

# Modern Slavery Statement

16 December 2021

# 1 Reporting Entity

## Uniti Group

This is the first modern slavery statement of Uniti Group Limited ABN 73 158 957 889 (Uniti) which has been prepared on behalf of itself and each of its subsidiaries for the reporting period 1 July 2020 to 30 June 2021. The full list of entities in the Uniti Group of companies is set out in Schedule 1.

All the entities specified above carry on business in Australia and are companies registered under the Corporations Act. The registered office of Uniti is Level 1, 44 Currie Street, Adelaide, South Australia.

Uniti completed its IPO only in February 2019 at which time, it was a small fixed wireless operator with market capitalisation of ~\$30m. Over the 18 months following the IPO, the company experienced rapid growth through a number of acquisitions, most notably, consolidating the majority of “challenger” participants in the greenfield fibre broadband networks market. In a short span of time, Uniti’s reported revenue has grown from \$58.2 m in FY20 to \$159.9 m in FY21 to meet the criteria of a reporting entity under the Modern Slavery Act.

# 2 Operations and Supply Chains

## Operations of Uniti Group

Uniti is a diversified provider of telecommunications services with offices in Melbourne, Sydney, Adelaide, Brisbane and Perth, and with all operations taking place in Australia. Throughout FY21 Uniti operated three distinct business units operating as independent businesses being: Wholesale & Infrastructure (W&I), Consumer & Small Business (C&SB) and Communications Platform as a Service (CPaaS).

The W&I business unit is engaged in the design, installation, operation and maintenance of fibre to the premises (FTTP) open access wholesale telecommunications ‘last mile’ network infrastructure, operating mainly in greenfields new housing developments, in broadacre residential estates and multiple dwelling units throughout Australia.

The C&SB business unit provides consumer telecommunications products and services including broadband and voice services on a mixture of owned wireless infrastructure and resold fibre access networks. C&SB has a focus on the resale of various private fibre networks as well as being a NBN reseller.

CPaaS provides premium voice services over 13, 1300, 1800 calling services as well as value-added software-as-a-service data analytics and call tracking application. It also leases phonewords on these numbers.

In addition, the shared services department supports all business units, encompassing the following functions: Finance, Human Resources, Legal & Regulatory, Risk & Compliance, Group IT & PMO and Corporate Secretariat & Communications.

At present, the workforce consists of 227 workers, primarily permanent full time and part time employees with a small number of independent contractors.

## Supply Chain

Uniti's supply chain reflects the origins of the smaller companies that were acquired. The suppliers range from small, family-run businesses, to large global companies. The main categories of suppliers can be broken down as set out below:

	Category	Description	Business Unit
	Telecommunications and network equipment	Supply of equipment by Australian-based suppliers who source equipment from global vendors and manufacturers.  The vendors/manufacturers utilise offshore facilities for the manufacturing of equipment predominantly in Asia and some in Europe	W&I  C&SB
	Construction and installation	External contractors providing construction services, supply of network infrastructure design and construct services by Australian suppliers.  Installation of telecommunications equipment.	Primarily W&I
	Facilities	Leases and freehold -office and warehouse space	Whole of business
	IT equipment, software and other related services	Vendors and resellers of software and hardware	Whole of business
	Other	Supply of services including financial, legal, marketing and training.	Whole of business

## 3 Risk of modern slavery practices in operations and supply chains

### Risks in Uniti Operations

Uniti has identified the risk of modern slavery in our own operations as low. The majority of our direct workforce is covered by employment agreements which confer pay and entitlements which are compliant with labour laws.

We engage a number of independent contractors who supplement our work force. The contractors are mainly Australian-based and a small number of off-shore outsourced providers based in Russia and the Philippines (fewer than 15 in total). The contractors' rates are reviewed by our HR team and are all above minimum pay rates for their respective countries of residence.

We undertook a risk scoping exercise to understand the risk of Modern Slavery in our operations and supply chains, and to identify areas of higher risk in our internal operations and supply chains.

This involved undertaking a desktop exercise to understand where the risks were highest, taking into consideration the following factors:

- High risk country or sectors in our operations and supply chains, identified through the review of publicly available resources on country/sector incidences of Modern Slavery - including where there are gaps in legislation, high levels of corruption, discrimination, or state failure to protect human rights; and
- The types of workers likely to be present in our operations and supply chains through the review of workforce for presence of migrant workers (especially on temporary visas) low skilled workers, workers on casual contracts, temporary agency, seasonal, contract or apprentice workers.

We note that the economic and social impacts of COVID-19 may have increased Modern Slavery risks in some parts of our operations and supply chains.

Uniti identified that the areas which present the highest risk of modern slavery were that of suppliers of network and IT equipment that are manufactured offshore, and in network construction.

### **Network and IT equipment manufactured offshore**

The largest category of supplier expenditure for Uniti in FY21 was construction and maintenance of the built network, with other categories of significant expenditure including but not limited to network equipment, IT Services, software and hardware.

The business obtains its hardware and equipment primarily from suppliers based in Australia who source the hardware and equipment from global vendors whose manufacturing facilities are overseas in low-cost labour locations. Manufacture and supply of components is primarily concentrated in high-risk geographical areas such as Asia, with deep and often complex supply chains. Although almost exclusively dealing with global suppliers who have similar obligations and concerns around modern slavery, Uniti acknowledges that this remains its most potentially at-risk category. We will be focusing on this category in FY22.

### **Network construction**

Uniti partners with Australian-based construction companies to support building of pits and pipe. The construction industry employs a large number of contractors.

According to the 2020 Information and Communications Technology Benchmark published by KnowTheChain, there is an increased risk of modern slavery occurring in this industry, in part, due to the prevalence of migrant workers who are more vulnerable to exploitation as they are less likely to know their labour rights and entitlements<sup>1</sup>. The seasonal nature of work, the demand for low-skilled labour and the use of third-party labour hire arrangements all combine to enhance the risk of modern slavery within the construction industry<sup>2</sup>.

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<sup>1</sup> KnowTheChain 2020 ICT Benchmark, "No one should have to pay for a job: responsible recruitment in ICT Supply Chains", p.13

<sup>2</sup> KPMG and the Australian Human Rights Commission, "Property, construction & modern slavery: Practical responses for managing risk to people" 2020, p.23

## 4 Actions taken to assess and address risks

### Assessment of Risks in Supply Chains

To supplement the desktop risk assessment exercise, we contacted the 20 largest suppliers in annual spend across the Uniti Group and requested they complete a Modern Slavery Questionnaire. During the process, we removed one of the suppliers as the business had determined to cease contracting with the supplier. Out of 19 suppliers, 14 completed the questionnaires. Their responses were recorded and retained. Whilst there were some deficiencies in information provided, no known risks of modern slavery were apparent.

We will follow up with the suppliers who failed to respond in FY22.

These suppliers ranged from large global businesses to small family-run firms. Their awareness of Modern Slavery legislation ranged from large companies that were able to provide detailed Modern Slavery policies with dedicated hotlines, web portal and email accounts for reporting breach, to small firms who employed fewer than 10 personnel.

Out of the list of suppliers, none of our suppliers required employees to pay a recruitment fee or retained workers' passports. All workers were provided with employment contracts in a language they could read. Two suppliers provided accommodation to their employees but confirmed that they conducted regular checks to ensure living conditions were adequate and met legal requirements.

Four suppliers themselves reported on and had submitted their own Modern Slavery Statements. Two other suppliers had USA headquarters and had implemented global policies with comprehensive processes and procedures in place which addressed Modern Slavery.

### Addressing Risks in Supply Chains

Over this reporting period, we have made significant progress in implementing policies and actions to assist in addressing the modern slavery risks associated with our operations and supply chains. We have commenced engaging more with suppliers on Modern Slavery issues, intensifying screening and qualification procedures and will review our internal whistle blowing channels to determine whether they sufficiently cover the issue of Modern Slavery.

We took a number of steps in addressing the risks in our supply chains which are described in more detail as follows.

#### **Introduced a Supplier Code of Conduct**

Given the highest likelihood of Modern Slavery risk is from our suppliers and their suppliers, we identified the need for a specific Supplier Code of Conduct.

Our Supplier Code of Conduct outlines the minimum expectations we have of our suppliers in relation to ESG issues, including Modern Slavery. This Supplier Code of Conduct was approved by our Board on 13 August 2021 and is available from our corporate website at URL <https://unitigrouplimited.com/governance/policies>.

## **Updated our Standard Supplier Contracts and Purchase Order Terms**

The requirement to acknowledge and agree to the Supplier Code of Conduct and provisions relating to Modern Slavery have been included in our Standard Contracts and Purchase Order Terms. All new suppliers will have to acknowledge that they will comply with the Supplier Code of Conduct and we have retrospectively communicated to existing Suppliers to ensure their compliance via our contractor management software platform.

At present, our Health and Safety team require all prospective suppliers to create a profile within our contractor management software platform. The platform requires entry of a business profile followed by completion of an assessment report which includes a series of questions and provide answers and/or evidence that they have systems and procedures in place to adequately manage the risks involved in the work they do. In additional, the platform also verifies insurances and requires all suppliers to read and acknowledge the terms of the Supplier Code of Conduct.

## **Employee Training**

Training is key to ensuring Uniti Group's employees are aware of standards and policies and can identify and assess risks, and that there are appropriate avenues for reporting if concerns are identified. Uniti has introduced an online learning management system (LMS) which was launched in December 2021. Initially, any employee who is involved in performing a procurement function and/or who deals extensively with suppliers will be required to undertake the "Combatting Modern Slavery" training module. Over time, the module will be rolled out to the whole of business.

## **Risk & Compliance Platform**

Uniti is currently implementing an online Risk & Compliance platform which offers an integrated approach to identifying, profiling and assessing risks and developing and implementing mitigating actions. The compliance management component of the platform has been configured to include Modern Slavery obligations.

# **5 Effectiveness of actions taken to assess and address modern slavery risks**

During this reporting period, Uniti's focus was to gain a better understanding of our modern slavery risks and how such risks may be present in our operations and supply chains. At this early stage, we are unable to adequately assess the effectiveness of measures we have undertaken. However, we have commenced and will continue to work on developing frameworks and processes to ensure we can review the effectiveness of the actions we are taking to assess and address the modern slavery risks in our operations and supply chains.

For the next reporting period, we will introduce key performance indicators to measure the effectiveness of our actions to include the following:

- Introduction of supplier contracts that require acknowledgement of our Supplier Code of Conduct;
- Onboarding of suppliers to include completion of our modern slavery questionnaire;
- Staff completion of modern slavery LMS training modules.

Over subsequent reporting periods, we will continue to review and refine these key performance indicators in line with our desire for continuous improvement.

## 6 Consultation with controlled entities

Uniti Group operates as an integrated group of companies with the same policies and systems that apply to all subsidiaries. During the reporting period this statement covers, Uniti actively engaged and consulted with all subsidiaries in the development of this statement and discussed details of the reporting requirements. This Statement was circulated to the Executive and Senior Leadership teams for all subsidiaries for comment and endorsement before being presented to the Board for review and approval.

## 7 Approval

This Modern Slavery Statement was approved by the Board of Directors on 16 December 2021 and is signed on its behalf by the Managing Director and Chief Executive Officer.



Managing Director and Chief Executive Officer  
MICHAEL SIMMONS

## Schedule 1 Uniti Group of Companies

<b>Entity Name</b>	<b>ACN</b>
Uniti Play Pty Ltd	165 954 067
Uniti Air Pty Ltd	165 954 156
Uniti Est Pty Ltd (formerly Unity Health Pty Ltd)	165 954 272
Uniti Broadband Ltd (formerly Uniti Group Ltd)	632 479 531
Uniti Wireless Ltd (formerly United Telco Ltd)	632 472 934
Fuzenet Pty Ltd	154 074 218
Fibreworks Internet Pty Ltd	616 520 702
Fuzeconnect Pty Ltd	125 757 511
LK Internet Pty Ltd	616 528 440
Fone Dynamics Pty Ltd	166 195 946
FDX Holdings Pty Ltd	618 695 140
FDX Infotech Pty Ltd	619 678 769
ACN 619 678 787 Pty Ltd (formerly Enfonica Pty Ltd)	619 678 787
Call Dynamics Pty Ltd	160 887 936
LBNCo Holdings Pty Ltd	627 544 441
LBNCo InterCo Pty Ltd	627 554 867
LBNCo BidCo Pty Ltd	627 580 518
LBN Co Pty Ltd	073 226 114
Capital Fibre Networks Pty Ltd	619 334 002
Link Us Pty Ltd	604 463 710
Service Elements Pty Ltd	600 341 008
OPENetworks Pty Ltd	118 525 821
1300 Holdings Pty Ltd	622 320 281
1300 Australia Pty Ltd	108 792 016
Alpha Phone Words Pty Ltd	112 235 319
OptiComm Ltd	117 414 776
OptiComm Integration Pty Ltd	610 697 106
Harbour ISP Pty Ltd	154 752 968



Uniti Group Limited. ABN 73 158 957 889