

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 2017 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 ("Three") 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 Three 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

Development of our Supplier Management Programme

As reported in our previous statement, we have been developing a supplier management programme. 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.

As part of this pre-contract exercise (and also on an ongoing basis), we have the option to classify both existing and new suppliers according to their strategic importance to our business, 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 MBNL'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 easement 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 Modern Slavery Act 2015 we would require the supplier to provide a remediation plan and we would consider the future of our relationship.

Application of our Supplier Management Programme

During our 2017 financial year, we have been developing our supplier management programme in relation to our top three suppliers by spend (which together equates to approximately 75% of our annual spend). We intend to have completed the development and roll-out of the programme across these three suppliers by 31 December 2017.

Once the supplier management programme has been completed for each of those three suppliers, we will review any exposure to compliance risk and address accordingly with each supplier if required. However, if we discover any omissions or breaches during the course of developing and rolling out the programme we will seek to work with our suppliers to develop a remediation plan for the omission or breach in question.

Looking ahead to 2018

During our 2018 financial year we will be in the implementation phase of our Supplier Management Programme in relation to our top three suppliers by spend. This phase is designed to iron out any concerns / highlight any risks with those suppliers.

We also intend to roll-out our supplier management programme across our next nine top suppliers by spend.

Vendor Assessment Tool

As reported in our previous statement, we are reviewing the possibility of using a third party supply chain/vendor assessment tool or service in order to carry out screening of our suppliers both pre- and post- contract award (thereby enabling us to audit each supplier during the term of their contract with us with a view to ensuring continuous compliance). This tool or service will 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. Our aim is to develop a dashboard for each of our suppliers which will contain a flag on modern slavery and human trafficking compliance. The tool or service will then give us a clearer indication of suppliers who we do not want to do business with.

Since our last statement, we have met with a number of potential providers of such tools and are looking to appoint our preferred provider in early 2018. Once appointed, we aim to collate the data generated through the tool or service during the course of 2018 to enable us to understand the extent to which our suppliers are compliant with the Act and to determine what, if any, action we wish to take.

4 CONTRACTING

As reported in our previous statement, we have updated all our standard contracts and new suppliers will now be required to provide contractual assurances that they:

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

During our 2017 financial year we have:

- (a) varied five of our large outsourcing contracts so that they now include our standard modern slavery compliance clauses; and
- (b) including our standard modern slavery compliance clauses in all contract extensions / renewals.

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 and we would consider terminating our relationship should we see no substantial improvement in this area.

In our last financial year, we issued a letter of expectation to all our existing suppliers which set out, amongst other things, our expectation that they will adhere to these same standards in relation to modern slavery and human trafficking. We received no objections to that letter.

5 TRAINING

Since our last statement, we have produced a "Best Practice Guidance and Template" which explains what our supplier management 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 is being rolled out to staff within the business so that all relevant employees and contractors 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.

All new and existing members of staff are required to complete mandatory online compliance training. This training includes a module which trains and updates our staff on modern slavery legislation and its requirements. We aim to update this training annually and all members of staff will be expected to complete it each year.

In addition, since our last statement two members of the procurement team (a team of nine members of staff) have undertaken the Ethical Procurement and Supply e-learning and online test offered by The Chartered Institute of Procurement & Supply (CIPS). This course is designed to help procurement and supply chain professionals to demonstrate their commitment to, and understanding of, acting ethically on behalf of their organisations. Where individuals in the team currently hold student, associate or full membership, we aim for those individuals to have undertaken this training over the course of the next financial year.

6 WHISTLEBLOWING

Over the course of the last financial year we implemented a whistleblowing hotline. This is a global, confidential hotline, web reporting and email service for the entire organisation 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. We received no calls to the hotline during the 2017 financial year.

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 2018 (having focussed on the following three key areas in 2017: (a) volunteering, (b) work experience; and (c) payroll giving).

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 2017 and ending 31 December 2017.

Signature:



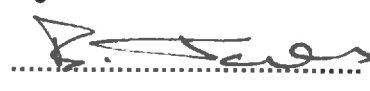
Patrick Coxen

Managing Director

MOBILE BROADBAND NETWORK LIMITED

Date: 01 JUNE 2018

Signature:



Bryn Jones

Chairman of the MBNL Board

MOBILE BROADBAND NETWORK LIMITED

Date: 01 JUNE 2018

