Modern Slavery Statement and Policy

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Modern Slavery Statement

Introduction

This statement sets out KDDI Europe's approach to identifying and managing all potential modern slavery risks related to its business and to establish protocols intended to prevent modern slavery or human trafficking.

As a leading provider in the ICT solutions industry, KDDI Europe or ("the Company") recognises that it has a responsibility to take a zero-tolerance approach to modern slavery and human trafficking, by ensuring that its organisation and supply chain is free from such activity. To this end, the Company has set out in this Statement and Policy the activities that it will undertake during this financial year.

The Company is highly committed to achieving transparency in its business and as well as that in its supply chains, consistent with its obligations under the Modern Slavery Act 2015. Likewise, the Company insists on the same high standards from all of its contractors, suppliers and other business partners, and in accordance with its contracting processes, the Company includes prohibitions against the use of forced, compulsory or trafficked labour and expects its contractors and suppliers will hold their own contractors and suppliers to the same high standards.

Organisational Structure and Supply Chains

This statement will be updated on an annual basis and covers the activities of KDDI Europe and its operations in the United Kingdom for the year commencing on 1 April 2024 and ending on 31 March 2025.

The Company is a wholly owned subsidiary of KDDI Corporation, one of the largest telecommunications providers in Japan with 50 years of excellence in dependable connectivity. KDDI Corporation has over 100 offices around the globe. Established in 1989, originally to provide managed ICT solutions for European branches and subsidiaries of key Japanese corporations, the Company now provides a wide range of ICT solutions and services, including network, cloud computing and system integration to customers in the EMEA region from its head office in London and branch offices in the Netherlands, Belgium and Turkey.

- The Company operates a local and regional supply chain with a preference for long term business relationships.
- The Company's aim is to improve performance by embedding risk management into the core of what we do and ensure it is key to our corporate strategy. This applies to our Modern Slavery Policy which allows the business to support sound decision-making both internally and across our supply chain.

The Company has assessed the following activities and considers them to be potentially high risk for slavery and human trafficking:

- Supplier Due Diligence – The process by which the Company requests evidence from suppliers to support their conformity to the Modern Slavery legislation.

- Negotiation and Contracting– The assessment process to ensure business partner and contractor commitment to meet the set of rules and regulations required to work with KDDI Europe.
- Supplier Management – The process of managing interactions with contractors who supply goods and/or services to the Company.
- The Company has successfully updated its due diligence procedure whereby members of Business Management, Finance, Purchasing and Information Security teams are alerted by email to check completed Supplier Evaluation Questionnaires and accompanying documents and approve or raise any necessary concerns they may have before a new supplier is engaged. This has so far proven to be a practical and efficient process which provides the Company with an important check and more detailed information regarding Suppliers and their compliance.
- In 2019 the Company demonstrated further its commitment to detecting and eradicating any hidden exploitation. Additionally, the Company isincreasing both transparency and accountability within its supply chains by registering as an affiliate member of TISCreport (Transparency In Supply Chains) https://tiscreport.org. Thus, ensuring that its own annual statement was shared securely with, and accessible, by the public, enabling it to monitor and be monitored by its supply chains.
- In 2020, further commitment was demonstrated by the interest shown in our efforts by our parent company, KDDI Corporation in Japan, who requested at the end of 2019 for us to audit our suppliers to find out how many of our existing suppliers were compliant with section 54 of the Modern Slavery Act 2015. We are pleased to announce that almost all of the companies were 100% compliant with the exception of a few 'nil responses'. Moreover, amongst those compliant, were companies whose compliance was not mandatory due to the small scale of their operations.
- Regardless of extraordinary Covid related events during 2020, the Company continued to be as prolific as usual in its activities to eradicate modern slavery. Supplier checks continued to play an important role in the Company's due diligence programme, with a strong emphasis on the detection and elimination of modern slavery and human trafficking from supply chains.
- In 2021, the Company resolved to improve its commitment to combating any potential exposure to acts of human trafficking or exploitation occurring in its supply chains by including an item on its due diligence Supplier Evaluation Questionnaire requesting that supplier's include Modern Slavery Act compliant clauses in their standard terms and conditions. The Company has also included such clauses in its commercial contracts with its customers. It is pleasing to note that there has been close to no objection at all by customers to the inclusion of Modern Slavery Act compliant clauses in commercial contracts.
- In 2022, the Company continued to demonstrate its commitment to ensuring that there were no elements of labour exploitation or human trafficking in any of its supply chains. The Company's rigorous due diligence process on new and existing suppliers continued to provide assurance that any such activities are eliminated as far as is practicable for it to do so. KDDI successfully implemented Modern Slavery Act compliant clauses in its commercial contracts with both customers and suppliers and was able to persuade suppliers to either draft its own clauses for incorporation into any contracts it executed with the Company or incorporated the KDDI clauses into any such

agreements. The legal department continued to be highly aware of the importance of this legislation and its potential impact upon the organisation and its reputation, and consequently regularly monitors the U.K. legal landscape to keep abreast of any future amendments that may be introduced. In addition, the Company strives to develop interesting and up to date training materials so that it can continue to ensure that staff awareness is maintained.

- In 2024, going into 2025, the Company continues to ensure that all efforts are made to eliminate any exposure to the risk of slavery and human trafficking and, in addition to the efforts made in previous years, has focused particularly on the process of recruitment. The Human Resources ("HR") department has been rigorous in its efforts to carry out stringent research into any recruitment agencies that it uses prior to the engagement of staff, with particular attention to those recruited from overseas. The HR department continues to monitor and scrutinise not only the services provided by such agencies but also the commitment that such agencies demonstrate in their adherence to Modern Slavery legislation. The HR department is adamant that should a particular agency fall short to adhere to the level of adherence that the Company expects, the HR department reserves the right to cease engagement of that agency with immediate effect.

- HR ensures that all relevant pre-employment checks are implemented and double checked internally, verified in accordance with the Company policy and legislation as well as cross checked for any anomalies. HR actively discourages management from the process of fast tracking employee onboarding, prior to the completion of such checks. All pre-employment checks are recorded and stored on file in accordance with Home Office regulations (the Home Office is empowered to audit any organisation's pre-employment checks, which must be completed before employee onboarding. Financial penalties are in place for failure to adhere to those requirements. No fines and/or other penalties were levied against the Company during the past year.)
- An annual review of the Supplier Due Diligence Questionnaire, last updated at the beginning of 2025 to incorporate checks for the risk of exposure to slavery and human trafficking in supply chains, and address the need for including clauses pertaining to the Modern Slavery Act 2015 in commercial contracts, continues to play an important role.

The Company will continue in future to review its products and services, and whether to reduce or increase aspects of them, in terms of not only economic viability but also considering the risks of exposure to violation of human trafficking and anti-slavery legislation they may involve.

Modern Slavery Policy

Responsibility

Responsibilities for the KDDI Europe anti-slavery initiatives are as follows:

- **Policies:** The Board of Directors has overall responsibility for ensuring that the Modern Slavery Policy ("the Policy") complies with all its legal and ethical obligations. This is achieved, in collaboration with Finance, Human Resources, Business Management, Information Security and Purchasing departments, by putting in place and reviewing this Policy statement including the process by which it has been developed. Management at all levels are responsible for ensuring that those reporting to them understand and comply with this Policy and are given appropriate training on it and the issue of modern slavery in supply chains. The Policy is reviewed and approved by the Board of Directors on an annual basis.

  Risk Assessment: A modern slavery risk analysis is undertaken at every level of the organisation as a structured, controlled and coordinated process using risk assessment tools. Risk reporting is built on existing departmental level reporting and is integrated wherever practical into routine management reporting. Where risks are deemed significantly important they are escalated in accordance with corporate procedures and reviewed for impact against the corporate strategy: The Company has assessed and categorised its suppliers and contractors in terms of slavery and human trafficking, and considers that the type of goods and services provided to the Company fall into the low to medium risk category in contrast to the hospitality, retail and textile/raw material industry sectors which may be considered a higher risk.

- **Investigations/Due Diligence:** As part of the KDDI Europe due diligence process, the various relevant departments review supplier and contractor human rights and modern slavery controls at the point of engagement. This is carried out through a series of background checks on the vendor companies and assessing their responses to our supplier evaluation form. The evaluation form contains amongst other items, a request for confirmation that the supplier has its own Modern Slavery Policy and that it is aware of and complies with the Modern Slavery Act 2015. The completed evaluation form is reviewed primarily by KDDI Europe's (the Company's) Finance department in collaboration with the relevant Human Resources, Business Management, Purchasing and Information Security teams. Any discrepancies are raised with the supplier before they can be used to provide goods and services to KDDI Europe (the Company). Thereafter KDDI Europe continues to monitor compliance against suppliers at predetermined intervals once a business relationship has been established. Where suppliers and contractors fail to provide evidence of compliance, they may be removed from the preferred supplier list with immediate effect. **NB: Suppliers are obliged to comply with all applicable laws, including the Modern Slavery Act 2015, in their contracts with the Company.**
- **Training:** KDDI Europe is committed to providing resources including human resources and specialised skills, technological and financial essential to the implementation, monitoring and improvement of employee awareness of human rights

and modern slavery legislation. Appropriate training is undertaken across KDDI Europe on a regular basis, during the probation period for new staff and once a year for existing employees.

Relevant Policies

KDDI Europe operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations:

- **Whistleblowing Policy** - KDDI Europe encourages all its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The organisation's whistleblowing procedure is designed to make it easy for workers to make disclosures, without fear of retaliation.
- **Business Code of Conduct** -The organisation's code makes it clear to employees the actions and behaviour expected of them when representing the organisation. KDDI Europe strives to maintain the highest standards of business conduct and ethical behaviour when operating in the UK and overseas and when managing its supply chain.
- **The Procurement Code of Conduct** - KDDI Europe is committed to ensuring that its suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour. KDDI Europe works with suppliers to ensure that they meet the standards of the code and improve their worker's working conditions. However, serious violations of the organisation's supplier code of conduct will lead to the termination of the business relationship. The following of processes and steps will be taken to implement the code of conduct in relation to slavery and human trafficking, including examples where action has been taken to address specific slavery and human trafficking risks.
- **The Recruitment Procedure** - KDDI Europe uses only specified, reputable employment agencies to source labour and always verifies the practices of any new agency it is using before accepting workers from that agency. Each employment agency is subject to the same standards expected of any supplier in terms of Modern Slavery regulatory compliance.

Due Diligence

KDDI Europe undertakes due diligence when considering taking on new suppliers, and regularly reviews its existing suppliers. The organisation's due diligence and reviews include:

- Evaluating the modern slavery and human trafficking risks of each new supplier.

- Conducting supplier audits or assessments through which KDDI Europe have a greater degree of focus on slavery and human trafficking where general risks are identified.
- Participating in collaborative initiatives focused on human rights in general, and slavery and human trafficking.

Performance Indicators

KDDI Europe has reviewed its key performance indicators (KPIs) in light of the introduction of the Modern Slavery Act 2015. As a result, KDDI Europe:

- Requires all staff to complete in-house training on modern slavery on a periodic basis.
- Has developed a system for supply chain verification by which KDDI Europe evaluates potential suppliers before they enter the supply chain by requesting potential suppliers to complete a supplier evaluation form.

Training

KDDI Europe requires all staff within the organisation to complete training on modern slavery as a module within the organisation's wider human rights/ethics/ethical trade training programme.

The organisation's modern slavery training covers:

- Our business's purchasing practices, which influence supply chain conditions and which should therefore be designed to prevent purchases at unrealistically low prices, the use of labour engaged on unrealistically low wages or wages below a country's national minimum wage, or the provision of products by an unrealistic deadline.
- How to assess the risk of slavery and human trafficking in relation to various aspects of the business, including resources and support available.
- What initial steps should be taken if slavery or human trafficking is suspected.
- How to escalate potential slavery or human trafficking issues to the relevant parties within the organisation.
- What messages, business incentives or guidance can be given to suppliers and other business partners and contractors to implement anti-slavery policies.
- What steps KDDI Europe should take if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios, including their removal from the organisation's supply chains.

Awareness-Raising Programme

As well as training staff, KDDI Europe raises awareness of modern slavery issues by regularly communicating relevant information to staff.

The communications explain to staff:

- The basic principles of the Modern Slavery Act 2015.

- How employers can identify and prevent slavery and human trafficking.
- What employees can do to flag up potential slavery or human trafficking issues to the relevant parties within the organisation.
- KDDI Europe's zero tolerance approach to modern slavery must be communicated to all suppliers, contractors, and business partners at the outset of our business relationship and reinforced and monitored appropriately thereafter.

This Statement and Policy has been approved by the KDDI Europe Board of Directors who will review and update it annually.

On **25 March 2025**, the Board, which includes the Managing Director, approved the Statement and Policy for the current year.

Signed

Takayo Takamuro

Takayo Takamuro
Managing Director
KDDI Europe Ltd.

25 April 2025