

# Modern Slavery and Human Trafficking Statement

## Introduction

British Arab Commercial Bank (BACB) is a wholesale bank based in the City of London, with representative offices in Abidjan, Algiers and Tripoli, and an international correspondent banking network. The bank is authorised by the Prudential Regulation Authority (PRA) and regulated by the Financial Conduct Authority (FCA) and the PRA. For our clients BACB is their banking partner for specialist markets.

BACB operates a zero tolerance approach to all human rights infringements within the bank's operations and its supply chains. BACB outlines in this statement in accordance with the requirements of the UK Modern Slavery Act 2015 ('The Act'), the steps undertaken to gain assurance that all parts of BACB's business and the businesses of its suppliers are committed to the prevention of modern slavery and human trafficking from occurring.

## Our Suppliers and Customers

**Suppliers:** As part of on-going procedures to prevent exposure to all forms of modern slavery and human trafficking, BACB conducts a rigorous process of due diligence on all suppliers, the full details of which are outlined in the bank's procurement policy. A comprehensive assessment of the bank's suppliers is undertaken with each supplier vetted and scanned using recognised third party vendor search and database tools before any business relationship is entered into and thereafter on an on-going basis. Furthermore, the bank's critical service providers are also asked to attest that they comply with the Modern Slavery Act 2015.

**Customer KYC:** BACB employs a dedicated KYC on-boarding team who review all customers at the point of on-boarding and at regular periods thereafter. The bank's procedures explicitly include a requirement to screen all customers and related parties for any adverse media pertaining to modern slavery and human trafficking.

## BACB Staff

Conduct and culture underpin the bank's people strategy; the bank works to foster a culture of transparency and honesty, an inclusive and ethical environment where everyone plays their part in ensuring that the needs of our customers remain paramount. The bank and its staff respect the differences and diversity of its people, and empower them to achieve the highest standards of professionalism and integrity. BACB embraces principles supportive of equal treatment without discrimination, with the protection of employment law, and with the respect for the human rights for all staff.

All bank staff and contractors are paid at least the UK Living Wage, and in addition pay towards other benefits including health and welfare options. New employees are subject to a full and rigorous screening process, which would highlight any breaches of the Modern Slavery Act 2015. All

employees are subject to on-going continuous monitoring and are required to complete an annual fit and proper attestation.

### **Our Approach to Compliance and Risk**

The bank adheres to the rules and guidance of the PRA and FCA. The bank has a robust governance structure, supported by policies that are accessible to all staff. Accountability for actions and responsibility for ensuring all business that the bank carries out is done so with integrity, and contributes to enhancing the culture and reputation of BACB is paramount to how the bank works.

**Senior Management and Certification Regime (SMCR)** – BACB employees are subject to strict conduct related rules, the main ones of which relate to integrity and diligence.

**Whistleblowing** – BACB has a robust Whistleblowing framework which includes a Board Level Champion and a further 2 supporting senior staff. Employees are aware of these individuals and are regularly provided with awareness training on the area of whistleblowing.

BACB has up to date policies which guide staff and assist them in their day to day activities. The bank's Employee Handbook sets out policies that all employees are required to follow; this is provided to all staff upon joining, and is available on the staff intranet. Numerous policies reiterate the bank's stance on modern slavery and human trafficking including:

- Procurement, Outsourcing and Third-Party Supply Policy and Operating Framework
- Risk Appetite Statement
- Assessing Adverse Media, Discounting Rationale and Escalations Document
- BACB Client Agreement Document
- Enhanced Due Diligence Questionnaire
- Enhanced Due Diligence Risk Assessment Guidance
- Vendor Due Diligence Questionnaire
- KYC Account Opening Form
- KYC Minimum Standards Document

### **Training**

As an employer BACB provides mandatory training to enable staff to be risk aware and operate to the high standards expected of them. The bank has an annual training programme which reinforces key messages in respect of the bank's core values and behaviours, the risks that the bank is exposed to and its risk management framework. This supplements the bank's policies and procedures, which are reviewed in response to regulatory developments and as a minimum annually. The combination of these activities raises awareness and drives high levels of personal accountability and ethical behaviours in the bank's staff, and full compliance with all legal and regulatory obligations.

Alongside all mandatory training, the bank hosts its policies and training manuals relevant to modern slavery and human trafficking, as recommended by UK Government on its intranet site, which is accessible to all staff.

**Risk Assessment and Management**

Although BACB considers the inherent risk of modern slavery and human trafficking occurring in its business to be low, the bank seeks to identify and effectively respond to any incidents of modern slavery and human trafficking. BACB recognises that there are some higher risk products, services and geographies in its supply chain and operating markets, and through a detailed due diligence process, periodic reviews and regular screening, is able to monitor these areas.

**Assessment of Effectiveness**

BACB will continue to give due regard to the requirements under the Modern Slavery Act 2015. The bank is committed to consistently improve in this area, and will continue to enhance policies, systems, and processes as necessary, ensuring that the bank continues to effectively mitigate the risks of modern slavery and human trafficking occurring within its operations.

Signed:



Eddie Norton

**Chief Executive Officer**