

Modern Slavery Statement – Financial Year ended 31 December 2023

Introduction

This statement is made pursuant to Section 54 of the Modern Slavery Act 2015 (the “**Act**”) and sets out the steps that Cynergy Bank and subsidiary companies (the “**Bank**”) has taken to minimise the risk of modern slavery or human trafficking taking place in any part of its business or supply chain.

The Bank has a zero-tolerance approach to modern slavery and human trafficking and is committed to ensuring that there is transparency throughout its business. We require the highest standards of integrity from all our suppliers, contractors and business partners.

This statement has been approved by the Bank’s Board of Directors for the financial year ended 31 December 2023 and will be reviewed on an annual basis.

Our structure

Cynergy Bank Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and employs an average number of staff during the year of approximately 350 from offices in London, Manchester, Birmingham, Redhill, and Glasgow.

Our business

The Bank is a specialist UK bank offering a range of financial products to its customers comprising Property and Commercial Finance, Private and Business Banking, Personal Savings and everyday Banking. It has a subsidiary, Cynergy Business Finance Ltd an Asset-Based lender including the discounting and factoring of debts, with recourse, to small and medium size enterprises.

Our supply chain

The Bank recognises that certain categories of supplier within its business model present an increased risk of modern slavery and human trafficking pursuant to the Act:

- Recruitment.
- Professional Services.
- Contractors.
- Cleaning Services and Maintenance Services; and
- Other outsourced services.

The Bank endeavours to manage any potential risk in respect of these relationships pursuant to the policies and procedures set out below and to ensure no supplier, contractor or business partner has been convicted of any offences under the Act.

If the Bank becomes aware of any occurrences of such offences, we will notify the relevant authorities immediately.

Our policies and procedures

The Bank has the following policies in place which reflect its commitment to acting ethically and with integrity during its business:

- **Anti-Modern slavery policy** – This policy clearly states the Bank’s position in respect of the Act and provides criteria for assessing risk within the supply chain and further information as regards reporting suspicions and training.
- **Outsourcing & Third-Party Management Policy** – We inform all parties with whom we do business with of our Modern Slavery Policy and conduct appropriate due diligence on new suppliers as well as seeking assurance from all our supplier including via contractual provisions that they do not engage in any conduct prohibited pursuant to the Act. Failure to comply will result in termination of the contract.
- **Recruitment procedures** – The Bank has robust procedures in place as regards conducting due diligence on new employees which include obtaining confirmation of eligibility to work, checking residency and a verification of background and employment history.
- **Whistleblowing policy** – This policy enables employees to raise concerns relating to the activities of the Bank in confidence and without fear of reprisal or victimisation. Any matter raised under this policy will be investigated promptly, thoroughly and confidentially.
- **Conduct rules and professional standards policy** – The Bank has a well-established set of core values. This policy sets out the standard of behaviour that is expected of all employees within the Bank in support of these values and the regulatory Conduct Rules.
- **National minimum wage** – The Bank acknowledges and does not pay any staff member less than the prevailing National Minimum Wage rates.
- **Other employment policies** – The Bank has in place a comprehensive range of internal policies aimed at providing a safe and harmonious working environment where all employees are treated fairly and respectfully at all times. These policies include Anti-Bribery & Anti-Corruption, Bullying & Harassment, Equity, Diversity & Inclusion. The Bank also formally recognises the Unite Trade Union to represent the interests of staff.

Monitoring

The Bank continually assesses its policies and procedures and its suppliers to identify any risks faced by the Bank in relation to modern slavery and human trafficking, to be reasonably assured that these risks are monitored and to ensure that appropriate controls are in place to mitigate each risk to an acceptable degree. The Bank will review the Modern Slavery Policy on an annual basis. Oversight and governance are provided by monthly Conduct and Risk Committee meetings.

Staff awareness

To ensure a high level of understanding of the risks of modern slavery and human trafficking within the Bank and its supply chain, staff are kept up to date as regards the Bank’s Modern Slavery Policy and provided with training to support their understanding.

Board Approval

This statement is made pursuant to section 54(1) of the Act. The Cynergy Bank Board approved this statement on 12th April 2024.

Nick Fahy

Chief Executive Officer

12th April 2024