

Modern Slavery and Human Trafficking Statement

Financial Year End June 2021

Introduction

This statement is made in accordance with section 54 of the Modern Slavery Act 2015 and sets out the steps that Fonix has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Fonix has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and have effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

Our business

Fonix is a UK focused mobile payments and messaging company, enabling businesses to charge users' mobile bills and send users SMSs via their Carrier.

This statement covers the business activities of Fonix which are as follows:

1. **Mobile payments** – working as an intermediary between UK mobile carriers and merchants to facilitate payments charged to a mobile.
2. **Mobile messaging** – working as an intermediary between UK mobile carriers and business clients to facilitate the delivery of SMS to end-users' mobile phones.

The Company currently operates in the following countries:

- **Mobile payments** – UK only.
- **Mobile messaging** – predominantly UK, with some international clients and suppliers. All of Fonix's staff are based in the UK.

Our policies and procedures

We are committed to ensuring that there is no modern slavery or human trafficking in our supply chains or in any part of our business. Our policies and procedures demonstrate our commitment to acting ethically and with integrity in all our business relationships, as well as implementing and enforcing effective systems and controls to minimise the risk of modern slavery in our business and wider supply chain.

We have a number of policies to ensure that we are conducting business in an ethical and transparent manner. We operate a robust recruitment procedure, including conducting eligibility to work in the UK checks for all employees to safeguard against human trafficking or individuals being forced to work against their will. We continue to operate a whistleblowing policy, allowing employees to raise concerns about how colleagues are being treated and report on practices within our business or supply chain, without fear of reprisals.

Due Diligence and Risk Assessment

We have reviewed the risks our supply chains can present and whilst we consider our exposure to modern slavery to be very low and unlikely, we expect our suppliers and contractors to have a zero tolerance approach to exploitation. However, we are not complacent and monitor this on an ongoing basis.

The Company undertakes due diligence when considering taking on new suppliers, and regularly reviews its existing suppliers. The Company's due diligence process includes building long-standing relationships with suppliers and making clear our expectations of business partners AND/OR evaluating the modern slavery and human trafficking risks of each new supplier AND/OR invoking sanctions against suppliers that fail to improve their performance in line with an action plan provided by us, including the termination of the business relationship.

We are confident that we are successfully ensuring that slavery and/or human trafficking is not taking place within our business or supply chain for there are no reports received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

Training

To ensure a good understanding of the risks of modern slavery and human trafficking in our business and supply chains, the Company requires all management staff to familiarise themselves with Fonix's anti-slavery policy.

Performance indicators

Fonix measures how effective we are in ensuring slavery and human trafficking is not taking place in any part of our business or supply chains by requiring all relevant staff to have familiarised themselves with Fonix's policies, and logging all reported concerns around slavery and human trafficking, together with the action taken.

We are not aware of any established instance of modern slavery in our business or wider supply chain. We remain committed to integrating our businesses with uniform policies and procedures which highlight and educate our employees and suppliers of the risk of modern slavery. As such, identification and management of modern slavery risk will continue to inform and influence our own policies and procedures and is integral to the service we deliver.

Approval for this statement

This statement was approved by the Board of Fonix on 8th April 2021.

Authorised by:

Rob Weisz

Chief Executive Officer

Date 8th April 2021