

KUDELSKI GROUP MODERN SLAVERY STATEMENT 2020

MODERN SLAVERY STATEMENT

The Modern Slavery Act 2015 (UK legislation) includes a requirement for large businesses to report annually on the steps they have taken to prevent modern slavery and human trafficking in their operations and global supply chains. This Modern Slavery Statement describes the Kudelski Group's efforts to eradicate modern slavery from its supply chains, including direct engagement with its suppliers, training for employees and promotion of uncompromisingly ethical behaviour in dealings with colleagues, suppliers and partners.

This statement is published on behalf of the Kudelski Group pursuant to Section 54(1) of the Modern Slavery Act 2015 in respect of the financial year ended 31 December 2019. References to the "Kudelski Group," "we," "us," "our" or the "business" are to Kudelski SA and its wholly owned subsidiaries and controlled affiliates. This statement describes the Kudelski Group's efforts to address modern slavery and covers the Kudelski Group's consolidated business.

Introduction

The Kudelski Group is the world leader in the creation and delivery of integrated content protection and multi-device user experience solutions for digital television and interactive applications across all network types.

Leveraging its long-standing expertise in securing digital content and fighting piracy, the Kudelski Group is a global provider of cybersecurity solutions and services focused on protecting companies' and organizations' data, processes and systems.

In addition, the Kudelski Group designs and delivers technology and services to support companies across all industries in securing their Internet of Things innovations.

We are also a leading provider of public access solutions. The world's largest parking facilities, stadiums and mountain resorts use our integrated people and vehicle management solutions.

The Kudelski Group develops products which are utilized by 500 million users, has 10,000 customers with 3,520 employees and a presence in 32 countries.

Since its inception, the Kudelski Group has always been at the forefront of innovative product and solution design. In order to provide our customers with the most reliable and robust solutions in the market, we aim for the best material and technology. Being a technology pioneer for 68 years means inspiring our employees and creating the necessary environment to allow our employees to blossom. Therefore, we seek to actively promote fairness and integrity in our personnel and business dealings and encourage continuous skills development for our employees.

Our Organisational Structure

The Kudelski Group is headquartered in Cheseaux-sur-Lausanne, Switzerland and Phoenix, USA. Kudelski SA is the ultimate parent company of the Kudelski Group and its shares are listed on the SIX Swiss Exchange (KUD). The Kudelski Group comprises a global business operating through a number of separately constituted and regulated legal operating entities that provide products and services in accordance with the relevant laws of the jurisdictions in which they respectively operate.

In support of our mission and values, we do not tolerate modern slavery or human trafficking in our organization. As a technology company with a highly skilled workforce, one of our longstanding core values is respect for our employees and humanity in general. In addition, all employees are required to comply with our Business Principles, which include among other things respect for local laws and adherence to our values, policies and procedures. Employees receive periodic training to ensure that workers are treated with dignity and respect and can perform their work duties free from harassment or oppression.

We maintain reporting channels for any concerns about such compliance, managed by our legal and human resources teams, and are committed to full and fair reporting of any concerns anywhere in the world.

5-Pillar Strategy for Corporate Social Responsibility

The requirement for uncompromisingly ethical behaviour is fundamental for the Kudelski Group. We have devised a 5-pillar strategy to ensure that the Kudelski Group remains true to its principles, ethics and DNA, which involves:

- **Taking care of our employees:** We ensure optimal conditions in day-to-day life at work for all our employees, and we strive to increase our employees' skillsets in order to better grow together.
- **Reducing our environmental footprint:** We aim to do so through various initiatives related to energy consumption and waste management, including optimizing energy efficiency by improving thermal insulation in our offices, using video conferencing to reduce travel and selecting local suppliers where possible.
- **Embedding sustainability and high added-value in our products:** The Kudelski Group's products are designed with high quality and reliability as well as an optimal product lifecycle, pushing away the limits of obsolescence. As a key global player in digital security and a pioneer in patent protection, the Kudelski Group plays an essential role in respecting and protecting content creation, copyrights and international regulations while helping individuals and companies preserve their reputation and develop their business.
- **Supporting local communities:** We get involved in the communities where we operate around the world supporting various social initiatives and encourage our employees to contribute their time by volunteering through dedicated channels. We maintain close relationships with local universities and high schools on both the scientific and recruitment fronts and promote apprenticeship programs at our head office sites in Switzerland and the US.
- **Building trust and responsibility:** We actively promote honest and ethical business practices internally and towards our partners. We expect our employees to comply with all applicable laws, to ensure they put Kudelski Group values into practice and to show respect towards everyone with whom we work, internally and externally.

Supply Chain

The Kudelski Group expects our suppliers to adopt the same high standards that we adhere to and have fair employment practices. These criteria are among the highly selective factors that we use to select the suppliers and partners with whom we choose to work. All of our supplier contracts require suppliers to comply with applicable laws, including laws regulating the workforce.

We acknowledge that internal processes must continually evolve in order to improve. We regularly assess and, when appropriate, enhance the processes by which we identify and assess any actual or potential involvement in modern slavery in our supply chain. The objective is to mitigate potential risks throughout the supplier engagement lifecycle from on-boarding through performance improvement and to gain better visibility into our supply chain.

Executive Board Approval

The Executive Board of the Kudelski Group has approved this statement on October 9, 2020.

KUDELSKI GROUP

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