



Modern Slavery Act Transparency Statement

KCOM is the trading name of KCOM Group Limited and its subsidiary companies.
Registered office 37 Carr Lane, Hull, HU1 3RE
Registered number 2150618

Introduction

Slavery and human trafficking are a reality of the world in which we live and at KCOM we are committed to doing all we can to assist in the eradication of such activities. We have a zero-tolerance approach to any slavery or human trafficking activity within our business or in our supply chain.

In this statement we set out the steps we are taking to seek to identify and remove any slavery or human trafficking from our business and supply chain.

This statement relates to actions and activities during the financial year 1 April 2019 to 31 March 2020.

About KCOM

KCOM is a leading provider of communications services and IT solutions to organisations and consumers. We are one of the oldest communications services companies in the UK, with foundations dating back to 1904 when a quirk of history gave East Yorkshire its own phone company.

We now operate across different markets and segments:

- > Our regional business in East Yorkshire and North Lincolnshire comprises:
 - > KCOM Wholesale, which provides wholesale services to communications providers; and,
 - > KCOM Retail, which provides retail communication and internet-based services to residential and business customers
- > KCOM National Business provides connectivity-based services to large national organisations, helping them to make the most of technology to serve their customers better and address other business challenges.

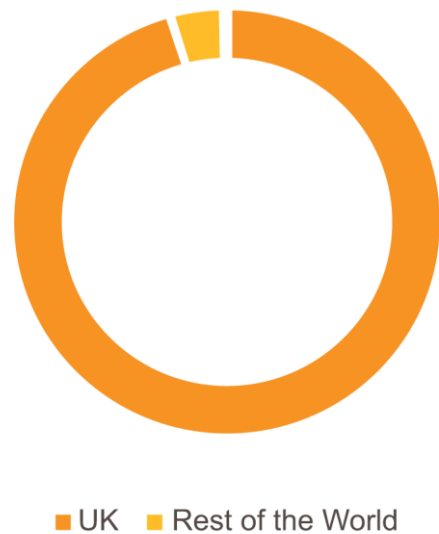
Our supply chain

We operate mainly within the UK and wherever possible and where it is commercially feasible to do so we purchase goods and services from suppliers in the East Yorkshire and North Lincolnshire region.

We have over 500 active suppliers that provide goods and services that we use directly or indirectly in the provision of services to our customers. The main categories of procurement are technology and network goods and services.

Based on the overall business sector the risk in our supply chain is deemed to be fairly low with up to 95% of goods and services purchased from suppliers with UK head offices and the remaining 5% purchased from suppliers based in Europe, United States of America, Australia, India or Canada. Where a supplier is classified as high risk further due diligence is conducted throughout its supply chain as well as frequent supplier review meetings to ensure that the supplier is operating in line with agreed terms and conditions.

Location of Suppliers



KCOM suppliers and, where necessary, their supply chain, are required to comply with our Supplier Code of Conduct. This is referred to in both our standard terms and conditions and the framework agreements which suppliers receive with every purchase order issued. The Code sets out our expectations regarding how suppliers should conduct themselves from an ethical, legal and moral perspective and reflects the requirements of the Modern Slavery Act. In addition, our Procurement Policy details the supplier set-up process to ensure that all suppliers are vetted accordingly. As part of the supplier set-up process suppliers are asked to complete a corporate responsibility questionnaire so that any risks are known prior to engagement. Once a supplier is included on the preferred supplier list the supplier is categorised based on risk and criticality so that they can be monitored in accordance with our Procurement Policy governance and processes.

Due diligence

We undertake due diligence when considering taking on new suppliers and regularly review our existing suppliers. Our due diligence and reviews include:

- > Evaluating the modern slavery and human trafficking risks of each new supplier;
- > Conducting supplier audits or assessments which have a greater degree of focus on slavery and human trafficking where general risks are identified; and
- > Developing a system for supply chain verification, whereby we evaluate potential suppliers before they enter the supply chain.

Our people

We have an Ethics and Anti-Fraud Policy, with which all of our people are expected to be familiar and to comply at all times. This covers the standards and behaviours that we expect from our people and the way in which we want to do business. This reflects our anti-slavery stance and covers a number of areas, including how our people can speak up if they become aware of an ethical or moral issue in any part of our business.

We also have a Bullying and Harassment Policy, which sets out how our people should behave towards each other and to people outside of KCOM with whom we come into contact through our work.

Our Equality Policy ensures that all our employees are aware of our commitment to equality and of its obligations under relevant legislation.

We believe that every employee is entitled to a working environment that promotes dignity and respect to all. No form of intimidation, bullying or harassment will be tolerated.

In line with our Recruitment Policy we use only specified, reputable employment agencies to source labour and verify the practices of any new agency before accepting workers from that agency.

Training

In 2017 employees in our purchasing, procurement and people teams participated in education sessions on slavery and human trafficking. The sessions covered the design of procurement practices to prevent purchases at unrealistically low prices; purchases that involve the use of labour engaged on unrealistically low wages or wages below a country's national minimum wage; and purchases supplied within an unrealistic deadline. The session also covered the actions to be taken if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios, including their removal from our supply chain. We will be refreshing this training in 2020.

Speaking up

We encourage all our employees, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, our organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. We have a Speaking Up Policy in place which encourages people to speak up if they become aware of any practices that breach our policies or are inconsistent with the way in which we want to work. Our Speaking Up Policy is designed to make it easy for workers to make disclosures, without fear of retaliation. Any concerns raised are independently investigated and the concerns and investigations are reported to our Board to ensure that they are satisfied that the concern has been appropriately addressed.

Ensuring compliance

We have mechanisms in place to ensure that our policies are being followed and that the controls in place are effective. These include audits by our Risk team and the monitoring of completion rates of our online learning modules.

This statement covers the period from 1 April 2019 to 31 March 2020 and has been approved by the Board of KCOM Group Limited. Our next statement, covering the period from 1 April 2020 to 31 March 2021, will be published by the end of September 2021.

Dale Raneberg
Chief Executive Officer