

Statement on Slavery and Human Trafficking

Pursuant to the requirements of the Modern Slavery Act 2015 s.54

Arvato Financial Solutions Limited

Arvato is a debt collection and business process outsourcing (BPO) provider with locations across the globe, and is a subsidiary company of the Bertelsmann Group employing over 70,000 employees.

Arvato and Bertelsmann's head offices are based in Gütersloh, Germany.

In the UK, Arvato is divided into the following business divisions: Supply Chain Management, Financial Solutions and Customer Relationship Management.

This statement covers Arvato Financial Solutions Limited (Company Number: SC223606) ("AFS").

The Modern Slavery Act 2015 requires commercial organisations to produce a Slavery and Human Trafficking Statement for each financial year. This statement sets out the steps AFS has taken to prevent any element of slavery and human trafficking from taking place within its business and supply chain.

Policies on slavery and human trafficking

AFS is strongly committed to meeting the Bertelsmann [Code of Conduct](#) to ensure that human rights are respected and fair working conditions are provided, in this respect a Diversity and Equal Opportunity check takes place at the beginning of a new contract.

All employees are made aware of both the Harassment Policy and Working Hours Policy.

Due diligence

There are a number of practices in place to ensure that slavery or human trafficking is not taking place within our operations:

- All employees have a contract of employment that determines their rights and obligations including their salary, hours of work, and their notice period to terminate the contract, and their holiday entitlement;
- All employees are free to hand in their notice at any time;
- All employees are paid at least the national minimum wage;
- All employees are required to undergo background checks prior to joining Arvato which includes providing satisfactory evidence of their right to work in the UK;
- All employment is freely chosen; and,
- AFS adheres to all legislation regarding employment contracts, wages, health and safety, working time, holiday entitlement and rest breaks.

Employee training

Employees are required to comply with the Code of Conduct and from 2016 Bertelsmann initiated mandatory Code of Conduct training across all its businesses to articulate its expectation that good employment practices are followed. At the beginning of the year, employees are required to participate in this e-learning course and all other mandatory courses that are required to enable employees to do their work.

New employees are briefed on this statement to ensure their awareness of it.

Supplier agreements

Our supply chains mainly consist of organisations from within the UK or Europe. AFS endeavours to avoid contracting with suppliers or sub-contractors that are located in geographical areas where slavery and human trafficking are a more prevalent risk. AFS does however recognise that the upstream supply chain may include countries with a higher risk of modern slavery or human trafficking. To counteract this, AFS has put processes in place to ensure suppliers pass on this obligation to their supply chain.

AFS has informed its suppliers of the requirements of the Modern Slavery Act 2015 and has sought confirmation that these organisations meet their obligations by filling in a declaration as part of the supplier contract.

In addition to this, Bertelsmann implemented a Supplier Code of Conduct across the business from the beginning of 2016 which forms part of all AFS's existing and potential supplier contracts. This means there are obligatory terms and conditions for suppliers in place that include clauses relating to compliance with the Bertelsmann Code of Conduct and the Modern Slavery Act 2015.

These additional requirements have been added to AFS's Internal Supplier Review process. This ensures that any new or existing supplier is compliant with the provisions of the Modern Slavery Act 2015 and the Bertelsmann Code of Conduct when entering or renewing a contractual relationship with AFS.

If these standards cannot be met, AFS will take reasonable steps to review the relationship and may consider whether or not it should maintain the supplier relationship going forwards if deficiencies cannot be rectified in a reasonable timeframe.

This statement will be updated on an annual basis to reaffirm actions have been taken to ensure that slavery and/or human trafficking is not taking place within our operations or supply chains.

Signed by:



Positions: Risk and Compliance Director

Date: 30th October 2018

Review Date: 30th October 2018