



## **Modern Slavery and Human Trafficking Statement for the year ended December 31, 2024**

Shanghai Commercial Bank Limited (the "Bank") is a financial institution incorporated in Hong Kong, and has branches in Hong Kong, Mainland China, the United States of America and the United Kingdom. The Bank offers a comprehensive range of retail and corporate banking services and products including deposits, securities trading, credit cards, insurance and wealth management services and corporate and personal loans.

The Bank upholds zero tolerance towards modern slavery and human trafficking, and requires the management and its personnel to conduct business as well its service providers to render services ethically and with integrity. To effectively implement and enforce the Modern Slavery Act (the "Act") enacted in the United Kingdom, the Bank recognizes the indispensability of its policies, procedures, system and personnel, which are regarded as integral components in the Bank's efforts to combat modern slavery and human trafficking.

### **Corporate culture on ethics and equal opportunities**

All the internal stakeholders of the Bank must adhere to the Bank's Code of Conduct, Guideline for Modern Slavery Act, and Policy on Equal Opportunities with a view to maintaining a good reputation of the Bank and upholding the highest ethical standards, which are based on the Bank's seven core values, namely Proactive, Integrity, Respect, Professionalism, Teamwork, Accountability and Leadership, serving as the bedrock for the Bank's highest ethical standards to respect human rights and prevent any modern slavery and human trafficking activities both internally and externally.

Discrimination, bullying and harassment on any grounds are strictly prohibited within the Bank. The Bank requires its employees to treat their colleagues with dignity and respect, and takes extensive measures to ensure that the employment contracts of individual employees do not involve any form of modern slavery, servitude, forced or compulsory labour, or human trafficking. In 2024, the Bank received no report or concern regarding bullying, harassment, discrimination or retaliation.



## The Bank's Supply Chain and Operations

The majority of our suppliers are engaged in providing IT and consultancy services, and none of them are located in the high risk jurisdictions set out in the publication of the Global Slavery Index, or associated with adverse news related to modern slavery and human trafficking. The Bank was not aware of engaging any high-risk suppliers and operations throughout the last year.

In addition to the Customer Acceptance and Anti-Money Laundering and Counter-Terrorist Financing Policy, as well as the Guidelines on Outsourcing and Insourcing, the Bank also has the following policies and guidelines in place to address the requirements for prevention of modern slavery and human trafficking:

- a) The Supplier Code of Conduct outlines the requirements and expectations of the Group<sup>1</sup> for the social and environmental performance of suppliers, ensuring that suppliers align with the Bank's commitment to responsible and ethical practices.
- b) The Sustainability Policy sets out the approach and principles that the Bank will adhere to for promoting sustainable growth and the governance process. In pursuit of sustainability and corporate responsibility, the Bank seeks to work collaboratively with all supply chain partners to ensure its supply chain operates sustainably and responsibly.
- c) The Guideline for Modern Slavery Act explicitly states the Act-related requirements on suppliers, namely complying with the standards required by applicable legislation relating to employment and labour; avoiding causing or contributing to adverse human rights impacts and addressing any issues when they occur; and prohibiting the use of all types of modern slavery, forced labour and human trafficking within supplier's operations and their supply chain.
- d) The Whistleblowing Policy as elaborated further below is instrumental in establishing comprehensive procedures and processes to promote a secure and confidential platform for

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<sup>1</sup>Shanghai Commercial Bank Limited, its branches (including Mainland and overseas branches) and subsidiaries are collectively known as the "Group".



reporting whistleblowing concerns.

To ensure that modern slavery and human trafficking activities are not taking place in its business operations or supply chains, the Bank has also developed Act-related clauses applicable to its suppliers.

### **Whistleblowing and the escalation protocol**

The Bank encourages individuals to raise concerns about wrongdoing or unethical behaviour, and has implemented a robust Whistleblowing Policy for all of its internal and external stakeholders<sup>2</sup> to ensure that the desired culture of the Bank is well understood and shared at all levels.

The Bank's whistleblowing mechanism, coupled with the escalation protocol that promotes transparency and accountability in addressing reported issues, ensures that its staff and stakeholders can report any observed illegal, unethical or questionable practices in a confidential setting without the risk of reprisals. The process involves escalating the incident to the relevant independent authority for independent and confidential investigation. All evaluations and remedies implemented are documented for record-keeping purposes.

To provide effective governance and management oversight, the Bank has established relevant mechanisms in place to monitor and evaluate the implementation of whistleblowing arrangements, and ensure that necessary follow-up actions are taken in response to the outcomes of whistleblowing investigations. In 2024, the Bank received neither modern slavery nor human trafficking-related whistleblowing cases.

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<sup>2</sup>If you have witnessed any illegal activities or misconduct in the Bank, we encourage you to report it by clicking the hyperlink below and completing the provided form. Your assistance in maintaining the integrity of the Bank is greatly appreciated.

[https://www.shacombank.com.hk/eng/about/sht-stm/pdf/WR\\_Form.pdf](https://www.shacombank.com.hk/eng/about/sht-stm/pdf/WR_Form.pdf)



## **Training**

Staff training is a crucial element of an effective system to prevent modern slavery and human trafficking activities. To enable that the staff are well informed and adequately trained to implement the abovementioned policies and controls, the Bank has enhanced the induction training which serves as the initial step for all new staff to understand its requirements and examples of modern slavery and human trafficking, and to ensure that they are aware of the requirements and expectations from the outset.

## **Due Diligence**

All activities involving third-party suppliers are identified for information management and risk assessment purposes. Before engaging with these suppliers, including employment agencies, the supplier owner has to conduct initial due diligence to evaluate their social and environmental performance, sustainable growth, governance processes, human rights practices, etc. These assessments determine the level of awareness and focus required during the conduct of procurement activities.

To ensure that the Bank, its subsidiary companies, branches and service providers are in compliance with the Act, and to mitigate the potential risk to which the Bank may be exposed, the Bank will engage only those suppliers adopting high ethical, professional and legal standards. In cases where a supplier is found to be non-compliant with the Act, the Bank will take steps to exit the relationship. In 2024, the Bank did not engage any high-risk suppliers.

## **Review and Approval of the Statement**

This statement should be reviewed annually and as required to ensure its relevance and effectiveness.

**This Statement has been endorsed by the Risk Committee of the Bank and was signed on behalf of the Board of Directors of Shanghai Commercial Bank Limited by Executive Director Mr. Charles Chi Man Ma on 23 April 2025.**