

## **PAYPOINT PLC: SLAVERY AND HUMAN TRAFFICKING STATEMENT**

### **INTRODUCTION FROM THE CHIEF EXECUTIVE**

Slavery, including modern slavery, is a crime and a violation of fundamental human rights. At PayPoint, we have a zero-tolerance approach to slavery and we are committed to acting ethically and with integrity in all our business dealings and relationships. We are also committed to implementing and enforcing effective systems and controls in order to: ensure that slavery is not taking place anywhere in our own business; and encourage partners in our supply chains to adhere to our standards on modern slavery and human trafficking.

### **ORGANISATION'S STRUCTURE**

PayPoint plc is the group holding company with subsidiary undertakings in the UK, Romania and Ireland. The annual turnover for PayPoint is in excess of the £36m threshold set under section 54 of the Modern Slavery Act 2015.

### **OUR BUSINESS**

We operate market leading national networks across 40,400 convenience stores in the UK and Romania so that our customers are always close to a PayPoint store. At these locations, as well as at home or on the move, people use us to better control their household finances, make essential payments and use in-store services, like parcel drop and collect.

Our UK network contains more branches than all banks, supermarkets and Post Offices together, putting us at the heart of communities for over 10 million regular weekly customers.

We have a proven track record of decades of tech-led innovation, providing retailers with tools that attract customers into their shops. Our recently launched PayPoint One platform offers EPoS, card payments and PayPoint services, and is designed to help retailers run their whole store from one device.

Coupled with our industry-technology solutions, we provide a first class service to the customers of over 1,500 clients - utility companies, retailers, transport firms, mobile phone providers, government and more.

We are on and offline; providing for payments by cash, card including contactless; retail, phone and digital; at home, work and whilst out and about from Land's End to the Highlands and Islands – helping to keep modern life moving.

Our business comprises:

**Retail networks:** In the UK, our network includes over 29,200 local shops including Co-op, Spar, Sainsbury's Local, Tesco Express and thousands of independent outlets. These outlets are quick and convenient places to make energy meter prepayments, bill payments, benefit payments, mobile phone top-ups, transport ticket payments, TV licence payments, cash withdrawals and more.

Our Romanian network continues to grow profitably. We have more than 11,300 local shops, helping people to make cash bill payments, money transfers, road tax payments and mobile phone top-ups. Our clients include all the major utilities and telcos and many other consumer service companies.

In the UK, our Collect+ network offers parcel collection and return services in over 6,100 convenient outlets. Customers use Collect+ for their parcels from major retailers including Amazon, eBay, ASOS, New Look, John Lewis, House of Fraser, M&S and Very. The Collect+ brand is jointly owned with Yodel.

The UK network also includes over 4,100 LINK branded ATMs, and 10,000 of our terminals enable retailers to accept debit, credit and contactless payments, including Apple Pay. We operate over 4,100 Western Union agencies in the UK and Romania for international and domestic money transfers.

**Multichannel payments:** MultiPay is our multichannel payment service, offering consumer service providers a ready-made solution for their full range of payments via app, web, phone, text and IVR, complementing our cash in store services.

Clients benefit from streamlining their consumer payment processing and transaction routing in a seamlessly integrated and cost effective solution. The services are available either as a full portfolio or by the client's choice of preferred channels, including our app which has a 4 star rating on the Google Play and Apple App Stores. Clients can choose to access our services as a full outsourced model or by linking their own digital solutions to our MultiPay payment suite.

MultiPay is particularly targeted to serve the rollout of smart meters within the energy market. For example, our service has helped Utilita to become the fastest growing, challenger prepay energy supplier and we have also signed several other energy companies, including SSE, our first Big 6 energy client. Among other relevant sectors, MultiPay is available to the local authority and social housing sectors through a framework with Procurement for Housing.

## **OUR SUPPLY CHAINS**

Our supply chains include:

### **Manufactured goods**

Manufacturers and resellers of electronic point of sale equipment and automatic teller machines (ATMs)  
Suppliers of telecommunication and information technology infrastructure equipment

### **Operational support service providers**

Information technology service providers  
Field engineering and technical courier services  
Information technology consultancy services  
Outsourced contact centre services  
Outsourced fulfilment services

### **Business support service providers**

Marketing and public relations consultancy services  
Recruitment and talent search services  
Accountancy, audit and legal advisers

Banking services

Building maintenance, office equipment, stationery supplies, janitorial and catering services

### **Retail suppliers**

Multiple owned retailer groups

Symbol owned retailer groups

Independently owned retailers

### **OUR POLICIES ON SLAVERY AND HUMAN TRAFFICKING**

Our policies reflect our commitment to acting ethically and with integrity in all our business relationships and 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 on modern slavery, which is made available to all our suppliers, sets out what is required of a PayPoint supplier in respect of addressing and eliminating forced labour pursuant to the Modern Slavery Act 2015 (the Act).

All of our suppliers are expected to comply with our code of conduct on modern slavery or are required to have policies and procedures in place which ensure the prevention of the abuses and exploitive behaviours associated with modern slavery and human trafficking.

### **DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING**

As part of our initiative to identify and mitigate risk:

- Our supplier selection policy and process in appointing new suppliers mandates that new suppliers are contractually required to adhere to our code of conduct on modern slavery or provide evidence of the anti-slavery and human trafficking policies and processes which they have in place, in order to be considered for selection.
- All contracts and agreements (including the terms and conditions attached to our purchase orders) entered into with new suppliers include provisions obliging compliance with applicable law (including the Modern Slavery Act. Non-compliance with this clause would be considered a material breach of the contract or agreement, in the event of which appropriate action would be taken including termination of said contract or agreement.
- When the Act came into force, all our existing suppliers were notified that we expected them to have in place anti-slavery and human trafficking policies and processes. Being cognisant of the nature of some of our smaller suppliers, we also notified our independently owned retailers that we expected compliance with the Act, and we went a step further by also notifying them of their obligations under the Act and pointing out how the Act affected their relationship and dealings with us. All suppliers were informed that failure to comply could be grounds for termination of the relationship.
- We use only specific reputable employment agencies to source labour, and we always verify the practices of any new agency used before accepting workers from that agency.
- We will review all instances of non-compliance of which we become aware, on a case-by-case basis and will implement appropriate remedial action.

### **SUPPLIER ADHERENCE TO OUR VALUES**

We have zero tolerance to slavery and human trafficking, and we expect all those in our supply chain and contractors to comply with our values.

The Risk & Compliance team within PayPoint is responsible for monitoring compliance. Suppliers are encouraged to report any suspected instances of non-compliance with our code of conduct on modern slavery or with the Act.

#### **TRAINING**

We provide annual Compliance Awareness Training to all our employees, which is tailored to ensure an appropriate level of understanding of the risks of modern slavery and human trafficking in our supply chains and our business.

#### **OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING**

Where permitted under our supplier contracts and agreements, we are able to carry out ad hoc supply chain audits by requesting for evidence of policies and processes in order to verify compliance with our requirements and expectations on modern slavery and human trafficking. Instances of non-compliance which become apparent following an audit of a supplier, will be assessed on a case-by-case basis and remedial action will be taken accordingly. We will only trade with those who comply with our expectations or those who are taking verifiable steps towards compliance.

Through our whistleblowing processes, all employees are encouraged to report any concerns related to the direct activities, or the supply chains of, PayPoint. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the financial year ended 31 March 2017.



Chief Executive  
PayPoint plc  
Date: 26 July 2017