



# CIBC on Human Rights: Modern Slavery and Human Trafficking Statement<sup>1</sup>

## Overview

Canadian Imperial Bank of Commerce (“CIBC”) is committed to respecting human rights and stands against slavery and human trafficking throughout our business and supply chains.

We support the protection of human rights in all our business segments and jurisdictions where we conduct business. We uphold human rights by incorporating global best practices enterprise-wide like those embodied by the United Nations Guiding Principles on Business and Human Rights, and promoting a fair, diverse and inclusive work environment. We regularly review our policies and procedures that cover modern slavery and human trafficking in response to these evolving global problems.

## Who we are

Headquartered in Toronto, Canada, CIBC is a leading North American financial institution with a 45,000-strong team<sup>2</sup>, and 11 million personal banking, business, public sector, and institutional clients. From Personal, Business and Commercial Banking to Wealth Management and Capital Markets businesses, we offer a full range of advice, solutions, and services through our leading digital banking network and from our locations across Canada and offices in the United States and around the world. Outside of Canada, CIBC has wholly owned subsidiaries or offices in the United States, the United Kingdom and Australia, among others.<sup>3</sup>

With respect to the United Kingdom, Luxembourg, and Asia-Pacific countries including Australia, CIBC conducts Capital Markets businesses, including for example commercial lending and investment banking advisory.

As part of our due diligence processes, we review and assess salient human rights impacts in our workplace and throughout our operations, including our financing, investment and supply chain activities. We recognize that slavery and human trafficking are more prevalent in specific industries, and we have put processes in place to try and prevent such practices. Across CIBC we have strong policies, procedures and frameworks in place, and are working continuously to prevent slavery and human trafficking by taking the measures outlined in this statement.

## Our People

Our global CIBC Code of Conduct (the “Code”) sets out the principles for how all team members<sup>2</sup> at CIBC and our wholly-owned subsidiaries behave at work and outside of work, with each other, clients, shareholders, regulators, governments, suppliers, competitors and the wider community. As set out in the Code, we all play a role in maintaining the integrity of CIBC. Team members must speak up when something does not seem right. This includes concerns about activities we believe are inconsistent with the Code or that might be damaging to CIBC or our stakeholders.

In accordance with the Code, no one may suspend, discharge, discriminate against, harass, threaten or otherwise retaliate against a team member or other person in any way for reporting in good faith any actual or possible misconduct, or providing information for, or participating in, an investigation.

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<sup>1</sup> This joint statement has been prepared in accordance with the United Kingdom’s Modern Slavery Act 2015 and the Australia Commonwealth Modern Slavery Act 2018. It sets out the steps taken by Canadian Imperial Bank of Commerce and relevant group entities owned and controlled by it (“CIBC”, “we”, “our” or “us”), during the financial year (ending October 31, 2021), to prevent slavery and human trafficking in its business and supply chains. This statement has been prepared in collaboration with relevant corporate divisions and representatives from each relevant group entity, and applies to each of them.

<sup>2</sup> The terms “team” and “team members” refers collectively to all CIBC employees, contingent workers and CIBC directors.

<sup>3</sup> Please see Note 27 (Significant subsidiaries) of CIBC’s [2021 Annual Report](#) (page 192).

Our Reputation Risk Management Framework, Conduct and Culture Risk Framework and Anti-Bribery and Anti-Corruption (“ABAC”) Policy establish a common understanding of how we as an organization safeguard our culture, values, business and reputation, by acting ethically and with integrity in all our business interactions. We also have a robust suite of human resource policies and programs that aim to foster an inclusive work environment where all members of our team can excel.

Other resources are available for resolving workplace issues and investigating allegations of human rights violations. Our team members can raise concerns through a variety of mechanisms, including our enterprise-wide Workplace Issue Resolution Process, our Workplace Grievance Procedures (in the UK) and our enterprise-wide confidential Whistleblower Hotline that is supported by our enterprise-wide Whistleblower Policy and Speak Up Policy (in the UK). Our Whistleblower Program also allows for concerns to be reported by clients and suppliers.

Annually, all team members globally must demonstrate a thorough understanding of the risks of modern slavery and human trafficking, by completing comprehensive ethical training courses on topics such as: acting with integrity, ABAC, anti-money laundering and anti-terrorist financing, compliance, risk and a range of human rights topics.

## Our Clients

As a financial services provider with clients in multiple jurisdictions, we recognize that when providing certain services, we may be exposed to clients who engage in slavery and human trafficking. We have specific processes for identifying the risk of human trafficking or modern slavery. Examples of business activities with heightened exposure to such risks include:

- raising capital on behalf of an issuer for a particular transaction;
- managing portfolios for clients whose own operations may serve to facilitate slavery or human trafficking; and
- investing in, or holding (on behalf of clients), securities of companies that might themselves compromise respect for human rights or have human rights issues in their supply chains.

Our Anti-Money Laundering Program is committed to adhering to all applicable regulatory requirements pertaining to Anti-Money Laundering and Anti-Terrorist Financing (“AML/ATF”), including measures to identify and verify client information, monitor client transactions for unusual activity, and report suspicious activity to the relevant authorities in an effort to identify criminal activities, such as human trafficking, that may be linked to money laundering, terrorist financing, or sanctions avoidance. We examine our AML/ATF strategies, goals, and objectives on an ongoing basis.

We have adopted policies with respect to AML/ATF, ABAC, and economic sanctions designed to prevent our financial services being used for the perpetration of financial crime. Criminal conduct such as slavery and human trafficking may be predicate offences to money laundering. Among other things, we train our team members: to look for suspicious transactions that may signal money laundering or terrorist-financing activity; by imparting principles of conduct to deter, detect and report bribery and corruption activities and flagging risks of potential violations; and to comply with applicable laws and regulations.

Additionally, our CIBC Global Reputation and Legal Risks Policy and related procedures, are designed to safeguard our reputation through proactive identification, assessment and management of potential reputational and legal risks for both client facing and non-client facing activities. Before entering any business relationship (e.g., corporate lending), we conduct appropriate due diligence to mitigate the risk of engaging in any activity or business relationship, where there is evidence of human rights abuses or evidence of modern slavery such as forced labour, human trafficking or child labour, in a client’s workforce or supply chain and entities that directly trade in or finance minerals extraction that perpetuate human rights abuses in conflict zones. Our businesses have adequate processes and controls in place to facilitate ongoing compliance with these requirements and for monitoring adherence.

CIBC is a member of the Equator Principles and incorporates these voluntary standards that include social/community responsibility and consultation, labour standards, and the principle of Free Prior and Informed Consent into our environmental and social due diligence requirements for project finance.

CIBC is a signatory of the United Nations-supported Principles for Responsible Investment that supports efforts to address social issues such as human rights, working conditions and modern slavery within investment portfolios.

CIBC is a key contributor to Project Protect. This public/private partnership is combatting human trafficking, relating specifically to sexual exploitation. Led by the Financial Transactions and Reports Analysis Centre of Canada, law enforcement and major Canadian banks, this program focuses on detecting, deterring and stopping human trafficking money trails. As part of the initiative, CIBC has monitoring measures to detect suspicious financial transactions. These methods use advanced data and modelling techniques to more precisely focus on patterns that suggest human trafficking activity and identify the merchants and individuals involved.

## Our supply chains

We procure goods and services from suppliers in different businesses including (not limited to) information technology, telecom, real estate management, government, human resources firms, transportation, storage and mail services, research and analytics, marketing and advertising, consulting services, office supplies. CIBC has a Procurement Policy and a Third-Party Risk Management (“TPRM”) Policy that details the requirements and the accountabilities of key stakeholders specific to the procurement activities within CIBC’s Third-Party Lifecycle. The Procurement Policy mandates the engagement of CIBC’s Procurement team to realize opportunities for cost-reduction, risk management, and additional value. The TPRM Policy outlines the structured process for monitoring procurement at various scales and risk levels, including low-risk transactions.

Our Supplier Code of Conduct (the “Supplier Code”) sets out the principles, standards and behaviours our suppliers must follow. The Supplier Code demonstrates our expectations of our suppliers in their commitment to combatting slavery and human trafficking. We expect suppliers to adhere to all applicable laws, rules and regulations of the jurisdictions in which they operate, including, but not limited to, those related to business practices, labour and employment, immigration, human rights, modern slavery and human trafficking, health and safety, building codes, privacy, the environment, and practices that:

- Comply with applicable employment laws, including, without limitation, laws regarding minimum wage, minimum age of employment, working hours, overtime, hours free from work, health and safety and human rights;
- Prohibit all forms of forced or compulsory labour, and ensure they do not engage in the withholding of wages, retention of identity documents and restriction of an individual’s movement; and
- Comply with local labour laws permitting trade union or other forms of employee representation.

The Supplier Code also requires that suppliers provide appropriate communication, induction and/or training programs to ensure that their employees, agents, contingent workers, affiliates and sub-contractors supplying services to CIBC have the appropriate level of knowledge, awareness and skills to comply with the Supplier Code.

We have a fair, transparent and disciplined sourcing and procurement process to evaluate, negotiate, contract with and govern our suppliers. Our Supplier Code includes key social and environmental requirements, and we have procedures in place to assess supplier risk and to govern our contracted supplier relationships. Due diligence reviews of new, existing and prospective suppliers require consideration of applicable risks such as AML, ABAC and fraud. In 2022, CIBC will be enhancing its supplier risk assessment process to improve identification of potential human rights risks and other ESG factors within our supply chain.

We map our supply chain to identify geographical risk. We seek to understand concentration risk from a number of dimensions such as subcontractor, financial, ownership and category and monitor it regularly. We conduct on-site assessments of our risk rated supply chain, as applicable. Additionally, suppliers who hold an Enterprise Master Agreement with us are required to confirm their compliance with applicable laws at least annually.

## Assessing our Effectiveness

Managing risk is a shared responsibility at CIBC. Business units and risk management professionals work in collaboration to ensure that business strategies and activities are consistent with our risk appetite.

As part of our annual review, we engage in appropriate consultation with management teams in relevant offices and subject matter experts to ensure effective monitoring and governance and realign solutions to address any potential modern slavery risks where appropriate.

Our Third-Party Risk Management Group (the “TPRM”) provides an enterprise-wide view of third-party risk and is accountable for oversight and effective challenge of risks and controls related to third party activities. TPRM may leverage other subject matter experts and/or operational risk tools / programs to support its independent assessment of TPRM program design and operating effectiveness. Outcomes of its assessments and issues of non-compliance, are reported to senior management and/or the Board of Directors, as required.

Our Compliance and Global Regulatory Affairs (“Compliance & GRA”) team (including the Conduct and Culture Risk team), provides an enterprise-wide view of conduct and culture risk and is accountable for oversight and effective challenge of conduct and culture risk and control related activities. Conduct and culture risk management is integrated within CIBC’s overall risk management program and Compliance & GRA leverages other subject matter experts to support its independent assessments, as appropriate. Conduct and culture risk assessments, trends and issues are reported to senior management and/or the Board on a quarterly basis.

The Reputation Risk program, including the governance and escalation processes to the relevant committees, provides oversight and effective challenge of risks and controls related to Reputation Risk, including guidance related to Modern Slavery and Human Trafficking. The Reputation Risk program also works collaboratively with lines of business to develop and implement procedures to identify, assess and escalate material reputation risks to the Reputation and Legal Risks Committee for review and consideration of next steps, as appropriate.

We realize that in all its forms, slavery and human trafficking are a violation of fundamental human rights. We understand that these risks are not static, and we will continue to monitor and mitigate them in our business and supply chains today and in the years ahead.

This joint statement is updated on an annual basis in collaboration with the relevant corporate areas, including Enterprise ESG, Procurement, Human Resources, Legal, Compliance, Risk Management, Enterprise AML, Privacy Office, Corporate Secretary and other representatives from relevant CIBC entities. This statement operates enterprise-wide across CIBC and is approved by Directors of the CIBC Board and all Boards of the subsidiaries subject to the reporting requirements.



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Signed on behalf of Canadian Imperial Bank of Commerce<sup>4</sup>  
Victor G. Dodig, President and Chief Executive Officer

The CIBC logo is a trademark of CIBC.

<sup>4</sup> Canadian Imperial Bank of Commerce is a registered body in Australia with ARBN number 33 608 235 847.