

Modern Slavery Act 2015: Slavery and human trafficking statement for Arqiva Limited, Arqiva Services Limited and Arqiva Smart Metering Limited.

OVERARCHING STATEMENT

This statement sets out the steps we are implementing to combat slavery and human trafficking. We remain committed to further improving our practices in the future to combat slavery and human trafficking.

ORGANISATION STRUCTURE

We are a communications infrastructure and media services provider, operating at the heart of the broadcast, satellite and mobile communications markets. We're at the forefront of network solutions and services in the digital world. We provide much of the infrastructure behind television, radio, satellite and wireless communications in the UK and have a significant presence in Ireland, mainland Europe, Asia and the USA.

Arqiva Limited and Arqiva Services Limited, and their respective subsidiaries, and Arqiva Smart Metering Limited are part of the Arqiva group which has its head office in the UK. We have over 2,000 employees and operate in the UK, Ireland, mainland Europe, Asia and the USA.

Arqiva Limited and Arqiva Services Limited (including their respective subsidiaries) and Arqiva Smart Metering Limited each have an annual turnover of in excess of £36 million.

OUR SUPPLY CHAINS

The Arqiva Supply Chain works in partnership with our suppliers, ensuring we meet our internal customer needs. The Arqiva values of Ingenious, Straightforward and Collaborative are core to how we interact with suppliers whether a high volume preferred supplier or one-time only supplier.

We have an exceptionally diverse range of services and goods that are required by the business and sourced by our Procurement team including:

- Transmission – Arqiva has numerous transmission sites throughout the UK;
- Construction – Arqiva undertakes a broad range of construction activities from small changes to the construction of new transmission towers;
- Maintenance & Repairs;
- IT software and managed services;
- Satellite Capacity; and
- Corporate facilities (encompassing stationery, recruitment, legal and professional fees).

OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Suppliers are required to comply with our Supplier Code of Conduct, which reflects our commitment to acting ethically and with integrity in all our business relationships and to implementing and enforcing effective systems and controls to ensure slavery and human trafficking is not taking place anywhere in our supply chains.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk we:

- aim to identify and assess potential risk areas in our own business and our supply chains;
- try to mitigate the risk of slavery and human trafficking occurring in our own business and our supply chains;
- monitor potential risk areas in our own business and our supply chains;
- where possible we build long standing relationships with suppliers and make clear our expectations of their business behaviour;
- expect our suppliers to comply with the Modern Slavery Act 2015 and have their own suitable anti-slavery and human trafficking policies and processes; and
- encourage the reporting of concerns and support the protection of whistle blowers.

SUPPLIER ADHERENCE TO OUR VALUES

We have zero tolerance to slavery and human trafficking. We expect all those in our supply chain to comply with those values and our Supplier Code of Conduct.

Our Procurement team, reporting in to our CFO, is responsible for promoting and ensuring compliance with the Modern Slavery Act 2015 as part of our supplier relationships.

TRAINING

To ensure a high level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business, all directors and members of the Management Board have been briefed on the subject and we continue to assess training needs for all relevant members of our staff.

OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

We will use the following key performance indicators (KPIs) to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains:

- use of robust supplier selection process including supplier questionnaires and compliance with Arqiva's Supplier Code of Conduct;
- use of our payroll systems.

STEPS TAKEN DURING THE FINANCIAL YEAR TO 30 JUNE 2019

In the past financial year, we have taken the following steps to ensure that slavery and human trafficking is not taking place in our supply chains, and in any part of our own business:

- a) We have continued to progress a re-qualification process for all of our suppliers, using our e-procurement system. The re-qualification process includes revised background checks and either (a) confirmation of acceptance of the Arqiva Supplier Code of Conduct (which covers modern slavery and human trafficking); or (b) demonstration that the Supplier has its own equivalent policies covering modern slavery and human trafficking. In addition, all incoming suppliers now go through the e-procurement system requiring these confirmations at the outset of the contractual relationship. Purchase Orders cannot be placed with new suppliers before the confirmation has been given.
- b) For FYE 30 June 2019, 97.5% of suppliers by spend value in the last financial year have confirmed compliance with modern slavery and human trafficking requirements. Pending formal confirmation from the remaining 2.5% of suppliers, a risk analysis has been carried out on those suppliers. All are considered to be either low or minor risk suppliers due to the nature of the supplies and the make-up of the relevant organisation. A process has been agreed to obtain the remaining confirmations, failing which the suppliers will be placed on hold and no further purchase orders issued.
- c) Our Whistleblowing policy has been refreshed and re-modelled as a 'Speak-Up Policy'; and an internal audit of its implementation has been undertaken. Company-wide communications reminding all employees of the policy and how to report concerns have been issued.
- d) Our template supply contracts have been updated and refresher training has been provided to our Procurement team to ensure that appropriate provisions are included when new contracts are entered into.

STATEMENT

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Arqiva Limited, Arqiva Services Limited and Arqiva Smart Metering Limited's slavery and human trafficking statement for the financial year ending 30 June 2019.



Simon Beresford –Wylie

Chief Executive Officer

For **Arqiva Limited** and **Arqiva Services Limited** and **Arqiva Smart Metering Limited**

Date: 25/06/2019