



Pearl Initiative

Event Report: Business Pledge Student Lecture



Event Report

Setting Targets for Sustainable and Responsible Growth with HSBC

Business Pledge Student Lecture



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The Pearl Initiative launched the Business Pledge to call upon senior business leaders across the Gulf Region to make a public commitment to adhere to principles of ethical and responsible conduct when carrying out business and interacting with society.

The Business Pledge allows business leaders the opportunity to showcase their best practices in ethical business conduct whilst bringing students and business leaders together to discuss the four pillars of the Pearl Initiative's Business Pledge programme, these being:



Acknowledgements

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- HSBC
- Nisha Roopani, Regional Sanctions Programme Manager, HSBC
- Murdoch University Dubai
- Madhavi Ayyagari, Program Chair, Murdoch University
- Murdoch University Students

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Event Summary

Event Location: Murdoch University Dubai

The Pearl Initiative held a collaborative event with Murdoch University Dubai and HSBC on 22nd January 2020. This event is under the Business Pledge sessions which are held throughout the year as part of the Pearl Initiative's student engagement initiatives.

The objective of the Business Pledge is to invite senior business leaders from the Private Sector to make a public commitment towards promoting responsible and sustainable business in line with good corporate governance practices across the Gulf Region.

This session was delivered by Ms. Nisha Roopani who is the Regional Sanctions Programme Manager at HSBC. The session revolved around the topic of 'Promoting Integrity'.

Integrity practices is vital to the compliance team at HSBC, this is mainly due to their main objective being, that being safeguarding the bank from risks, contributing to the financial system, fighting financial crime and money laundering.

A simple definition of money laundering is 'making dirty money look clean' towards a financial institution. At HSBC, there are three stages where dirty transactions can be detected;

Placement: Disposal of cash or other assets derived from criminal activity into finance institutions, blending of funds, foreign exchange, breaking up amounts, currency/asset smuggling, loans.

Global banks deal with thousands of transactions a day and having to find out even one transaction that deals with dirty money is equal to finding a needle in a haystack.

Nisha Roopani – HSBC

Layering: The separation of illicit proceeds from their source layers of financial transaction intended to conceal the origin of the proceeds. Electronic movement of Money, reselling high value goods, investing in real estate, placing money in stocks.

Integration: Suppling apparent legitimacy to illicit wealth through the re-entry of the money into the economy in what appears to be normal business or personal transaction. Purchasing luxury asset like property, artwork, and jewellery. Getting into financial arrangements or other ventures

The effects of money laundering and its direct link to crime is evident through history and role of the compliance team. It stretches beyond crime into human trafficking, terrorism, corruption, poverty and instability.

Concluding the lecture, it was shared that it is a common practice at HSBC to identify and assess risks through extensive due diligence. This comes in forms of Q&A's on applications, call backs and a framework created by HSBC where customers go through a rigorous process of screening before transactions or other financial activities take place.