

## Modern Slavery Act Transparency Statement

### Slavery and Human Trafficking Statement made on behalf of Coventry Building Society and its subsidiaries Godiva Mortgages Limited and ITL Mortgages Limited further to section 54 of the Modern Slavery Act 2015

#### ORGANISATION'S STRUCTURE AND BUSINESS

Coventry Building Society is a financial services provider based in Coventry, United Kingdom. The Society provides retail savings products, and the Society and its wholly owned subsidiaries Godiva Mortgages Limited and ITL Mortgages Limited (together 'the Society') provide mortgage products. The Society does not have a presence outside the United Kingdom.

The Society has been looking after our members' finances for over 130 years, and today we are proud of our record as one of the UK's strongest building societies. We are now the second largest building society in the UK with assets of £40 billion (as at 30 June 2017), serving over 1.8 million members and employing over 2,400 staff. We provide competitive savings and mortgage products to our members, jobs and career development for our employees, and social and economic benefits to our local communities.

The simplicity of our business model, focussing as it does purely on savings and residential mortgages means that we do not lend to businesses and do not have exposure to 'unethical' sectors.

#### THE SOCIETY'S SUPPLY CHAINS

The Society does not manufacture any goods. The Society's suppliers support our property and IT estate, and the retail financial services we provide to members and customers. The suppliers are subject to due diligence checks before we enter into contracts, as well as regular ongoing risk monitoring.

All the Society's call centres are UK-based and operated by the Society, and the majority of the Society's suppliers are also UK based.

#### OUR APPROACH TO SLAVERY AND HUMAN TRAFFICKING

The Society has zero tolerance to slavery and human trafficking and is committed to taking all reasonable steps to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

Because of the nature of the Society's business and its supply chains, following careful consideration, we consider that the risk of the presence of slavery or human trafficking in our supply chains is low. However, the Society is not complacent in relation to these issues.

Our policy is to require all our suppliers to comply with applicable legal requirements, including in relation to modern slavery and human trafficking. The Society's Procurement Policy states:

**"Modern slavery** – Suppliers will ensure that employees are treated fairly and ethically, and that there is no slavery, servitude, forced/compulsory labour, or human trafficking.

**Forced Labour** – Suppliers will not use any forced labour, which means any work or service performed involuntarily under threat of physical or other penalty. Suppliers shall respect the freedom of movement of its workers and not restrict their movement by controlling identity papers, holding money deposits, or taking any other action to prevent workers from terminating their employment.

**Child Labour** – Suppliers will not directly (or indirectly through the use of its subcontractors) employ any children under the age of 16.

**Diversity and Inclusion** – Suppliers will hire, compensate, promote, discipline, and provide other conditions of employment based solely on an individual's performance and ability to do the job. Suppliers will not discriminate based on a person's race, gender, age, nationality, marital status, ethnic origin, or any legally protected status."

When bidding for new appointments, suppliers are required to confirm their compliance with these requirements. Following appointment, we operate a programme of supplier relationship management activities. Where any concerns arise, a full assessment is made and appropriate actions are taken to address those concerns. We see our approach to Procurement and Supplier Relationship Management as an effective measure in carrying out our zero tolerance approach to slavery and human trafficking.

**Training our colleagues**

We provide all of our colleagues with training that's relevant to them. We also ensure our management teams have additional support which includes guidance to make sure our recruitment process is consistent and our approach to managing suppliers is effective. We have given, and will continue to give, extra training to colleagues who regularly work with and have a level of operational responsibility for managing our third party suppliers on the Modern Slavery Act 2015.

**Next Steps**

We regularly review our approach to tackling modern slavery. This helps us engage with suppliers to identify any ethical trading issues and incidents of modern slavery or human trafficking and take appropriate action

**This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes the Society's slavery and human trafficking statement for the financial year ending 31 December 2017**

For and on behalf of:

**Coventry Building Society**

Chief Executive



**Godiva Mortgages Limited**

Director



**ITL Mortgages Limited**

Director



Date 6<sup>th</sup> Feb 18