



# Slavery & human trafficking statement

For the financial year ending  
31 December 2020

## **CAPITAL ONE (EUROPE) PLC – SLAVERY AND HUMAN TRAFFICKING STATEMENT**

This statement sets out the steps taken by Capital One (Europe) plc (“Capital One”) to prevent modern slavery in its business and supply chains.

### **INTRODUCTION**

At Capital One we recognise the responsibility that we share with our suppliers to promote ethical business practices and policies that protect workers from being abused or exploited. We have robust practices in place to prevent slavery. The term “slavery” is used to encapsulate the crimes of slavery, servitude, forced or compulsory labour and human trafficking.

### **OUR STRUCTURE**

Capital One is part of a group offering a range of financial products and services, predominantly in the US. The ultimate parent company of Capital One is Capital One Financial Corporation which is headquartered in Virginia, US. Capital One is a credit card issuer providing credit card facilities to customers in the UK. For more information about our business, visit the About us page on our website.

### **OUR BUSINESS AND SUPPLY CHAIN**

Capital One’s values and culture are central to the way we conduct business, with a particular focus on transparency and fairness so that customers can have the confidence they are securing a clear and fair product.

In relation to our own business, our employment decisions, including those involving compensation, are made on a non-discriminatory basis, and without regard to sex, race, colour, age, national origin, religion, disability, marital status, sexual orientation, gender identity, citizenship or pregnancy or any other status protected by law. We provide a fair and competitive compensation package to employees that will attract, retain and motivate talent. In 2020, Capital One became a Living Wage employer. We undertook this work to ensure that all of our third party contractors are paid at least the Living Wage.

We use suppliers in all areas of our business, including IT, administration, call centres, facilities management, marketing, advertising and HR support. As a financial services provider regulated by the Financial Conduct Authority, we have rigorous procedures around how we select, contract with and monitor our suppliers.

### **HOW WE ARE PREVENTING SLAVERY**

Our ‘Anti-Slavery Procedure’ outlines how we prevent slavery and reflects our commitment to acting ethically and with integrity in all business relationships. We continue to take measures to ensure that slavery is not taking place anywhere in our business or supply chain.

In 2020, we continued to deliver our commitments to prevent slavery within our business and supply chain by taking the following steps:

#### **Risk assessments**

In order to assess whether there is an increased risk of slavery, all suppliers are allocated a ‘risk rating’, having been assessed against key risk factors of slavery, namely: geographical location of the supplier and its subcontractors; resource allocation; industry sector and historical behaviour. We have not found any evidence of slavery in our supply chain to date. Our suppliers are rated on a scale of 0 to 4 according to risk, where a rating of 0 or 1 represents insignificant risk. The vast majority of our suppliers have been allocated a risk rating of 0 or 1 and a very small percentage of suppliers have been rated as 2, which represents “minimal” risk. Risk ratings of our suppliers have remained materially static over recent years.

## Monitoring programme of suppliers

Our supplier monitoring programme includes robust selection processes, regular business reviews, information security assessments and control assessments, which cover the review of suppliers' compliance with applicable laws and regulations. There is regular dialogue with suppliers and reputational searches online. Monitoring also includes having awareness of key sub-contractors and ensuring that appropriate due diligence and monitoring of them is also completed. Our interactions with suppliers may be on site or remote. In 2020, oversight models moved to remote engagement as a result of the COVID-19 pandemic. Our ability to perform onsite monitoring of suppliers is continuously reviewed.

## Business awareness and training

We have continued to ensure the legal requirements in relation to slavery are communicated to key business areas to maintain awareness of the importance of combating slavery. Each employee involved in supplier management suppliers undergoes specific training regarding the risk of modern slavery.

## Contract terms

We have continued to include obligations in our standard form supplier contracts which require suppliers to comply with the Modern Slavery Act 2015 and notify Capital One immediately if they become aware of any modern slavery within their business or supply chains. Should a supplier breach these obligations, it will face appropriate action which could include termination of the contract.

## Whistleblowing

Our 'Ethics Policy' requires Capital One to operate an employee ethics line, allowing employees to raise ethical concerns and whistleblowing complaints, including, if necessary, those regarding modern slavery. This is outlined to employees in Capital One's 'Associate Manual'. The ethics line is handled by a third party service allowing for anonymous and confidential reporting. All complaints are handled in line with monitoring and reporting procedures, requiring high-risk complaints to be promptly identified and escalated.

## Information for employees

Employees can access our Anti-Slavery Procedure through our intranet site which includes information and resources to raise awareness in relation to slavery, including regarding how to report slavery. Anti-slavery training is also provided for those associates who are directly involved in the management of our third parties.

In 2021, we will continue to take the above steps to prevent slavery, and will regularly review and improve our processes.

This statement was prepared for the financial year ending 31 December 2020 and approved by the Board of Directors of Capital One (Europe) plc on 23 February 2021.

Signed

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*Lucy-Marie Hagues*

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**Lucy-Marie Hagues, Chief Executive Officer**  
Capital One (Europe) plc

