

British Arab Commercial Bank plc
(the “Company”, “Bank” or “BACB”)

Modern Slavery and Human Trafficking Statement

Introduction

The Bank is an international wholesale bank based in the heart of the City of London. The Bank is authorised by the Prudential Regulation Authority (the “PRA”) and dual regulated by the Financial Conduct Authority (the “FCA”) and PRA. For our clients BACB is their banking partner for specialist markets. With representative offices in Abidjan, Algiers and Tripoli, and an international correspondent banking network, BACB has proximity to those with whom the Bank does business.

BACB operates a risk based approach, taking appropriate mitigation measures to all human rights infringements within the Bank’s operations and its supply chains. As part of this, the Bank provides this statement, in accordance with the Modern Slavery Act 2015, to outline the steps that are taken to ensure modern slavery and human rights violations do not take place in any part of the business or the suppliers that we deal with.

Our Suppliers and Customers

Suppliers: As part of on-going procedures to prevent exposure to all forms of modern slavery, BACB conducts a rigorous process of due diligence on all partners and 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 external search and database tools before any business is embarked upon, 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 Know Your Customer (KYC) on-boarding team who review all customers at the point of on-boarding and at regular periods thereafter. Their procedures explicitly include a requirement to screen all customers and related parties for any adverse media pertaining to Slavery and Human Trafficking.

BACB Colleagues

The ambition of the Bank is 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. Conduct and culture underpin the Bank’s strategy. The Bank and its colleagues respect the differences and diversity of its people and empower them to achieve the highest standards of professionalism and integrity, as reflected in Bank policies.

All Bank colleagues are paid at least the Real Living Wage, and in addition pay towards other benefits including health and welfare options where appropriate and according to jurisdictional requirements. New colleagues are subject to a full and rigorous screening process, which would highlight any breaches of the Modern Slavery Act 2015. As a Bank all colleagues are subject to on-going continuous monitoring and are required to complete an annual attestation.

BACB embraces principles supportive of equal treatment without discrimination and with the protection of employment law for all colleagues. All colleagues are treated equitably, without discrimination and with respect for their human rights.

Policies

BACB uses its Intranet site to make all relevant policies available to both new and existing colleagues. These include a wide range of matters covering banking operations, risk and conduct management and people in addition to statutory and regulatory obligations. These ensure that robust procurement practices are exercised during onboarding.

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 colleagues.

Our approach to Compliance and Risk

The Bank follows the rules and guidance of the PRA and the FCA. BACB are committed to eradicating any sources of financial crime or any other kind of misconduct and have an appropriate risk appetite and tolerance in place towards breaching sanctions, money laundering, bribery, corruption, and terrorist financing. The Bank recognises that certain jurisdictions expose it to financial crime but has no appetite to commit or facilitate such financial crime through its clients or counterparties.

The Bank has a robust governance structure, supported by policies that are accessible to all colleagues. 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. This is outlined in the Bank's Culture and Conduct Risk Governance Standard and Policy.

Individual Accountability Framework: BACB colleagues 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 two supporting Senior Managers. Colleagues are aware of these individuals and are regularly provided with awareness training and prompts on the area of whistleblowing and the overall importance of speaking up.

All colleagues are required to operate in line with the UK Individual Accountability regime, which requires individuals working at all levels to meet appropriate standards of conduct and ensures that senior managers are held to account for misconduct that falls within their area of responsibility.

Training

As an employer BACB aims to provide high quality training to enable colleagues 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, the risks that the Bank is exposed to and its risk management framework. This supplements the Bank's policies and procedures, which are refreshed 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 colleagues, and full compliance with all legal and regulatory obligations.

Risk assessment and management

Although BACB considers the inherent risk of modern slavery and human trafficking occurring in the business to be low, the Bank takes its responsibility to identify and effectively respond to any incidents of modern slavery and human trafficking very seriously. BACB recognise that there are some higher risk categories and geographies in our supply chain and operating markets and continues to closely monitor any changes in the inherent risk levels.

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 we will continue to enhance our 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.

The statement has been approved by the Board of BACB plc on 30 June 2023 and has been signed on its behalf by the Chief Executive Officer.



Paul Jennings
Chief Executive Officer
June 2023