

Modern Slavery Act Transparency Statement 2023

This statement is published pursuant to section 54(1) of the Modern Slavery Act 2015 (“the Act”) and outlines the steps Principality Building Society (“the Society”) has taken during 2023 to ensure that slavery, servitude, forced labour and human trafficking are not taking place in its supply chains or any other part of its business or subsidiaries.

The Society provides residential and commercial mortgages and savings and aims to offer good value, straightforward and transparent products, supported by prudent underwriting and outstanding customer service. In addition, the Society has simplified its operating model through the disposal of a number of subsidiary businesses and through placing the loan book of Nemo Personal Finance into run-off.

The Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The Society’s services are provided through the Society’s branches, member contact centres and its intermediary network. The regulated nature of the sector means that we operate within a low-risk industry for modern day slavery, however we remain vigilant and take responsibilities prescribed under the Act seriously.

The Society employs over 1,000 throughout the business and all are subject to vetting and referencing before their employment commences and receive regular training to ensure they adhere and understand the Society’s values, which include matters relating to Financial Crime and Whistleblowing. All colleagues are paid at least the National Living Wage.

The effective management of the Society’s systems and control framework ensures that reasonable steps are taken towards the management of the risk of Modern Slavery.

The Society’s supply chain consists of c400 suppliers of goods and services including valuation and conveyancing, consultancy & professional services, telecoms, IT hardware and software and print & postage. The Society’s procurement processes include due diligence checks before entering into contracts in addition to ongoing monitoring. All suppliers are required to comply with the Society’s Supplier Code of Conduct, which outlines the Society’s expectations of suppliers across a range of issues including Modern Slavery.

The management of the Modern Slavery risks are considered by the Financial Crime Policy Team, oversight of which is provided by the Operational Risk Committee. Supplier Performance Managers are also required to attest against quarterly controls under the Risk Management Framework. This includes management of overall supplier relationships in line with the Supplier Management Guidelines, which contains information on the Modern Slavery risk.

The Society remains committed to taking reasonable steps with regard to conducting business with honesty and integrity and treating everyone with dignity and respect. The Society regularly engages with its partners and suppliers to help raise awareness and understanding, in order to mitigate the risk of Modern Slavery. All relevant policies and procedures will be kept under review in 2024.

The Society’s Board of Directors approved this statement on 16th February 2024.



Sally Jones-Evans
Chair
16th February 2024