

**MOBILE BROADBAND NETWORK LIMITED ("MBNL")** is committed to preventing acts of modern slavery and human trafficking from occurring within both its business and supply chain. In accordance with s.54 of the Modern Slavery Act 2015 this statement sets out the steps MBNL has taken during the 2016 financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains and any part of its own business.

## **1 MBNL STRUCTURE AND ORGANISATION**

MBNL is a 50:50 joint venture between EE Limited ("EE") and Hutchison 3G (UK) Limited ("H3G") and being a trusted and credible partner to two of the UK's most recognisable and innovative mobile operators is at the heart of everything we do. For more information about our structure and our shareholders please click on the following links:

- <http://mbnl.co.uk/our-shareholders/>
- <http://mbnl.co.uk/about-us/>

MBNL is UK headquartered in Amersham, Buckinghamshire and is an organisation of approximately 200 people. We are responsible for running the Radio Access Network ("RAN") for EE and H3G throughout the UK. We manage the equipment and software in the RAN, and so are also responsible for the purchase and deployment of equipment and software to support the network, which also includes negotiating the terms of the commercial contracts for the procurement of the supply and support of such equipment, software and related services.

## **2 THE NATURE OF OUR SUPPLY CHAIN**

Our supply chain is made of a variety of subcontractors who help us deliver on our responsibilities to our shareholders.

We manage a large number of strategic suppliers providing managed services, network equipment, transmission, information technology and management of power and property supplies. Most of these suppliers are UK based, but some of them have manufacturing facilities in other locations (such as the Far East), and other suppliers have operational support centres in countries such as India.

We work closely with our strategic suppliers in order to foster more meaningful relationships with them, exert closer control over the relationship and ensure they understand how our business (and the RAN) must operate. We expect all of our suppliers and business partners to conduct their business in a lawful and ethical manner, which includes adopting business practices that prevent or eliminate modern slavery and human trafficking from taking place within their onward supply chains.

## **3 SUPPLIER MANAGEMENT**

Throughout the previous financial year we have been developing a supplier management programme. This has involved reviewing our entire procurement process in order to improve our supplier relationships and give us greater scrutiny, management and control over our supply chain. Our initial focus has been on our Tier 1 suppliers. The focus of this programme is on contract management, performance management, risk management and relationship management.

Whilst much of the focus of this programme is in relation to ongoing contract management in order to drive better performance from our suppliers, this also enables us to be more in tune with our suppliers, and therefore more alive to any potential risk of modern slavery occurring within our supply chain. There is also a significant element of the supplier management programme which relates to

identification of compliance risk (including in relation to modern slavery and human trafficking). Prior to a supplier being awarded a contract they will undergo a risk assessment, and whilst all our suppliers are expected to comply with all local and national laws and regulations, as part of this risk assessment we will also ask for (and review):

- information about the supplier's approach to corporate social responsibility;
- copies of their modern slavery transparency statements (where applicable); and
- details of policies on fair sourcing of goods and services.

**Future suppliers** will be scored as part of this pre-contract exercise (and also on an ongoing basis), based on their performance against our **IMPACT** criteria (i.e. Innovation & Design, Management & Financial, Performance & Operation, Assurance & Continuity, Cost & Value Creation and Transparency & Ethics). The Transparency & Ethics rating will consider the supplier's regulatory compliance, CSR compliance, and also compliance with MBL's own internal policies. We will also be scoring suppliers based on their approach/commitment to eradicating modern slavery and this will be based upon a review of their modern slavery transparency statement (where applicable). Where we determine that a supplier does not meet our high standards in relation to ethics we will:

- as an interim measure and pending establishment of an assessment tool (as referred to below) ensure individual legal review of the information received from the suppliers; and
- if we were to find evidence that one of our suppliers has failed to comply with the Act we would require the supplier to provide a remediation plan and we would consider the future of our relationship.

We are also reviewing the possibility of using a third party supply chain/vendor assessment tools in order to carry out screening of our suppliers prior to awarding a contract. At the time of preparing this statement these discussions are still ongoing, but these tools would focus on a number of financial metrics, but will also flag whether a supplier is "high risk" from a compliance perspective, including in relation to modern slavery and human trafficking offences. This would then give us a clearer indication of suppliers who we do not want to do business with.

#### **4 CONTRACTING**

During the last financial year we have also updated all our standard contracts and new suppliers will now be required to provide contractual assurances that they:

- will comply with the Modern Slavery Act 2015; and
- have not committed, nor are they under investigation or prosecution in relation to any modern slavery or human trafficking offences.

We have also issued a letter of expectation to all our existing suppliers which sets out, amongst other things, our expectation that they will adhere to these same standards in relation to modern slavery and human trafficking.

We enforce a strict code of compliance and do not tolerate slavery and human trafficking within our supply chains, and if we were to find evidence that one of our suppliers has failed to comply with the

Modern Slavery Act 2015 we would require the relevant supplier to provide a remediation plan consider terminating our relationship.

## 5 TRAINING

As part of the supplier management programme we will be producing a "Best Practice Guidance and Template" which explains what this programme is intended to achieve, and how it needs to be implemented within our business. Training on the programme and how to use the Best Practice Guidance and Template will be rolled out to everyone within the business so that all employees will be equipped to identify risks and issues occurring within our supply chain, including in relation to modern slavery and human trafficking. If we can identify those issues more quickly and easily then we will be better placed to deal with them and take action when they arise.

## 6 WHISTLEBLOWING

Over the course of the last financial year we have implemented a whistleblowing hotline. This is a global, confidential hotline, web reporting and email service for the entire organisation and all third party suppliers which is manned 24 hours a day, 365 days a year.

We have outsourced the provision of this hotline to a third party in order to maintain the independence of the resource so as to encourage employees to 'speak up' about unethical practices or behaviours. We also have the capability to extend the service free of charge to unlimited numbers of third party suppliers and so will be encouraging their personnel to utilise this service as well, and in particular to report any instances of modern slavery or human trafficking occurring within our supply chain, or any other concerns they may have in that regard.

Where any instances of unlawful or unethical conduct is reported to the hotline then it will be reported to our Legal Director for review.

## 7 POLICY

Whilst MBNL does not currently have a specific modern slavery policy, we assess and manage any such risks on an on-going basis and we are committed to internal accountability standards and procedures for employees or contractors failing to meet our standards regarding modern slavery and human trafficking. We will also be implementing a broader corporate social responsibility policy in 2017.

## 8 SIGN OFF

This statement is made in accordance with Section 54(1) of the Modern Slavery Act 2015 and constitutes Mobile Broadband Network Limited's modern slavery and human trafficking statement for the financial year commencing 1 January 2016 and ending 31 December 2016.

Signature:



Simon Frumkin

Director

**MOBILE BROADBAND NETWORK LIMITED**

Date: 22 DECEMBER 2016