a knowledge center with a wealth of ESG information, including academic studies, nongovernment entity reports, specialist sustainability and climate change think-tank papers, and the proprietary ESG ratings of investment teams within AB.

With ESIGHT, AB has a hub where fixed-income and equity investment teams can access and share information in real time about issuers' ESG practices. When our investment teams conduct research or prepare for an engagement, they can explore previous interactions—querying by issuer, AB investment team or ESG topic and theme. ESIGHT also enhances portfolio management and reporting: we can assess ESG topics by company, issuer, industry or portfolio and share engagement statistics, examples and outcomes with our clients.

ESIGHT features an “action engagement” template for our investors to tag their engagements as action, laying out the topic and which type of action they're encouraging issuers to take to limit risk or to take advantage of investment opportunities. We also developed functionality to set milestones and end-date targets, including reminders for analysts to follow up with issuers. This addition can also help investors track year-over-year progress.

The engagement efforts of AB's fixed-income investors are enhanced by PRISM. This proprietary credit-rating and scoring system is built into our fixed-income research analysis portal, which is a fully digitalized data and security analysis platform. With PRISM, analysts can develop and share views on individual issuers in a consistent, comparable and quantifiable way across industries, ratings categories and geographies. Analysts also have access to MSCI scores through the system. ESG weights are determined by the industry being analyzed and are based on what we view as the most important factors for the company or issuer. Any fixed-income analyst, portfolio manager or trader can access PRISM's ESG scores in real time.

In 2023, we worked to develop an enhanced version of this system called PRISM 3.0. The goal of these developments was to enhance consistency of scoring globally and free up analysts' time to spend on activities such as engagements. Analysts focus their expertise on complementing the data-rich base-level ESG view of an issuer, rather than populating the base-level view from scratch. One of the major developmental aspects of PRISM 3.0 is to link the financially material E, S and G factors to specific ESG data metrics, which then can be leveraged to populate “objective” base scores across industries. That is, we identify those ESG factors that are financially material across industries and those that are specific to an industry. We link these factors to relevant, and available, corresponding ESG metrics and build a systematic input of these data sources into our PRISM system. We use data from NGOs, governments, data providers and other public sources, commercial third-party services, and proprietary sources. In total, we leverage over 150 metrics for our E, S and G assessments in PRISM 3.0. However, not all 150 metrics feed into every assessment because not all factors and hence not all metrics are universally financially material across industries. PRISM 3.0 aims to only take those metrics into account that were identified to be financially material for a specific industry. Specific metrics in PRISM 3.0 regarding modern slavery include: the Global Slavery Index, the World Benchmarking Alliance's Corporate Human Rights Benchmark and multiple other industry-specific human rights evaluations.

Additionally, we have proprietary tools to bolster our research and engagement process specifically for the issue of modern slavery risk. Our Modern Slavery Risk Exposure Tool visually displays our internally assigned risk ratings and rationales, allowing us to look at individual companies, analysts' company coverage, and portfolios. The portfolio view helps portfolio managers understand the risk-exposure profile of their strategy at the click of a button.

We also use applicable third-party data and tools. Third-party international norms compliance data capture companies' severe structural breaches of the Ten Principles of the UNGC and the OECD Guidelines for Multinational Enterprises. These standards focus on human rights, labor standards, the environment and anticorruption. Some third-party controversy data provide weekly summaries of controversies, including supply chain issues and labor rights. Third-party ESG ratings systematically analyze issuers' processes and procedures to prevent and address modern slavery.

Each tool and resource is an important input, allowing our analysts to research, discuss and engage with issuers.

## Research and Analysis: Assessing Modern Slavery and Human Trafficking Exposure

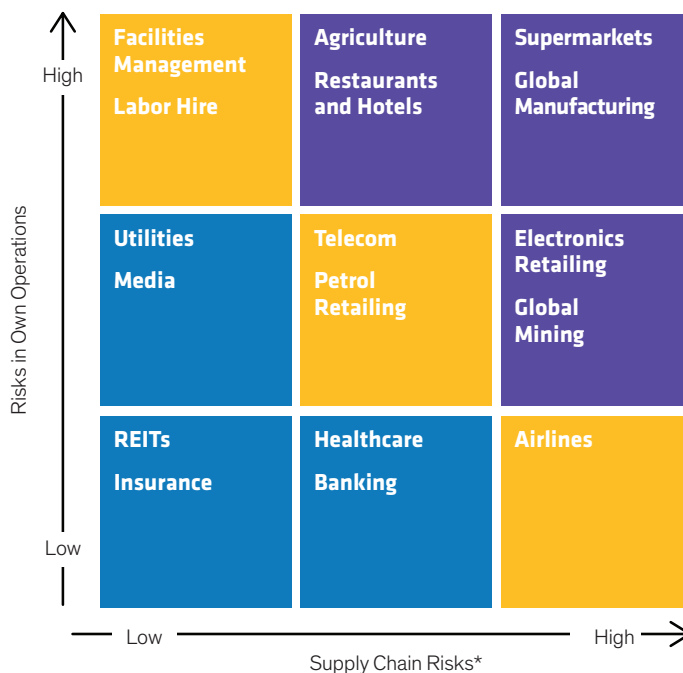
At AB, we've been considering the material social risks of our investments for many years, with a focus on modern slavery and forced labor.

Using our own fundamental research and leveraging third-party information as a guide, in 2020 we developed and began implementing a modern slavery research methodology to map companies on a matrix, indicating the potential level of exposure to modern slavery in their operations and supply chains. The matrix measures companies' exposure to high-risk-to-people factors, including vulnerable populations and high-risk geographies, products and services, and business models (*Display 3*).

The methodology enables our investment teams to sort holdings into nine categories across two dimensions: (1) modern slavery risk exposure in the company itself (low/medium/high) and (2) modern slavery risk exposure in the company's supply chain (low/medium/high). As of December 31, 2023, AB Group had assigned a risk exposure rating to 930 unique issuers. Mapping companies based on risk helps us determine which companies we may need to research or engage with to better understand how they manage modern slavery risk. We are able to apply our fundamental research to understand a company's risk exposure. Investors are able to assign and view modern slavery risk exposure ratings to issuers in ESIGHT.

AB also conducts in-depth research on ESG issues to develop key insights for our investment process. We often share these insights with our clients and other stakeholders in the form of thought leadership to provide them with the latest research on key issues in the investment industry. We've developed a deep knowledge of the complexity of modern slavery globally (see one of our recent blogs, in collaboration with the international human rights organization Walk Free, "The Connection Between Climate Change and Modern Slavery," *page 8*).

## DISPLAY 3: FRAMEWORK TO ASSESS HIGH-RISK-TO-PEOPLE STOCKS



REITs: real estate investment trusts

\*Supply chain risks can include customers and extend to second- and even third-tier suppliers when the corporation's behavior contributes to modern slavery risks.

Source: AB

## The Connection Between Climate Change and Modern Slavery

Climate change is traditionally regarded as an environmental issue. But climate change also threatens human rights, with material implications for investors.

Climate change is one of the most pressing challenges of our time, but it's often seen as strictly an environmental cause. We believe that needs to change. That's because climate change is also a human rights issue that threatens everyone's lives and livelihoods, while putting the most vulnerable people at risk of human trafficking and modern slavery.

What's more, neglecting to account for climate-related modern slavery threats may present material financial risks to investors. AB recently partnered with [Walk Free](#), an international human rights group working to accelerate the end of all forms of modern slavery, on a report, [\*Bridging ESG Silos: The Intersection of Climate Change and Modern Slavery\*](#), that explores climate-related modern slavery risks in depth.

### Making the Climate Connection to Human Rights

Around 50 million people were living in modern slavery on any given day in 2021. But despite this shocking figure, the connection between climate change and modern slavery isn't well understood. The World Bank predicts that by 2050, 216 million people will be forced to migrate within their own countries solely because of climate change. This forced migration will make them more vulnerable to the risk of human trafficking and modern slavery.

We've made recommendations and developed tools to help investors assess, disclose and manage climate-related modern slavery risks. The first step is to identify the risks.

### Physical and Transition Risks to Human Rights

Climate change poses two primary sources of risk to human rights:

1. **Physical risks.** Acute physical risks refer to "sudden-onset" events such as storms and bushfires. Chronic physical risks involve gradual long-term changes, or "slow-onset" events, including drought, desertification, rising sea levels and ocean acidification.

Sudden- and slow-onset events can destroy homes, infrastructure, food and water sources, and livelihoods. People affected by severe weather events can find themselves working in poor job conditions or forced to migrate in search of new work. This increases their susceptibility to human traffickers and can also result in labor exploitation.

2. **Transition risks.** The shift from high-carbon fossil fuels to decarbonized, renewable energy sources creates two types of transition risk:

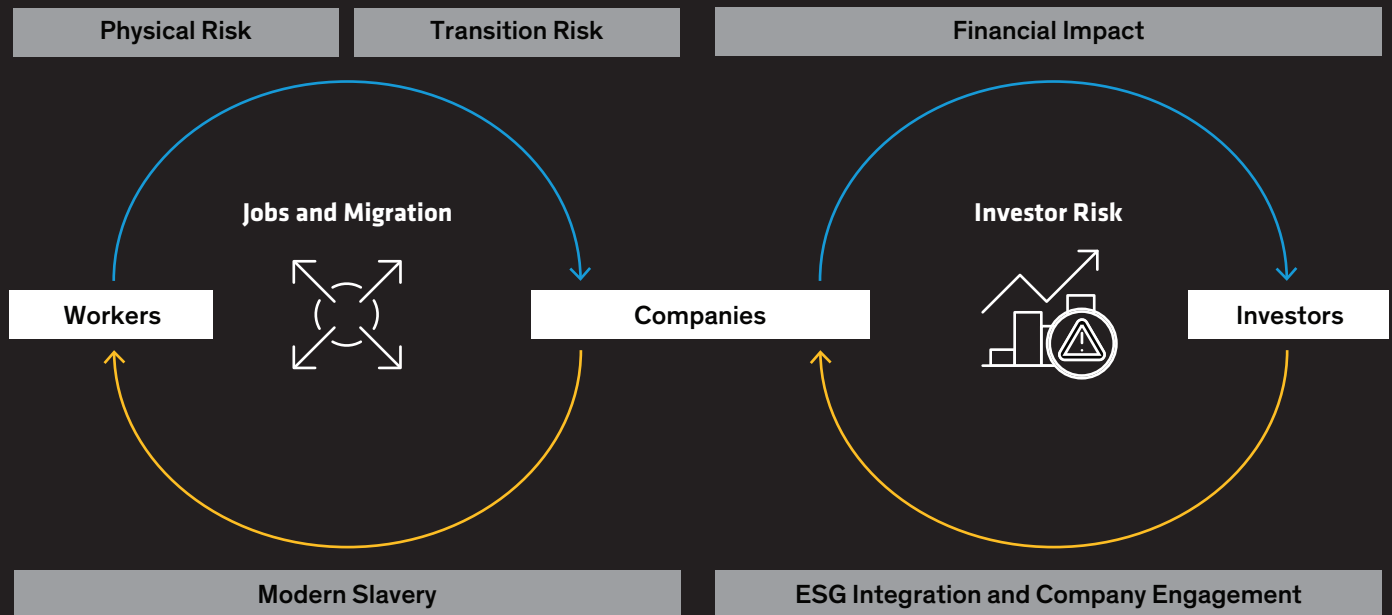
- Phasing out fossil fuels can affect workers who either lack the skills for the green economy or are not in the right location. This increases their vulnerability to poor working conditions and human trafficking.
- Phasing in renewable energy can create human rights risks in the project-implementation and supply chain stages, such as land acquisition, resource extraction, material processing and equipment manufacturing. Examples include reported practices of child labor in cobalt mining and forced labor in polysilicon production.

Climate-related modern slavery and human rights risks can also create risks to businesses and investors. These include legal risks (running afoul of modern slavery disclosure laws or human rights due diligence), reputational risks (harming a brand by falling short of client, shareholder and customer expectations) and operational risks (destabilizing a company's operations and supply chains).

These risks can result in legal fees, fines, penalties and declining shareholder value—and could divert resources from a firm's core business activities (*Display, page 9*).

Of course, the transition to renewable energy also presents opportunities to improve economic and social outcomes. Related technological innovations can help communities adapt better to weather events, while creating clean energy jobs and opening new avenues for economic development. But the transition is bumpy—particularly in emerging markets, where the vulnerability of fossil fuel–industry workers might be greater—and investors should be aware of the risks.

## CLIMATE CHANGE POSES MATERIAL RISKS



As of August 31, 2023 | Source: Walk Free and AB

### Climate Change and Human Rights Risks: Real-World Examples

To put human rights risks from climate change into context, consider two real-world case studies, one related to physical risk and the other to transition risk.

#### Case Study: Super Typhoon Haiyan

Super Typhoon Haiyan killed 6,300 people and displaced 4.4 million others when it struck the Philippines in November 2013. The hardest-hit region, the Eastern Visayas, was one of the country's poorest, and its people were among the most susceptible to human trafficking.

The super typhoon forced tens of thousands of residents to flee devastated areas, with many heading to the capital city of Manila. In the wake of the storm, reports of human trafficking surged, with 54% of surveyed villages reporting children working in dangerous conditions and 39% of villages reporting a spike in the number of child-labor cases.

#### Case Study: Extracting Cobalt for Renewable Energy

Cobalt is an important mineral used in lithium-ion batteries, which power the renewable-energy industry. But serious human rights violations have been reported in cobalt mining. It's estimated that at least 35,000 children are working in cobalt mines worldwide. These mines frequently operate illegally, and miners are exposed to toxic dust, which can lead to hard-metal lung disease.

Companies that use modern slavery—either directly or indirectly—in renewable-energy supply chains could face legal consequences, including fines, penalties or lawsuits. In 2019, a US class-action lawsuit was filed against five major technology companies, alleging they knowingly benefited from the use of child labor in their cobalt supply chains. Beyond litigation risks, increased regulatory scrutiny can bring more stringent supply chain reporting requirements and audits, with severe penalties for noncompliant firms.

## A Game Plan for Investors to Identify Risks

The relationship between climate change and human rights risks can be opaque. Given the high stakes, we believe that taking a systematic approach to identifying climate-related modern slavery risks can help investors ensure that their due diligence includes:

- Identifying whether a company's most labor-intensive operations are located in regions susceptible to slow- and sudden-onset climate-related events
- Assessing how companies located in high-risk regions account for labor considerations, such as the risk of large-scale migration following sudden-onset climate-related events, or the risk of forced labor in renewable energy supply chains

- Understanding how companies located in high-risk regions conduct human rights due diligence to identify modern slavery risks, and how firms work to reduce those risks
- Exploring how companies engage and collaborate with employees, suppliers, customers and affected communities to assess and address the impact of decarbonization plans

Climate change can have complex, far-reaching human rights repercussions beyond its environmental impact. We believe that these risks can and should be an integral component of investors' fundamental research. With awareness and tools that include relevant frameworks and supplementary metrics, investors can improve risk assessments and make better-informed capital-allocation decisions.

## Engagement: An Extension of Our Investment Process

Engagement is a natural extension of our active investment process—we regularly engage issuers and stakeholders directly, giving us the opportunity to share our research assessment while working to understand a company's modern slavery risk exposure profile. We also strive to understand how the company is managing material modern slavery risks.

Using our proprietary, comprehensive best practices framework, which we developed in collaboration with leading corporations, expert organizations such as the Mekong Club and Be Slavery Free, academics, and social auditors, we evaluate the companies in which we invest (*Display 4, page 11*). The framework assesses companies' governance framework, risk identification, action plan to mitigate risks, action plan effectiveness and future improvement. The main goal of the framework—particularly the future improvement component—is to recognize best practices and encourage continuous learning and improvement. With the framework, our analysts can systematically evaluate companies and have a basis for corporate engagements.

Since we first began tracking our modern slavery engagements in early 2020, AB Group has engaged on modern slavery with 125 companies during 191 meetings, as of December 31, 2023, to assess investment risks. Consistent with our other engagements related to modern slavery risk in recent years, we found that issuers with the lowest risk (based on our proprietary matrix) lagged on adopting best practices, while issuers with the highest risk were further along. AB also has a proprietary engagement guide on modern slavery aimed at supporting investors with their work. This guide is available to AB's investment teams on ESIGHT.

Our analysts and the Responsibility team document their research and engagement in our proprietary research and engagement tools. Our investment teams maintain a running catalog of company engagements and outcomes on the issue of modern slavery risk and share engagement insights on ESIGHT with other analysts throughout the firm. Importantly, our research and engagement tools allow analysts to receive automatic notifications to follow up with companies to assess progress.

DISPLAY 4: AB'S MODERN SLAVERY BEST PRACTICES ENGAGEMENT GUIDE



We sometimes work with non-AB investors, asset owners and/or industry organizations on engagements. This can happen when we've independently arrived at the same conclusion as other managers/investors and believe that collaboration might help address specific issues.

The purpose of collaborating can be (1) to escalate and improve access to an issuer that is not responding to a 1:1 engagement; (2) to engage with an issuer we may not have engaged with before on a material topic; or (3) to improve effectiveness and efficiency for issuers and investors when seeking similar improvements in shareholder outcomes. However, we don't share our investment or voting intentions or agree to act in concert with other fund managers, activist investors or other large shareholders.

In December 2022, AB joined PRI's newly launched Advance initiative—a collaborative stewardship initiative on human rights and social issues. Human rights-related issues, such as modern slavery, community health and safety, and mine site-level security management, can expose mining companies to material operational, regulatory and reputational risks. AB is co-leading engagements, alongside co-leads and collaborative investors, with Industrias Peñoles and Freeport-McMoRan, two mining companies. Through PRI Advance, AB is looking to engage with companies on social issues that can have a financial impact on them. We seek to achieve open dialogue between the company and the collaborative investor group, and to build a mutually beneficial relationship where investors can better understand how the company is addressing financially

material social issues and where the company can better understand what investors are looking for in that regard.

As part of these efforts, we engaged with Industrias Peñoles to discuss why human rights due diligence is important for the mining industry's long-term performance.

We discussed the systems the company has in place to carry out regular human rights due diligence across its operations to assess and address material human rights risks, and how having a strong human rights due diligence framework can reduce the risk of costly legal action, operational disruption, and damage to a company's reputation, all of which can have financial implications and affect shareholder value.

For mining companies, securing a social license to operate reduces the risk of conflicts, legal challenges and project delays. Having a robust free, prior and informed consent policy signals responsible governance and reduced investment risk. To that end, we also discussed the systems the company has in place to ensure its operations respect the rights, interests, and needs of Indigenous peoples and local communities potentially affected by its operations, and the grievance mechanisms and systems it has in place to address and remediate reported issues.

The company has been forthcoming in our conversations, and we have provided it with practical steps it can take to improve its disclosure around the issues discussed.

## **Investment Decisions: High-Risk Areas**

Analysts' recommendations and evaluations of risks and opportunities for a security reflect material ESG issues, including social risks and opportunities.

### **Private Prisons**

We have discussed and debated the business model, investment risk, litigation risks, the misalignment of these companies' incentives with positive societal outcomes, and whether the companies' policies are at odds with international norms and our own Global Slavery and Human Trafficking Statement and Report. As a result, we do not currently have any exposure to companies deriving significant revenue from private prisons, as they present too great an investment risk to our clients, in our view. Any investment team wishing to initiate a long position in our actively managed strategies requires explicit written approval from the Controversial Investment Advisory Council.

### **UNGC Breaches**

Throughout most actively managed investment strategies, we monitor for UNGC breaches. However, we believe that whether an issuer is breaching international norms is subjective.

We have found that there is no reliable source of data and that the various lists published by third-party providers differ, often with very little overlap. Also, these data sources are historical in nature; many

of the breaches occurred several years (if not decades) in the past, and it is unclear what an issuer must do to be removed from the list. Instead of relying on third-party data in this regard, we believe that the risk of breaching international norms is best understood and addressed through ongoing in-depth fundamental research, which enables us to fully analyze a wide range of information and properly assess the risk at an issuer-specific level. Where our selected major third-party service provider has deemed an issuer to be in violation of international norms, our investment teams are required to research and document the nature of the breach, including, if applicable, why our internal research demonstrates that the security remains a reasonable investment. Our Responsibility team, in conjunction with our risk and compliance divisions, has implemented a process to ensure that this research is completed.

### **Long-Term Stewardship**

In most cases, ESG consideration doesn't stop once we've made an investment. AB's Responsibility team and analysts monitor issuers through continued stewardship, including engagement and proxy voting. We also partner with industry organizations and engage global policymakers to address systemic risks and promote well-functioning markets when doing so is in the best interest of our clients.



# Training

---

We believe that training is important to reducing modern slavery risk: people should be aware of what modern slavery is, how to identify it and how to escalate it with an eye toward reducing and, eventually, eliminating it.

## **Our Operations and Vendor Management**

Our mandatory product manager annual training includes a module on modern slavery. In 2023, 100% of product managers completed this training. In 2023, we also disseminated the “Anti-Slavery Digital Learning for the Financial Services Industry” training course (which we developed with Themis) to employees in the UK as a mandatory training and to employees in Australia as a voluntary training.

## **Our Investment Teams**

AB’s Responsibility team conducts training programs, with investment staff receiving ongoing ESG training, including training on external data, systems and tools. Educational sessions can cover a suite of topics, including modern slavery.

In May 2023, AB was joined by staff from the Grantham Research Institute on Climate Change and the Environment to speak about the relevance of a Just Transition to investors, and how investors can incorporate material Just Transition risks and opportunities into

the investment process. Countries comprising roughly 90% of the world’s GDP have made some degree of net zero commitment, and there is growing momentum toward a low-carbon economy. The critical need for the energy transition to be both fast and fair has been recognized in the Paris Agreement, and evidence shows that the shift to a low-carbon economy can boost prosperity and be a net driver of job creation if managed well. Even so, the energy transition will inevitably bring about transitional challenges as human, financial and regulatory resources are reallocated to facilitate this change. For investors, a Just Transition approach provides a framework for connecting climate action with the social dimensions involved in the transition, and a way to incorporate the full range of environmental and social dimensions of responsible investment in investor strategies. As long-term investors, how well companies navigate the transition to a low-carbon economy is a critical factor in companies’ long-term profitability and can have a direct effect on investment outcomes. In July, we also collaborated with eCornell, Cornell’s external education unit, to deepen investor knowledge of our three social research priorities: a Changing World, a Just World and a Healthy World.

Recordings of several of these training modules are available on our internal Responsible Investing training web page.

# Industry Participation

We believe that industry collaboration is key to reducing modern slavery: no individual or entity can address this issue alone. AB is a member of several industry initiatives explicitly focused on addressing modern slavery.

**May 2020:** AB signed the KnowTheChain Investor Statement, *Investor Expectations on Addressing Forced Labor in Global Supply Chains*. KnowTheChain provides investors with supplemental materials they can consider when relevant, including benchmarks. We also became a member of the FAIRR Initiative, which aims to raise awareness of ESG risks and opportunities in the protein supply chain, including labor risks.

**November 2020:** AB joined the Investors Against Slavery and Trafficking Asia Pacific (IAST APAC) initiative.

**March 2021:** AB became a co-lead investor of the IAST APAC initiative collaborative engagement workstream II.

**March 2022:** With support from AB, Themis developed the “Anti-Slavery Digital Learning for the Financial Services Industry” training course, which was commissioned by the UK’s Independent Anti-Slavery Commissioner and had additional support from RedCompass Labs’ RedFlag Accelerator. This free digital learning module is available to 70,000 UK financial institutions and is accredited by the London Institute of Banking & Finance.

**August 2022:** At the Australian Council of Superannuation Investors 2022 Annual Conference, AB was pleased to partner with Anti-Slavery Australia at the University of Technology Sydney to present Human Mart, an interactive pop-up art installation representing what modern slavery looks like.

**September 2022:** AB’s Director of Social Research & Engagement contributed to the paper [Investors’ ESG Expectations—Labour Practices: An Asian Perspective](#) by ASIFMA, the Asia Securities Industry & Financial Markets Association.

**November 2022:** Members of AB’s Responsibility team sat on the Financial Services Council (FSC) and IAST APAC Modern Slavery Act review working groups. The final submissions from both FSC and IAST APAC broadly included our recommendations. AB has also been a member of their joint Data Working Group since July 2022.

**December 2022:** AB announced its role as co-lead investor in PRI’s Advance initiative with Freeport-McMoRan and Industrias Peñoles.

**February 2023:** AB’s UK Institutional team hosted a Modern Slavery Risk Seminar to discuss the critical issue of modern slavery and how we as investors can take steps to help reduce these risks. Industry leaders led several sessions throughout the day on topics such as identifying the different forms of modern slavery, how the financials sector can detect and disrupt modern slavery, how investors can research the risks to portfolio companies and engage with issuers on these risks, and a deep dive on the mining industry. AB was joined by Unseen, Themis and Endeavour Mining to share our expertise in the respective sessions.

**March 2023:** AB became an Investor Ally to the World Benchmarking Alliance, developers of a series of benchmarks (including the Corporate Human Rights Benchmark) assessing 2,000 of the world’s most influential companies, ranking and measuring them on their contributions to sustainable development.

**October 2023:** AllianceBernstein and Walk Free officially published a research paper, [Bridging ESG Silos: The Intersection of Climate Change and Modern Slavery](#). This in-depth analysis examines the investment decision-making process, and how investors can consider both environmental and social factors together.

**Ongoing:** AB’s Director of Social Research and Engagement and Director of Data Science are providing input on the requirements of an application programming interface (API) developed by the Business & Human Rights Resource Centre (BHRRC) and on the impact it can have in the investment world. An API will make it easier to create a data feed to facilitate the integration of BHRRC data into proprietary systems such as ESIGHT, AB’s ESG research and collaboration tool, in a timely fashion.

Other investors are also providing input on this project, which is funded by Humanity United.

# Measuring Effectiveness

As investors, we scrutinize the behavior of the companies we analyze. As a business, we scrutinize the behavior of our own operations and supply chains. To gauge how effective we are in addressing material modern slavery risk, we measure certain key performance indicators in our own operations and investment activities.

We believe that training can help people better understand, identify and address modern slavery risks. In our own operations, we provide guidance to our employees on modern slavery issues and training to our product managers.

Finally, within our investment activities, we believe that material ESG risks—including modern slavery risks—are best addressed through extensive research and engagement with issuers. Using our proprietary frameworks, issuer disclosures and third-party data, we research and evaluate the modern slavery risks facing the issuers we invest in. To gain insight and to encourage issuers to better address material ESG risks or take advantage of ESG opportunities, we engage with issuers directly (*Displays 5 and 6*).

DISPLAY 5: MEASURING EFFECTIVENESS IN OUR INVESTMENTS

	As of December 2021	As of December 2022	As of December 2023
Cumulative Lifetime-to-Date Engagements on Modern Slavery	100	150	190
Cumulative Lifetime-to-Date Companies to Which We Have Assigned a Modern Slavery Risk Exposure Rating	380	800	930

As of December 31, 2023 | Source: AB

DISPLAY 6: MEASURING EFFECTIVENESS IN OUR OPERATIONS AND SUPPLY CHAIN

	As of December 2021	As of December 2022	As of December 2023
Operations			
Human Rights Campaign Foundation's Corporate Equality Index Score	Score of 100	Score of 100	Score of 100
Percentage of Supply Chain			
Due Diligence Questionnaires Received from Vendors Identified as Critical and Material	67%	96%	98%

As of December 31, 2023 | Source: AB

# Future Plans

---

## Investment Activities

Leveraging our proprietary frameworks, our investment analysts will continue to assign risk-exposure ratings to the issuers they cover.

We plan to continue working with leading industry organizations to improve on our proprietary frameworks, recognizing that modern slavery is best understood and assessed from multiple viewpoints. We are currently in the process of exploring how we can use technology to assist in performing an initial assessment of how companies manage modern slavery risk according to our proprietary framework. We will also continue researching the topic of modern slavery to help our investors identify and address material modern slavery risks in our investee companies.

Our analysts will also continue engaging with issuers on material modern slavery risks—both for insight and action. We plan to follow

up on previous modern slavery—related engagements from prior years and engage with new issuers on the topic—including high-risk issuers in the hospitality industry. Compounding crises in recent years—including the COVID-19 pandemic, armed conflicts and climate change—have heightened the risk of modern slavery globally.

Therefore, addressing these risks is increasingly important as we think about managing our portfolios in our clients' best interests.

## Operations Activities

We will continue to leverage our investment insights on modern slavery in our operations. In 2024, we will refine our risk-based approach to vendor management to further understand the risks of modern slavery in our supply chain. We also plan to refine our training so our product managers are better prepared to assess these risks.

The Board of Directors approved this statement on or by June 30, 2024, which constitutes AB's Global Slavery and Human Trafficking Statement and Report for the relevant periods as stated above and, unless otherwise stated, including the 12 months ended December 31, 2023.



**By Seth Bernstein**  
Director, President and CEO  
For and on behalf of AllianceBernstein L.P.

**By**

Director  
For and on behalf of Sanford C. Bernstein Limited



**By Joanna Green**  
Director  
For and on behalf of AllianceBernstein Limited

**By Alexandra Perricone**  
Member  
For and on behalf of Bernstein Autonomous LLP



**By Eileen Koo**  
Responsible Member, Director and CEO  
For and on behalf of AllianceBernstein Investment Management Australia Limited



**By Joanna Green**  
Director  
For and on behalf of AllianceBernstein Holdings Limited



**By Joanna Green**  
Director  
For and on behalf of AllianceBernstein Preferred Limited

# Appendix

## Alignment with UK Modern Slavery Act 2015

Matter	Section Where Found
Organization structure and supply chains	Reporting Entity: AllianceBernstein and Its Subsidiaries; Governance; Operations: Our Employees; Operations: Our Supply Chain
Policies in relation to slavery and human trafficking	Governance; Operations: Our Employees; Operations: Our Supply Chain
Due diligence process	Operations: Our Supply Chain
Risk assessment and management	Governance; Operations: Our Employees; Operations: Our Supply Chain; Our Investment Activities; Training; Industry Participation
Key performance indicators to measure effectiveness of steps being taken	Measuring Effectiveness
Staff training on modern slavery and trafficking	Training

## Alignment with Modern Slavery Act 2018 of the Commonwealth of Australia

Matter	Section Where Found
Identify the reporting entity for the purpose of the Modern Slavery Act 2018 (Cth)	AllianceBernstein Investment Management Australia Limited ABN 58 007 212 606 in its own capacity and as the responsible entity of the AllianceBernstein Managed Volatility Equities Fund ARSN 099 739 447; AllianceBernstein Dynamic Global Fixed Income Fund ARSN 165 810 686; AllianceBernstein Global Equities Fund ARSN 099 296 607; AB Concentrated Australian Equities Fund ARSN 102 668 100; AB Global Research Insights Fund ARSN 604 172 750; and AB Sustainable Global Thematic Equities Fund ARSN 659 443.
Describe the reporting entity's structure, operations and supply chains	Governance; Operations: Our Employees; Operations: Our Supply Chain
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	Operations: Our Employees; Operations: Our Supply Chain; Our Investment Activities
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	Governance; Operations: Our Employees; Operations: Our Supply Chain; Our Investment Activities; Training; Industry Participation
Describe how the reporting entity assesses the effectiveness of these actions	Measuring Effectiveness
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls	Reporting Entity: AllianceBernstein and Its Subsidiaries
Any other information that the reporting entity, or the entity giving the statement, considers relevant	Future Plans

AllianceBernstein Investments, Inc. (ABI) is the distributor of the AB family of mutual funds. ABI is a member of FINRA and is an affiliate of AllianceBernstein L.P., the manager of the funds.

The [A/B] logo is a registered service mark of AllianceBernstein and AllianceBernstein® is a registered service mark used by permission of the owner, AllianceBernstein L.P.

© 2024 AllianceBernstein L.P., 501 Commerce St., Nashville, TN 37203



IMA-527642-2024-04-12  
AB-8101-0624  
**alliancebernstein.com**



## **2024 SOCIETE GENERALE'S STATEMENT ON MODERN SLAVERY AND HUMAN TRAFFICKING**



## I. Introduction

---

This statement is issued in response to Section 54(1) of the UK's Modern Slavery Act 2015 and Part 2 (Section 16) of the Commonwealth of Australia's Modern Slavery Act 2018 (the "Acts"). These Acts require the disclosure by large organisations carrying on business in the UK and in Australia respectively, in an annual statement, of the steps taken to prevent modern slavery and human trafficking 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 31<sup>st</sup> December 2023. Regarding the Group's subsidiaries which are directly subject to one of these Acts, some of them will have to produce a specific statement at the entity level whereas some others will use this statement as their own statement.

This Group statement was produced by the Group's Sustainable Development Division, the Compliance Division, the Human Resources Division and the Sourcing Division together with input from the Legal departments both at Group level and in the UK and Australia. The preparation of this statement follows consultation with the relevant departments within the Group and with the UK and Australian subsidiaries over the year.

### 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 more than 60 countries, the Group's 126,000 employees support around 25 million individual clients, large corporates and institutional investors worldwide. For the year 2023, the Group had a net banking income of more than EUR 25 bn.

The Group has built a solid diversified banking model structured around three complementary pillars :

- French Retail, Private Banking and Insurance;
- Global Banking and Investor Solutions;
- International Retail, Mobility and Leasing Services.

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>1</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 supply chains

The Group works with large international companies and SMEs to achieve its various sourcing needs worldwide. In 2023, the Group's total purchases amounted to EUR 6.2 bn. The main sourcing categories are IT services, software, consulting, IT outsourcing, real estate, non-IT outsourcing, IT equipment, market data, advertising, communication and marketing, and legal services.

## II. Our requirements in relation to human rights

---

The Group is fully dedicated to maintaining and improving its processes designed to limit the risk of serious human rights violations, including modern slavery and human trafficking, in the Group's own operations, in its supply chains, or directly associated with the provision of its products and services.

---

<sup>1</sup> <https://www.societegenerale.com/sites/default/files/documents/2024-03/universal-registration-document-2024.pdf>

The Group's commitments towards human rights are guided by the following international 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 United Nations Principles for Responsible Banking;
- The Equator Principles.

The Group is subject to certain obligations relating to the management of both environmental and social ("E&S") risks, which include human rights risks.

In compliance with the French Duty of Care Act, 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 human rights, fundamental freedoms, the health, safety and security of persons, and the environment as a result of the activities of the Group and of its direct suppliers and subcontractors.

The 2023 Duty of Care plan has been established by the General Management and approved by the Board of Directors in February 2024. The annual presentation of this Plan and the way it is implemented can be found in the Group's Universal Registration Document<sup>2</sup>.

### III. Addressing risks of modern slavery and human trafficking : framework, risk identification, mitigation measures

---

#### 1- Our policies

The Group is engaged to act in compliance with the legal and regulatory human rights framework of each of the countries in which it operates.

The Group's policies and commitments which aim to prevent the risk of human rights violations include, without limitation, the following:

- Societe Generale's **Commitment Towards Human Rights**<sup>3</sup>
- Societe Generale's **Code of Conduct**<sup>4</sup> in which the Group engages to respect human rights (including those relating to the fight against 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 has been reconducted in 2023 with a new global agreement.

---

<sup>2</sup> <https://www.societegenerale.com/sites/default/files/documents/2024-03/universal-registration-document-2024.pdf>

<sup>3</sup> <https://www.societegenerale.com/sites/default/files/documents/CSR/environmental-social-general-principles.pdf#page=11>

<sup>4</sup> <https://www.societegenerale.com/sites/default/files/documents/Code-conduct/code-of-conduct-en.pdf>

- **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 risks, including human rights risks. This documentation is updated, internally 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 General Principles**<sup>5</sup>;
- 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.

In addition to these strong requirements, the Group is sharing best practice with peers on such issues. For example, Societe Generale 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.

Moreover, Societe Generale is a partner of the French *Global Deal* platform, a multi-stakeholder initiative which promotes social dialogue, consultation and negotiation between or among representatives of governments, employers and workers on economic and social policy issues), as a means to achieving decent work, quality jobs and increased productivity and, by extension, greater equality and inclusive growth.

## 2- 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 supply chains and continues to develop its work in this area.

This framework includes notably (i) an identification and a mapping of such risks<sup>6</sup>, detailed below and (ii) a periodic assessment of the processes in place to appraise their level of effectiveness (detailed in the 4<sup>th</sup> section of this statement) and to identify areas for improvement (detailed in the 5<sup>th</sup> section of this statement).

The following sections provide the main specificities of risk identification and mitigation regarding (i) our employees, (ii) our suppliers and (iii) our products and services, and summarize corresponding major results of the latest mappings.

### 2.1 REGARDING OUR EMPLOYEES

#### EXISTING FRAMEWORK

**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;

<sup>5</sup> <https://www.societegenerale.com/sites/default/files/documents/2021-03/Environmental-and-Social-General-Principles.pdf>

<sup>6</sup> In the context of its Duty of Care Plan, the Group identified and mapped the risks of breaches of human rights and fundamental freedoms, discrimination, working conditions (including forced labour, modern slavery, child labour, decent working hours and decent wages), health, safety and security inherent in its banking and financial activities, as well as such risks inherent in the industry sectors of its suppliers and sub-contractors.

- 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.

### Focus on the agreement signed with UNI Global Union

In order to benchmark against best standards and further improve its framework, the Group maintains active dialogue with employees and their representatives. Societe Generale has signed a global agreement on fundamental rights with UNI Global Union<sup>7</sup>. Under this agreement, it organises discussions between representatives of its Human Resources Department and of UNI Global Union to make sure that the Duty of Care remains front and centre in structuring social dialogue within the Group, and that all aspects of the agreement are being properly upheld. As such, UNI Global Union is consulted annually when the Duty of Care Plan is being drafted, on the part relative to its pillar, and provides comments on the draft version of the document before it is reviewed by the Board of Directors. After publication, the Group also presents its published Duty of Care Plan to UNI Global Union, taking questions from union members.

### RISK MAPPING AND ASSESSMENT RESULTS

Human Resources and safety risk monitoring and assessment are 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;
- **the *Employee Satisfaction Survey*** : the Group gauges employee engagement and gathers direct feedback on working conditions through the *Employee Satisfaction Survey*, an anonymous internal survey carried out throughout the Group every year. In 2023, the survey covered engagement, efficiency, occupational well-being, responsibility (CSR, Culture & Conduct, Diversity, Equity and Inclusion) and the changes that will be taking place in the Group.
- **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. Mapping of inherent risks was updated in 2023<sup>8</sup> using an external database<sup>9</sup> of indicators detailing the risk levels<sup>10</sup> specific to the country and to the activities performed in the financial sector. The geographic criteria include, notably, 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 a crucial factor in the analysis of inherent risks and the policies and measures implemented to prevent them. For each subject

---

<sup>7</sup> Signed in 2023, the new agreement ([2023 Global Agreement on the rights of Societe Generale group employees](#)) formalises the positive practices observed since 2019 through new commitments on remote working (including trade union rights), the digital environment, health, safety, security and quality of life at work, including prevention and the fight against discrimination, harassment and inappropriate behaviour, the development of diversity and respect for gender equality, as well as universal commitments to social protection. Through this agreement, UNI Global Union is recognised as a "stakeholder" in the Duty of Care Plan for the HR pillar.

<sup>8</sup> In light of the ongoing disposal of certain African subsidiaries (Mauritania, Congo, Chad and Equatorial Guinea), said entities have not been included in this analysis.

<sup>9</sup> Verisk Maplecroft

<sup>10</sup> Risk levels are (ranked from riskier to less risky): high risk, average risk, moderate risk, low risk

area assessed, the following results present the proportion of the Group's workforce operating in countries considered to have a high, average, moderate and low inherent risk.

**Results:** Taken as a whole and covering all human rights analyzed, **no Group employee is located in a country considered to be high risk** according to the external database consulted.

Focusing on **working conditions** (covering forced labour and modern slavery, child labour, decent working hours and decent wages), detailed results are as follows:

- 68% of the workforce are located in countries with a **low risk**;
- 9.6 % of the workforce are located in countries with an **average risk**: China, Guinea and India;
- 22.4 % of the workforce are located in countries with a **moderate risk**: Algeria, Benin, Brazil, Bulgaria, Burkina Faso, Cameroon, Chile, Colombia, Côte d'Ivoire, Ghana, Greece, Hong Kong, Hungary, Japan, Madagascar, Mexico, Morocco, Mozambique, Peru, Romania, Senegal, Serbia, Singapore, Spain, Taiwan, Tunisia, Turkey, Ukraine, United Arab Emirates and United States of America.

## **RISK MITIGATION MEASURES**

To prevent and mitigate inherent E&S risks in the Group's relationships with employees, the Group defines (and regularly enriches, taking into account the risks identified through the assessments) specific guidelines that cover issues related to human rights, freedom of association and collective bargaining rights, in addition to a number of policies that apply Group-wide, which are then implemented by the Business Units and Service Units:

- normative documentation that sets out all the operating and organisational rules (the Societe Generale Code);
- policies and procedures regarding working conditions:
  - the Group has set the minimum age for employment at 16. Group entities are required to check the age of all new employees at the hiring stage.
  - all forms of forced labour are prohibited.
  - the Group also strives to offer attractive remuneration to nurture employee loyalty and boost the Group's performance over the long term. In addition, the Group is committed to equitable and sustainable compensation, specifically taking into consideration the decent wage guidelines developed by FairWage for each country and world region. The compensation policy is based on principles of non-discrimination and other principles shared by all. It is then adjusted to the businesses and geographic areas in which the Group operates, taking into account market practices and contexts.
  - handbooks have been developed and made available to employees to inform them of their rights; they are also systematically informed of these rights when they sign the terms and conditions of their employment contract
  - regarding the prevention of psycho-social risks (PSR), a dedicated audit has been set up with the aim of ensuring that measures and action plans have been put in place to cover psycho-social and mental health risks throughout employees' careers, in accordance with the rules and/or laws and/or collective agreements in force
- risk mitigation is based on the implementation of regular controls (using existing HR systems in particular) and ongoing monitoring, with a view to taking corrective action

## 2.2 REGARDING OUR SUPPLIERS

### EXISTING FRAMEWORK

The Group's normative documentation governs E&S risk management in terms of Sourcing and supplier relationship management.

**Operational implementation** of the normative documentation and management of inherent E&S risks at all stages of the sourcing process are based on a set of tools to identify, assess and manage E&S risks at a granular level: product or service and supplier or service provider. These tools are used for purchases made by the Paris-based Group Sourcing Division and at least for high-risk categories in the Sourcing function in other countries. They are being phased in across the Group.

**To identify and assess inherent E&S risks**, the Sourcing Division draws primarily on:

- identifying the level of E&S risks for purchasing categories using the dedicated E&S risk mapping tool (cf. following paragraph for details and 2023 mapping results)
- including E&S criteria in calls for tender involving purchasing categories ranked as medium-high or high E&S risk, at least covering the scope of purchases managed by the Sourcing Division and, since 2021, for calls for tenders conducted by the Sourcing function in other countries involving purchasing categories ranked as high E&S risk;
- including E&S criteria in the KYS (*Know Your Supplier*) assessment, including verifying compliance with the E&S exclusion list;
- non-financial assessment of certain "targeted"<sup>11</sup> suppliers by independent third parties;
- identifying whether a supplier represents a potential source of E&S controversy – a process that was improved in 2022. Using a dedicated tool designed to identify and assess ESG controversies, it monitors a targeted scope of more than 600 suppliers and/or suppliers assessed as posing a medium or high E&S risk for purchases managed by the Sourcing Division in France, and a high E&S risk for purchases covered by the Sourcing function in other countries (using a volume-based approach, considering the larger individual amount of the purchases managed from France by the Sourcing Division).

In May 2020, the Sourcing Division strengthened the measures included in the KYS analysis it had put in place in 2016 to manage the **risks of corruption and reputation damage**, extending the KYS process to all suppliers with whom a contract is signed, representing significant sums or sensitive purchases for the Group. It now systematically conducts the process at the beginning of the business relationship as well as periodically over the contract's term, in line with the supplier's risk level.

### RISK MAPPING AND ASSESSMENT RESULTS

Inherent E&S risk mapping for sourcing was based on the main purchasing categories for the banking sector (from a classification including more than 150 sourcing sub-categories in total). The risk level assessment for each purchasing category took in three main areas: business practices and ethics (including fraud and corruption, personal data protection, rights of ownership and patents), the environment (including depletion of natural resources, pollution<sup>12</sup>, erosion of biodiversity, climate change and greenhouse gas emissions, waste and end-of-life management), human rights and employment conditions (including health and safety, working conditions and freedom to organise, discrimination, forced labour and modern slavery, child labour). Additional contextual factors were also built into the

---

<sup>11</sup> Suppliers accounting for large purchase volumes at Group level or directly representing the brand.

<sup>12</sup> Water, air, soil, etc.



risk assessment for the purchasing category: supply chain characteristics (complexity, including the number of actors and distance from the intermediaries to the end purchaser) and labour intensity.

The inherent E&S risks of each purchasing category were mapped in conjunction with three other French banks in 2018, with the support of a specialized consulting firm. The mapping was subsequently updated and supplemented within the Group.

In this mapping, the inherent E&S risk levels of each purchasing category are cross-referenced with the corresponding spend amounts per category to identify the share of Group purchases in medium-high and high-risk categories.

Accordingly, for the year 2023 and for the scope analyzed by the Sourcing Division France and the Sourcing Function abroad, around 6.0% of the spend was on purchasing categories representing a high E&S risk, and around 7.8% on purchasing categories representing a medium-high E&S risk.

Amongst the purchasing categories with a high E&S risk, building work (renovations and outfitting but also construction of new buildings) and IT equipment were found to bear the greatest inherent risk (before any mitigation).

## **RISK MITIGATION MEASURES**

In order to **prevent and mitigate inherent E&S risks identified through the above risk identification**, adequate framework has been set up and dedicated actions have been implemented, and consist of:

- including in calls for tender E&S requirements covering the main risks for the purchasing categories identified in the risk mapping, at least for the purchasing categories ranked as medium-high or high inherent E&S risk for purchases managed by the Sourcing Division in France and, since 2021, for calls for tenders conducted by the Sourcing function in other countries involving purchasing categories ranked as high inherent E&S risk;
- weighting E&S criteria according to the degree of E&S inherent risk represented by the purchasing category in question, according to the rating criteria for service or product bids;
- adding a CSR clause to contract templates used by the Sourcing Division and the Sourcing function in other countries, which includes a contractual commitment to comply with:
  - the Group's Sustainable Sourcing Charter<sup>13</sup>. This charter is the result of a joint initiative started in 2017 between French banking and insurance operators looking to involve their suppliers in the due diligence process. It sets out the Group's CSR commitments, obligations and expectations with respect to its suppliers, and has been translated into six different languages. The reciprocal commitments set out in the charter are based on the fundamental principles of the United Nations Global Compact as regards human rights, working conditions (health and safety), the environment and countering corruption;
  - principles that are at least equivalent to the Group Code of Conduct and the right to audit (to perform E&S audits if necessary) and a request for non-financial assessment of "targeted" suppliers<sup>14</sup>;
- for purchases that do not go through the Sourcing Division ranked as high inherent E&S risk, simplified E&S risk management tools are provided;
- if E&S performance falls short:
  - encourage remedial action plans,

---

<sup>13</sup> <https://www.societegenerale.com/sites/default/files/construire-demain/12112018-sustainable-sourcing-charter-vf-eng.pdf>

<sup>14</sup> Suppliers accounting for large purchase volumes at Group level or directly representing the brand.

- review E&S controversies or changes in non-financial ratings,
- option to conduct on-site E&S audits.

To support the effective implementation of these inherent E&S risk management measures when sourcing, **specific training courses** on Responsible Sourcing and E&S risk management tools are provided to all professional buyers in the Sourcing Division. These training courses were adapted and extended to buyers in the Sourcing function in other countries and to entities that are likely to regularly manage purchases and that express a need for the training. In addition, to make sure occasional buyers are mindful of what is at stake, a “motion design” video presents the Group’s sustainable sourcing programme.

## 2.3 REGARDING OUR PRODUCTS AND SERVICES

### EXISTING FRAMEWORK

The Group takes a proactive approach to complying with and promoting human rights, which is a core element of its E&S risk management process. It acknowledges the fundamental role played by States and governments in defining legal frameworks for the protection and full exercise of human rights. The Group complies with the legal and regulatory provisions of the territories in which it operates, and is also aware of its role to prevent serious infringements of human rights in the performance of its activities. In this regard, it acknowledges the value of the following standards, initiatives and best practices that it uses as a guideline for its own activities: the Universal Declaration of Human Rights and its additional commitments, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), the fundamental conventions of the International Labour Organization (ILO), the Unesco World Heritage Convention, the United Nations Sustainable Development Goals (SDD), and the United Nations Guiding Principles on Business and Human Rights of 16 June 2011.

The Group’s normative documentation includes information on inherent E&S risk management processes and the measures introduced to prevent these risks, especially who does what in the management of each of these areas. It governs consideration of controversy assessments and integration of E&S policies into existing risk management processes, such as transactional, onboarding and periodic client review processes.

The system in place to manage inherent human rights risks (and more generally E&S risks) extends across corporate clients, dedicated transactions, products and services and issuers, and breaks down into three key steps:

- **inherent E&S risk identification:** this step entails identifying whether the clients’ activities or the transaction with those clients could represent an E&S risk. This is done primarily by checking whether the client businesses or their underlying activities are on the E&S exclusion list<sup>15</sup> or the E&S identification list<sup>16</sup>, whether they are the subject of any E&S-related controversy and whether they are covered by one or more sector policies. This process is designed to confirm compliance with the criteria from the sector policies. In addition to these checks, governance due diligence is conducted as part of KYC procedures and measures to counter corruption,

---

<sup>15</sup> An **E&S exclusion list**, which contains businesses that are excluded under certain E&S sector policies, is updated and distributed to the operations teams at least once a year. Societe Generale has pledged that it will not knowingly supply banking or financial services to such companies, their parent companies or their subsidiaries.

<sup>16</sup> An **E&S identification list** is updated by in-house experts on a regular basis and sent to all businesses concerned. This internal list details any projects, company, activity sectors or countries that are the object of severe controversy or public campaigns on the part of civil society for E&S reasons, irrespective of whether they are financed by Societe Generale. The purpose of this internal list is to alert the operational teams to potential concerns ahead of the client and transaction review process, so that they can be prepared to carry out a more in-depth E&S assessment of any transactions and clients concerned.



financing of terrorism, tax evasion and money laundering, which are often collateral to modern slavery and human trafficking situations.

- **E&S assessment (of client businesses or transactions identified as presenting an inherent E&S risk):** when an inherent E&S risk is identified, the business line assesses compliance with the criteria from the applicable E&S policy or policies and the Group's other E&S commitments, and weighs up the severity of any E&S controversy. This assessment may include a prospective analysis of these criteria. A policy setting out Group-wide guidelines for assessing adverse E&S information has been in force since June 2022. Based on the conclusions of the assessment, an E&S opinion is then issued. The opinion may be positive, conditional (subject to contractual conditions, action plans, restrictions) or negative;
- **E&S actions:** E&S mitigation actions, which are subject to regular monitoring, may be recommended to mitigate the risks identified. Such actions are detailed in the third paragraph of this section and in further actions to be implemented in the near future are listed in the last section of this statement.

E&S assessments and actions are reviewed by the second line of defence in accordance with the Group's escalation procedure and may be submitted for mediation by General Management if necessary. The Business Units are also phasing monitoring and controls into their inherent E&S risk management processes.

To ensure a smooth and systematic roll-out of this inherent E&S risk management framework across the Group, a new compulsory online training module ("e-learning") was developed in 2021 (and recently updated) for all Business Units and Service Units covered by the framework. It is available in 11 languages, ensuring that the same content is consistently implemented and available to everyone in the Group wherever it operates.

Group entities are accountable for managing and controlling inherent E&S risks within their respective scopes. They implement the normative system defined by the Group and adapt it to their activities, applying it to their own processes. Each entity's management ensures that these requirements are rolled out and implemented into operations within its scope and assigns the necessary resources and expertise.

## RISK MAPPING AND ASSESSMENT RESULTS

Based on information obtained from recognised external databases<sup>17</sup> as well as internal experts, a dedicated inherent risk mapping focused on **human rights risks** was performed in December 2023 through an assessment of the following main risks: child labour; unfair remuneration; excessive working hours; violation of migrant workers' rights; violation of workplace health and safety rules; forced labour; violation of indigenous peoples' rights; violation of property rights; violation of freedom of association and collective bargaining; violation of minority rights; modern slavery; human rights violations by security forces; discrimination in the workplace; violation of young workers' rights; violation of sexual minorities' rights; violation of women's and girls' rights; undeclared work. The results of this mapping show that the human rights risk levels depend on the business sector and the countries of operation. **The sectors that stand out** (with levels of risk that may be high depending on the geographic location of the business) **are mining, agriculture, heavy industry and hydrocarbon production,**

## RISK MITIGATION MEASURES

**Dedicated policies** have been developed relating to sectors which were identified as presenting specific human rights or E&S risks, setting out the major E&S sector standards applied, the main risks identified

---

<sup>17</sup> in particular Verisk Maplecroft

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. This set of sector policies is gradually being updated and developed to improve the management of inherent E&S risks identified within the specified sectors or to include new sectors within the scope of its application. For instance, in 2023, the Group introduced a new sector policy on tobacco, strengthened its existing sector policy on oil and gas and added to its policy on thermal power stations. Following the results of the mapping detailed above, strengthening of policies is under preparation for mining and agricultural sectors.

In order to support the **operational application** of these policies, **operational guides** associated with each sector policy started to be rolled out in 2023 and will continue to be deployed in 2024. They are used to help employees apply sector policies across the Group. The Group is currently developing a tool to help identify companies whose main activity is covered by a sector policy to strengthen operational security in the application of these policies.

**Operationalization of the E&S exclusion list** has also been improved thanks the **development of new tools** to beef up the risk identification process and the verification of exclusion lists. This list is now included in the Group's financial security tool and is available to all employees who deal with corporate clients.

In addition, in order to **improve the expertise of employees on human rights risks**, the e-learning module on E&S risk management was updated in November 2023 with a new section dedicated to human rights, detailing in particular the obligations of the bank (including Duty of Care and Anti Modern Slavery legislations) as well as the dedicated internal framework.

### **3- An enhanced whistleblowing framework, implemented throughout the Group**

Under the Duty of Care Act and the French Act on Transparency, the Fight against Corruption and Modernisation of the Economy, (known as the Sapin II Act), a whistleblowing mechanism is compulsory. To comply with both laws, a Group-wide whistleblowing system was introduced in 2019 in addition to existing measures. The French representative trade unions were consulted and the system proposed was presented to and discussed with French and European bodies before being introduced. The tool is available at [www.societegenerale.com](http://www.societegenerale.com) and on the Societe Generale Group's Intranet. It has been rolled out in France and other countries and is available in 20 languages. This is in addition to local whistleblowing channels, the managerial channel, HR channels and direct referral via the Chief Compliance Officer, to whom issues can be reported.

The whistleblowing system was updated in 2023 in accordance with the Wasserman Law, which modifies the Sapin II law. This new law extends the protection provided by whistleblowing rights to include people who were previously excluded from the regulation (third parties who are considered "facilitators, shareholders, Directors") and removes the requirement of "disinterestedness", replacing it with the criterion that the whistleblower may not receive any direct financial compensation. These changes have been incorporated into the Group's normative documentation and have led to the deployment of local whistleblowing tools offering a new channel to whistleblowers in addition to the Group channel.

Whistleblowers can use the system to report any suspected potential or actual violation or attempt to conceal a violation of an international commitment, a law or a regulation, in respect of human rights, fundamental freedoms, health and safety or the environment, and regarding behaviour or a situation that runs counter to the Group's Code of Conduct. It can be used by employees, members of the management, Directors, shareholders, external and part-time employees, subcontractors and suppliers with which a business relationship exists, and third party facilitators. It is hosted on a secure external platform offering protection of personal data and strict confidentiality (to protect the whistleblower's identity) of any information provided.

The Group's Code of Conduct explains how to use the whistleblowing system.

In addition to this dedicated mechanism, the Group is also involved in an ongoing process of dialogue with its stakeholders, through which it can receive alerts from third parties that are not covered by the whistleblowing system described above.

Such dialogue covers issues related to civil society through various exchanges with French and international NGOs. When relevant issues related to human rights are reported through these channels, they are dealt with through the risk management system, for instance by adding to identification lists or enhancing sector policies.

## IV. Assessing effectiveness

---

### REGARDING OUR EMPLOYEES

**An overall internal self-assessment exercise on residual risk has been set up 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:* 2023 self-assessment exercise covered workforce located in the entities within the consolidation scope of the Group, same as 2022. Among the entities located in average or moderate risk countries on the Duty of Care topics, the assessment of the risk management systems in the Group's entities shows that only 0.03 % of the workforce is employed in entities that need to strengthen their controls to verify that working conditions meet International Labour Organization standards. The concerned country was requested to provide an action plan.

In addition, as part of its above-detailed *Employee Satisfaction Survey*, Societe Generale ensures that employees are aware of the Group's whistleblowing procedure. A sign that the speak-up culture is a core value within the Group, 86% of employees confirmed that they were comfortable giving their opinion. This positive result will be supported by the recent 2023 launch of an Ethics and Conduct course, which is mandatory for all employees and includes a specific module on whistleblowing.

### REGARDING OUR SUPPLIERS

**The Sourcing Division tracks E&S risk indicators on suppliers and calls for tender on a quarterly basis to assess how effective its risk management framework is.**

For purchases managed by the Sourcing Division:

- proposed E&S requirements and criteria for inclusion in calls for tender exist for 99% of the purchasing categories representing a high or medium-high E&S risk. The requirements and criteria vary according to the sector and the products or services in question. Proposed E&S criteria and requirements also exist for a further 50 or so purchasing categories beyond these medium-high and high risk categories. In total, around 100 purchasing categories are covered;
- 99,7% of calls for tender in high E&S risk categories included E&S criteria in 2023;
- a tool has been developed to help tackle controversies involving companies suspected of using forced labour in their supply chains;
- by the end of 2023, 100% of the Sourcing Division's active buyers had received training in Responsible Sourcing, as defined in the Group's normative documentation, and in E&S risk management tools for sourcing.

**The Group continued to enhance its risk management framework over 2023, with the following main achievements:**

- E&S requirements and criteria for calls for tender reviewed in 2023 for 26 purchasing categories (amongst the circa 100 covered categories<sup>18</sup>) representing varying levels of E&S risk;
- further training on Responsible Sourcing and E&S risk management tools provided to buyers in the Sourcing Division and the Sourcing Function for the international market;
- responsible Sourcing training materials for purchases not managed by the Sourcing Division updated, and training provided to 20 entities that source directly (of which 18 do so internationally);
- continued monitoring of the action plans drawn up further to the four supplier CSR audits conducted in 2020 and the two conducted in 2022 in partnership with other banks;
- two supplier CSR audits on a medium-high risk category of purchases;
- process for how the Group identifies whether a supplier represents a potential source of E&S controversy improved. Using a dedicated tool designed to identify and assess E&S controversies, it monitors a scope more than 600 "targeted"<sup>19</sup> suppliers and/or suppliers assessed as posing a medium-high or high E&S risk in France, or a high E&S risk within the Sourcing Function for the international market;
- 11 questionnaires sent out to sensitive suppliers to assess what they are doing to prevent forced labour within their supply chains. All responses analysed (and challenged where appropriate).

## REGARDING OUR PRODUCTS AND SERVICES

To evaluate how effective the E&S (including human rights issues) risk management framework is for Group activities, the Compliance Division conducted a new risk identification and assessment exercise (*Compliance Risk Assessment*) in 2023. The exercise consisted of 17 questions to be answered by all business units, covering the following subjects :

- level of knowledge of the normative framework for managing E&S risks in the Group (E&S sector policies, E&S identification list, E&S exclusion list) ;
- entities with the highest exposure on E&S risks ;
- governance framework to address complex E&S issues at local level, before potential escalation to Group level;

Based on the *Compliance Risk Assessment* and other monitoring metrics, the main conclusions were as follows:

- 100% of the Group's Business Units have correspondents or people dedicated to E&S risk management;
- out of the 191 entities included in the Compliance Risk Assessment, 189 check the E&S exclusion list properly during the corporate client onboarding process and client reviews;
- 100% of the Group's Business Units have introduced controls to assess E&S risks in their transaction processes and when onboarding a new corporate client. The rate of deployment in the Business Units is monitored by their Compliance Departments;
- the e-learning module on E&S risk management was updated in November 2023 with a new section dedicated to Human rights, detailing in particular the obligations of the bank (including Duty of Care and Anti Modern Slavery legislations) as well as the dedicated internal framework. This e-learning was offered to over 71,000 employees by the end of the year (at end-December 2023, almost 26% of employees had already completed this new module).
- Business Units conducted 1,993 environmental and social assessments of client groups. The results of these evaluations were 82.6% positive, 15.8% conditional and 1.6% negative.

---

<sup>18</sup> The covered purchasing categories are progressively reviewed and updated over the years

## V. Further actions in relation to human rights

---

As a result of the above-mentioned assessments, in a permanent improvement approach or as a result of new regulatory requirements, the following actions are expected to be implemented in the near future to improve the existing framework in relation to human rights:

### REGARDING OUR EMPLOYEES

At Group level, the main actions planned are as follows:

- monitoring the labour relations climate to identify where tensions exist and put actions in place to contain psychosocial risk drivers;
- analysing the results of its Employee Satisfaction Survey, communicating on them more openly and implementing appropriate action plans;
- taking steps to foster a culture of dialogue with all staff to pick up weak signals and prevent psychosocial risks;
- upskilling and raising awareness among Societe Generale Group managers, using the "Connect Manager" platform to disseminate training and fact sheets (especially on topics covered by the Duty of Care Plan, such as discrimination and working conditions);
- working towards the ambitious targets set out under its responsible employer strategy, so as to offer Group employees a working environment conducive to excellence and job satisfaction. To support these efforts, the Group has approved a budget of EUR 100 million to reduce the gender pay gap, get more women into senior leadership roles (35% of such roles by 2026), extend its remote working charter, roll out benefits internationally and boost employee engagement and wellbeing at work;
- progressively rolling out the key risk indicators defined by the Group Security Division in 2023 to all commercial entities over 2024. These indicators cover the Group's main commercial (attacks, intrusions, armed robbery, etc.) and non-commercial (fire, property damage, triggering of safety measures, etc.) risks and were piloted in 18 entities in 2023;
- continuing social dialogue with the various employee representation bodies on topics covered by the Duty of Care Plan.

In 2024, the Group will continue to implement measures to protect and support staff in managing transformation projects and establishing new ways of working. Being attentive to stakeholders will clarify changes in its environment and help the Group address them in an agile manner. Appropriate channels have been set up to foster constructive dialogue with additional stakeholders by considering the feedback and results of internal surveys.

### REGARDING OUR SUPPLIERS

The Group is planning to implement the following main actions:

- gradually imposing stricter E&S risk management for purchasing within the Sourcing Function for the international market, introducing a minimum 15% weighting for E&S criteria in calls for tenders for purchasing categories representing a high E&S risk by 2025;
- continuing to provide training on Responsible Sourcing and E&S risk management tools to buyers in the Sourcing Division and the Sourcing Function for the international market, as well as to entities that regularly manage their own sourcing, if they should request it;
- conducting CSR audits, jointly with other banks where possible, on suppliers presenting E&S risk factors, and following them up with action plans when necessary;

- continuing to improve the process of identifying and managing E&S controversies for Group suppliers, and pursuing targeted dialogue with and, where appropriate, challenging those suppliers identified as being involved in significant controversies.

## REGARDING OUR PRODUCTS AND SERVICES

The main actions planned are as follows:

- amendment of the sector policies on mining and industrial agriculture & forestry to add in criteria on respecting human rights;
- continuation of deployment of the new compulsory e-learning that includes a section dedicated to human rights;
- preparation of further dedicated trainings in relation with human rights.

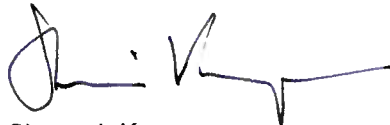
## VI. Conclusion

---

This statement is made pursuant to the United Kingdom's Modern Slavery Act 2015 and to the Commonwealth of Australia's Modern Slavery Act 2018 and constitutes the Societe Generale Group's modern slavery and human trafficking statement for the financial year ending December 31, 2023.

This statement was approved by Societe Generale's Board of Directors on May 2<sup>nd</sup>, 2024.

On May 29<sup>th</sup>, 2024



Slawomir Krupa  
Société Générale  
Chief Executive Officer