

Modern Slavery and Human Trafficking Statement

Introduction

This statement sets out the Frontier Smart Technologies Group Limited's ("Frontier" or "FST") actions to understand all potential modern slavery risks related to its business and to put in place steps that are aimed at ensuring that there is no slavery or human trafficking in its own business and its supply chains. This statement relates to actions and activities during the financial year ending December 31st, 2019.

As a responsible corporate entity listed on AIM, Frontier recognises that it has a responsibility to take a robust approach to slavery and human trafficking.

Frontier is committed to preventing slavery and human trafficking in its corporate activities, and to ensuring that its supply chains are free from slavery and human trafficking.

Organisational structure and supply chains

This statement covers the activities of Frontier:

Business Activities: The principal activity of Frontier is the commercial development and sale of wireless semiconductor, module and software technologies via its subsidiary, Frontier Smart Technologies Limited and other related affiliates.

Nature of Supply Chain: The supply chain involves the sourcing of third party manufactured products, the subcontract manufacture of semiconductor devices, and the subcontract manufacture of electronic modules.

Countries of operation and supply: The organisation currently operates, or has key suppliers in the following countries:

- The United Kingdom
- The Hong Kong Special Administrative Region of the People's Republic of China
- The People's Republic of China
- Romania
- Federal Republic of Germany
- United States
- The Republic of the Philippines
- The Republic of Singapore
- Taiwan (Republic of China)

Risk Assessment

The following is the process by which the company assesses whether or not particular activities or countries are high risk in relation to slavery or human trafficking:

- Frontier generally sources from large multinational electronic component or manufacturing suppliers which typically have suitable anti-slavery and human trafficking policies and processes in place, such as EICC (Electronic Industry Citizenship Coalition) membership.
- Frontier does not source from any countries seen as high-risk on the global slavery index.
- Regular visits are made to all company sites and key suppliers.

Responsibility

Responsibility for the organisation's anti-slavery initiatives is as follows:

Policies: Frontier has a zero tolerance to slavery and human trafficking and expects all those in our supply chain and contractors/sub-contractors to comply with our values. Our policies reflect this.

All Directors and Senior Managers are responsible for compliance in their respective departments and for their supplier relationships.

Policies related to the Modern Slavery Act 2015 have been put in place primarily by the HR and Operations/Manufacturing departments. Existing policies have been reviewed and updated where necessary

Relevant policies

The organisation operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations.

- **Whistleblowing policy** Frontier encourages all its employees, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. The organisation's whistleblowing procedure is designed to make it easy for employees to make disclosures, without fear of retaliation. Details of the policy are provided in the Employee Manual.
- **Employee General Policies** Frontier's employee manual makes clear to employees the actions and behaviour expected of them in a wide range of situations. The organisation strives to maintain the highest standards of employee conduct and ethical behaviour when operating abroad and managing its supply chain.
- **Supplier code of conduct** Frontier is committed to ensuring that its suppliers adhere to the highest standards of ethics. Suppliers are required to demonstrate that they provide safe working conditions where necessary, treat workers with dignity and respect, and act ethically and within the law in their use of labour. Serious violations by suppliers will lead to the termination of the business relationship.
- **Recruitment/Agency workers policy** Frontier uses only specified, reputable employment agencies to source labour and always verifies the practices of any new agency it is using before accepting workers from that agency.

Due diligence

The organisation undertakes due diligence when considering taking on new suppliers, and regularly reviews its existing suppliers. Frontier's due diligence and reviews include

- mapping the supply chain broadly to assess particular product or geographical risks of modern slavery and human trafficking – no countries currently seen as high risk.
- conducting supplier audits or assessments on-site with suppliers. Our Shenzhen Manufacturing team are on-site with our China based manufacturing sub-contractors each week.

Training

Supply chain management have performed self-training on the issues of modern slavery and human trafficking using the resources available in the governments on-line resources. Additional training will be provided as required.

Awareness-raising programme

As well as training, the organisation has raised awareness of modern slavery issues by putting up posters across the organisation's premises and circulating emails.

These explain to staff:

- the basic principles of the Modern Slavery Act 2015;
- how employers can identify and prevent slavery and human trafficking;
- what employees can do to flag up potential slavery or human trafficking issues to the relevant parties within the organisation; and
- what external help is available, for example through the Modern Slavery Helpline.

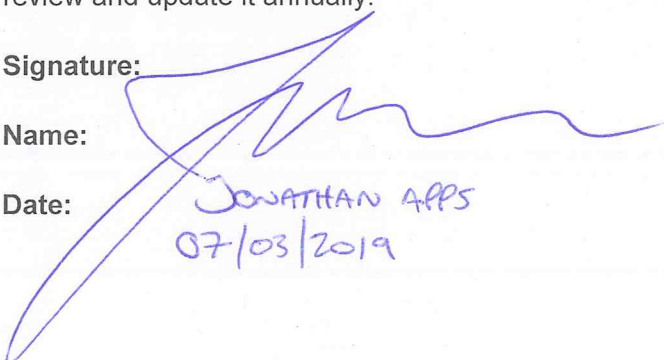
Board Member approval

This statement has been approved by Frontier's main listed company Board of Directors who will review and update it annually.

Signature:

Name:

Date:



JONATHAN APPS
07/03/2019