

## **MODERN SLAVERY ACT TRANSPARENCY STATEMENT 2018**

This statement is made pursuant to Section 54(1) of the Modern Slavery Act 2015 ("the Act") and sets out the steps that Leeds Building Society ("the Society") together with its subsidiary and associated companies have taken in 2018 to ensure that slavery and human trafficking are not taking place in its supply chains or any parts of its business.

### **Who we are and what we do**

Leeds Building Society is Britain's fifth largest building society and has over 800,000 members. The Society's trading subsidiary and associated companies are Leeds Mortgage Funding Ltd and Leeds Building Society Covered Bonds LLP.

The Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Our mission is to help people save and have the home they want. Services are provided through the Society's national Branches, online and member contact centres, as well as through its intermediary network in relation to home finance products.

### **Our Supply Chain**

The Society's supply chain includes over 500 suppliers of goods and services that we buy from the external market including professional services (such as conveyancing services), office consumables, corporate clothing and IT software. The regulated nature of financial services means that we operate within a low risk industry for modern day slavery, but nevertheless we remain vigilant and take our responsibilities under the Act seriously.

### **Our Policies and Processes**

The Society's business values include integrity and this is one of the ways that we ensure ethical and compliant behaviour sits at the heart of what we do. We have implemented a variety of policies including a Procurement and Supplier Management Policy which require colleagues to act ethically and with integrity in all of their business relationships. This Policy is reviewed regularly, together with its accompanying standards and procedures. We take a risk based approach when reviewing procurement of goods and services and place a specific focus on industries that carry a higher risk of modern day slavery. In 2018 we focused on suppliers of clothing to our business, and proactively engaged with them to ensure that they were complying with the Act in terms of their own procurement.

Colleagues across the Society are advised by our Procurement team on approaches to due diligence at the point of entry into supplier arrangements, which are proportionate to the risks involved in individual procurement exercises. Oversight and governance is provided by our bi-monthly Operational Resilience Committee and operational areas are expected to attest against controls on at least an annual basis under the Risk Management Framework.

### **Our Compliance with Policy Standards**

The Society employs over 1,350 colleagues throughout our business, and all are vetted and referenced before they begin work. All receive regular training on our business values, which include matters relating to financial crime and public interest disclosures in accordance with our Speak Up Policy and Processes. The Society pays all colleagues at least the Living Wage, and all are eligible to join our Colleague Association.

The Society remains committed to doing all that it reasonably can to contribute toward helping eradicate modern slavery and human trafficking and will keep policies and procedures under review in 2019.

This statement was approved by our Board on 30<sup>th</sup> May 2019 and is signed on behalf of the Board by Karen Wint, Chief Operating Officer.



**Karen Wint**  
Chief Operating Officer