

Modern Slavery and Human Trafficking Statement

This statement is made in relation to Section 54(1) of the Modern Slavery Act 2015 and sets out the steps we have taken to minimise and manage the risks of potential modern slavery and human trafficking incidences within our business and supply chain. It covers the period 01 January 2023 through to 31 December 2023.

Policies and procedures

The Society has a policy framework in place to guide actions and behaviours within our business. Those which relate to the prevention and reporting of modern slavery and human trafficking are:

- Supplier code of conduct – this sets out the Society's expectations of suppliers across a range of sustainability and governance topics, including modern slavery and human trafficking, with which all suppliers are expected to comply.
- Speak Out (whistleblowing procedure) – this sets out the procedure our colleagues or suppliers should follow to report suspected misconduct or illegal acts, including instances of modern slavery or human trafficking.

Within our business

We have stringent vetting procedures in place for all colleagues joining the business, which, depending on the role, include the right to work in the UK, DBS and credit checks, references, and sanctions checks. Any discrepancies identified during the screening of candidates are reviewed on an individual basis.

We deliver a regular programme of training to our colleagues, which in 2023 included a mandatory module on awareness of modern-day slavery. During the year we have also refreshed our colleagues' knowledge on other related key policies including Speak Out (whistleblowing). Additionally, the Society recognises an independent trade union (Aegis) which provides an additional channel for union members to raise concerns.

The Society continued to be accredited in 2023 as a Real Living Wage Employer, which is a voluntary scheme to pay a UK wage rate based on the cost of living.

We recognise financial systems have the potential be used by criminals for malicious purposes. Our Financial Crime department actively monitors customer transactions. If we have reason to believe or suspect a customer or colleague is subject to modern slavery or human trafficking we have an escalation process in place, including referral to law enforcement agencies where appropriate.

Within our supply chain

The Society works with a range of companies to support its members with the best possible service, ranging from large multinational corporations to Small and Medium Sized (SME) companies in the local North Yorkshire area.

Our policies and procedures are designed to ensure that the Society will not engage in any business activity with a third-party organisation which engages, or is believed to engage in, people trafficking, slavery, forced labour or domestic servitude.

We have a standard set of sustainability related questions which are used both during supplier selection and onboarding when tendering for contracts, and as part of annual governance checks on managed suppliers. This includes asking prospective suppliers about the steps they are taking in their own organisations to address the risks of modern slavery and human trafficking. We are in the process of including a minimum weighting for sustainability within our tendering process and expanding questions to cover a wider range of topics, including fair pay and employment.

The Society undertakes due diligence on its key third-party partners and suppliers to ensure that their policies and practices are both compliant with the Modern Slavery legislation and are aligned to the Society's expectations.

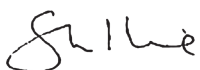
During 2023 we have carried out annual governance reviews on relevant suppliers requiring confirmation of their adherence to modern slavery requirements. We seek and request evidence from the Society's critical suppliers that, where they are required to publish a Modern Slavery Statement, they have done so.

We have been using EcoVadis, a sustainability ratings company, since 2022 to monitor the sustainability performance of our supply chain. Their rating process includes a module focusing on labour and human rights, giving us insight into the policies, processes, and actions our suppliers are taking. In 2023 we agreed new criteria to determine which companies will be requested to join the platform, putting greater emphasis on categories where we consider there to be the possibility of higher sustainability-related risks, such as modern slavery.

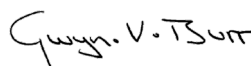
Statement approval

The Society's board of directors fully supports the objectives of the Modern Slavery Act 2015 and is intent on meeting the specific requirements of the Act in relation to where the Society might encounter modern day slavery.

This statement was approved on the 24th of June 2024 by the board of directors of Skipton Building Society and is signed by:



Stuart Haire, Group Chief Executive.



Gwyn Burr, Chair.

