

## Modern Slavery Act Transparency Statement

Tesco Mobile Limited is a mobile virtual network operator and a joint venture between Tesco PLC (“Tesco”) and Telefónica UK Limited (“Telefónica”). Our principal activities are the provision of prepay and pay monthly airtime services to consumers under the Tesco Mobile brand within the UK market. Sale of the airtime services and related devices are via the Tesco retail network. Delivery of the airtime services are over Telefonica’s mobile communications network.

This statement is made pursuant to the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ending 31 December 2017. It details the steps we have taken during the financial year to ensure that neither slavery nor human trafficking is taking place in our supply chains or any part of our business and the action we intend to take in pursuit of our ongoing commitment to maintaining high ethical standards.

### Policies

As a business, we do not manufacture the products we sell to the consumers, nor do we always procure the devices, network equipment or services directly from the suppliers. This is because we are a joint venture, mobile virtual network operator. Therefore, we continue to rely on both Tesco and Telefónica to procure and employ staff for our offices and phone shops. We also continue to rely on them to procure goods and services on our behalf. Accordingly, this year we have continued to actively monitor and ensure that they have the appropriate policies in place for their employees and suppliers which proactively address issues relating to ethical considerations like, labour, environmental impact, and social contribution throughout their own supply chains. In the case of Telefonica, these policies are encapsulated in their Supply Chain Sustainability Policy ([Supply Chain Sustainability Policy](#)) and in the case of Tesco in their Code of Business Conduct ([www.tescopl.com](http://www.tescopl.com)). We take any allegations or breach of the policies very seriously and have a whistle blowing policy in place which encourages our staff to freely raise concerns.

Where we source suppliers directly, we have revised our contractual standards to ensure that there is an adherence to the policies we have in place to address issues of ethical trading. We also ensure that our suppliers and any subcontractors that they may deploy, are compliant with both our policies and legislation. We also ensure a right of audit for all our material supplier contracts.

### Due diligence processes

We have confidence in the due diligence processes that our parent companies employ to identify and mitigate the risk of any modern slavery or human trafficking taking place in any of their supply chains. Tesco integrates the use of a due diligence platform to review suppliers specifically for issues related to modern slavery and bribery & corruption as part of their on-boarding process. It aims to reduce the risk of slavery in the supply chain, to address the issues which can lead to slavery and works with the community to recognise those vulnerable to modern slavery. Telefónica operate a common management model to ensure suppliers comply with the policies and carry these business principles forward into their own supply chains. Our procurement team undertake their own due diligence and compliance checks as part of our supplier on-boarding process. Such due diligence includes: checks during the tender process, physical site visits to any suppliers viewed as a potential risk, and documentation of standards and agreements as part of our contracting process. For key suppliers site visits are conducted by Business Owners, Supplier Governance and Procurement.

The Tesco Mobile procurement process also now has access to the use of Tesco’s due diligence platform as part of supplier selection. In 2017, a team of Tesco Mobile senior staff visited the site of our supplier in India, our only non-UK people based service provider.

### Training

All Tesco Mobile staff undertake mandatory online training, provided by either Tesco or Telefónica, in various areas to educate them on the values of our parent companies and their zero tolerance approaches to unethical trading. We also require our staff to complete our own specific Tesco Mobile mandatory online training modules.

### **Further Steps**

We appreciate that risks of modern slavery are constantly changing. As a result we are continually reviewing and improving our processes and procedures to ensure we are doing all we can as an organisation to prevent any modern slavery or human trafficking taking place in our supply chains. We will provide modern slavery training to our supply chain in order to ensure our understanding of managing the risk of modern day slavery is up to date. We are planning a further visit to the site of our supplier in India in 2018. We will continue to work with our staff and suppliers to safeguard the highest ethical standards that we are committed to operate by.

The board of directors of Tesco Mobile Limited approved the Modern Slavery Statement and it is signed by the Chief Finance Officer on their behalf.



Roger Keenan  
**Chief Finance Officer**  
**Tesco Mobile Limited**

25/6/18  
Date