

## giffgaff - Modern Slavery Statement

giffgaff Limited (“giffgaff”), a wholly owned subsidiary of Telefonica UK Limited (“O2” or “Telefonica UK”), is a UK based virtual network operator providing mobile services to members using the O2 network and is part of a global telecommunication group, Telefonica SA (Telefonica). The giffgaff team are directly employed by Telefonica UK and benefit from Telefonica UK policy and procedures on working policies and conditions.

Operating within the UK to Telefonica [business principles](#) which prohibit any form of forced labour and using Telefonica UK Procurement to source products in compliance with the Telefónica’s [Supply Chain Sustainability Policy](#), forced labour risks within giffgaff and how it conducts business or in its supply chain is minimal. Any significant forced labour risk will lie in the giffgaff supply chain where they are managed by the procurement policy and associated due diligence operated by Telefonica UK. This policy holds suppliers to labour standards which prohibit any form of forced labour and ensures compliance by a risk based due diligence approach based on the location of the supplier activity and its location. giffgaff reserves the right not to do business with any supplier if we find any violation of the policy.

### *Our ethical code*

giffgaff and the wider Telefonica group adhere to a common set of Business Principles, these guidelines govern our day-to-day activities and apply to all employees and suppliers. They detail our general principles of honesty, trust, and respect for the law, integrity, and human rights.

On issues of human rights, we are clear that:

- We respect the principles of the UN Universal Declaration of Human Rights, as well as the declarations of the International Labour Organization.
- We promote equal opportunities and we treat all individuals fairly and impartially, without discriminating with regard to race, colour, nationality, ethnicity, religion, gender, sexual orientation, civil status, age, disability, or family responsibilities.
- We do not tolerate, either directly or indirectly, any type of child labour, forced labour, threats, coercion, abuse, violence or intimidation in our work environment.
- We respect our people’s right to belong to the trade union of their choice and we do not tolerate any type of retaliation or hostile action towards those people who participate in union activities.

### *Training*

All employees including the giffgaff team must complete a mandatory training course on our Business Principles. This training reflects the importance we place on respecting our ethical code.

### *Confidential facility*

If anyone has any concerns about compliance with our Business Principles - or just wants to ask questions, get advice, or raise issues – there is a confidential help facility

available to all employees.

## *Supply chain management*

As part of a large global company, Telefonica is in a strong position to influence and impose our high ethical standards on our supply chain and giffgaff benefits from both the supply chain management and due diligence undertaken by Telefonica

## *Due diligence*

Telefonica's due diligence approach include:

- desk reviews of policy and process;
- third party on-line assessments by EcoVadis (an online system which measures and scores suppliers on their environmental, social, ethical, and supply chain activities); and
- site audits conducted by Telefonica UK, including detailed interviews with workers.

Due diligence may be carried out both before we sign contracts with suppliers and during a contract's term.

giffgaff stands ready to address problems identified by due diligence by refusal to sign an agreement (in the pre-contract stage), the imposition of an improvement plan, or in a serious case the termination of an agreement.

In 2016, there were no identified instances of slavery or trafficking within our supply chain.

## *Collaboration*

To maximize its ability to drive positive practices, Telefonica are:

- members of the Joint Audit Co-operation an industry initiative made up of major telecom operators with the common objective to raise social, environmental and ethical standards within the ICT supply chain;
- members of the Global e-Sustainability Initiative which is a global collaboration of major ICT companies that promotes and develops sustainability best practice in the ICT sector; and
- signatories of the [UN Global Compact](#) and its [Ten Principles](#) on human rights, labour, environment and anti-corruption which is built into the Telefonica ethical codes which giffgaff adopts.

## *Making improvements*

As part of the review and monitoring process, Telefonica UK:

- Discussed the supply chain due diligence for slavery and trafficking, including best practice due diligence approach with key suppliers at the 2016 Supplier Forum.
- Introduced a new requirement for suppliers to provide an annual statement on minimization of the risk of slavery and trafficking in their own operations and supply chain, and
- Engaged with experts to identify how it can strengthen the approach.

giffgaff welcomes the transparency brought by the Modern Slavery Act 2015 and the pressure it will bring to reduce modern slavery risks across UK business and their supply chains and will closely monitor the issue and report on our activities in subsequent statements.



Mark Evans, Director - giffgaff Limited