

Modern Slavery Statement for EFG Private Bank Limited

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EFG Private Bank Limited is authorised by the Prudential Regulation Authority, and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, and is a member of the London Stock Exchange. A member of EFG International. Registered in England and Wales no.2321802. Registered address: Park House, 116 Park Street, W1K 6AP.

Introduction

This statement sets out EFG Private Bank Limited's disclosures as required by the UK's Modern Slavery Act 2015. The Act requires large businesses in the UK to make an annual statement of the actions taken to understand all potential modern slavery and human trafficking risks related to its business, and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. This statement relates to actions and activities during the financial year ending 31 December 2021.

As part of the Financial Services Industry, EFG Private Bank Limited has a responsibility to take a robust approach to prevent slavery and human trafficking when conducting business. We are committed to maintaining high ethical standards – adhering to the laws and regulations, conducting business in a responsible way, treating all stakeholders with honesty and integrity and to doing business with organisations that share this commitment.

EFG Private Bank Limited is absolutely committed to preventing slavery and human trafficking in its business activities and ensuring that its supply chains are free from slavery and human trafficking.

Organisational Structure

EFG Private Bank Limited is part of EFG International, one of the largest Swiss private banks and its shares are listed on the SIX Swiss Exchange. EFG International is headquartered in Zurich, Switzerland and operates in around 40 locations worldwide.

At EFG Private Bank Limited our purpose is straightforward: to deliver to clients high quality private banking and wealth management solutions. With strong personal relationships at the very heart of what we do.

To us relationships mean understanding, teamwork, trust, good communication, support and a shared vision and we extend this to our supply chain and our service providers. In a market that is 'over-banked but under-served' these core values are increasingly hard to find.

- **Our vision:** We want to be a leading Swiss private bank renowned for its unique client approach.
- **Our mission:** We are a pure play private bank, offering comprehensive, first-class investment, wealth and credit solutions to private and institutional clients on a global scale.
- **Our values:** Our employees are our most important asset. EFG represents security and solidity, an entrepreneurial way of thinking and acting, and a powerful blend of agility and reliability.

We support our employees to achieve a fair work/life balance through generous family leave policies, and flexible working policies. Each employee, whether full or part time, has the same contract of employment setting out the terms and conditions of their employment, and has access to a comprehensive employee handbook.

Policies and Standards

EFG Private Bank Limited has implemented policies designed to support the firm in mitigating the risks of modern slavery in our business and supply chain. They apply to all EFG Private Bank Ltd as a whole and are available to all employees via our intranet site. These policies are embedded within our company wide risk management framework. Given the international context of our business, and doing business in other countries, our UK framework and policies extend to cover those countries, some of which may have less developed legal and regulatory frameworks. We work to mitigate risk and improve the framework on an on-going basis.:

- **Code of Conduct:** Our Code of Conduct establishes standards to ensure compliance with law and regulations which prohibit the misuse of inside information, fraudulent trading activity and market abuse activity. The Code aims to support a culture where ethical and responsible behaviour is ingrained to ensure we have the trust of all our stakeholders and that we can create better outcomes in the right way. Staff are asked to complete annual computer based training that serves as a reminder to all about the FCA's five conduct rules and the firm's expected standards of behaviour.
- **Whistleblowing Standard:** We encourage all our staff, to report any concerns, this includes any circumstances where there is evidence of slavery or human trafficking taking place; in our workforce or with our suppliers' workforce. Our whistleblowing policy and standard are designed to make it easy for staff to make disclosures, without fear of retaliation. Employees who have concerns can use a confidential helpline/complete a

confidential disclosure form. Staff are asked to complete annual computer based training that serves as a reminder to all about how to escalate concerns and the support that is available to them.

- **Financial Crime Standard:** We take a rigorous risk-based approach to our commitment to combatting money laundering, corruption and terrorist financing and we have implemented policies, procedures and internal controls that are designed prevent, detect and report money laundering, corruption and terrorist financing within the appropriate laws and regulations. As any proceeds stemming from the offences in the Modern Slavery Act would be the Proceeds of Crime, instances of modern slavery would also come within the scope of our money laundering reporting procedures. Therefore, our client on-boarding and periodic review processes include the identification of exposure to sectors at higher risk of modern slavery and our front Client Relationship Officers and financial crime subject matter experts, undertake detailed analysis and evaluations of riskier transactions and clients.
- **Third-Party Supplier Management Standard:** This Standard sets out the requirements for the control, oversight and monitoring of all services performed, or supplied by third parties. It also sets out how we will conduct business in an open, honest and transparent manner, and the behaviours and practices we expect of our suppliers and partners.

Our Supply Chains

In 2021, we worked with a number of external suppliers and companies, large international firms and SMEs, to purchase the goods and services we needed to run our business.

Our main spend categories are Facility Services, Consultancy, Recruitment, Market Data provision and IT Software. EFG Private Bank Limited has a series of third party policies, control framework documents, processes and governance forums to help us assess, manage, and monitor these relationships and risks from our supply chains and outsourcing agreements.

We have implemented an outsourcing framework which now allows us to ensure that all our suppliers and outsourcing providers provide us with specific information relating to their compliance with the Modern Slavery Act as part of the onboarding and annual risk assessment process. This enables us to hold them accountable and prohibits the use of forced labour, slavery or trafficking of persons and unlawful child labour. We have updated our annual risk assessment review process to ensure that the re-engagement process with suppliers is conditional on an assessment of any modern slavery risk identified in relation to each supplier. This is overseen by the firm's Operations Committee.

Risk Assessment and Due Diligence Process

Outsourcing

Appropriate due diligence is carried out on potential service providers by the Business owner/sponsor and reviewed by appropriate support & control functions prior to being presented to the Operations Committee for approval and subsequent on-going monitoring.

When evaluating a potential outsourced service provider (or reviewing an existing one), there are several steps to be followed to ensure compliance with the Modern Slavery Act including ensuring:

- An overall risk assessment is completed on the service provider to ensure compliance.
- A series of due diligence checks are carried out to evaluate the supplier on their capability, controls, financial stability and integrity.
- Subject Matter Experts are involved in the assessment process to ensure specific areas are covered appropriately (e.g. Information Security, GDPR)
- The contract is reviewed to ensure various specific areas are covered (in some cases, specific clauses). These clauses are based on requirements of various internal policies and legislation, including (but not limited to) the local outsourcing standard, FCA handbook (SYSC8), GDPR.
- There is a specific check on the contract to ensure the supplier's compliance with the Modern Slavery Act, as per Outsourcing Standard.
- A risk classification is assigned to the service, based upon the due diligence checks, the contract in place and the ongoing performance and oversight.
- The Operations Committee will review and approve a new outsourced service provider and will provide ongoing oversight of existing suppliers.

Third Party Suppliers

We also contract various services from third party suppliers to support the day to day running of our business. These suppliers undergo a risk assessment and due diligence process and are managed in accordance with our Third Party Supplier Management Standard. Oversight and ongoing approval are provided by the Operations Committee.

When evaluating a potential third party supplier (or initially reviewing an existing one), there are several steps to be followed to ensure compliance with the Modern Slavery Act including ensuring:

- A series of due diligence checks are carried out, to evaluate the outsourced supplier on their capability, controls, financial stability and integrity.
- On an annual basis we carry out a review of our supplier list to ensure that they are compliant with our supplier code of conduct (terms of business).
- There is a specific check on the contract to ensure the supplier's compliance with the Modern Slavery Act, as per our Outsourcing Standard.
- When recruiting additional resources, we only use specified, reputable employment agencies to source labour and always verify the practices of any new agency that we use before accepting workers from the agency.
- When offers of employment have been made for temporary agency staff, terms of agreement are always signed with the hourly rate clearly stated, with any agency fee stated separately.
- Any third-party issues identified during the due diligence process are highlighted and presented to the Management Committee at the earliest opportunity for discussion and resolution.

As part of the onboarding process, we have now introduced an amendment to our Supplier Code of Conduct, seeking from each supplier a commitment that they comply with the Modern Slavery Act 2015, and the highest standard of ethics, including ensuring that they pay their staff at least the national minimum wage and have robust eligibility to work in the UK processes in place.

On an annual basis, as part of the ongoing due diligence process for all our suppliers, they will be assessed for any adverse media and information using the firm's KYC screening tools. Any adverse information identified during this process will be escalated to the firm's Operating Committee for review and decision.

Clients

The activities of our clients can have social and ethical impacts – including the potential for human rights infringements, through forced labour and trafficking. Proceeds stemming from offences linked to the Modern Slavery Act 2015 are considered Proceeds of Crime and are therefore subject to money laundering reporting guidelines. Our client on-boarding and periodic review due diligence will seek to highlight clients who operate in sectors which present a higher risk from a trafficking and slavery perspective (including links to adult entertainment, manufacturing and mining). It will also identify, through open source research, instances of recorded or suspected human rights abuses. Individual client relationships may be restricted or terminated where there is suspicion or knowledge that wealth introduced to the Bank stems from illegal activities, always taking into consideration our compliance with local reporting obligations.

A review of the firm's Financial Crime Standard and the Group's General Directive on KYC and AML standards has begun and will look to include further refinement on guidance to staff about identifying and escalating non-compliance with the Modern Slavery Act.

Our Staff

We consider that our employment policies and procedures are effective to ensure that there are no instances of modern slavery and human trafficking within our business. We regularly review compensation and benefits offered to our employees to ensure that our employees are paid in alignment with market rates. All employees directly employed by EFG Private Bank Limited, including Interns and those on fixed-term contracts, receive the same range of benefits.

We provide fair working conditions for all our employees including terms and conditions of employment, remuneration, working hours, health and safety, holiday entitlements and benefits. These are applied according to the specific local statutory requirements.

Our Human Resources policies set out our commitments to treating our employees fairly and as a responsible employer, include but are not limited to:

- recruiting and selecting employees in a fair, lawful and professional manner, both for internal and external candidates
- treating all employees fairly during their employment
- providing procedures to raise grievances if there is an occasion when an employee does not feel that they have been treated fairly

- managing the exit of an employee from the business in a fair and consistent manner

We also have a robust eligibility to work in the UK and employment screening administration procedure in place, where we conduct annual visa checks on required staff, to ensure eligibility to work in the UK conditions are continually met.

All interns we employ follow the same on-boarding process as with all other employees of the Bank which are carried out before the internship can begin.

Measuring Effectiveness

We have assessed our effectiveness in ensuring that the Modern Slavery Act is complied with by our business and our supply chain, by considering the overall effectiveness in two separate areas:

- It is our aim that we only do business with suppliers who meet our ethical standards. Accordingly, although we believe that there is a low level of risk to modern slavery in our supply chain, we are continually taking steps to ensure that this is addressed when we renew our supplier contracts. We will continue this process as each contract falls due for renewal.

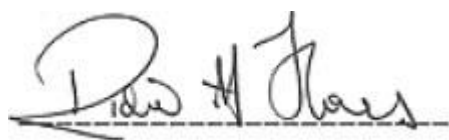
Governance

- Our regular Management Committee and Operations Committee provide a forum for the escalation of any key issues identified with an ongoing contract, or at the point of renewal, to senior management within our governance framework.
- Our Conduct Committee and Operational and Regulatory Risk Committee provide a forum within which we assess and ensure that the conduct, financial crime and operational risks associated with modern slavery

Summary

We are working to ensure that there is sufficient transparency, both within our own organisation and within our supplier base as such, we have developed a series of steps to mitigate the risks of modern slavery. However, we recognise that our commitment to a no tolerance policy to modern slavery is a continuous journey and we will therefore continue to assess performance and identify areas where we and our suppliers need to improve.

This statement is made pursuant of the Modern Slavery Act. This statement has been approved by the organisation's Board of Directors, who have the responsibility for its annual ratification.



Richard A A Thomas MBE
Chief Executive Officer
EFG Private Bank Limited

30 June 2022