

AIB Group (UK) plc

AIB Group (UK) plc Modern Slavery Statement 2016

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by AIB Group (UK) plc during year end 31 December 2016 to prevent modern slavery and human trafficking in its business and supply chains.

Introduction

AIB Group (UK) plc (AIB UK) has a zero tolerance approach to Modern Slavery within our own operations and within the supply chain. We recognise the need to be aware of the risks in our business and our supply chain and have taken appropriate steps to mitigate these risks. Our Code of Conduct underpins all our actions and staff are encouraged to report any concerns which Senior Management are expected to act upon them

Our Business and Supply Chains

AIB UK operates in Northern Ireland as First Trust Bank and in Great Britain as AIB (GB). As a Financial Services Business, the inherent risk of Modern Slavery in our internal operations is considered relatively low. Our supply chains are primarily confined to the UK and Ireland however we do have suppliers who operate globally.

Policies

AIB UK internal policies include our **Code of Conduct** which sets out the key standards for behaviour and conduct that apply to all employees. The Code includes particular requirements regarding responsibilities of management for ensuring that business and support activities are carried out to the highest standards of behaviour. The application of the Code of Conduct is underpinned by policies, practices and training which are designed to ensure that the code is understood and that all employees act in accordance with it.

We also operate a **Speak Up** policy which encourages staff to raise any concerns of wrong-doing through a number of channels, both internal and external, including a confidential external help-line. Employees are assured that if they raise a concern in good faith AIB UK will not tolerate victimisation or unfair treatment of the employee as a result.

Our **Diversity and Inclusion** policy helps us to be the best that we can in our thinking, our decisions and our outcomes. By respecting, developing and harnessing the talents of all our employees, we commit to creating an inclusive and supportive organisation that treats everyone with dignity and respect. We respond quickly and responsibly to any complaints of discrimination, victimisation, intimidation, harassment, bullying or misconduct.

Our **Outsourcing** policy sets out the actions required for the implementation and subsequent monitoring of any new Outsourcing arrangement including the renewal or the alteration to any existing Outsourcing arrangement. The policy includes the requirement for a comprehensive due diligence process prior to the execution of the contract.

Due Diligence of Suppliers and Supply Chain

The largest potential exposure for Modern Slavery risk for AIB UK lies within our supply chains.

In 2016 we have implemented due diligence checks for new suppliers to ensure they comply with the Modern Slavery Act. This includes the requirement that suppliers conduct regular Modern Slavery risk assessments within their own operations and supply chains, implement appropriate controls to prevent Modern Slavery and notify AIB UK immediately if they become aware of any Modern Slavery within their own operations and/or supply chains.

Assessment of Modern Slavery risk within our Supply Chain

Throughout 2016, we have increased our attention on Modern Slavery risk within our supply chain.

We have completed a risk assessment of our suppliers focusing on geographical risk, industry/sectoral risk and use of temporary workers. A written communication has been issued to all suppliers considered by the Bank to be high/medium risk, outlining our zero tolerance approach and seeking confirmation of their compliance with the Modern Slavery Act.

Modern Slavery Awareness

An awareness-raising session has been launched across AIB UK to inform staff of the Modern Slavery Act, indicators of modern slavery, the actions we are taking and the consequences of getting it wrong. We have also signposted staff to raise concerns through our "Speak Up" policy and provided external contact points.

Assessment of effectiveness in preventing Modern Slavery

Our approach to Modern Slavery risk will evolve and we will continue to mitigate this risk throughout 2017 and beyond. We have developed Key Risk Indicators for Modern Slavery risk which will be monitored from Q4 2016. These KRIs include staff awareness, customer complaints, Speak Up incidents and media queries specific to Modern Slavery.

This statement was approved by the Board of AIB Group (UK) plc.

Brendan O'Connor
Managing Director, AIB Group (UK) Plc
April 2017