



A1 TELEKOM AUSTRIA AG

Incorporated in Austria, Company No. 280571f

and subsidiaries (the “Subsidiary” or “Subsidiaries”), including

JETSTREAM ENGLAND LIMITED (the “Company”)

Incorporated in England and Wales, Company No. 09075691

MODERN SLAVERY ACT TRANSPARENCY STATEMENT

INTRODUCTION FROM THE SENIOR MANAGEMENT

A1 Telekom Austria’s vision is “Empowering digital life” for our customers and society.

We work together with our employees to evolve our company to meet the business needs of the “New Economy” in times of ever increasing digitalisation. Our common business strategy as well as our Guiding Principles (Team, Trust and Agility) provide direction on how to execute and to achieve our goals, and are incorporated into our daily business.

Ethically and legally impeccable conduct is a necessary prerequisite for the trust our customers, stakeholders and employees place in us. To ensure this, we have made a pledge to place integrity at the core of all our business activities. This is reflected in a range of developments and mechanisms, including our group-wide CSR strategy and Code of Conduct which apply to all our employees and leadership across the group in equal measure.

A1 Telekom Austria is committed to enhancing our global community together. In turn, the Group is signatory to the UN Global Compact. As such, we fulfil fundamental responsibilities in the areas of human rights, labour, environment and anticorruption. We have a zero-tolerance attitude towards any activities frowned upon as per the UK Modern Slavery Act 2015, namely acts of modern slavery (that is, slavery, servitude, forced and compulsory labour and human trafficking). We remain committed to improving our Group policies and practices to fully comply with our legal obligations under the Act, but first and foremost to lead on a business guided by the principle of ethical integrity.

ORGANISATION’S STRUCTURE

A1 Telekom Austria is a wholly owned subsidiary of Telekom Austria Group (“the Group”), which in turn are listed on the Vienna Stock Exchange and are a global provider of digital services and communications solutions operating in the telecoms sector. We are the parent company of Jetstream England Limited (UK), which carries on a business in England and Wales as defined in the Modern Slavery Act 2015.

The Group has over 18,000 employees worldwide and operates in seven countries: Austria and Slovenia (A1), Bulgaria (Mobiltel), Belarus (velcom), Croatia (Vipnet), the Republic of Serbia (Vip mobile) and the Republic of Macedonia (one.Vip). In addition to our UK presence through JetStream England Limited, the Group further has subsidiaries in Germany, Turkey, Romania, Italy, Czech Republic, BiH, Switzerland, Slovakia, Hungary, Slovenia, Serbia, Bulgaria, Macedonia, Croatia, Belarus, and Lichtenstein. Our company structure can be found on https://cdn1.telekomaustria.com/final/en/media/pdf/TAG_struktur.pdf

The Group has a global annual turnover of around £4bn.

CODE OF CONDUCT

Our Code of Conduct contains guidelines and principles for conducting ourselves that conform to our Guiding Principles and the law. It applies to all members of the Management Board, leadership teams, managers, employees and members of the external workforce at all companies in the Group, including A1 Telekom Austria AG and its subsidiaries. Goal of the Code of Conduct is to build and maintain a working environment in which personal and business relationships are guided by high ethical standards, and in which we can grow sustainably while keeping in mind economic, ecological and social aspects.

Core to our Code of Conduct is a respectful, team-orientated conduct between employees as well as management and employees. Managers support their employees in achieving a balance between their professional and private lives and in taking advantage of what the company offers for the improvement of their work-life-balance and health. To support our culture of trust and integrity, the Group utilises an elaborate compliance management system with clear rules and procedures based on the two main pillars: the prevention and detection of any unethical behaviour no matter on what organisational level this may occur.

Misconduct and violations of conduct standards have serious personal consequences not only for the individual, but also for the entire company. For this reason, misconduct cannot be tolerated. Managers have a special role model function in this regard.

The Group disciplines conscious, unlawful misconduct and violations of internal guidelines consistently, regardless of the rank or position of the person involved.

OUR SUPPLY CHAINS

The sustainability of business activity is not just represented in the immediate ecological and social effects of one's own business processes. That is why we also include upstream business processes, meaning the purchase of goods and services, into the respective assessment of its value chain.

We maintain trusting, fair business relations with our suppliers and in return expect the same from our suppliers. Our procurement procedures comply with the laws and regulations of the countries in which we operate. Procurement is responsible for competently procuring goods and services at the best possible conditions. Purchasing regulations are strictly adhered to.

We work with all our suppliers toward upholding legal anticorruption regulations and integrity standards. Whenever possible, we prefer to work together with suppliers that are environmentally friendly and socially responsible.

The Group's core business accounts for the majority of the purchasing volume: This concerns infrastructure components for its fixed-line and mobile communication networks, end-user devices (mobile phones, tablets, set-top boxes, modems, routers ...), IT and hardware components as well as power required to operate the networks. Office equipment, on the other hand, only represents a small portion of the overall purchasing volume.



Apart from commercial criteria, the Group - depending on the respective requirements - also considers ecological criteria such as environmental friendliness or energy efficiency in its purchasing activities. At the same time, it includes labour rights, corruption prevention regulations and data protection factors in its considerations. The use of so-called conflict minerals such as tin, tantalum, tungsten and gold which are often extracted under critical conditions presents a challenge to the industry in the production of ICT products. The Group does not manufacture such products but uses and sells them in the course of its business activities.

The Group pursues the approach to anchor sustainability in its supply chain to the greatest extent possible. For this purpose, a perennial project was created together with the purchasing section in 2012. Various measures, such as the integration of ESG3 (criteria for the vendors' self-assessment, especially at A1 Telekom Austria AG) or the acquisition of resources from sustainable sources were successfully implemented in the past three years across the Group. We have taken the below measures when purchasing:

- Employee protection and work conditions in accordance with the regulations of the International Labour Organization (ILO) have been included in the Code of Conduct, the purchasing conditions and framework contracts
- Behavioural guidelines for suppliers regarding sustainability implemented
- Social and ecological requirements toward products and services (including life-cycle perspective)
- Environmental and social criteria for regular vendor rating introduced at Austrian A1
- Sustainability criteria integrated into tenders

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. Our Code of Conduct 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. We are further subscribed to the UN Global Compact since 2012. Our Corporate Social Responsibility strategy is built on the Sustainable Development Goals and seeks to further their realisation through enhanced digitalisation and the promotion of innovation.

Our core value system is built around the idea of Empowering Digital Life. On the one hand, Telekom Austria Group is providing a state-of-the-art network infrastructure, on the other hand we are empowering digitalization. This is also reflected in the way of operating within Telekom Austria Group – by encouraging diversity, driving motivation and fostering an international and modern way of working. In 2016, TAG Guiding Principles have been developed which support new ways of working within the company and will be impacting each step taken in the near future:

- **TRUST**
Trust enables an environment where curiosity, openness and collaboration is key. In Telekom Austria Group, we trust the knowledge and empowerment of each and every colleague and act with integrity so that our customers, partners and colleagues trust us. This helps us to become better every day.
- **TEAM**
We work together by using our common assets and strengths to meet our customers' expectations. Teamwork is recognized and of great value in our company. Everyone's opinion counts and everyone is empowered to act.

- **AGILITY**
The digital world is changing every day and will not be waiting for us to adapt. We are therefore curious, take decisions and execute fast. We never stop learning and always keep starting.
- **CUSTOMER EXPERIENCE**
Our customers' trust is very valuable to us – that's why we constantly think about the customer experience of today and tomorrow. No customers, no business! It's as simple as that.

WORKING CONDITIONS WITHIN THE GROUP

We promote flexible working and the highest standards of health amongst our employees. Working independently of location and time as well as many benefits and measures to combine family and job contribute to maintaining the employees' work-life balance. For instance, employees can organise their work hours flexibly and — in coordination with their superior — have the chance to work on a mobile basis.

Health-related aspects of work life are a top priority for A1 Telekom Austria. Across the Group, a total of 13 physicians and work psychologists take care of its employees' health-related problems. Various initiatives are aimed at preventing excessive stress symptoms and other health-related impairments.

At the same time, work safety improvements are implemented on an ongoing basis. Accident development is evaluated on an ongoing basis.

DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING

As part of our initiative to identify and mitigate risk we have in place systems to:

- Identify and assess potential risk areas in our supply chains;
- Mitigate the risk of slavery and human trafficking occurring in our supply chains;
- Monitor potential risk areas in our supply chains;
- Ensure the possibility of anonymous whistleblowing through the platform 'tell.me'.

SUPPLIER ADHERENCE TO OUR VALUES

We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we have in place a supply chain compliance programme. This consists of the issuing of a targeted questionnaire requiring contractual partners to state whether or not they adhere to the Standards set by the ILO, prevent practices such as forced or compulsory labour or child labour and slavery, and ensure adequate compensation of their employees.

FURTHER STEPS

Following a review of the effectiveness of the steps we have taken these past two years to ensure that here is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat slavery and human trafficking:

- **Formulation of Anti-Slavery Policy**
Whilst our activities reflect the highest ethical standards, we do not currently have a concise Policy document. We are committed to drafting a policy in the coming financial year.
- **Due Diligence**
We will review existing Due Diligence processes and improve them as required.

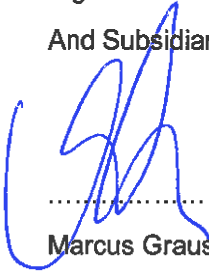
- **Training**

We will explore any training needs by our team(s) and put in place effective mechanisms as required.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our Group's slavery and human trafficking statement for the financial years ending 31st December 2016 and 2017.

Signed for and on behalf of A1 Telekom Austria

And Subsidiaries



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Marcus Grausam

Board Member



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Mag. Sonja Wallner

Board Member

Date: 5th March 2018

