

Yorkshire Building Society

Whistleblowing Policy Overview

Contents

1. Purpose.....	2
2. Scope.....	3
3. Definitions	3
4. Policy Statements	4
5. Implementation, Monitoring & Reporting	5
6. Approval	6

1. Purpose

The Purpose of the Policy

The purpose of this Policy is to ensure that individuals are confident that any concerns raised to the Society will be taken seriously, treated as confidential and that they will not be the subject of victimisation, subsequent discrimination or disadvantage for having reported their concerns, irrespective of the outcome.

This Policy also aims to ensure that the Society investigates and deals with disclosures fairly, promptly and properly. This enables the Society to be informed at an early stage about fraudulent, immoral or malicious activities or misconduct, in order to enable appropriate actions to be initiated.

Applicable Regulations and Legislation

The Society is authorised and regulated by the Financial Conduct Authority (FCA) and Prudential Regulation Authority (PRA).

The FCA works closely with firms to help them to protect customers and requires the Society to have arrangements in place to handle all types of Whistleblowing.

The PRA works closely with firms to ensure they operate in a way that promotes safety and soundness. To ensure consistency with industry best practice, the PRA has extended, where possible, existing Whistleblowing rules to ensure people working in UK branches of financial institutions are aware of how to safely raise concerns to the regulator and challenge poor practice and behaviors.

The Society has a duty to comply with the prevailing legal and regulatory requirements relating to Whistleblowing. In the UK, the applicable laws and regulations include:

- FCA, Senior Management Arrangements, Systems and Controls (SYSC) sourcebook: SYSC 18;
- Details of the FCA/PRA regulation of Whistleblowing activities can be found in FCA Policy Statement (PS) 15/24 and PRA Supervisory Statement (SS) 39/15;
- The Public Interest Disclosure Act (PIDA) 1998 protects workers from detrimental treatment or victimisation from their employer if, in the public interest, they blow the whistle on wrongdoing; and
- Protect, formerly Public Concern at Work (PCAW), provides confidential advice for individuals who have witnessed wrongdoing in their workplace but are unsure how to raise concerns.

Requirements of the Policy

All persons in scope of this Policy are required to adhere to its contents to ensure that the Society investigates and deals with disclosures fairly, promptly and appropriately.

2. Scope

The Policy applies to all colleagues, contingent workers, Non-Executive Directors (NEDs) and any other individual involved in a business relationship with the Society.

3. Definitions

The following is a glossary of the key terms and abbreviations used in this Policy:

- **Authorised Recipients** - Individuals authorised to receive Whistleblowing Reports either internally as Contacts in Confidence or externally via Expolink, including the Whistleblowing Champion.
- **AC** - Audit Committee.
- **Business Relationship** - Any service or product the Society provides or enters into with a new or existing supplier or customer, be it a one-off arrangement or ongoing relationship.
- **Colleagues** - YBS employees, permanent and temporary.
- **Contingent Workers** - Individuals who work for or with the Society through either their own Limited Company, a third party company or employed by a YBS agency. This category of worker is often referred to as either a contractor or a consultant.
- **DPO** - Data Protection Officer.
- **ERC** - Executive Risk Committee.
- **FCA** - Financial Conduct Authority.
- **MI** - Management Information.
- **NED** - Non-Executive Director.
- **PIDA** - The Public Interest Disclosure Act 1998.
- **PRA** - Prudential Regulatory Authority.
 - **Protected Disclosure** - Information which shows that a failure is likely to have been, is being, or is likely to be committed in relation to any of the following activities:
 - A criminal offence;
 - Failure to comply with a legal obligation;
 - Miscarriage of justice;
 - Putting the health & safety of an individual in danger;
 - Damage to the environment; and / or,
 - Deliberate concealment relating to any of the above.
- **Reportable Concern** - A reportable concern is something which can be held by any individual in relation to the activities of the Society including:
 - Anything that would be the subject of a 'Protected Disclosure' including breaches of FCA/PRA rules;
 - A breach of the Society's policies and procedures; and / or,
 - Behaviour that harms or is likely to harm the reputation or financial well-being of the Society.
- **Society** - Yorkshire Building Society, the trading names under which it operates (Chelsea Building Society, Norwich & Peterborough Building Society) and all its subsidiary companies.
- **WBC** - Whistleblowing Champion

4. Policy Statements

1. The Society is committed to conducting its business with honesty and integrity, and it expects that all colleagues maintain high standards in accordance with our policies and procedures. However, all organisations face the risk of things going wrong from time to time; a culture of openness and accountability is therefore essential in order to prevent such situations occurring or to address them when they do occur.

This Policy aims to assist in this regard by:

- Encouraging individuals to report suspected wrongdoing as soon as possible in the knowledge that their concerns will be taken seriously and investigated as appropriate, with their confidentiality respected; and,
 - To reassure individuals they are able to raise genuine concerns without fear of reprisals, even if they turn out to be mistaken.
2. The Society advocates a culture of openness, accountability and integrity whereby individuals feel confident to report and raise genuine concerns under this Policy, without the risk of experiencing any retribution as a result, even if the concern turns out to be mistaken. This assurance does not extend to individuals who maliciously raise a matter they know to be untrue.
 3. All disclosures raised under this Policy will be treated confidentially. If the situation arises where the concern cannot be resolved without revealing the individual's identity (for instance because evidence is needed in court), a discussion will take place with the individual to determine whether and how the Society can proceed.
 4. All disclosures raised under this Policy will be thoroughly and confidentially investigated. All disclosures will undergo an initial assessment using a triage process to determine the appropriate course of action to investigate the concerns. This may result in an internal inquiry, a more formal investigation, or individuals may be notified that the disclosure does not fall within the scope of a reportable concern. Individuals are encouraged to disclose any personal interest at the outset and any known conflict of interest of any parties that may be instructed to investigate the concerns.
 5. Records of Whistleblowing Reports and investigations will be kept securely and confidentially. Access rights to this information will be reviewed quarterly.
 6. The Society will aim to keep individuals informed of the progress of the investigation and its likely timescale. However, sometimes the need for confidentiality may prevent specific details of the investigation or any subsequent action taken as a result being disclosed.
 7. The Society will comply with all applicable legal and regulatory requirements relating to Whistleblowing and in doing so will establish, implement and maintain appropriate internal procedures for managing the disclosure of reportable concerns by Whistleblowers.
 8. The Society will ensure that it implements and maintains internal procedures to enable:
 - Effective arrangements for reportable concerns to be raised, including a range of methods for individuals to report concerns anonymously should they wish their identity not to be revealed. In order to avoid potential conflicts of interest this will include direct routes to the Whistleblowing Champion;
 - Effective arrangements to escalate reportable concerns to Senior Management, and where deemed appropriate the FCA , PRA, ICO, or other authorities as appropriate;
 - Reasonable measures to protect a Whistleblower, ensuring no individual within the Society engages in victimisation of that Whistleblower;
 - Preparation and maintenance of appropriate records of reportable concerns and the Society's treatment of these reports, including the outcome;

- Regulators to be kept informed of any contested but lost employment tribunal cases where the claimant has successfully based all or part of the claim on either detriment suffered as a result of making a protected disclosure, or being unfairly dismissed under section 103A of the Employment Rights Act; and,
 - All colleagues (including Executive and Non-Executive Directors) receive training on the Society's Whistleblowing arrangements, with tailored training and support provided to colleagues responsible for overseeing investigations into reportable concerns.
9. The Society does not tolerate any harassment or victimisation of anyone raising a genuine concern under this Policy. Any such behaviour is viewed as a serious disciplinary matter which may be treated as misconduct or gross misconduct.
 10. Members of the Operating Committee and the Board are fully committed to this Policy. This commitment is supported by the appointment of a Whistleblowing Champion (WBC) who is the Vice Chairman and a NED.
 11. The Board are kept informed bi-annually (January and August) of investigation outcomes and the operation and effectiveness of the Society's Whistleblowing systems and controls, to ensure that the Board can provide effective oversight and challenge.
 12. A monthly summary of ongoing Whistleblowing cases will be circulated to all Authorised Receivers, including the Whistleblowing Champion.
 13. An independent review of the Society's Whistleblowing systems and controls will be completed every three years.

5. Implementation, Monitoring & Reporting

Implementation

The Board provides approval and oversight of the Society's arrangements for its employees and contingent workers to raise concerns in confidence, including Whistleblowing (subject to delegation by the Board of the review and oversight of specific issues to an appropriate Committee) and the appointment of the WBC. The Board's terms of reference states that the Committee will review and maintain ongoing oversight of specific issues relating to the Society's arrangements for its employees and contingent workers to raise concerns in confidence, including Whistleblowing, where delegated by the Board.

The owner of this Policy is the Director of Compliance, who will ensure that the Policy is implemented in practice. Where new or significant changes are made to this Policy, they must notify other Policy Owners of any impacts on their policies. Impacted Policy Owners must then undertake the required implementation to ensure their own policies align with this Policy and ensure the Director of Compliance is informed of any changes.

The Director of Compliance may delegate the responsibility for the day to day implementation and policy housekeeping to the Group Lead - Compliance Monitoring or their nominated deputy.

The implementation of this Policy will be supported through ongoing training, the associated Policy Guide, Procedures and relevant systems and controls. The governance framework, oversight activities and the annual mandatory learning requirements will provide assurance that individuals understand their responsibilities.

Monitoring & Reporting

The Owner of this Policy or the individual(s) to whom this responsibility has been delegated will monitor its appropriateness of design and its effectiveness.

The Director of Compliance has delegated the responsibility for the day to day implementation and Policy housekeeping to the Group Lead, Compliance Monitoring or their nominated deputy.

The Group Lead - Compliance Monitoring or their nominated deputy will ensure that other business functions have the knowledge to identify and record appropriate reportable concerns that are raised to them and that MI regarding such disclosures is collated and reported on a bi-annual basis to the WBC and the Board in a timely manner.

An independent review of the Society's Whistleblowing systems and controls will be completed every three years and resulting management actions undertaken in line with recommendations resulting from such reviews.

Further monitoring and reporting includes an annual review of applicable colleague engagement survey questions and a six monthly Board report of Whistleblowing activities.

6. Approval

This Policy and supporting procedures will be reviewed annually, with any findings and/or required amendments submitted for final approval from the Board in January.

Appendix 1: Description of roles, responsibilities and authorities

Policy Owner

The Policy owner is responsible for:

- The writing of the policy document and ensuring that it remains up to date at all times.
- Reviewing of the Policy periodically and in the event of any significant change (e.g. legislative, regulatory, organisational, operational etc.).
- Seeking approval / re-approval from the Policy Sponsor and the relevant governance committee.
- Communicating the Policy to all affected colleagues, ensuring that adequate supporting training is developed and delivered as required.
- Monitoring the application of the Policy and escalating to the Policy Sponsor and Enterprise Risk Management Team any breach in policy.
- Ensuring the relevant policy guides are aligned to the Policy.

Policy Sponsor

The Policy Sponsor is accountable for all aspects of the Policy and is responsible for:

- Providing direction to the Policy Owner as required.
- Supporting the Policy Owner in discharging their responsibilities, specifically ensuring sufficient investment is made available to enable implementation and monitoring of policy adherence.
- Endorsing the Policy prior to it being submitted to the relevant governance committee for approval.

Senior Manager/Director Accountability and FCA Prescribed Responsibility 'D'

The Senior Manager/Director is responsible for:

- Ensuring and overseeing the integrity, independence and effectiveness of the Society's Whistleblowing policies and procedures including those policies and procedures intended to protect Whistleblowers from being victimised because they have disclosed reportable concerns.

Operational Management

Operational Management are responsible for:

- Ensuring that the Policy is implemented in practice within their functional area.
- Ensuring that colleagues within their functional area are appropriately trained; and
- Impacted Policy Owners must undertake the required review and any subsequent amendments to their own policies to ensure they are aligned with this Policy, ensuring that the ERC is informed of any changes.

All Colleagues, Contingent Workers and NEDs

- Adhere to the requirements and duties placed on them by this Policy and supporting procedures and processes.
- All colleagues must ensure that annually they undertake and pass the standalone Whistleblowing mandatory e-learning.