



ANTI-SLAVERY AND HUMAN TRAFFICKING STATEMENT

The UK Modern Slavery Act 2015 (the “Act”) introduces important provisions to help combat modern slavery, human trafficking and human rights abuses (“Modern Day Slavery”).

The definition of slavery under the new Act includes (i) **forced labour** (where people are forced to work, usually with no payment, through violence or intimidation); (ii) **bonded labour** (people become bonded labourers after falling into debt and being forced to work for free in an attempt to repay it); (iii) **descent-based slavery** (where people are born into slavery because their families belong to a class of "slaves" within a society); (iv) **human trafficking** (the transport or trade of people from one area to another and into conditions of slavery); and (v) **child slavery** (children are in slavery as domestic workers, forced labour –trafficked for labour and exploitation).

Slavery also exists within global supply chains, generating huge profits for those who control this industry in free labour. Forced labour has broader social and economic costs, in terms of impeding economic development and increasing or perpetuating poverty.

Faster Payments Scheme Limited (“FPSL”) takes a zero tolerance approach to Modern Day Slavery, and the purpose of this statement is to promote a company-wide sense of responsibility in respect of the Company and its supply chain.

This statement is made pursuant to Section 54, Part 6 of the Modern Slavery Act 2015 and sets out the steps FPSL has taken to ensure that slavery and human trafficking is not taking place in our supply chains or any part of the business.

THE COMPANY

FPSL is the UK payment system available day and night, 365 days per year, which supports the demands of personal and business customers for moving money at any time, simply, quickly and reliably via a 24x7 payments service.

FPSL is as a designated Payment System Operator (“PSO”) under the Financial Services (Banking Reform) Act 2013 (“FSBRA”) and consequently regulated by the Payments System Regulator (“PSR”) from a competition, innovation and interests of service users point of view. It is also a systemically important financial market infrastructure (“FMI”), recognised under the Banking Act 2009, regulated by the Bank of England from a financial stability point of view, and required to comply with the CPMI-IOSCO Principles for FMIs.



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COMPANY PURPOSE

The purpose of FPSL is to develop, operate and enhance real time, 24/7 payment services that:

- *Enable a vibrant and globally competitive UK Economy.*
- *Allow Payment Service Providers (PSPs) to deliver services that are:*
 - o Financially safe and secure, consistent, reliable, resilient, scalable and available.
 - o Aligned to both real time and same day digital and physical business processes and business models of its customers and users.
 - o Simple and easy to use.
 - o Economically efficient with value oriented, fair and non-discriminatory cost recovery from PSPs.
- *Stimulate and grow the UK payments market by:*
 - o Making it easy for new PSPs to enter, grow and compete.
 - o Catalysing payments related innovation.
 - o Attracting global PSPs and FinTechs to the UK to innovate and develop payments services and businesses.
- *Are driven by the long term needs and aspirations of consumers, businesses, government, the third sector, and all types of PSP, including challengers and incumbents.*

THE COMPANY STRUCTURE

FPSL is a not-for-profit company limited by guarantee, run on a costs recovery basis. It does not make a financial return or provide other advantages to its guarantors that are not available to all participants. Equally, it does not expose its participants to risks or liabilities without their express consent.

FPSL is the parent company of a wholly owned subsidiary UTSP Limited (“UTSP”). The registered office of both FPSL and UTSP is in the UK, with all staff being employed and based in the UK. FPSL operates a domestic 24x7 payments service and all of its operations are carried out in the UK.

COMPANY SUPPLIER’S

FPSL’s supply chain consists materially of infrastructure suppliers which supply software, hardware and management services for the provision of a 24x7 real time payments



service. To support this, FPSL also procures facility and management services, and professional advisory services from time to time.

COMPANY POLICY

FPSL takes a zero tolerance approach to Modern Day Slavery. We expect our suppliers to have conducted appropriate due diligence on their supply chains, as part of our process of investigating our own suppliers. As part of our Modern Day Slavery Policy we have also begun to insist that our suppliers comply and, as new contracts are entered into and existing contracts renewed, incorporate contractual obligations with our suppliers in respect of the same. FPSL ensures that it pays all its employees and staff at least the London Living Wage and expects its suppliers to follow the same minimum compensation criteria for their employees and staff (*or equivalent if supplier is recruiting outside of the UK*).

We provide relevant training to our staff and suppliers (where appropriate), and we inform them that as a Company we take a zero tolerance approach to Modern Day Slavery.

COMPANY AUDIT AND RISK ASSESSMENT

In order to identify, assess and manage any risk of Modern Day Slavery, FPSL is (on an on-going basis) investigating all of its suppliers, assessing the risk profile for each supplier and categorising each supplier as low, medium or high risk of being exposed to Modern Day Slavery in its supply chain and/or working practices.

Through this process we are able to identify any risks of Modern Day Slavery, and be in a position to implement the appropriate action plan (where necessary) to mitigate any risks, and to ensure compliance with FPSL's policy on Modern Day Slavery. Such action plan includes obtaining the suppliers (and if necessary the suppliers' supplier) guarantee that they will comply with the Act, along with their commitment to continually monitor and mitigate any risk of Modern Day Slavery.

Our due diligence process in respect of our suppliers, in addition to (at the appropriate time) requiring them to adhere to our Modern Day Slavery Policy and incorporating contractual terms, consists of assessing responses to questionnaires from our suppliers, and ongoing dialogue with them, to an extent that is commensurate with the level of risk a particular supplier represents.

COMPANY TRAINING

To ensure there is an understanding of the policy drivers behind the Modern Day Slavery Act and in order to ensure that there is a comprehensive understanding of the risks and consequences throughout the Company, FPSL provides anti-Modern Day Slavery training



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to all its employees, management and contractors (“Staff”), and where deemed appropriate will offer such training to our suppliers that are deemed a high risk (if any).

COMPANY PROCEDURES TO COMBAT MODERN DAY SLAVERY.

Following FPSL’s on-going due diligence, the majority of FPSL’s Suppliers are currently classified as operating in low risk sectors for the purposes of the Modern Day Slavery Act. However, FPSL does recognise that it is possible that a Supplier may, as part of its own supply chain, engage a supplier operating in other sectors. Therefore, as part of FPSL commitment to its zero tolerance approach to Modern Day Slavery, it shall require all major Suppliers, as part of an annual audit carried out by a firm of auditors appointed by FPSL, to confirm legislative compliance with the Modern Day Slavery Act.