

## Anti-slavery and human trafficking policy

### 1 Policy Statement

- 1.1 This statement is made pursuant to section 54 of the Modern Slavery Act 2015 (the Act) and sets out the steps The Housing Finance Corporation Limited (“THFC”) has taken to ensure that slavery and human trafficking is not taking place in our supply chains or in any other part of our business.
  - 1.2 The Board approved this statement for and on behalf of THFC in November 2020. This statement covers the activities of the following subsidiaries within the THFC group: Affordable Housing Finance plc, and also the following related companies: Haven Funding plc, Haven Funding (32) plc, Sunderland (SHG) Finance plc, Harbour Funding plc, T.H.F.C (Funding No.1) plc, T.H.F.C (Funding no.2) plc, T.H.F.C (Funding No.3) plc. This statement relates to the period of the financial year from 1 April 2019 to 31 March 2020.
  - 1.3 The principal objective of THFC is to lend money to housing associations in the UK funded through the issue of bonds and raising bank loans. It has established a number of wholly owned subsidiaries to cater for the varying interests of stockholders and bank lenders in different forms of financial instrument. THFC works to the highest professional standards and complies with all laws, regulations and rules relevant to our business and we expect the same from our suppliers and business partners.
  - 1.4 The majority of THFC’s supply chain comprises of UK or EU based banks, professional firms or blue-chip companies. In the last year we have continued with our organisational-wide risk assessment to assess the nature and extent of our exposure to Modern Slavery. We have concluded that our risk is low however we undertake due diligence proportionate to this risk. We ask all our suppliers to provide us with their published Modern Slavery Statements as evidence of their commitment to eradicate this violation of human rights. Smaller suppliers, who are not required to maintain a statement by law, are asked to demonstrate their commitment to our own policy. Training on modern slavery forms part of the induction process for all individuals who work for us.
  - 1.5 We have intrinsic core values around equality, diversity and inclusion and corporate responsibility. In addition to our Modern Slavery Policy, we have a Whistleblowing Policy which employees can utilise if they have concerns about any wrongdoing or breaches of the law or regulations.
  - 1.6 Over the next 12 months we will be: updating our risk assessment and associated reporting, continuing to require all new suppliers and those whose contracts have come up for renewal to enter into a commitment to ensure compliance with the relevant rules and regulations, continuing with and reviewing the training programme for all new joiners and policy review programme, and continuing to take action to embed a zero tolerance policy towards modern slavery.
  - 1.7 This statement has been formally approved by the directors of The Housing Finance Corporation Limited and signed on their behalf.
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## 2 Responsibility for this policy

- 2.1 The board of directors has overall responsibility for ensuring this policy complies with our legal and ethical obligations and that all those under our control comply with it.
- 2.2 The Chief Executive has primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries about it, and auditing internal control systems and procedures to ensure they are effective in countering modern slavery.
- 2.3 Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given adequate and regular training on it and the issue of modern slavery in supply chains.

## 3 Compliance with this policy

- 3.1 You must ensure that you read, understand and comply with this policy.
- 3.2 As part of our initiative we have in place systems to:
  - 3.2.1 Identify and assess potential risk areas in our supply chains;
  - 3.2.2 Mitigate the risk of slavery and human trafficking occurring in our supply chains;
  - 3.2.3 Monitor potential risk areas in our supply chains; and
  - 3.2.4 Protect whistle blowers.
- 3.3 The prevention, detection and reporting of modern slavery in any part of our organisation or supply chains is the responsibility of all those working for us or under our control. You are required to avoid any activity that might lead to, or suggest, a breach of this policy.
- 3.4 You are encouraged to raise concerns about any issue or suspicion of modern slavery in any parts of our organisation or supply chains at the earliest possible stage.
- 3.5 If you believe or suspect a breach of this policy has occurred or there is a risk of a breach occurring, then you must notify your manager or report it in accordance with our Whistleblowing Policy as soon as possible. If you are unsure about whether a particular act, the treatment of workers more generally, or their working conditions within any tier of our supply chains constitutes any of the various forms of modern slavery, raise it with your manager.

We encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken. We are committed to ensuring no one suffers any detrimental treatment as a result of reporting in good faith their suspicion that modern slavery of whatever form is or may be taking place in any part of our organisation or in any of our supply chains. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern. If an employee believes that they have suffered any such treatment, they should inform Human Resources immediately. If the matter is not remedied, an employee should raise it formally using our Grievance Procedure.

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- 3.6 This policy does not form part of an employee's contract of employment and may be amended at any time.

#### 4 Risk Assessment and Due Diligence

We have undertaken an organisational-wide risk assessment to assess the nature and extent of our exposure to Modern Slavery. We have concluded that our risk is low however we undertake due diligence proportionate to this risk.

We ask all our suppliers to provide us with their published Modern Slavery statements as evidence of their commitment to eradicate this violation of human rights.

Smaller suppliers, who are not required to maintain a statement by law, are asked to demonstrate their commitment to our own policy.

A copy of the risk assessment is attached.

#### 5 Training and awareness

- 5.1 We are committed to providing training on this policy and on the risks our organisation faces from modern slavery both within our organisation and in its supply chains. Training on this forms part of the induction process for all individuals who work for us, and regular training will be provided as necessary.

- 5.2 Our commitment to addressing the issue of modern slavery must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and reinforced as appropriate thereafter.

#### 6 Breaches of this policy

- 6.1 Any employee who breaches this policy will face disciplinary action which could result in dismissal for misconduct or gross misconduct.

- 6.2 We may terminate our relationship with other individuals and organisations working on our behalf if they breach this policy.

**Approved by the Board on 17 November 2020**

**Signed on its behalf by:**

**Piers Williamson**

**Director**

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