

# **MODERN SLAVERY ACT 2018 (Cth) STATEMENT**

## **VERIZON AUSTRALIA PTY LIMITED FOR YEAR END 31 DECEMBER 2021**

### **1: Opening statement from senior management**

The Verizon Communications Inc. (NYSE: VZ) group of companies (“Verizon”) is committed to preventing acts of modern slavery and human trafficking from occurring within its business and supply chain. The digital world promises a better, more connected life, and we are delivering it. We make it possible for people to stay in touch and businesses to connect with their customers. We work better because our team comprises people from diverse backgrounds and experiences. We work with suppliers who promise to follow the highest ethical standards.

This statement describes specific actions taken by Verizon in respect of supply chain due diligence in relation to modern slavery and human trafficking.

### **2: Structure of the organisation**

This statement is submitted on behalf of, and applies to, **Verizon Australia Pty Limited**.

To find out more about the nature of our business, go to <https://enterprise.verizon.com/en-au/>.

In order to provide our services, we contract with a broad range of suppliers including telecommunications equipment manufacturers, technology solutions providers, professional services organisations, outsourcing specialists, network engineering vendors and facilities management vendors. Contracting with suppliers and diligence activities with respect to our supply chains are conducted primarily by Verizon’s central supply chain functions.

### **3: Policies**

Verizon’s **Credo** defines who we are and how we operate. It states that we are accountable and that we are committed to doing the right thing.

As part of our commitment to combating modern slavery, we implement and enforce the following policies:

The Verizon employee **Code of Conduct** (“[Employee Code](#)”) defines our ethical business practices. All Verizon employees must complete training on, and abide by, the Employee Code.

Our **Supplier Code of Conduct** (“[Supplier Code](#)”) defines the ethical business practices that our suppliers must adhere to.

The Supplier Code has been developed by Verizon over many years. It reflects ILO labour standards, including those regarding the elimination of child labour and forced labour. Our Supplier Code is the primary mechanism used by Verizon to ensure suppliers promote ethical conduct in the workplace, safe working conditions and the treatment of workers with respect and dignity.



Our Supplier Code also:

- Forbids the use of child labour, forced labour and discrimination;
- Protects employees' rights to freedom of association and collective bargaining, as permitted by local laws; and
- Describes how suppliers should work with us on compliance and enforcement issues.

Under the Supplier Code, suppliers are required, and the public is encouraged, to report violations of the standards in our Supplier Code to the Verizon Group's *Office of Ethics and Business Conduct* through the Verizon Compliance Guideline at 844-VZGUIDE (844.894.8433) (within the U.S.), (+1) 800.0.624.0007 (outside the U.S.), through email at [vzguide@verizon.com](mailto:vzguide@verizon.com), or online at [www.verzonguideline.com](http://www.verzonguideline.com). Such reports may be made anonymously. Under the Supplier Code, suppliers are further bound to prevent any retaliation against whistle-blowers.

It is our general practice to incorporate the Supplier Code into our procurement contracts and purchase orders. Verizon reserves the right to review or audit our suppliers' compliance with the Supplier Code. We also incorporate ongoing compliance into our business relationships and procurement decisions.

### **Human Rights Policy**

In 2019, Verizon continued to enhance our efforts to understand and manage our human rights impacts by further operationalizing our Business and Human Rights Program (BHRP) and embedding human rights considerations into responsible business decision-making processes across the company. The BHRP is championed by our executives, managed by a dedicated team and supported by partners across our business.

In 2019, Verizon also launched a revised [Human Rights Policy statement](#), which affirmed that Verizon is committed to operating with respect for internationally-recognized human rights, including those affirmed in the Universal Declaration of Human Rights. Guided by the human rights due diligence framework set forth in the UN Guiding Principles on Business and Human Rights, we are committed to assessing the impacts of our business activities on human rights and to addressing adverse impacts. Our efforts include attention to the human rights impacts of our products, services, and strategy and to our engagements with employees, customers, communities, governments, business partners, and suppliers.

We also continually engage with external networks and experts to inform our approach. We also maintain communication channels so that stakeholders may raise concerns if they believe we are not operating consistent with our human rights commitments. We deliver regular training and awareness-raising activities to provide Verizon employees with guidance on our human rights commitments and with the tools they need to operate consistent with those commitments.

Our human rights efforts are overseen by the Corporate Governance and Policy Committee of our Board of Directors and led by the BHRP, which is under the Chief ESG Office and works in partnership with teams throughout the Public Policy, Law & Security and Global Supply Chain organisations, as well as other functions, including Corporate Social Responsibility.

#### **4: Supplier Risk Management Program**

Since January 2018 Verizon has implemented the Supplier Risk Management Program (“Program”) to enable Verizon to identify, assess, monitor, and manage the risks associated with suppliers engaged by Verizon throughout the supplier lifecycle. The Program establishes principles for identifying, assessing, monitoring, and managing risk associated with supplier products or services by identifying responsible stakeholders, establishing the supplier due diligence requirements and defining the end-to-end supplier risk management lifecycle framework, including ongoing monitoring of supplier activities. Anyone engaging with and/or managing suppliers in Verizon’s supply chain is responsible for adhering to minimum supplier risk management requirements regardless of spend and assumes the ultimate responsibility and accountability for the risks related to suppliers and relevant remediation activities.

The Program is a framework establishing governance, processes, and tools that must be followed across Verizon to continuously manage supplier risk. Continuous assessment and monitoring activities throughout the supplier risk management lifecycle phases are intended to provide effective oversight and controls. Supplier Risk Management lifecycle phases include: Planning, Due Diligence, Contracting, Ongoing Monitoring, and Termination. The Verizon Supplier Risk Office (“SRO”) oversees, monitors, and governs Verizon’s supplier risk management activities and implements the Program. The SRO is responsible for Program oversight, coordination, and providing support to stakeholders throughout Verizon to complete the Program activities and managing the Verizon Supplier Risk Management Tool.

#### **5: Planning**

Verizon is committed to partnering with our suppliers to better the world collaboratively. Our procedures and policies are designed to:

- establish and assess areas of potential risk in our business and supply chains
- monitor potential risk areas in our business and supply chains
- reduce the risk of slavery and human trafficking occurring in our business and supply chains
- provide adequate protection for whistle-blowers.

#### **6: Due diligence**

##### **Assessment of Risks in Verizon’s Supply Chain**

As part of our efforts to monitor and reduce the risk of slavery and human trafficking occurring within our supply chains, we have adopted the due diligence procedures described below.

The Verizon Business Risk Team who carries out reputational risk due diligence on new and existing vendors use search criteria related to modern slavery and human trafficking. The Business Risk Team has been trained in relation to modern slavery and human trafficking risk. Where they identify information that could be a risk factor they raise that to the SRO and Legal for review.

In 2021, Verizon continued to use the third-party assessment tool, EcoVadis, to evaluate our suppliers’ performance.

Verizon is engaged in an ongoing assessment of the nature and extent of its exposure to the risk of modern slavery occurring in its supply chain by reviewing with our supervisory procurement personnel areas of Verizon's supply chain that are (i) international and (ii) high-turnover in nature, and (iii) where Verizon had the greatest leverage to influence the actions of such supply chain. In most cases, the presence or degree of these risk factors is low enough that direct action is not taken. For example, for areas of the Verizon's supply chain that reflected such risks to varying degrees such as call centres, equipment manufacturing, payment collection services, logistics and facilities management site visits, interviews with workers and evaluation of employee development programs performed by Verizon's SRO did not raise further concerns of modern slavery risk. The protocols for site visits include walk-throughs of the production floor, sampling reviews of HR records, review of worksite safety features, and other indicators of adequate employee treatment. We expect to add additional supplier locations to this program in the future.

In 2021, the SRO, working with the BHRP, worked to enhance Verizon's screening efforts with respect to new suppliers in order to prioritize higher-risk industries for due diligence with respect to modern slavery.

#### Engagement in Industry Initiatives

Verizon is a member of the Joint Audit Cooperation (JAC) program, an association of telecommunications operators who share resources to develop and enforce standards and best practices within the information communication technology supply chain. Verizon joined JAC in 2013 as the first U.S.-based member and serves on both the Leadership Assembly and Operational Board.

In 2021, Verizon joined JAC's Human Rights workstream, which has focused its efforts on addressing human rights challenges in telecom industry supply chains, including the risk of modern slavery. As part of these efforts, in April 2021, JAC released a statement on the "Joint expectations from telecom operators on the issue of forced labour in supply chains."

The JAC ongoing audit activities cooperatively assess and verify compliance with recognized labour, social and environmental standards, including with respect to forced labour, underage labour, and working hours. Reviews of pertinent records such as disciplinary log books, age/identity documents, facility rules and grievance records, along with worker interviews, make up part of JAC's audit process. Members of JAC fund shared assessments and audits of their common suppliers; audits are conducted by independent auditors. JAC reduces redundancy and increases efficiency in supply-chain audit approaches by auditing shared suppliers once per cycle, using uniform protocols and methods.

The JAC furthers our efforts to capture not only what suppliers are pledging through their policies but also to survey their performance on-site. 812 supplier audits have been completed since JAC's inception in 2010 with 88 audits completed in 2021.

#### **7: Issue Management**

In general, we respond to suspected or actual violations of our Supplier Code in a flexible manner appropriate for the nature of the violation. While egregious violations can result, and have resulted, in Verizon exiting a supplier relationship, most noncompliance is addressed by investigation and, where appropriate, cooperation with the supplier to establish a corrective action plan to improve their current program. Both Verizon and the supplier benefit from this program.

## **8. Contracting**

When Verizon uses a supplier to obtain products and services, we establish a contract with the supplier incorporating as a minimum the Supplier Code. Issues identified as a result of the due diligence are addressed within the contract terms and conditions.

## **9. Training**

We train our procurement employees in recognising the risks of modern slavery and human trafficking in our business and supply chains, and to assist in the risk assessment described above. The training also focuses on the procurement team's role in interacting with suppliers to improve our due diligence. The training is currently delivered in live sessions by members of our Legal team. Most of the sourcing personnel at the supervisory level in Verizon have been given such live training.

## **10. Monitoring of Effectiveness**

Verizon is engaged in an ongoing assessment of both the nature and extent of our exposure to the risk of modern slavery and the effectiveness of our efforts to manage this exposure. We continually review areas of our supply chain that may be at higher risk. Members of the SRO, Business Risk, Sourcing, Sustainability, and BHRP regularly meet to discuss risk areas and potential process improvements. As noted above, in 2021, we sought to enhance our capacity to prioritise and engage higher-risk suppliers by enhancing our screening efforts with respect to new suppliers in order to focus our risk mitigation efforts on appropriate sectors, including equipment manufacturing and call centres.

We are also engaged with relevant industry initiatives as part of a commitment to stay abreast of best practices and to support continuous assessment and improvement of our own efforts.

## **11: Further actions**

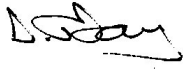
Verizon recently acquired businesses selling vehicle telematics services including Verizon Connect UK Limited and its subsidiaries. These entities are being integrated into Verizon processes and systems including those outlined above.

## **12. Consultation and management approval**

Verizon Australia Pty Limited does not have any owned or controlled entities. Verizon and its affiliated entities are supported by various functions on a global basis, including SRO, Business Risk, Sourcing, Sustainability, and BHRP, the functions most involved in assessing and address the risk of modern slavery. These functions work collaboratively and regularly consult regarding the risks and processes reflected in this statement prepared on behalf of Verizon Australia Pty Limited.

This modern slavery statement relates to the financial year ending 31 December 2021 and has been approved on 1 JUNE 2022 by the board of directors of **Verizon Australia Pty Limited** for publication in accordance with the *Modern Slavery Act 2018* (Cth). The statement is executed by Darren Day as a director of this entity.

Signature:



---

**Darren Day**  
**Director**  
**Verizon Australia Pty Limited**