

Slavery and Human Trafficking Statement 2018

Bank of China (UK) Limited
Bank of China Limited London Branch

INTRODUCTION

This statement applies to Bank of China (UK) Limited (“BOC UK”) and Bank of China Limited London Branch (“BOC LB”) (hereafter also referred to jointly as “we”, “our” and “the Bank”) and it sets out our approach to preventing slavery and human trafficking in our own business and supply chains.

This is our third report made under the provisions of the Modern Slavery Act 2015 (“the Act”) and with reference to the guidelines issued by the Home Office: Transparency in Supply Chains – a practical guide, as amended in October 2018.

STEPS TAKEN DURING THE PREVIOUS FINANCIAL YEAR

During 2018, the Bank has continued to implement steps and measures to mitigate the risk of slavery and human trafficking in its business and supply chains, including:

- Reviewing, updating and publishing the Anti-slavery and Human Trafficking Policy.
- Continuing to apply a modern slavery due diligence process.
- Revising new and renewed supplier agreements to ensure they contain a supply chain transparency clause, where appropriate
- Providing guidance and training to procurement and supply chain management staff.
- Reviewing and amending the Bank’s Whistleblowing Policy, through which employees can escalate any concerns relating to slavery or human trafficking.
- Adopting a robust anti-slavery stance at the highest level. For example, our Board has approved the Bank’s annual statement which confirms the Bank’s commitment to mitigating the risk of modern slavery and human trafficking in our business and supply chains.

During 2018, no referrals concerning modern slavery were made through internal or external channels.

OUR ORGANISATION’S STRUCTURE AND OUR BUSINESS

BOC UK, incorporated in England and Wales, is a full service bank offering retail, corporate and trade finance services in the United Kingdom. BOC UK is a wholly owned subsidiary of Bank of China Limited, incorporated in China. BOC UK is regulated by the Prudential Regulation Authority and Financial Conduct Authority and authorised by the Prudential Regulation Authority.

BOC UK corporate and trade finance business encompasses funding and advisory services for Chinese corporates seeking to expand in the UK and Europe. BOC UK retail activities focus on branch banking. BOC UK offers standard high street retail banking services including current accounts, savings accounts, debit and credit cards and mortgage loans.

BOC LB is a UK establishment of Bank of China Limited, incorporated in China. BOC LB. It is authorised by the Prudential Regulatory Authority and subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority.

BOC LB operates separately but in parallel, under the same management team as BOC UK. It provides a range of wholesale products such as: commercial banking, corporate lending, trade finance, money market, foreign exchange, and debt capital market services.

OUR SUPPLY CHAINS

During 2017, the Bank established a modern slavery due diligence process for new supplier relationships. During 2018, the Bank also took steps to ensure that new and renewed supplier contracts contain clauses relating to the prevention of modern slavery and human trafficking, where appropriate.

The Bank’s supply chains include suppliers for the following goods and services provided to the Bank in respect of:

- Hard and soft facilities management,
- Real estate,
- Recruitment,
- Travel,
- Cash management,
- Marketing and communication,
- Mail and logistics,
- IT & telecommunications,
- Security,
- Cleaning,
- Catering & hospitality.

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

The Bank is committed to acting ethically and with integrity in all its business dealings and relationships and to implementing and enforcing effective systems and controls to mitigate the risk that modern slavery is taking place in its own business or in any of its supply chains. Furthermore, all our staff must adhere to our Code of Conduct which is based on the Bank's values. These values have been re-aligned with HO values, to include "Responsibility, Honesty, Professionalism, Innovation, Prudence, Performance".

The Bank continues to apply the National Minimum Wage and also adopts the "UK Living Wage (outside London)" and the "London Living Wage".

The Anti-slavery and Human Trafficking Policy 2018 version reflected the Bank's commitment to acting ethically and with integrity in all our business relationships and to taking steps to implement and enforce effective systems and controls. Although this does not mean that we can guarantee that the entire supply chain is free from slavery and human trafficking at all times.

The Bank's Whistleblowing Policy has also been reviewed and amended to ensure that any concerns about modern slavery in our business or supply chain can be reported and escalated.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

During 2018, the Bank updated its system and controls regarding modern slavery due diligence on third party suppliers. The modern slavery due diligence process is detailed within the Bank's Anti-slavery and Human Trafficking Policy and Outsourcing Policy.

CONCLUSION

This statement is made pursuant to section 54(1) of the Act and constitutes the Bank of China (UK) Limited and Bank of China Limited London Branch slavery and human trafficking statement for the financial year ending 2018. This joint statement has been approved by the Board of Bank of China (UK) Limited and the General Management of Bank of China Limited London Branch.

Wenjian Fang
Chief Executive Officer of Bank of China (UK) Limited
General Manager of Bank of China Limited London Branch

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