

# Modern slavery statement



UNDERSTANDING THE MODERN SLAVERY RISKS RELATED TO OUR  
BUSINESS

HEAD OF OVERSEAS BRANCH

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## Introduction

This statement is pursuant to section 54, Part 6 of the Modern Slavery Act 2015 and sets out our actions to understand the modern slavery risks related to our business and describes the steps we take to prevent slavery or human trafficking in our own business or our supply chains.

This statement relates to actions and activities during the financial year January to December 2024. It will be reviewed annually and approved by the Branch Management Committee.

Modern slavery is happening more often than people may realise and we recognise it may exist somewhere in our supply chain beyond our immediate suppliers. That's why we're committed to protecting people and acting to prevent slavery and human trafficking in our corporate activities.

## Our business

Banco de Sabadell S.A. London Branch ("BSL") has been present in the UK since 1986 as a fully operational branch. BSL has primarily focused its activity on the management of trade relations between UK and Spain. Our client base consists of UK companies who have a close relationship with Spain, or Spanish companies with subsidiaries in the UK and other British or International Big Corporates.

BSL offers business customers a united range of banking products and services designed to meet their financial needs and we operate in both the UK and international markets.

BSL is part of Banco Sabadell Group, which is one of Spain's principal banking groups, with more than 10,000 employees, and composed by different banks, brands, subsidiaries, and affiliated companies covering all areas of financial business under one common denominator: professionalism and quality.

## Our values

We are committed to comply with the UK's Modern Slavery Act 2015. BSL has a zero-tolerance appetite for any form of human slavery, indentured labour, or human trafficking. Our values guide us in everything we do – treating others fairly with dignity and respect form the basis of the behaviours we expect from everybody in BSL, including our immediate suppliers.

## Organisation Structure and Supply Chains

Based on the nature of our business, our employment practices and those of our supply chain, we believe the risk of modern slavery in our industry is relatively low. But we've identified some areas where our suppliers may be at higher risk, for example:

- Contractors.
- People who provide facilities services, such as housekeeping and office maintenance services.

- Building trade.
- Temporary recruitment firms.

A robust supplier assessment process is carried to ensure that those in our supply chain adhere to ethical labour standards, actively preventing modern slavery and upholding the values of responsible and sustainable business practices. This includes:

- Screening supplier names against Dow Jones Risk & Compliance database, or other providers, to identify any adverse media coverage or potential risk factors.
- Diligently conducting comprehensive assessments to verify that our suppliers have duly established a Modern Slavery Statement within their operational framework.

We haven't found any immediate gaps or concerns, and we've been reassured that our suppliers have the appropriate controls in place.

## Policies in relation to slavery and human trafficking

We consider that our policies and procedures are highly effective at ensuring that slavery and human trafficking are not taking place directly within our business. Our policies set out a way to do business that supports our values. And we have controls in place to make sure we stick to those policies. We've updated many of these controls to include additional checks to make sure modern slavery risks are fully considered, particularly within the supply chain. These include:

- **Code of conduct for suppliers of the Banco Sabadell Group.** Banco Sabadell Group has adhered to the Ten Principles of the United Nations Global Compact, which encompass human rights, labour, environment, and anti-corruption, which are inextricable linked to prevention of modern slavery.
- **Financial crime manual.** Any knowledge or suspicion of financial crime, including modern slavery and human trafficking, must be reported to BSL's MLRO, who will assess the internal disclosure and decide whether there are grounds to make an onward disclosure to the National Crime Agency.
- **Whistleblowing policy.** We encourage all Employees to report any concerns related to Group activities and those of our suppliers. This includes suspicion of any criminal activity. Our confidential Whistleblowing helpline is designed to make it easy for people to make disclosures without fear.
- **Conduct risk Policy.** We have high expectations of the way that both our Partners and suppliers treat our customers. This includes specific provisions to make sure that we take care of vulnerable customers. Partners are trained to spot these customers at an early stage and provide appropriate support where they can.
- **Vulnerable customers Policy.** We ensure that all Partners know how to identify and manage these customers, although we undertake relatively limited business with individuals, and with individuals who are potentially vulnerable customers.
- **Procurement policy.** We are committed to making sure our suppliers adhere to the highest standards of ethics. And we ask suppliers to demonstrate that they provide safe working conditions, treat workers with dignity and respect, and act ethically and within the law.

- The **Enterprise Risk Management (ERM)** framework allows us to better identify potential events to prevent slavery or human trafficking in our own business, with a direct involvement of Senior Management through ERM bi-monthly committee meetings.

## How we treat our employees

At BSL, we seek to provide a work environment where employees are treated with respect, dignity, and consideration.

BSL has also established and implemented a **framework of policies, procedures, and processes** to ensure fairness in the recruitment, development, and retention of our people. We believe the diversity of our teams ensures diversity in thought and intellectual problem-solving when supporting our clients. This is not only a social commitment for us, but it also directly impacts the quality of services we provide to our clients. And this is evidenced by the Equal Opportunities policy, Discrimination policy, or the Health and Safety policy, all laid down in the BSL Staff Handbook.

We're committed to creating an open and transparent culture and promote a "speak up" culture. The whistleblowing policy covers all colleagues, regardless of the employment status. We have established a confidential whistleblowing hotline and protection mechanism to report any suspected instances of modern slavery.

We've put policies in place that set out the values and behaviours we expect everyone to demonstrate, which helps our Employees to comply with regulatory conduct requirements.

We make sure we reward our employees fairly and appropriately for the role they're doing. Plus, there is a defined contribution pension scheme, with employer contributions of up to 13% base salary; and a Flexible Benefits scheme, such as time off for adoption, compassionate leave, or flexible working, all outlined in the Staff Handbook.

## Training on modern slavery and trafficking

Training on modern slavery and human trafficking is crucial to raise awareness and equip our team with the knowledge to combat these grave issues.

We require all BSL employees to complete mandatory core learning relevant to modern slavery, and to make sure the training is effective, we ask Employees to take a test at the end of the course and we track participation and pass rates.

Our Modern Slavery course covers the following key areas:

- Recognise what modern slavery and human trafficking are and the scale of the problem.
- Know what signs to look out for.
- Appreciate the key risks to our BSL and how we may be implicated.
- Take appropriate action to manage the risks and tackle modern slavery and human trafficking.
- Raise questions and report concerns.

## Key performance indicators to measure effectiveness of steps being taken

We are committed to a process of continuous improvement, regularly reviewing and refining its anti-slavery efforts to remain at the forefront of modern slavery prevention. This includes:

- Monitoring that new employees attend the mandatory core learnings relevant to modern slavery to continue to enable and inspire our employees on key issues to be aware of, prevent, detect and disrupt Modern Slavery and Human Trafficking.
- Continuing to ensure that our employment controls, processes and policies prevent modern slavery, i.e. Conduct Risk Policy.
- Carry out checks on all our existing suppliers and key supply chain partners to confirm they are doing everything they can to prevent modern slavery.
- Conducting adverse media checks or requesting Modern Slavery Statement before on-boarding new suppliers.

BSL uses the following Key Performance Indicators (KPI) to continue to review and understand the effectiveness of our approach to reducing the risk of modern slavery:

KPI	Target	Actual	Explanation
% of staff completed Modern Slavery Learning training	100%	100%	Our policies and procedure are highly successful in preventing slavery and human trafficking from occurring directly within our business.
% of staff eligible to work in the UK	100%	100%	BSL screening procedure serves as a robust measure to prove that our employees have not fallen victim to human trafficking or related illicit practices of modern slavery.
Number of Whistleblowing reports regarding modern slavery	0	0	A Whistleblowing Channel is available report any suspected instances of modern slavery.

## What next for 2025?

We recognise that addressing modern slavery is an ongoing journey and is dedicated to working diligently toward a world where modern slavery is eradicated from all aspects.

We'll continue to build our understanding of modern slavery risks to make sure our checks are strong by:

- Requiring all new suppliers to provide their modern slavery statement as part of the onboarding process. If a supplier does not have their own statement, request that they formally review and adhere to the BSL's one.
- Verifying that our high-risk suppliers update yearly their modern slavery statement. Evidence must be stored.
- Performing adverse media checks on our high-risk suppliers. In the event of a finding follow Banco Sabadell Group guidelines.

## Approval procedure

This statement will be reviewed annually and updated as required.

This statement has been approved by the Branch Management Committee of Banco de Sabadell S.A. London Branch in the Management Meeting held on the 22<sup>nd</sup> of January 2025.