

MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out Capital City Service Limited's actions to understand potential modern slavery risks related to our business and supply chains.

INTRODUCTION

Capital City Service Limited (CCS) is a telecommunication company that activates in the area of wholesale Voice over Internet (VoIP) traffic exchange. CCS acts as an intermediate carrier of VoIP traffic and provides other telecom companies and providers a possibility to route their telecommunication traffic. The supply chain of CCS consists of above mentioned providers/partners all around the World in telecommunications and IT network infrastructure. More than 200 partners form part of our services supply chain. The majority of CCS's partners/suppliers are reliable players on the telecom market, big telecommunication services providers and national telecoms, like British Telecom, China Telecom, Orange and others. The number of employees that work for CCS is relatively small – 30-40 people.

OUR COMMITMENT

Capital City Service Limited is undertaking to identify and struggle with the aspects of our business activity that have a potential high risk within its business and within its supply chains, including those of subcontractors, and partners. The UK Modern Slavery Act 2015 requires businesses to declare the actions they have taken to ensure modern slavery is not taking place in the work place. We are fully agree to provide all possible support in fighting against and eliminating such phenomenon as modern slavery. We firmly stand for transparency and collaboration to eliminate the risks of modern slavery.

The ground to the human rights approach in Capital City Service Limited activity serve several international acts, standards and codes. They are:

- The UN Universal Declaration of Human Rights;
- The International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work;
- The Ten Principles of the UN Global Compact;
- The UN Guiding Principles for Business and Human Rights;
- The Ethical Trading Initiative Code of the International Labour Organisation (ILO).

OUR STRUCTURE, BUSINESS AND SUPPLYING CHAIN

The business structure of Capital City Service Limited is made in such a way that mostly excludes any possibility for Capital City Service Limited to be involved in the modern slavery. Because of the specifics of wholesale VoIP traffic reselling business activity, Capital City Service Limited attracts to cooperation people from different countries. These individuals cooperate with Capital City Service Limited on the basis of agent agreements as agents/sub-contractors. Therefore, all

rights and obligations of the parties are protected by the terms of the contracts signed by Capital City Service Limited and agents/sub-contractors.

Another important aspect that protects Capital City Service Limited from being involved in modern slavery is the nature of wholesale VoIP traffic activity. This activity is organized through the Internet and agents that work for Capital City Service Limited are free to choose the place from where they work and working timetable that is the most suitable to them.

The Modern Slavery Act 2015 states that “*A person commits an offence if: (a) the person holds another person in slavery or servitude and the circumstances are such that the person knows or ought to know that the other person is held in slavery or servitude, or (b) the person requires another person to perform forced or compulsory labour and the circumstances are such that the person knows or ought to know that the other person is being required to perform forced or compulsory labour*”. However, in regard of Capital City Service Limited activity it is important to underline that online distance cooperation excludes any possibility to keep a person under control or in servitude, or to force to a labour.

Analyzing the phenomenon of modern slavery and in accordance with the researches performed by the oldest anti-slavery organization – Anti-Slavery Society that was established in London in 1836, it is clear that nowadays slavery is less about people literally owning other people, but more about being exploited and completely controlled by someone else, without being able to leave. The forms of modern slavery are forced labour, debt bondage, human trafficking, descent-based slavery, child slavery, forced and early marriage. All these phenomena lie outside of Capital City Service Limited activity and Capital City Service Limited has a zero-tolerance approach to any form of modern slavery. Capital City Service Limited acts ethically and with integrity and transparency in its business activity and considers means of control to safeguard against any form of modern slavery. Within its business activity, Capital City Service Limited requires partners/suppliers to implement processes to ensure modern slavery is not taking place in their activity.

DUE DILIGENCE

Our due diligence process includes making clear to all partners our expectations and requirements in relation to the Modern Slavery Act 2015 (as well as all other applicable laws) as part of our contractual terms and conditions. In case somebody from the partners does not comply with applicable laws, Capital City Service Limited reserves the right to terminate any business relationships with this partner and inform relevant authorities about such illegal activity.

Periodically, Capital City Service Limited reviews relationships with some partners/suppliers if there are suspicions that these partners are in breach of any laws. In this case Capital City Service Limited sends an official notification to these partners with requirements to eliminate all violations of laws and provide a report about how it was done. If the partner does not provide a response, Capital City Service Limited will inform him about the intention to terminate business relationships and the contract with this partner will be terminated.

Capital City Service Limited realizes the importance of constant vigilance to identify and inform about any cases associated with slavery and human trafficking in its business and throughout the

supply chains. We intend to continue in the future to enhance our capacity to identify and prevent any risks in these areas.

DECLARATION

This statement was approved by the board of directors of Capital City Service Limited and is published on the corporate website of Capital City Service Limited www.ccstele.co.uk

Capital City Service Limited yearly will revise this statement and, in case the circumstances change, add all updated information to the statement.

Alexandru Taracanov

Director

