



# Avast modern slavery transparency statement 2019 - 2020

Avast plc with its subsidiaries, including AVG Technologies UK Limited, AVG Technologies AU Pty Limited, Piriform Software Limited ('CCleaner'), Privax Limited ('HideMyAss'), and any contractors, representatives and agents while they are working on our behalf (together 'Avast'), publishes this Transparency Statement on Modern Slavery in accordance with section 54(1) of the UK Modern Slavery Act 2015 and section 13 of the Australian Modern Slavery Act 2018 (both constituting the 'Act') for the financial year ending 31 December 2019, and includes the early part of 2020.

We do not tolerate the existence of slavery, servitude, forced labour, human trafficking, child labour and other related acts of exploitation against any human. Avast has put in place a system of modern slavery compliance. Avast has approximately 1,700 employees in 25 offices in 13 countries (Australia, Czech Republic, Germany, Hong Kong, Japan, Netherlands, Russian Federation, Serbia, Slovakia, Switzerland, Taiwan, United Kingdom, United States). If we include outsourced workers and contractors, the number of people working in some connection with Avast would be 2000+. You can find more information about our company structure, its subsidiaries and locations in our Annual Report on the Avast website:

<https://investors.avast.com/investors/results-reports-andpresentations/#page=1>.

We continually review the transparency in supply chains and the risks posed by our business partners, third party suppliers, manufacturers, resellers and distributors ('supply chain') with whom we contract directly.

As a technology company, we focus on software development, which is relatively low-risk from a modern slavery perspective. However, in assessing the risks in our business and supply chain, we appreciate that even a software company has risk areas. For example, Avast sources for its own internal use potentially high risk commodities, such as laptops, computers and mobile phones (<https://www.globallslaveryindex.org/2018/methodology/g20-analysis>). Apart from these items, we source other potentially risky supplies, and employ third parties to clean our buildings and cater for us in our canteens. We source our supplies from vendors in nearly 60 countries. While over 90% of the countries where we have active business relationships score well, 8% of the countries, where we have business relationships, score poorly in at least one of the three Global Slavery Index Scores on prevalence, vulnerability and government response.

## Summary of actions taken:

- ✓ Developed a Modern Slavery Next Steps Plan for the period July 2019- July 2021
- ✓ Did risk assessment and prioritization by identifying our active vendors in relation to potentially risky jurisdictions and/or commodities
- ✓ Undertook training of relevant staff to educate them on modern slavery and its risks within our business and supply chains
- ✓ Drafted a Suppliers' Guidelines (a code of conduct document for us and our suppliers), which was published in English on our websites early this year
- ✓ Translated our Supplier Guidelines into 30+ languages on our websites
- ✓ Developed a process of modern slavery compliance together with and for our Procurement departments and all requestors for suppliers

- ✓ Developed system compliance for our records and new supplier requests
- ✓ Created the Supplier Compliance Document that our suppliers, existing and potential, have to agree to in order to work with us
- ✓ Finalized an auditing checklist and a supplier questionnaire for additional checks
- ✓ Developed a process of compliance for our suppliers within our online customer relations management system
- ✓ Created an educational tab about modern slavery that our requestors for supplies should read
- ✓ Drafted and added a Human Rights compliance paragraph in our Code of Conduct

## We are in the process of:

- ✓ Reviewing other policies to update them from a human rights and modern slavery perspective
- ✓ Developing a process of global compliance for our Facilities department
- ✓ Developing a process of supply chain on-site audits with relevant personnel
- ✓ Giving modern slavery training to other relevant staff

## Note on COVID-19:

We have been working from home since our offices shut amidst the lockdown due to the COVID-19, but this has not stopped us from continuing with the measures identified. We are working with our suppliers, some of whom may be undergoing difficulties at this time, and have been flexible and reasonable in our requests. Face-to-face training with some relevant staff has paused for the time being, but will resume once restrictions are lifted or we will continue with online training via conference calls.

## Our policies in relation to modern slavery:

POLICIES	IN SUMMARY	APPLIES TO MODERN SLAVERY
<p><b>Supplier Guidelines</b></p>	<p>We have a business code of conduct for ourselves and our supply chain, which lists the requirements to uphold, based on international standards such as the United Nations Guiding Principles on Business and Human Rights (UNGP), the Ethical Trading Initiative Base Code (ETI), the Responsible Business Alliance Code of Conduct (RBA), the Universal Declaration of Human Rights (UDHR) and International Labour Organization Declaration on Fundamental Principles and Rights at Work (ILO Declaration).</p>	<p>Covers Modern Slavery specifically, as well as human rights and ethical business dealings.</p>

<b>Modern Slavery Transparency Statement</b>	We publish an annual statement to let you know what we are doing in the area of modern slavery.	Demonstrates our commitment to prevent and fight against modern slavery and human trafficking in our business and supply chain.
<b>Modern Slavery Policy</b>	We have an internal modern slavery policy for our staff to keep them informed.	Informing our employees on the code of behavior relating to modern slavery and its risks.
<b>Code of Conduct</b>	We have a set of guidelines for our employees on the kinds of behavior we want to see.	Guiding our employees as to international standards of conduct.
<b>Grievance Procedure</b>	We have a process for internal complaints.	Having the ability to complain helps prevent and detect abuses, applies to modern slavery, human rights and labor rights.
<b>Recruitment Policy</b>	We have a recruitment policy that is anti-discriminatory, and which aligns with the Employer Pay principle.	Responsible recruitment applies to modern slavery, human rights and labor rights.
<b>Sanctions and Anti-Money Laundering Policy</b>	We have a set of international standards for fair and proper business dealings, to prevent and detect bribery and corruption.	Relates to modern slavery as potential indicators, for example, illegal cash payments, unusual payments in a third country or to a third party, including government officials.
<b>Whistleblowing Policy</b>	We have a policy in place regarding our third party hotline for whistleblowers.	No retaliation for whistleblowers and a fair process to detect and prevent abuses, applies to modern slavery, human rights and labour rights.

We have been auditing our procurement processes, policies, risk assessment capabilities, prevention and enforcement mechanisms. We reviewed our list of active suppliers and categorized them according to their potential risk factors in the areas of jurisdictions/countries and commodities/sectors, so we can prioritize the suppliers in terms of risk. However, we will address modern slavery issues not only with our higher risk partners, but with all suppliers we work with. We are in the process of reviewing how our supply chain will potentially handle issues like modern slavery and human trafficking. We have developed a system of contractual compliance for our suppliers that we are in the process of implementing.

We developed the Supplier Compliance Document, which we are sending to all potential or existing suppliers or will make available online via our customer relationship management system. Our supply chain has to abide by our Supplier Guidelines or have equivalent supplier codes of conduct and modern slavery policies in place.

Where necessary, we will send additional questionnaires as part of procurement due diligence and monitoring to assess issues like recruitment practices and salary. We aim to strengthen measures to ensure our partners warrant their conformity with Modern Slavery legislation.

We have made it a part of our contractual relationship for our suppliers to inform us of modern slavery incidents in their business, so we can work with them to repair and prevent the situation from occurring again. Where needed, we intend to put in place corrective processes to ensure actions are taken to bring them into conformity with international standards, which may include on-site visits, monitoring and working with top-level management to resolve these issues. If the problem persists, our actions may include ceasing to do business with these suppliers and putting them on an internal 'blacklist'.

In assessing risk, we are considering the sector our supply chain works in, and the jurisdiction or country our supply chain operates from. We look at the potential for vulnerabilities in relation to slavery and human trafficking in the available research. We are guided by the Global Slavery Index, including the 2018 Vulnerability Model and 2019 MAF Findings, which categorize vulnerabilities by looking at governance issues, lack of basic needs, inequality, disenfranchised groups and effects of conflict. To mitigate the risks, we prioritize our supply chain according to their potential for risk.

## How we treat our employees in this time of COVID-19:

In the lockdown imposed on many countries, we have acted to ensure our employees are kept safe by closing our offices and allowing our employees to work from home. We are offering them:

- ✓ Free online medical services
- ✓ Free psychologist counselling sessions
- ✓ Free webinars ranging from tips on working from home, keeping well mentally and physically, and Learning and Development
- ✓ Taking office equipment (chairs, docking stations, printers, etc.) home if needed
- ✓ Help with IT support, VPN accessibility and increased mobile data limits
- ✓ Flexible working hours, including the option to cut down on hours for those with family responsibilities at home
- ✓ Complementary wellbeing packages (chocolates for Easter)
- ✓ Coronavirus coordination teams in each country and location where we have our offices

We have implemented changes in the last year and continue to do so, both in our approach to modern slavery, and putting in place a system of compliance within the business and with our supply chain. It has been an exciting time as we step up to face this global challenge to our human rights. We are educating our personnel in understanding and recognizing modern slavery and its risks. In the process we are improving our procurement and recruitment methods and policies, and will continue to be diligent in addressing issues as they arise. The long-term effectiveness of our legal and practical measures will be seen.

We are giving training to relevant staff. Through a series of presentations and workshops, we undertook training of our Legal, Procurement (Finance and IT) and Facilities teams. We will be training our Human Resources team, and will continue to train personnel in key business areas to enable them to recognize potential sources of risks in their day-to-day business activities and to understand the procedures they can take in mitigating incidents of modern slavery and human trafficking. We have compiled educational material on modern slavery for our requestors of. In the presentations, we raise awareness of reporting mechanisms such as speaking to senior management, submitting an online report on our Ethics & Reporting Line, using our **Whistleblowers' Hotline** or calling the **UK Modern Slavery Helpline** on **0800 0121 700** <https://www.modernslaveryhelpline.org/>.

This statement has been approved by the Board of Avast PLC and signed by the CEO on May 20, 2020.



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Avast plc