

A zero-tolerance approach to slavery and human trafficking



INTRODUCTION AND POLICY STATEMENT

This statement is made pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 (“the Act”) and sets out the steps that United Trust Bank (UTB) has taken to reduce, as far as possible, the risk that slavery and human trafficking takes place in any parts of its business or supply chains. This statement was approved by the Board of Directors on 27th June 2019 and signed by Jonathan Ayres, Chief Financial Officer.

UTB has a zero-tolerance approach to slavery and human trafficking and is committed to acting ethically and with integrity in all its business dealings and relationships.

UTB is also committed to ensuring that there is transparency in its business and in its approach to tackling the risk of modern day slavery throughout its supply chains. We expect high standards from all our suppliers, contractors and other business partners. Therefore, as part of our contracting process, we provide all our suppliers with details of the requirements of the Act, including the requirement not to use forced, compulsory or trafficked labour, or anyone held in slavery or servitude, whether adults or children. Additionally we expect our suppliers to hold their own suppliers to the same high standards.

Further, we risk assess all of our suppliers in relation to the Act’s requirements. We ask any supplier which we do not consider low risk to complete a specific questionnaire to provide evidence to us that they have considered the Act’s requirements and confirm that they are applying the Act’s requirements.

This supply chain due diligence is not only carried out initially but during the life of our supplier relationships.

Our Structure

Incorporated in 1955, UTB is an entrepreneurial and fast growing UK Bank, driven to understand and serve its customers’ needs by providing customer centric products delivered by staff with specialist skills and knowledge. UTB does not have any branches or offices outside the UK.

Our Business

The Bank’s primary activity is the provision of credit on a secured basis in niche markets within the United Kingdom. The Bank provides short to medium-term property loans for both the development of residential dwellings, the bridging of completed properties and property portfolios, as well as a regulated second charge mortgage product. The Bank finances plant, machinery and wheeled assets to small and medium sized enterprises (“SMEs”) and short-term working capital financing solutions to the professional services sector. All of the lending activities are funded by the Bank’s capital base and the provision of a range of fixed and notice period deposit products to individuals and SMEs.

Our Supply Chains

UTB considers that within its business model the following relationship types are categorised as suppliers:

- Credit intermediaries/ credit brokers
- Contractors/ employees
- Housekeeping/ office maintenance
- IT infrastructure, hardware and technical support
- Professional services

Our Policies On Slavery And Human Trafficking

UTB’s policies reflect its commitment to acting ethically and with integrity in business relationships to ensure slavery and human trafficking should not take place anywhere in its supply chains.

UTB does not allow the use of forced compulsory labour, slavery, servitude and human trafficking in the course of its business. This includes sexual exploitation, securing services by force, threats, or deception and securing services from children and vulnerable persons.

Our employment procedures require that UTB conducts appropriate checks on all staff to ensure they can legally work in the United Kingdom.

In addition, all policies reflect our commitment to act ethically and with integrity and to implement effective systems and controls to eliminate as far as possible the risk of modern slavery and human trafficking taking place anywhere in our business or supply chains. Our policies are reviewed to ensure continued compliance with the Act.

In order to manage the risk of slavery and human trafficking, UTB has the following policies:

Modern Slavery Policy – this provides background to the offence, criteria for assessing risk within the supply chain and avenues for reporting suspicions.

Outsourcing and Third Party Policy – this provides the due diligence and ongoing monitoring requirements when engaging with a third party.

Conduct Risk Framework and Company Values Statement – this promotes the standards of behaviour expected of all staff.

Whistleblowing Policy – this encourages all staff to report any concerns related to the activities of the business. The Whistleblowing Policy is designed to ensure that any matter raised under this procedure will be investigated thoroughly, promptly and confidentially. Additionally, the policy guarantees that no one will be victimised for raising a matter under this procedure.

Risk Management for Modern Slavery and Human Trafficking

The financial services industry in the UK is considered to be a low risk industry in relation to modern slavery and human trafficking. UTB does not have any offices or branches outside of the UK, nor does it employ low skilled migrant workers. UTB's business model requires competent/skilled staff which prior to employment have a

series of background checks completed. The Bank has a remuneration policy which is reviewed by the Management Committee to ensure the best staff are attracted to the Bank and are retained. Overall therefore UTB considers its direct risk to modern slavery and human trafficking to be low.

In addition to our employees, we have also considered the indirect risks within our supply chain. All third party relationships are with firms in the UK and are therefore considered to be low risk based on jurisdiction. Where we consider a supplier to be in an industry where the risk of modern slavery is greater than 'low', appropriate steps are taken to ensure the supplier is aware and understands UTB's expectations of them.

A governance and risk management framework is in place to support adherence to policies/procedures and to identify risks faced by the Bank, to be reasonably assured that these are monitored, and that appropriate controls are in place to mitigate each risk to an acceptable degree.

The risk management framework is based on a "three lines of defence" model which includes the front line being responsible for risk identification, assessment and mitigation; the second line providing oversight and the third line providing independent and objective assurance.

As part of UTB's Outsourcing and Third Party relationship Policy, we carry out appropriate due diligence initially and during the life of the relationship to ensure that suppliers are as committed to the prevention of human trafficking and modern slavery as UTB.

Training

To ensure a high level of understanding of the risks of slavery and human trafficking in our supply chains and our business, relevant members of staff will be notified of our policy and how it applies to their role.