

BOARD STATEMENT ON MODERN SLAVERY AND HUMAN TRAFFICKING

Introduction

Secure Trust Bank PLC and its subsidiary, V12 Retail Finance Limited (“the Group”) has a zero-tolerance approach to modern slavery and is committed to acting ethically and with integrity in all its business dealings and supplier relationships. It will implement and enforce appropriate systems and controls designed to prevent modern slavery taking place in its business or in any part of its supply chain, consistent with its 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 the [TISC Report](#) and [Modern Slavery Statement Registry](#) websites .

The Group’s Organisational Structure

The Group provides 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 2023, the Group had 897 employees (including contractors) across the UK.

The Group’s business is organised into a number of business units:

- Consumer Finance - vehicle finance and retail finance.
- Business Finance - commercial finance and real estate finance.
- Savings - notice, deposit accounts and ISAs.

The Group’s 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 Dealing with Modern Slavery and Human Trafficking

The Group’s Modern Slavery Policy reflects its commitment to acting ethically and with integrity in all its business relationships. The Group reinforces its commitment to a zero-tolerance approach to modern slavery and human trafficking in the following internal policies:

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

The Group's Policies are available to all employees and are accessible on the internal intranet site.

Due Diligence Processes for Slavery and Human Trafficking

As part of its commitment to combating slavery and human trafficking within the supply chain, the Group has implemented a proportionate system to:

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

The Group assessed 754 suppliers within its supply chain in 2023 and identified 10 that present a higher risk of modern slavery and human trafficking due to the services they provide. These industries are noted in the section below. The Group required these suppliers to provide additional assurance of the programmes they have in place to address their risks.

Areas of Risk for Modern Slavery and Human Trafficking

The Group has taken active steps to identify areas within its business where there is a risk of modern slavery and human trafficking. This is done at the point of onboarding a new supplier and as part of an annual assessment programme of existing suppliers. During 2023, the following industries in the 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.

The Group required the 10 suppliers assessed as being potentially higher risk for slavery and human trafficking, due to the industry they operate in, to provide it with information about their internal programme to identify and manage these risks. This may include the provision of a Modern Slavery Policy or reference to information on their website confirming the steps they have taken.

¹ The Group 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.

Supplier Adherence to Group Values and Ethics

The Group operates 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. Contractors and suppliers are informed of the zero-tolerance approach to modern slavery and human trafficking at the outset of the business relationship and as part of ongoing supplier reviews.

Training and Awareness

The Group recognises the importance of providing training to employees in order to raise awareness of the risks the business may face from modern slavery and human trafficking. In April 2023, 810² employees completed Modern Slavery e-learning via the internal Learning Management System.

The training informs employees how and where they can make a notification in the event they identify modern slavery, human trafficking or forced labour within the Group's business or supply chain.

The Group's commitment to tackling modern slavery and human trafficking is referenced in its Whistleblowing Policy, Recruitment Policy, Anti-Bribery and Corruption Policy, Supplier Management Policy and Procurement Policy and is communicated to all employees. Employees are encouraged to raise concerns about any issue or suspicion of modern slavery.

The Group maintains its registration with the Home Office Contact database, which provides updates and notifications of changes to modern slavery reporting requirements.

Effectiveness in Combating Slavery and Human Trafficking

The Group uses the following key performance indicators (KPIs) to measure how effective it has been in ensuring that slavery and human trafficking is not taking place in any part of its business or supply chains:

- All current employees to have completed anti-slavery and human trafficking training,
- Number of referrals for Modern Slavery/Human Trafficking made (either via Unusual Activity Report, Whistleblowing process, or to the Financial Crime Risk Team)
- The number of suppliers evaluated using the Group supplier risk assessment programme.

At the end of the 2023 financial year:

- 810 employees completed e-learning training on anti-slavery and human trafficking,
- There were zero whistleblowing reports made by employees relating to modern slavery or trafficking and
- 754 suppliers were assessed using the Group supplier risk assessment programme.

No material risks were identified through internal supplier assessments.

The effectiveness of these KPIs will be monitored on a monthly basis.

² Of 813 employees assigned the training module. The number of employees 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 2023.



This Statement is made pursuant to section 54(1) of the Modern Slavery Act and has been approved by the Board on 22nd February 2024. It constitutes the Group's Modern Slavery and Human Trafficking Statement for the financial year ending December 2023.

Signed on behalf of the Board:

A handwritten signature in black ink that reads "David McCreddie". The signature is written in a cursive, slightly slanted style.

David McCreddie

Secure Trust Bank PLC Board Member and Chief Executive Officer

Dated: 22nd February 2024