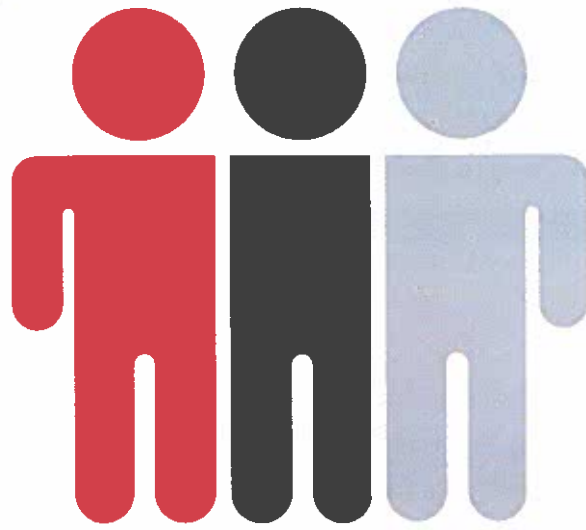


Published June 2019



Human Resources

Modern Slavery and Human Trafficking Statement

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Claranet's Anti-Slavery and Anti-Trafficking statement for the financial year ending 30 June 2019:

Claranet is committed to improving their practices to combat slavery and human trafficking. This statement is made on behalf of Claranet Limited pursuant to S. 54, Part 6 of the Modern Slavery Act 2015 ("the Act"). This statement sets out Claranet Limited's actions to understand all potential modern slavery risks related to its business, the steps taken to mitigate or eliminate those risks in the previous 12 months and its plans to put in place steps that are aimed at ensuring no slavery or human trafficking exists in its own business or its supply chains.

Background

Claranet is a leading managed IT service provider in Europe, North America, Brazil and India. We offer businesses hosting, networks, communications and security services. We deliver high quality solutions across a wide range of industries.

Claranet adheres to the letter and spirit of all applicable legislation. Further, it is the company's policy to conduct its business in line with the highest ethical standards.

Claranet is committed to combatting slavery and human trafficking and to acting with integrity in all of our relationships. We have a zero-tolerance approach to human rights abuses as dealt with under the Act, in both our organisation and our supply chains. The company is aware that as an employer, and as a part of each of the communities in which our sites are located, it is critical that we tackle and address the issue of human rights abuses in line with increasing global focus in this area.

Claranet Structure

Previously the company, its subsidiaries and affiliated companies operated in the United Kingdom, France, Portugal, Italy, Germany, The Netherlands, Spain and Brazil and provided services to clients in these and certain other countries. The company has since expanded due to both organic growth and acquisition, Claranet now have an established presence in the United States and India. Due to this expansion and the nature of Claranet's services, their supply chain is complex and the network of suppliers remains extensive.

As a business Claranet is committed to acting responsibly and supporting the objectives of the Act. Claranet has established a Modern Slavery and Human Trafficking Policy internally to embed this commitment.

Due Diligence:

1. What we have done

As part of our initiative to identify and mitigate risk we have established a detailed due diligence prior to on boarding a new strategic supplier. We have strict on-boarding processes to mitigate risk to Claranet and reduce any potential impact to customers, this also ensures that the best commercial and legal terms are achieved whilst maintaining high levels of governance.

2. Supplier Onboarding Process

We have strict on-boarding processes to mitigate risk to Claranet and reduce any potential impact to customers, this also ensures that the best commercial and legal terms are achieved whilst maintaining high levels of governance. A New Supplier request is sent to Procurement and we follow the below checklist, once all checks are completed the supplier will be added to our approved vendor list:

Must have:

- Signed NDA from both parties
- Commercial Sign Off
- Legal Sign Off
- Security Sign Off
- Credit Check
- Escalation Matrix (Minor or Full)
- Set up supplier in our Accounting System
- Add to supplier management framework
- Add signed contract to Contract Database

Optional:

- Supplier Security Questionnaire
- SLA review
- Account/Service Management
- Ordering Process Documentation
- Details of accreditations
- Environmental Policy
- Support Process Documentation
- Training Requirements

3. Our Supply Chains

In the past 12 months, we have implemented a supplier management framework across all Suppliers as follows:

Suppliers are evaluated to ensure we maximise customer value, ensure supply chain efficiency and supplier performance is in line with their contractual obligations. Suppliers are scored based on a combination of spend, probability of risk and supply/customer risk. The supplier score determines how regularly we conduct supplier reviews, what level of escalation documentation is required and to ensure appropriate peer to peer relationships are established.

The supplier management function conducts two types of supplier reviews; a contract review and a supplier performance review. The regularity of these is determined by the supplier's score in each category. Contract reviews are based on the spend score and supplier performance reviews are based on the risk score. The probability of risk is assessed internally and scored with the impact of risk both for Claranet and our customers (Probability x Impact = Risk Score). The format of supplier review meetings is the same irrelevant of the supplier score and the meetings are set up and owned by Claranet with a standard agenda. All suppliers are added to the Supplier Database at on-boarding stage.

4. What we want to do going forward

We seek to broaden and adapt the supplier management framework in accordance with supply market and any relevant legislative changes. The company seeks to maintain a zero-tolerance approach in relation to failings around human rights abuses which may become evident during the due diligence process. We aim to achieve this as we build a stronger process of investigating each individual supplier and their assessed risk profile.

5. Policies

Our Modern Slavery and Human Trafficking Policy reflects our commitment to acting ethically and with integrity in all our business relationships, as well as implementing and enforcing effective systems and controls to limit any risk of modern slavery or human trafficking taking place anywhere in our organization or our supply chains.

To support our compliance and strengthen this commitment, Claranet aims to keep in force and regularly review our:

- Supplier management framework; and
- Modern Slavery Policy and Human Trafficking Policy.

This commitment is alongside our other existing policies in force, which support the spirit and aims of the Act:

- Equal Opportunities policy;
- Recruitment policy;
- Anti-Bribery and Corruption Compliance policy; and
- Acceptable Use policy.

6. Risk Assessment and Audit

We aim to undertake risk assessments in relation to certain key suppliers to better understand any perceived risk level in a given relationship. Claranet aims to bolster its auditing rights and abilities to better satisfy the company as to the practices and procedures of its suppliers.

7. Supplier Adherence to Our Values and Ethics

To ensure all those in our supply chain and contractors comply with our values and ethics, we have in place a supply chain compliance programme.

We have a dedicated compliance team to monitor any irregularity or suspected breach of our controls or processes. This team consists of involvement from the following departments:

- Legal
- Compliance
- Human resources
- Procurement

8. Contractual Remedies

The company endeavours to introduce contractual rights and remedies into certain strategic supplier relationships in order to strengthen and support our compliance with and endorsement of the Act's aims.

9. Training

We are committed to ensuring that Claranet personnel are equipped to understand the implications of possible human rights abuses as dealt with under the Act, whether in our business or our supply chains, and to identify risk factors and escalate appropriately.

To maintain awareness and ensure a high level of understanding of the risk of modern slavery and human trafficking in our business, our statement and policy is included in our employee handbook.

We aim to provide training and ongoing updates through Company Inductions, Internal training and policy documentation to:

- Senior leadership team;
- All staff
- Dedicated sourcing and procurement colleagues;
- Subject matter experts holding key relationships with our supply base.

Further Steps

Following a review of the effectiveness of the steps we have taken [this year] to ensure that there is no slavery or human trafficking in our supply chains we intend to take the following further steps to combat modern slavery and human trafficking:

- **Effectiveness in Combating Slavery and Human Trafficking KPIs:**

We aim to introduce key performance indicators (KPIs) to measure how effective we are and have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains. These KPIs will address the following:

1. Vetting procedures: the number or percentage of suppliers and sub-contractors that have been vetted for ethical labour practices.
2. Screening: the number and type of issues identified on screening suppliers and sub-contractors.
3. Subcontractor inspections: the number of inspections of sub-contractors in at risk countries.
4. Whistleblowing: the number of reported breaches in the past year.
5. Training: the percentage of key staff trained.
6. Remedial: any remedial action needed.

- **Corporate Responsibility Committee:**

The company aims to establish a corporate responsibility committee including members of staff with responsibility for supply chain and people compliance. This board is responsible for drafting and rolling out a corporate strategy in relation to our ongoing compliance with and support of the Act.

Our executive leaders are determined to run our business responsibly and to implement procedures and policies to tackle human rights abuses in this area. As such, the committee will report to leaders within the company once a quarter.

Executive Endorsement

Director Signature: 

Name of Director: MICHEL ROBERT

Date: 27/6/19

For and on behalf of Claranet Limited

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