

Board statement on slavery and human trafficking

2021

Introduction

Secure Trust Bank PLC and its subsidiaries, V12 Retail Finance Limited, STB Leasing Limited and Debt Managers (Services) Limited (“the Group”) are committed to tackling modern slavery and human trafficking and have taken steps to ensure it is considered and addressed in our business and throughout our supply chain, consistent with our obligations under the Modern Slavery Act 2015 (“the Act”).

The Group is registered with Transparency in the Supply Chain (TISC) Report and Modern slavery statement registry service to further demonstrate its commitment to increasing transparency within its supply chain and within its own business, in tackling modern slavery and human trafficking. A copy of the Group Board Statements (from 2016 onwards) are published on [tiscreport.org](https://www.tiscreport.org) and [modern-slavery-statement-registry.service.gov.uk](https://www.modern-slavery-statement-registry.service.gov.uk) websites.

The Bank's Organisational Structure

Secure Trust Bank PLC is a retail and commercial bank, providing banking services as well as lending solutions and savings products in the financial services sector in the United Kingdom. The Group's head office is located in Solihull, West Midlands and, at 31 December 2021, the Group had 959 employees (including contractors) across the UK.

Our business is organised into a number of business units:-

- **Consumer Finance - vehicle finance and retail finance.**
- **Consumer Lending – residential mortgages.**
- **Consumer Leasing – electrical goods.**
- **Business Finance - commercial finance and real estate finance.**
- **Savings - notice, deposit accounts and ISAs.**
- **Debt collection - debt collection activities on behalf of a range of clients.**

Our supply chain includes, but is not limited to:-

- **Construction, manufacturing and utilities.**
- **Domestic service and cleaning work.**
- **Hospitality and catering.**
- **Recruitment and employment.**
- **Information technology and software development.**
- **Financial and legal services.**
- **Marketing and advertising.**

Policies in relation to slavery and human trafficking

Our Modern Slavery Policy reflects the Group's commitment to acting ethically and with integrity in all our business relationships. We reinforce our commitment to tackling modern slavery and human trafficking in the following internal Policies:-

- **Whistleblowing Policy;**
- **Recruitment Policy;**
- **Procurement Policy;**
- **Supplier Management Policy; and**
- **Anti-Bribery and Corruption Policy.**

The Group's Policies are available to all staff and accessible by our internal intranet site.

Due Diligence Processes for Slavery and Human Trafficking

As part of our commitment to combating slavery and human trafficking within our supply chain, we have implemented a proportionate system to:-

- **Identify and assess potential risk areas in our supply chain;**
- **Mitigate the risk of slavery and human trafficking in our supply chain;**
- **Monitor potential risk areas in our supply chain; and**
- **Protect whistle-blowers.**

We assessed 519 suppliers within our supply chain in 2021 and identified 36 that were potentially at risk to modern slavery and human trafficking. This is because the services they provide to us falls into an industry we have categorised as being at risk to slavery or trafficking. These industries are noted in the section below. We required these suppliers to provide us with additional assurance of the programme they have in place to address this risk.

Areas of risk for Slavery and Human Trafficking

We have actively taken steps to identify areas within our business where there is a risk of slavery and human trafficking. We do this at the point of on boarding a new supplier and as part of an annual assessment programme of existing suppliers. During 2021, the following industries in our supply chain have been identified as potential areas where these risks may arise:-

- **Construction, manufacturing and utilities.**
- **Domestic service and cleaning work.**
- **Hospitality and catering.**
- **Recruitment and employment.**
- **¹Information, technology and telecommunication.**

¹We identified that the potential risk lies in the provision of IT and telecommunication support services, such as helpdesks which may be outsourced to offshore locations.

We required the 36 suppliers assessed as being potentially at risk to slavery and human trafficking - due to the industry they operate in to provide us with information about their internal programme to identify and manage these risks. This could include the provision of a Modern Slavery Policy or reference to information on their website confirming the steps they have taken.

Supplier Adherence to our Values and Ethics

We operate a supply chain management process which involves the assessment and ongoing monitoring of 'critical' contractors and suppliers in line with the Supplier Management Policy and Procedure owned and managed by the Procurement Team. We inform contractors and suppliers of our zero-tolerance approach to modern slavery and human trafficking at the outset of our business relationship and as part of our ongoing supplier review process.

Training and Awareness

We recognise the importance of providing training to our staff in order to raise awareness of the risks our business may face from modern slavery and human trafficking. In April 2021, 2896 staff completed Modern Slavery e-learning via our internal Learning Management System.

The training, amongst other areas, informs staff how and where they can make a notification in the event they identify modern slavery, human trafficking or forced labour within our business or in our supply chain.

Our commitment to tackling modern slavery and human trafficking is referenced in our Whistleblowing Policy, Recruitment Policy, Anti-Bribery and Corruption Policy, Supplier Management Policy and Procurement Policy and is communicated to our staff. We openly encourage our staff to raise concerns about any issue or suspicion of modern slavery, in line with our Whistleblowing Policy.

We continue to maintain our registration with the Home Office Contact database to allow us to keep on top of updates or changes to modern slavery reporting requirements..

Effectiveness in Combating Slavery and Human Trafficking

We use the following key performance indicators (KPIs) to measure how effective we have been in ensuring that slavery and human trafficking is not taking place in any part of our business or supply chains:-

- **All current staff to have completed anti-slavery and human trafficking training;**
- **The number of whistleblowing reports relating to modern slavery and human trafficking made by staff and resulting action; and**
- **The number of suppliers evaluated using our supplier risk assessment programme.**

At the end of the 2021 financial year:-

- **896 staff completed our e-learning training on anti-slavery and human trafficking;**
- **There were zero whistleblowing reports made by staff relating to modern slavery or trafficking; and**
- **We assessed 519 suppliers in our supply chain using our supplier risk assessment programme.**

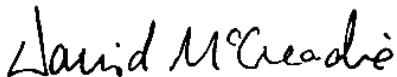
²The number of staff trained excludes those on long-term absence and maternity leavers at the time the training was assigned and therefore will not match the number of employees noted as at 31 December 2021.

We will review and monitor the effectiveness of our KPIs on a regular basis.

In 2019, we committed to reviewing our supplier assessment process which we completed during 2021, to identify how we can determine whether any of our suppliers, who are required by the Modern Slavery Act 2015 to publish a Modern Slavery Statement, are not compliant with this requirement. We engaged the services of TISC Report to identify the suppliers that are in scope of needing to publish a Modern Slavery Statement and those that are not. As of January 2022, TISC Report data shows that 114 of our 519 suppliers are required to publish a statement to comply with reporting requirements and of these, we have identified from our own internal review two who are non-compliant.

This Statement is made pursuant to section 54(1) of the Modern Slavery Act and has been approved by the Board on 25th February 2022. It constitutes the Group's Modern Slavery and Human Trafficking Statement for the financial year ending December 2021.

Signed on behalf of the Board:



David McCreddie

Secure Trust Bank PLC Board Member and Chief Executive Officer

Dated: 25 February 2022