

SLAVERY AND HUMAN TRAFFICKING STATEMENT 2024

Introduction

This Statement is made pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 (the Act) and covers the period from 1 January 2024 to 31 December 2024. This statement sets out the measures that OSB GROUP PLC (OSBG) and its subsidiaries (together, the Group) have taken to combat slavery and human trafficking in our businesses and supply chains in the financial year ending 31 December 2024. This Statement is made on behalf of OneSavings Bank plc, Interbay ML, Ltd and Charter Court Financial Services Limited.

The Group is committed to tackling modern slavery throughout its businesses and supply chain. We continue to monitor our social and environmental impact and strive to ensure that anyone we do business with adheres to our principles.

Our structure and business

OneSavings Bank plc began trading as a bank on 1 February 2011 and was admitted to the main market of the London Stock Exchange in June 2014 (OSB.L). OneSavings Bank plc joined the FTSE 250 index in June 2015. On 4 October 2019, OneSavings Bank plc acquired Charter Court Financial Services Group plc and its subsidiary businesses (in addition to the other subsidiary businesses wholly owned by the Group). On 30 November 2020, OSBG became the listed entity and holding company for the Group. It is incorporated in the UK and headquartered in Kent.

The Group provides specialist lending and retail savings and is authorised by the Prudential Regulation Authority (PRA), part of the Bank of England, and regulated by the Financial Conduct Authority (FCA) and PRA. The Group operates under two banking licences for OneSavings Bank and Charter Court Financial Services.

The Group is made up of a family of specialist financial services brands, namely Kent Reliance, InterBay Commercial, InterBay Asset Finance, Heritable Development Finance, Precise (formerly Precise Mortgages), Charter Savings Bank (CSB) and Charter Court Financial Services.

The Group's complementary strengths and enhanced customer propositions offered by its diverse brands make OSBG a leading specialist lender in the U K. The Group primarily targets underserved market sub-sectors that offer high growth potential and attractive risk-adjusted returns where it has established expertise, platforms and capabilities. These include private rented sector/professional Buy-to-Let, bespoke and specialist residential lending commercial and semi-commercial mortgages, residential development finance, secured funding lines and asset finance.

OSBG is supported by diversified and stable funding platforms. This enables cost of funds optimisation, while prudently managing funding and liquidity risks. OSBG is predominantly funded by retail savings through both the CSB and the Kent Reliance brands. Kent Reliance is an award-winning retail savings franchise with over 160 years of heritage and nine branches in the Southeast of England. It also takes deposits online, while CSB, a multi-award-winning retail savings bank, offers its products exclusively online. Both banks have a wide range of savings products, including easy access, fixed term bonds, cash ISAs and business savings accounts. CSB and Kent Reliance have diversified their retail funding sources through pooled funding platforms with a range of products offered, including easy access, longer-term bonds and non-retail deposits. Further diversification of funding is currently provided by debt issuance, securitisation programmes and the Bank of England's Term Funding Scheme with additional incentives for SMEs (TFSME).

OSB India (OSBI) is a wholly owned subsidiary based in Bangalore and Hyderabad, India. OSBI supports various business functions within the UK including Operations, IT, Finance and Human Resources (HR) and Legal. The Group operates a one team approach between the UK and India.

The Group, as of 1 April 2025, has 2476 employees, temporary workers, apprentices, interns and contractors, primarily located at its main operating centres in Chatham, Fareham, Fleet, Wolverhampton, London (UK), Bangalore (India) and Hyderabad (India), which is made up of 7 UK Apprentice, 4 OSBI Apprentice, 11 UK contractors, 2 UK agency temps, 2452 UK and OSBI employees. The Group is aware of the risk of modern slavery in community outreach programmes especially in relation to UK work experience schemes and has a robust separate work experience policy. Where an offer of employment is issued to a new starter, the Group's People function (formerly HR Department) ensures that the relevant contract of employment is issued to the prospective employee prior to their anticipated start date. The Group's UK pre-employment checks will highlight any unspent convictions for modern slavery and human trafficking offences for non-certified roles and for certified roles The Group carries out screening which includes a 6-year regulator reference and regular DBS checks. Background verification checks are also performed for OSBI. As an accredited Living Wage employer, we ensure that all UK employees and regularly contracted third-party staff earn at least the published Real Living Wage.

The Group's UK national charity partner for 2024 was Depaul UK, a charity working with young homeless people, in support of which Group colleagues undertook various fundraisers and participated in volunteering activities and campaigns such the Nightstop Step Challenge. The Group remains cognisant of any risks of modern slavery within this partnership through a formal agreement. Demelza, our longer-term charity partner, supported in part by our dedicated Demelza Children's Savings Account, provides end-of-life care to children in the UK and support for their families. The Group's total benefit to all charities/ organisations was over £394k in 2024.

You can find out more about the Group in our Annual Report and Accounts. These are available online at <https://www.osb.co.uk>.

Our supply chains

In accordance with the Group's Vendor Management and Outsourcing Policy, the Group's Vendor Management team and Group People Function currently undertake third-party activities relating to the procurement of goods, services and labour on behalf of all Group entities. The Group's Vendor Management team ensures that all required due diligence and risk assessments have been completed to support business decisions relating to: (i) the identification, engagement and contracting of new third-party relationships and services; (ii) ongoing due diligence & risk assessments; and (iii) exiting relationships.

The Group endorses the UN Declaration of Human Rights and supports the UN Guiding Principles of Business and Human Rights. The Group adheres to the International Labour Organisation Fundamental Conventions and does not tolerate child labour or forced labour. The Group also respects freedom of association and the rights of employees to be represented by trade unions or works councils.

The Group is dedicated to partnering with third parties who share our values and contribute positively to the communities and environment in which they operate. Our supply chains include a range of third-party suppliers of goods and services, including, but not limited to, maintenance of our premises, IT systems, software and hardware facilities, catering and recruitment. We have established and continue to enhance the Group's Vendor Management and Outsourcing Policy ensuring that robust frameworks are followed in order to comply with regulatory obligations and efficiently assess and manage potential and contracted third-party relationships. The Group does not contract with any supplier based in a HM Treasury High-Risk Jurisdiction. According to the Group's records, the four largest geographical areas where suppliers are based are: (i) UK; (ii) USA; (iii) India and (iv) New Zealand.

The Group also continues to comply with FCA rules in Senior Management Arrangements, Systems and Controls 8 'Outsourcing' and the PRA's SS2/21 Supervisory Statement on Outsourcing and third-party risk management. These require us to:

- Take reasonable steps to avoid undue additional operational risk.
- Take all reasonable steps to ensure that a third party has the ability, capacity and authorisation required by law to perform the outsourced functions, services or activities reliably and professionally.
- Undertake oversight activities of outsourcing providers' performance including compliance with legal and regulatory requirements and policies.

In 2024, the Group engaged 33 recruitment agencies (25 in relation to UK operations and 8 in relation to OSBI). The Group has a Preferred Supplier List (PSL) for agencies and the Group ensures that, wherever possible, UK employment agencies agree to the Group's precedent contractual terms mandating that the agency is expected to comply with relevant modern slavery legislation. The Group's Vendor Management team run an adverse media check on the Group's third parties which includes recruitment agencies with the Group's People function regularly reviewing service levels and performance. The Group does not request sight of the agency's own contractual terms with the relevant candidate. The Group's People function does not have any direct contractual relationships with umbrella companies. Within India, OSBI reviews any contractual terms between the Group and relevant recruitment agencies.

Our policies on slavery and human trafficking

We are committed to ensuring that no modern slavery or human trafficking takes place in our supply chains or in any part of our business and regularly review processes both existing and new. Internal policies exist which aim to ensure that we establish good practices and act ethically with integrity to support us in ensuring modern slavery is not occurring in our business or supply chains. Over the year, no instances of modern slavery were reported through the Group's whistleblowing processes. The Group annually reviews its whistleblowing procedures and policies. The Group regularly reviews its policies targeting financial crime and has annually reviewed the Group Conflict of Interests Policy and the Group's Financial Crime Policy, the latter of which is approved by the Group Audit Committee.

The Group's Vendor Management and Outsourcing Policy is approved by the Group Risk Committee and subject to an 18-month review. It outlines the expectation that all third parties shall meet similar Environmental Social Governance (ESG) standards and commitments that we expect ourselves as a Group to achieve including adhering to the Vendor Code of Conduct and Ethics. As part of this policy, all Request for Proposal (RFP) documentation will include ESG-related questions to assess all potential third parties' social responsibility practices.

The Group has updated both its UK and Indian Vendor Code of Conduct and Ethics. The UK Vendor Code of Conduct and Ethics (UK VCCE) is issued at the engagement of any new relationship and on an annual basis to existing categorised and identified third parties (Outsourcing & Critical and Important). Outsourcing is an arrangement of any form between the Group and a third party by which that third party performs a service or an activity, whether directly or by sub-outsourcing, which would otherwise be undertaken by the Group itself. For all identified outsourcers and third parties The Group will assess the different type of services they perform or provide to the business to determine if a third party service is classified as critical and important. OSBI also has a Vendor Code of Conduct which receives assurances from Indian qualified legal professionals and is issued to all third parties categorised as Outsourcer and Critical and Important (<https://www.osb-india.com/vendor-code-of-conduct-and-ethics>). The updated UK VCCE is publicly available on the Group's website (<https://www.osb.co.uk/sustainability/vendor-code-of-conduct-and-ethics>) and details the Group's ESG strategic commitments and Values and the principles by which it expects any third party to abide. The UK VCCE contains sections on: (i) Diversity, Equity and Inclusion; (ii) Whistleblowing; (iii) Labour & Human Rights; (iv) Anti-Bribery and Corruption; (v) Data Protection and Information Security and (vi) Environmental strategic commitments and Values.

Third parties are encouraged to ensure that their employees are able to contact the Group's whistleblowing hotline in the event that they are concerned or suspect an unethical working practice within the supply chain. Individuals are able to report confidentially, anonymously and without retribution if they have any concerns.

Relevant provisions within the UK VCCE are not limited to but include:

- Workers shall not be subject to forced, prison, bonded, indentured, slave, trafficked or compulsory labour in any form. This includes any form of child labour.
- Workers shall be treated in accordance with all applicable national laws and regulations at all times. This extends to local or national government policies including health and safety laws, working hours, any relating to a pandemic outbreak which may include social distancing and the payment of statutory sick pay to workers who are having to isolate.
- Workers must have the right to terminate their employment freely, as appropriate, following a reasonable period of notice in accordance with applicable laws and collective agreements and without the imposition of any improper penalties.
- Workers shall not have their identity or travel permits, passports or other official documents or any other valuable items confiscated or withheld as a condition of employment.
- Workers shall be able to access and be free to file grievances to their employer about the employer's treatment of them. Workers shall not suffer detriment, retaliation or victimisation for having raised a grievance. New and adapted procedures should be implemented, if necessary.
- Fees or costs associated with the recruitment of workers (such as fees related to work visas, travel costs and document processing costs) should not be charged to workers; and workers must not be required to repay debt through labour. Workers are still entitled to receive wages for completed work regardless of any order cancellations during and after a pandemic outbreak. Workers shall not have any deductions from their wages as a disciplinary measure.
- Workers shall not be under the minimum age requirement in accordance with applicable national laws.

- Workers shall not be subject to harsh or inhumane treatment including, but not limited to, physical punishment, physical, psychological or sexual violence or coercion, verbal abuse, harassment, intimidation or discrimination.
- Where it is necessary to recruit workers who are engaged via a third party or where workers are sourced to be employed directly, only reputable employment agencies shall be engaged. Rigorous checks should take place during the recruitment process to ensure that workers are not being exploited in a period of high demand. The Group does not engage individuals directly on zero hours contracts and is supportive of suppliers who adopt a similar stance.

The Group's Workforce Advisory Forum (known as OurVoice) is in place to gather the views of the workforce so that the Board and the Group Executive Committee can consider a broadly representative range of stakeholder perspectives to guide strategic decisions for the future of the Company and its subsidiaries (the Group). Robust grievance mechanisms exist within the Group Grievance Policy so that employees may raise a grievance in the event of behaviour inconsistent with the Group's values. In 2024, the Group did not receive any employee-based grievances in relation to modern slavery or human trafficking.

The Group remains cognisant of relevant UK employment policies potentially impacted by modern slavery and human trafficking and continues to ensure that modern slavery is referenced where appropriate. In light of the focus on streamlined governance across the Group, it is proposed that separate independent policies on Modern Slavery and Human Trafficking and Human Rights are not created at this time but that this position is kept under annual review especially in light of the maturity of the Group's approach to third party data collection. The Bank will also continue to leverage its existing external facing documentation such as the Vendor Code of Conduct and Ethics (VCCE).

All employees in India are required to work in accordance with local legislation.

Examples of the UK policies which contain references to modern slavery include:

- Group Agency Worker Engagement Policy;
- Group Recruitment and Selection Policy;
- Group Overtime Policy
- Group Safeguarding for Children and Young People Policy;
- Group Work Experience Policy; and
- Group Outsourcing and Vendor Management Policy.

All UK HR relevant policies are reviewed periodically with input from relevant stakeholders (including the Group's People Function and Group Legal). The Group People Function continually review and revises employee policies including those in relation to parental rights, where appropriate and necessary to do so. Final approval of all HR policies is provided by the Chief People Officer. Any breaches of applicable HR related policies are taken extremely seriously by the Group and as such appropriate disciplinary steps may be taken for those who are found in breach.

All policies are available on the Group's intranet.

Due diligence processes for slavery and human trafficking

The Group has identified that the largest risks to the business in respect of modern slavery are its supply chain, its Indian operations and employment processes. The Group has zero tolerance for slavery and human trafficking. As part of our initiative to identify and mitigate the risk we:

- Identify and issue to all third parties which are classified as an Outsourcer or Critical and Important, a Code of Conduct, documenting our expectation of compliance with modern slavery regulations with a requirement for all critical third parties to confirm acceptance of the code as part of our Risk Assessment process. OSBI also issues a Vendor Code of Conduct to all Outsourced and Critical and Important Vendors.
- Have engaged with all outsourcers and Critical and Important third parties (within an annual spend threshold) to complete an ESG themed questionnaire to understand their commitment to ESG including but not limited to modern slavery. In circumstances where a third party's response identifies that they do not have any policies and processes in relation to modern slavery, the relevant Relationship Owner will be informed to further engage with the third party to agree relevant corrective action plans. If a third party is unable to provide reasonable justification, the Group would consider whether it should continue to engage with them for future services. To date, no issues have been identified and all engaged third parties are working to appropriate ESG objectives.
- Ensure that suppliers are paid in sufficiently reasonable timescales. Supplier payment practice reports are published on a six-monthly basis and over 98.8% of all invoices are paid within 30 days in line with the standard payment period. The Group enters into standard terms with many of its third parties. Standard terms include compliance with modern slavery laws and terms requiring payment within 30 days of a valid invoice. During 2024, the Group did not deduct any sums from payments under qualifying contracts as a charge for remaining on a supplier list. In OSBI contracts entered into with third party suppliers are reviewed by qualified lawyers.
- Ensure that our branch network staff follow robust anti-financial crime processes and are able to identify any warning signs of potential fraud. Branch employees are trained under the Banking Protocol scheme (with training refreshed in 2024) to identify various warning signs and report to the authorities as appropriate. Employees are also trained to handle customers in distress offering them privacy within the branch and taking steps to safeguard their finances if they are a suspected vulnerable victim of crime. Any signs of modern slavery would be appropriately escalated within the business to the Group's Legal and Compliance teams.
- Within the Group's lending operations, should a Law of Property Act (LPA) Receiver discover any evidence of modern slavery, appropriate law enforcement authorities would be engaged. In 2024, no disclosures were made to the police by the Group's Financial Crime team in respect of modern slavery concerns.
- Continue to consider (at Board level) potential third-party challenges and the ongoing impact of macro-economic factors. The Group continues to identify opportunities to further digitalise business operations. The Board has oversight of all material outsourcing arrangements and in line with

regulatory requirements, the Group maintains a vendor database in respect of outsourcing which is made available to the Board and regulator when requested.

- Continue to enhance our ability to classify our third-party services based upon the level of risk and incorporate robust references to modern slavery compliance into our contractual agreements. Where appropriate, confirmation will be sought that the third party has published an annual modern slavery statement.
- Where relevant, the Group includes appropriate due diligence in RFPs (at both the tender and contract commencement) stage of a third-party engagement. The Group performs relevant checks via the Organisation for Economic Co-operation and Development (OECD) Watch at the onboarding stage and ongoing monitoring by way of due diligence assessments for all third parties. If any “positive” high-risk matches are identified at the pre-contractual stage, approval from the Group Risk Management Committee is required to proceed. Should any “positive” high-risk matches be identified throughout the contractual relationship, the Group Risk Management Committee is required to approve the continuation of the contract or initiate exit plans. No identified “positive” matches for existing and new third parties were returned in 2024.
- Ensure that the risk statuses of our third parties are monitored and reassessed appropriately. The Group’s Relationship Owners and Vendor Management team are required to report to the Group Vendor Management Committee on core standard checks through monthly Key Risk Indicators (which would include any modern slavery breaches and any general performance or servicing related concerns). Any concerns are also reported to the Group’s Operational Risk Management Committee. Various annual re-performance due diligence and risk assessment checks are carried out such as financial stability, fraud, sanctions and adverse media for all third parties. These checks are undertaken biennially for tier 2 third parties and triennially for tier 3 third parties. Any concerns identified through the re-performance due diligence would be raised to the relevant Executive Owner and reported to the Vendor Management Committee to discuss any required corrective action plans which may include an exit of services.
- Ensure that robust processes are followed in respect of our underwriting procedures. Customers who own or are purchasing a House in Multiple Occupation which requires a Licence should have undergone or will undergo a “fit and proper” test by way of the Local Authority. The Group also ensures that any property valuations highlighting concerns in relation to over-occupancy would be queried. The Group conducts interviews with customers who have a large exposure to discuss their business model and the tenant profile of their portfolio.
- Maintain robust escalation procedures in the event that modern slavery is identified in any part of the Group’s supply chain. Should an instance of modern slavery be identified, the Relationship Owner, Group Legal and Compliance should be notified so that appropriate measures (including contractual levers) may be deployed including the termination of services/supply of goods. Notifications would be escalated and notified to the appropriate Executive owner and governance committee for Outsourcing & critical and important third parties.
- Maintain robust third-party onboarding procedures and ensure ongoing due diligence procedures are in place. The Group categorises third parties through a risk classification and denotes which area of the business is being serviced. The classification includes the supplier’s country of domicile. The Group undertakes robust checks to ensure we are not engaging with any third parties located in high -risk jurisdictions. Checks are also conducted to assess the countries subject to sanctions and associated directors of companies against HM Treasury (HMT) sanction list. At the time of onboarding or through ongoing due diligence, if a third party is identified as domiciled in a high- risk jurisdiction, the Group Risk Management Committee would be required to approve continuing with the ongoing engagement with the third party. The Group will not engage with any third party which has been identified on the HMT sanctions list.

Training

An annual e-learning training module entitled “Supporting a Positive Workplace Culture” containing a section on modern slavery is made available to all Group employees who are then all required to complete a test to demonstrate their understanding. An 80% pass rate is required for attestation. Across the Group, the completion rate of the module’s assessment was 99.06% with the target completion rate key performance indicator (KPI) set at 98.5%. The Group’s Learning and Skills function chase any outstanding responses within a month of the module’s original due date. Specific feedback from employees included “A good read that explains clearly Modern Slavery” and “Modern Slavery happens in this country so it is good to have this learning so we are always aware”. The Group’s mandatory Financial Crime 2024 module assessment had an overall completion rate of 99.28%, which also exceeded the Group’s completion rate KPI (98.5%). All employees are requested to provide feedback and a reflective statement on any mandatory training so that if there are any substantive ethical issues, remedial actions may be undertaken.

We also provide guidance and specialist e-learning training to those employees with responsibility for the engagement and oversight of suppliers. 95 of 103 Relationship Owners across the Group completed an e-learning training module in 2023 entitled “Relationship Owners” illustrating the role of Vendor Management and the importance of effective supply chain management including a section on modern slavery and this is due to be refreshed in 2025.

A copy of this year’s statement will be made available on our website and uploaded onto the UK Government Registry and a link to the Group’s modern slavery statement will be included in next year’s training.

As the only members of the Group serving customers face-to-face, the Group recognises that bespoke modern slavery training is required for those members of staff based in branches. Therefore, Group Legal delivered focused training across the branch network and intends to deliver training to all of the branches again in 2025.

Our effectiveness in combating slavery and human trafficking

The Group is committed to upholding responsible and ethical standards, ensuring transparency and providing sustainable value to all stakeholders. To mitigate the highest risks of modern slavery in the supply chain, Indian operations, and employment processes, the Vendor Management team conducts thorough testing of key controls for all identified third-party risks which is aligned to the Group Operational Risk Management framework. In line with the Group’s Stewardship value, commitment to value and supply chain sustainability and People objectives, during 2024, the ESG Operating Framework, Materiality assessment and ESG balanced scorecard were revised to assist with the identification and ongoing management of ESG risks and opportunities to support the setting of internal ESG objectives and targets. Leveraging insights from the ESG Framework and Materiality assessment, new strategic opportunities were identified, strengthening the ESG Strategy and embedding ESG into daily operations and business strategy. Furthermore, employee networks are well established to promote communication and initiatives throughout the organisation.

The Group has become a signatory of the UN Global Compact in 2023, demonstrating a firm commitment to sustainability and upholding principles related to human rights, labour, environment, and anti-corruption. The Group’s supply chain strategy will be assessing further opportunity to enhance the Group’s due diligence and existing KPIs in respect of their vulnerability to modern slavery in addition to the current modern slavery KPIs detailed below:

Completion of module entitled “Supporting a Positive Workplace Culture “	99.06%
Delivery of Training by Group Legal function to Branch Network	100%
Completion of Financial Crime module	99.28%
Completion of Relationship Owner training	95 of 103
ESG Questionnaires received from relevant parties	98%

The Group takes any allegation of modern slavery and human trafficking extremely seriously within any of its operations.

This statement is reviewed annually and has been approved by the Boards of OneSavings Bank plc, Interbay ML, Ltd and Charter Court Financial Services Limited on 3 June 2025.

Signed



Andy Golding
Chief Executive Officer
Director
OneSavings Bank plc
Charter Court Financial Services Limited
5 June 2025



Clive Kornitzer
Group Chief Operating Officer
Director
Interbay ML, Ltd
5 June 2025