Modern Slavery Act Statement 2018

Shawbrook Bank Limited, part of the Shawbrook Group, is a specialist UK savings and lending bank founded in 2011 to serve the needs of SMEs and individuals in the UK with a range of lending and saving products. At 31 December 2018 our total lending reached £5.9 billion and we have now raised more than £5.0 billion in customer deposits. We have published here our annual statement of slavery and human trafficking, made in compliance with section 54 of the Modern Slavery Act 2015 (‘MSA’), in which we explain the steps we are taking in the fight against it. This statement is intended to fulfil the legal requirement for a slavery and human trafficking statement on behalf of all companies within our Group.

Our Structure and Supply Chain

We strive to achieve mutually advantageous supplier relationships, built on common values and expectations. It is our commitment to conduct business in a responsible and sustainable manner that underpins our engagement with third party suppliers, only working with those that resonate with our values.

In 2018, we took the appropriate steps to ensure slavery and human trafficking were absent from both our business and supply chain through the introduction of a database for the monitoring of MSA compliance. This built upon our established Outsourcing Policy which ensures that there is a framework which is followed to efficiently manage potential and contracted third party relationships and comply with regulatory obligations.

The Bank continues to comply with Financial Conduct Authority rules in SYSC 8 ‘Outsourcing’, which requires us to take all reasonable steps to avoid undue additional operational risk and take all reasonable steps to ensure that a Service Provider has the
ability, capacity and authorisation required by law to perform the outsourced functions, services or activities reliably and professionally.

**Policies on Modern Slavery**

As a result of our growth with our supply chain network, we have actively sought to improve our internal controls regarding how we source, onboard and manage supplier relationships. We have also continuously improved our policies throughout the year. During the year, a Group wide Procurement and Supplier performance management policy was introduced which enhances the onboarding process and reinforces the importance of due diligence and supplier governance in relation to slavery and human trafficking issues, which requires colleagues to act ethically and with integrity in all their business relationships.

**Due Diligence Processes**

To demonstrate high quality due diligence processes throughout the Bank, we have introduced ‘Hellios’ as a partner to augment our internal processes. Hellios is recognised for providing total supplier information and risk management solutions and we are confident that this partnership strengthens our ability to systematically monitor supplier activity, ensuring full compliance with our values and relevant legislation, including the MSA.

**Risk Assessment**

In 2018 there were no reported instances of modern slavery within the Bank or its Supplier Relationships. The Bank has a zero-tolerance policy to any modern slavery and by having the correct tools and regularly reviewing our policies, we can ensure that any occurrences are swiftly and severely addressed. Should any instances of modern slavery be identified, the Bank will take internal action and escalate to the relevant authorities, immediately suspending the employee or supplier.

To address and identify risks, we have updated our policies and processes for reviewing and evaluating current and prospective suppliers to understand their self-assessment of slavery and human trafficking issues.

**Measuring effectiveness**
The Bank will continue to review and monitor its approach to modern slavery amongst our colleagues and suppliers on a regular basis.

**Modern Slavery Awareness**

Alongside our employee-based training, we have also extended training on modern slavery to suppliers and business owners in line with the new procurement and supplier performance management policy.

The statement has been published pursuant to section 54 (1) of the Modern Slavery Statement 2015 and constitutes Shawbrook Bank Ltd’s slavery and human trafficking statement for the 2018 financial year. It has been approved by the Board of Directors and will be reviewed annually.

Ian Cowie  
Chief Executive Officer  
Shawbrook Bank Limited

April 2019