

*This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015. It constitutes the Santander UK Slavery and Human Trafficking statement for the financial year ending 2024.*

## **Santander UK Group Holdings plc**

### **Modern Slavery Statement 2024**

## **Introduction**

### **Our business**

Santander UK Group Holdings plc and relevant subsidiaries (together, "Santander UK") operate primarily in the UK and provide a wide range of personal and commercial financial products and services. Santander UK has approximately 14 million active customers with over 18,000 employees and operates through 444 branches as well as regional Corporate Business centres across the UK.

This is Santander UK's ninth statement pursuant to the Modern Slavery Act 2015 (the "Act") and relates to the year ending 31<sup>st</sup> December 2024. This statement sets out the steps we are taking to prevent modern slavery and human trafficking (MSHT) in our workforce and supply chain, as well as detecting and disrupting those profiting from the proceeds of MSHT.

### **Approach and Risk Profile**

Since the introduction of the "Act", we have conducted a review of how we prevent MSHT in our business and supply chain. Our key focus areas, each of which are covered in this statement, are;

- risk associated with third party suppliers;
- customer due diligence, collaboration and information sharing;
- employee training; and,
- pensions providers.

We recognise that our response to human trafficking and modern slavery should continually improve, and we welcome stakeholder feedback to help strengthen and develop our strategy in this area.

Our Banco Santander [Responsible Banking and Sustainability policy](#), updated in February 2025, sets out the commitment of the entire Banco Santander Group to protect human rights. This policy incorporates the UN Guiding Principles on Business and Human Rights and sets out our opposition to forced labour and child exploitation. We have introduced this policy at a Santander UK level, strengthening our local approach and commitment to tackling human rights. Our position is that Santander UK will not enter into or maintain relationships with persons and/or entities known to be involved in human rights abuses such as child labour and modern slavery.

As part of Banco Santander we are either a signatory to, or abide by, the principles of various international and national sustainability initiatives and standards. These principles support our approach to such topics as modern slavery. These include:

- Equator Principles (International Finance Corporation guidelines);
- United Nations: Universal Declaration of Human Rights;
- United Nations Global Compact;
- United Nations Environment Programme Finance Initiative (UNEP FI);
- Principles for Responsible Banking (UNEP FI);
- United Nations Sustainable Development Goals;
- United Nations Guiding Principles on Business and Human Rights;
- OECD Guidelines for Multinational Enterprises; and,
- Fundamental conventions of the International Labour Organization.

The principal areas of modern slavery risk for Santander UK arise in relation to our relationships with third parties, including our supply chain, and customers with regards to handling the proceeds of human trafficking. We recognise that, as MSHT represents one of the largest global criminal industries, financial institutions are in a unique position to disrupt the industry by identifying the proceeds held by perpetrators of these crimes and sharing intelligence with law enforcement agencies. We therefore recognise that we must regularly review our processes, identify areas for improvement and set out targets for adopting enhancements.

## Our supply chain

### Actions taken in 2024:

- We continued to embed and roll out a three-pronged approach to assessing suppliers for modern slavery risks:
  - Supplier Self Attestation as part of the supplier assessment to confirm the presence of a Modern Slavery Statement and relevant policies and controls (Financial Services Qualification System – “FSQS”).
  - Independent Assessment, whereby our high ESG risk suppliers undergo an independent assessment on an industry recognised platform (EcoVadis) to score their risks of modern slavery.
  - On-site supplier audits and assessments led by our in-house team, who partner with leading MSHT advisors and charities.
- To further increase our coverage to all suppliers, regardless of size, at the point of onboarding we asked all suppliers to confirm acceptance of the Santander UK Code of Supplier Responsibility (née Code of Conduct), including the Human Rights requirements, derived from the Modern Slavery Act, making this a condition of doing business with Santander UK.
- We have 229 suppliers currently onboarded and rated on our independent assessment tool (EcoVadis). 19 of these have scorecards which, in the Labour and Human Rights segment of assessment, fall below the ‘Good’ rating (the assessment scorecards are categorised into Insufficient, Partial, Good, Advanced and Outstanding). Of these, 2 have existing corrective action plans in progress and the remaining 17 will be targeted in 2025.
- To support the on-site supplier audits we continued to work with Unseen, a modern slavery charity, to repeat and embed the deep-dive thematic assessment on higher risk suppliers for modern slavery and worked with suppliers to complete remediation as necessary.

### Actions for 2025:

- With a maturing capability, the programme will continue to focus on increasing the scope and breadth of our qualitative analysis, aligning insights to prioritise the assessment and management of our inherent high ESG risk suppliers (which are determined through a comprehensive methodology, assessed annually), resolve corrective actions and implement recommendations.
- We will target onboarding 50% of the extended ESG high risk supplier list to our ESG rating tool, EcoVadis. Using the outputs provided in the assessment of the newly onboarded suppliers, our dedicated supplier relationship management and responsible procurement resources will work with any suppliers who have a rating less than a ‘Good’ to develop specific action plans and monitor the progress of these plans and remediation activities.
- We are implementing a new ESG schedule in our contracts in 2025 which includes requirements around forced labour and child labour.
- We intend to implement a collaborative model in partnership with Unseen, where our in-house assessment team will take responsibility for any in-depth assurance activity that is required following the identification of high-risk suppliers. This approach will enable us to target and prioritise mitigation.
- We will continue to mature our approach in 2025 and review the KPI’s we are reporting on, to ensure we are evolving against the latest insights, findings and best practices.

## Overview and Risk Profile

Santander UK works with a broad spectrum of suppliers to deliver services that “make our customers’ better happen”. All our suppliers are expected to operate in accordance with relevant legislation and regulation, with the majority of our suppliers based in the UK and operating under local legislation and regulation. We build effective relationships with our suppliers to minimise risk.

In 2024, we revised our [Code of Supplier Responsibility](#), which serves as a mandatory condition for all our suppliers. This code aligns with the Banco Santander Responsible Banking and Sustainability policy and adheres to International Labour Organization standards, including the prohibition of forced labour.

Obtaining agreement from suppliers to comply with our Code of Supplier Responsibility forms a core part of deciding which suppliers we work with and is a component of our company certification process. A supplier will fail certification if they do not agree to comply with our Code. We complete our due diligence during the supplier onboarding process and perform ongoing reviews of the supplier in relation to the service that they provide throughout the relationship. Human Rights and Labour Rules are part of our standard contract terms, and we include contractual obligations on our suppliers requiring they comply with Santander UK standards and policies. In 2024 more than 95% of our certified suppliers agreed to comply with our Code of Supplier Responsibility, and 5% of suppliers who did not agree were able to evidence equivalent standards with no modern slavery gaps identified. An independent review of the supplier's documentation is completed by the Governance Team within Third-Party Risk Management to ensure that the supplier has equivalent standards in place.

As part of our due diligence suppliers are asked to complete a FSQS assessment prior to the start of the contractual relationship with Santander UK. This self-assessment questionnaire, which requires them to submit assurance and compliance data, is completed by the supplier and reviewed internally. Any supplier failing to provide satisfactory answers to the Modern Slavery questions is then subject to a formal review to assess whether it would be appropriate for the supplier to be onboarded or renewed.

As a Living Wage Foundation accredited company, we also require suppliers to commit to paying employees working in our buildings the Living Wage.

### **Assessment of Supply Chain**

In 2024 Santander UK worked with Unseen to help us identify and assess modern slavery risks across the supply chain. Unseen is a UK charity established in 2007 that works with individuals, businesses, governments, communities and other charities to help eradicate modern slavery. We have joined the Unseen Business Membership Hub which enables Santander UK to engage with other organisations in the Finance Sector to collectively strengthen our capability. To help us focus our approach, Unseen completed an initial assessment of all our active suppliers in accordance with their methodology. Unseen uses multiple industry standard data points, subject matter expertise and insights to identify and assess the inherent risk. The initial risk assessment identified that circa 10% of our active suppliers presented an inherent risk that required further analysis; but that less than 1% of these were assessed as very high risk due to commodity type, location and context, business and supply chain model.

<b>Geographical operating location of our suppliers within scope of Unseen further analysis</b>	
Europe	62.4%
South Asia	7.2%
East Asia	4.0%
South East Asia	6.4%
Australia & The Pacific	2.4%
Southern Africa	0.8%
Middle East & North Africa	2.4%
Central America	3.2%
South America	0.8%
North America	10.4%

<b>Commodity and spend data for our Suppliers within scope of the Unseen further analysis</b>	
Technology	45%
Personnel Costs	14%
Operating Expenses	2%
Facilities and Related Services	35%
Contact Centre	4%

In 2025 we will target our highest risk technology and facilities and related services suppliers with a bespoke questionnaire to determine residual risk and any remediation required and then leverage the expertise and insight that Unseen have, to work in partnership with suppliers to implement best practices. Of the suppliers with an inherent risk, 45% provide Technology and 35% provide Facilities and Related services.

In addition to the risk assessment, Unseen completed a deep dive on the Modern Slavery Statements of our suppliers. This analysis identified 'accessibility of statement' and governance as themes that we could improve. In 2025 we will be working with Unseen to deliver training and awareness sessions on modern slavery risks to upskill key stakeholders and help us to address these improvements via our Service Management model.

### **Independent Assessments**

In EcoVadis (an independent assessment tool) our suppliers are given a scorecard following completion of an evidence-based questionnaire which is then reviewed and assessed by experts at EcoVadis and filtered into four categories: ethics, labour and human rights, environment and sustainable procurement. The scorecard highlights recommended improvement areas to encourage self-improvement specific to labour and human rights. By the end of 2024, 92% of assessed suppliers achieved a labour and human rights score of 'Good' or above. Of the 8% below 'Good', 2 suppliers have existing corrective action plans in progress and a remaining 17 will be targeted in 2025. Furthermore, of those suppliers onboarded to EcoVadis who completed an assessment within the calendar year of 2024, one supplier has a 'Medium' modern slavery score, with the remainder having 'Low' action risk. For the 'Medium' action risk a corrective action plan is in

place. The management of corrective action plans is performed by our supplier relationship managers, and the insights built into the supplier review meetings.

In order to grow the breadth of coverage across the supply chain in 2024 we set a target; of the 326 suppliers that made up the 2024 high ESG risk list, we aimed to onboard 50% (163) on to EcoVadis. By the end of the year, we had successfully onboarded the targeted 50% (163) of in-scope suppliers. In 2025, the scope of the high-risk list has increased, by adding in additional data points (one example is the Unseen assessment results) and thus the population has increased. The 2025 target for EcoVadis onboarding will be 50% of the newly extended ESG high risk list.

As we onboard more suppliers, we will continue to monitor the existing and new corrective action plans through to completion. Furthermore, the EcoVadis data will continue to be discussed and tracked as part of regular supplier service reviews. As we onboard more suppliers onto EcoVadis these discussion topics will be rolled out into more supplier service meetings.

### **Committees**

Our Third-Party Risk and Supplier Forum reviews third party supplier risks and provides a mechanism to escalate key issues identified to senior risk fora within our corporate governance framework. These risks would be escalated to our Reputational Risk Forum ("RRF"), launched in 2018. The RRF has Executive Committee members and holds ultimate responsibility for reviewing modern slavery risks with suppliers. The RRF reports to our Board Responsible Banking Committee. We have not been made aware of any MSHT risk escalations to the RRF in 2024.

### **Effectiveness of our procurement policies and procedures**

We believe that the policies, processes, and committees that we have in place effectively mitigate the risk of modern slavery in our supply chain. Furthermore, in addition to the data we gather from our suppliers and supplier audits, we perform adverse media monitoring. With these controls in place, we have not identified any key concerns.

## Our customers

### Actions taken in 2024:

- We continued to embed and utilise our relationship with law enforcement to share intelligence and understanding of how Organised Crime Groups (“OCGs”) continue to facilitate modern slavery, human trafficking and organised immigration crime, pursuing the vulnerabilities of individuals and adapting illicit money flows to evade detection.
- We continued to drive Santander UK-wide Anti-Economic Crime education and awareness initiatives. This has been achieved by delivery of a Knowledge Share webinar to our Economic Crime and Risk Division with guest speakers from the National Crime Agency in March 2024. Further education and awareness sessions delivered in the Anti-Slavery week in October 2024 involved partners such as the Police Service of Northern Ireland, Unseen, the National Police Chief Council’s Modern Slavery & Organised Immigration Crime Lead and Bedfordshire Police.
- We performed a pro-active deep dive assessment into the threat of labour exploitation in the Care Home sector. This assessment was delivered in Q2 of 2024 identifying red flag indicators associated to this activity with recommendations to review against current Anti-Money Laundering controls and support bank-wide training.
- We performed a pro-active deep dive assessment of two industries which are highly susceptible to modern slavery typologies, namely car wash and nail salon businesses / occupations. The assessment was delivered in Q4 of 2024 and provided case studies of suspicious activity, highlighting red flag indicators and recommendations to enhance our ability to detect, deter and disrupt MSHT and money laundering typologies.
- We performed a pro-active deep dive assessment of the threat of Organised Immigration Crime (“OIC”) via haulage firms/vehicles. The assessment was delivered in Q3 of 2024 and provided typology indicators to support future detection and disruption of OIC via haulage firms.
- We performed a pro-active deep dive assessment into child exploitation, namely child sexual abuse material (“CSAM”) and how the exchange of such material can be identified, highlighting red flag indicators, case studies and recommendations to inform and enhance Anti-Money Laundering controls. The assessment was delivered in Q4 of 2024 and highlighted a victim focused approach to protect children from this type of activity.

### Targets for 2025:

- We will continue to drive Santander UK-wide Anti-Economic Crime education and awareness initiatives.
- We will complete deep dive intelligence analysis to understand changing typologies and detect associated indicators and behaviours to inform and enhance Anti-Money Laundering controls, protecting vulnerable customers and communities.
- We will continue to support the Joint Money Laundering Intelligence Task Force (“JMLIT”) and Public Private Partnership (“PPP”) to support information sharing to deter, detect and disrupt modern slavery, human trafficking and organised immigration crime.

## Overview and Risk Profile

We recognise that, as a financial services business we have a unique lens and opportunity to deter, detect and disrupt modern slavery, human trafficking and organised immigration crime (“MSHT&OIC”) through understanding the associated illicit money flows, indicators and behaviours at all stages of the process. Human trafficking is a serious and organised crime, involving many forms of money laundering, which generates around \$150bn a year globally in profits for traffickers, according to [Disrupt Human Trafficking](#), with some 27m victims, according to [International Labour Organization \(“ILO”\) estimates](#). As such, we continue to focus efforts to address money laundering associated with MSHT&OIC. Our Financial Crime

Policy Requirements will also be reviewed during 2025 to take account of emerging industry practice and Financial Conduct Authority ("FCA") Guidance.

### **Collaboration and information sharing**

We recognise the importance of collaboration and information sharing and have developed strong relationships with key internal and external stakeholders across law enforcement, NGOs and government, so we can continue to understand current forms of MSHT&OIC, how the methods and money flows are changing and adapting to evade detection, and what we can do to ensure these crimes are detected and disrupted. We are committed to sharing intelligence and information with law enforcement agencies and industry partners through intelligence sharing mechanisms such as the Joint Money Laundering Intelligence Task Force ("JMLIT") and Public Private Partnership ("PPP"). Santander UK Financial Intelligence Unit ("FIU") is an active member of JMLIT/PPP and committed to supporting investigations and time limited cells to provide a focused and informed investigation of MSHT&OIC.

The introduction of the Economic Crime and Corporate Transparency Act ("ECCT") 2023 provides new and enhanced information sharing provisions, enabling financial institutions to share information where suspicions are held. The Santander UK FIU led the testing of the legislation on behalf of Santander UK and used a number of MSHT&OIC cases to inform that testing. Santander UK were one of seven banks to share customer data with the National Crime Agency ("NCA") in the largest project of its kind worldwide to tackle criminal gangs, cash-based money laundering, MSHT&OIC and 'dirty money', with the purpose of bringing together the collective efforts of law enforcement, government, regulators and the banks to deter, detect and disrupt financial crime.

In 2024, we continued to focus on developing and testing MSHT&OIC related typologies, indicators and behaviours to confirm those typologies, ensuring that findings were shared with business areas to test and enhance Anti-Money Laundering (AML) controls, inform bank-wide training and empower colleagues to report. This has been completed both internally and in collaboration with the industry, law enforcement, NGO's and government.

In 2024 we worked with several individual police forces on live MSHT cases under investigation. Sharing sensitive financial intelligence, enabled law enforcement agencies to make tactical decisions on high harm offenders benefiting from modern slavery in the United Kingdom.

To ensure customers who may be victims of modern slavery are identified and protected from MSHT, Santander considers the following priorities:

- All employees within Santander UK are required to complete mandatory Financial Crime / Anti-Money Laundering training on an annual basis. This mandatory training includes details around what would constitute as indicators of MSHT and provides differentiating indicators for victims and perpetrators and guidance on what steps to take if these indicators are identified, including raising a Suspicious Activity Report. (See further detail about training in the 'Our Workforce' section of this Statement).



- Guidance is readily available and accessible for front-line colleagues relating to modern slavery and human trafficking indicators and appropriate actions are to be taken where these are identified.
- All colleagues when raising suspicion of money laundering or terrorist financing via the Suspicious Activity Reporting process, have the option of selecting MSHT as a reason for their suspicion. An option to select 'victim' is also available to ensure it is clear where it is suspected that the customer is a victim. This allows for appropriate prioritisation within our specialist team.
- All investigations of money laundering / terrorist financing conducted within our specialist team consider appropriate risk mitigation actions. Actions could include referrals to appropriate teams within the bank to take action for both perpetrators and victims of modern slavery or human trafficking. However, it is often difficult to differentiate between where individuals are victims and in control of their account or are victims and not in control of their accounts and therefore judgement must be taken as to what appropriate risk mitigation actions should be taken.

### **Committees**

In 2024 the internal Modern Slavery & Human Trafficking Oversight Group ("MSHTOG") regularly brought together key stakeholders from functions across Santander UK to address this risk holistically and to collaborate more effectively, maintaining a single view of all workstreams across the bank relating to MSHT&OIC.

### **Effectiveness of our economic crime approach**

We believe that our cooperation with internal and external stakeholders, including financial institutions, law enforcement agencies and specialist NGOs, is an important and effective tool in the ongoing fight against MSHT&OIC. As a result of reports made and intelligence shared by Santander UK, it is understood that the activities of organised crime groups involved in MSHT&OIC have been detected and disrupted by law enforcement agencies. We are proud to have played a role in ensuring that law enforcement investigations have been enhanced by the contributions of Santander UK, protecting and supporting customers and vulnerable members of the community, whilst working to bring offenders and facilitators to justice.

## Our workforce

### Actions taken in 2024:

- 99% of our employees completed the Economic Crime mandatory training module, which included content on MSHT for all customer facing employees.
- We further developed the culture and education programme on Anti-Economic Crime, working in partnership with our Line 1 and Line 2 Economic Crime teams.
- We ensured that our employment controls, processes, and policies prevent modern slavery including continuing to pay our employees a real living wage and regularly reviewing payroll data to check for duplicates or wages being paid into other people's accounts.
- We communicated a refreshed Code of Conduct to all employees. This outlined the Economic Crime behaviours and standards in place to deliver for our customers, our people and shareholders, accompanied with a video series from the Chief People Officer and the Chief Compliance Officer on 'doing the right thing', speaking up and ethical behaviour.

### Targets for 2025:

- We will continue the culture and education programme on Anti-Economic Crime with support from the Line 1 and Line 2 Economic Crime teams through ensuring >95% completion of the Economic Crime mandatory training by all our employees. This includes content on MSHT indicators for all customer facing employees.
- 100% of our people policy reviews in 2025 will ensure employment controls, processes, and policies prevent modern slavery and human trafficking.

### Overview and Risk Profile

As a UK financial services organisation, we have a high-skilled workforce at low risk of modern slavery. To ensure none of our employees are victims of modern slavery or human trafficking, we have a range of policies and processes in place. All our employees and contractors are required to go through a vetting process, which includes making sure they have a right to work in the UK. Every employee has a contract of employment that sets out the terms and conditions of their employment, and part-time employees have the same terms and conditions, and the same access to benefits, as our full-time colleagues.

We engage with suppliers to provide additional staff resource based on business demand. These staff receive no less favourable terms and conditions than our permanent workforce and we work in compliance with the UK's Agency Worker Regulations. All our recruitment methods (whether via suppliers or direct recruitment) comply with the "Employer Pays" principle. We pay employees a real living wage and have been an accredited Living Wage employer since 2015. Payroll data is regularly reviewed to ensure there are no duplicate employee records.

Santander UK has a successful history of working in partnership with its recognised trade unions, Advance Union ("AU") and the Communication Workers Union ("CWU"), who collectively negotiate on behalf of our UK workforce (approximately 99.5% of colleagues). We consult AU and the CWU on significant proposals including those relating to change across the business at both national and local levels.

## **Code of Conduct**

Our [Code of Conduct](#) ("The Code") outlines what is expected at Santander and is published externally. The Code applies to all employees and directors of Santander UK whether permanent or temporary, and includes contractors and agency employees, regardless of role. Following The Code enables the greatest standards in our work and behaviours which will benefit our customers, the communities we serve, and each other. This Code contributes to our Banco Santander culture framework 'The Santander Way'. It sets out how we should act and behave towards everyone we encounter through our work. Being honest, transparent, and ethical is everyone's responsibility and ensures we continue to be trusted by everyone we engage with. In 2025 all employees, including those supplied by a third party, will attest to understanding and complying with The Code as part of the 'Doing the Right Thing' mandatory training.

The Code outlines that we recognise the impact financial crime has on our customers, employees, and communities, as well as the wider society, and are committed to deterring, detecting, and disrupting it. Information on whistleblowing is also included in the Code, where employees can raise concerns about any malpractice, including any issues relating to MSHT.

## **Training**

At the heart of our Anti-Economic Crime strategy is that all employees have responsibility for tackling economic crime, which includes protecting our customers from fraud. For this reason, Santander UK employees across the organisation are provided with regular and up-to-date training, to ensure they have the capabilities to deter, detect and disrupt economic crime. Furthermore, our Board, Executive Committee and Senior Leaders are strong advocates of building our Anti-Economic Crime Culture: inspiring and empowering employees to prevent economic crime.

We have in place an in-depth Financial Crime suite of modules and New to Role Training Academies. For some roles, completion of an Academy and a curriculum of Financial Crime Training modules is compulsory, and all Financial Crime Training modules are available to all staff to self-serve as part of their personal development. To ensure that Financial Crime Training modules are adhering to current best practices, Santander UK works in conjunction with the International Compliance Association ("ICA").

Our 'Doing the Right Thing' mandatory training includes whistleblowing, sexual harassment, and FCA conduct rules, and is a requirement to be completed by all employees, including those supplied through a third party. All mandatory training is reviewed yearly and all employees, including those supplied by a third-party, are required to re-complete any mandatory training relevant to their role on an annual basis.

## **Whistleblowing**

Concerns can be raised about any malpractice with us through internal and external reporting channels, including any issues relating to MSHT. Our internal whistleblowing policy provides clarity on who can raise whistleblowing concerns, which includes but is not limited to all employees, including those employed through a third party, directors and non-directors, and other stakeholders. This also includes any subsidiaries or joint ventures. A channel for our suppliers to report concerns over wrongdoing or misconduct involving Santander UK employees is also available.

[Concerns can be raised](#) on a named or anonymous basis. The whistleblowing policy also outlines our approach to whistleblowing concerns and the process which would be followed to investigate and respond to concerns raised. Where remediation is required due to individual misconduct, this would be supported by Santander's disciplinary policy. The whistleblowing policy is supported by annual mandatory training for all employees, and we do not tolerate the victimisation of whistleblowers.

At Santander UK, we encourage a "speak up" culture. As of the end of 2024, our people scored us within the Santander UK engagement tool 9.0/10 on average in response to the question "I am aware of how to raise a concern via the whistleblowing channels", and 8.6/10 on average in response to the question "I would feel confident to raise a concern via the whistleblowing channels as I believe it would be addressed appropriately."

#### **Effectiveness of our workforce policies and processes**

We consider that our policies and processes are highly effective at ensuring that modern slavery and human trafficking are not taking place directly within our business. All our employees, including those supplied through a third party and contractors are required to go through a vetting process, which ensures they have a right to work in the UK. This is effective at ensuring that our employees and contractors have not been subjected to human trafficking.

## Our pension schemes

### Actions taken in 2024:

- As part of our modern slavery due diligence, we repeated and completed the modern slavery analysis.
- We continued to engage with our fund managers and third-party suppliers to highlight the issue of modern slavery.
- We communicated with our members on the importance of the issue.

### Targets for 2025:

- Repeat the modern slavery analysis as part of our modern slavery due diligence.

### Overview and Risk Profile

The Santander UK Group Pension Scheme is the bank's legacy defined benefit arrangement, which has over 55,000 members and £8bn in assets. The scheme's assets are managed by external fund managers and the day-to-day running of the scheme relies on a range of third parties which provide professional services.

Many of our fund managers and suppliers are well known, established institutions which have publicly set out the steps they take to mitigate the risks of MSHT within their respective businesses. We also use fund managers and third-party suppliers which may fall outside of the scope of the Act. In such cases we perform a risk assessment and agree further steps which may need to be taken to mitigate the risks, such as termination of a service or disinvestment/redemption of assets from a fund manager where possible. We have concluded that the risk of MSHT is low, with further details provided below.

### Fund Managers

We have reviewed our pension arrangements to assess whether the relevant fund managers comply with the Act and have taken appropriate steps to help prevent MSHT. Our review covered all 27 fund managers and found that 15 fund managers had produced modern slavery statements setting out credible steps to help prevent MSHT. The remaining 12 fund managers were either not subject to the Act or had not produced a satisfactory Modern Slavery Statement.

Following this initial review, we have worked with the pension fund trustees to carry out an analysis of the 12 fund managers which did not pass our initial review. The analysis used independent third-party data sources and considered issues such as the jurisdiction of investment and the industry sector invested in. Where available, there was also an analysis of their Environmental, Social and Corporate Governance (ESG) policies and a review of the fund manager's ESG credentials, to provide a view of the steps taken by each fund manager to avoid supporting modern slavery or investing in companies which carry a significant modern slavery risk.

The result of this analysis was that, for 11 of the 12 fund managers, the modern slavery risk was identified as being 'low' due to a combination of (i) investing in countries with a low incidence of modern slavery, such

as the USA and EU countries; and (ii) investing in low-risk sectors such as technology, healthcare, or financial services. In respect of the remaining fund manager, the analysis of their ESG policies highlighted that the fund manager has extensive and robust policies in place meaning that they would not invest in companies with a high risk of modern slavery issues. The fund manager commonly invests alongside governmental or transnational organisations, or alongside NGOs, and this requires extensive recognition of social issues such as modern slavery risk within the fund manager investment policies. Of the 12 fund managers we analysed, 11 fund managers are in 'run-off' as there are no plans to renew their contracts beyond current arrangements.

### **Third party suppliers**

Our process also includes third party suppliers, whom we engage to provide services to our pension scheme. We reviewed 21 suppliers, of which 18 had provided statements pursuant to the Act. The remaining 3 suppliers were not required to produce statements as they did not meet the necessary criteria. Nevertheless, we reviewed the industry and jurisdictions of these suppliers to determine whether they were at medium or high risk of slavery. Given they were all providing professional services, we concluded the risk was low.

### **Effectiveness of our pension scheme review**

As a result of the above review, we believe that there is no significant modern slavery risk arising from fund managers or third parties in the Santander pension schemes at present. In 2025, we will continue to engage with the fund managers and suppliers who did not produce a statement in 2024, to highlight the importance of this issue.

## Further Information

For further information on Santander UK please refer to our [Annual Report](#) and our [ESG Supplement](#).

This statement has been approved by the Board of Santander UK Group Holdings plc and Santander UK plc on 24/04/2025



**Mike Regnier**

Chief Executive Officer

Santander UK Group Holdings plc

### Companies covered by this statement:

Santander UK Group Holdings plc

Santander UK plc

Santander Consumer (UK) plc

Cater Allen Limited

Santander Financial Services plc