

Atos modern slavery statement 2017



Introduction

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps that Atos IT Services UK Limited and other relevant group companies¹ (Atos) have taken during the year ending 31 December 2016 to ensure that slavery and human trafficking are not taking place in their supply chains and in any parts of their business.

Conducting business in an ethical and sustainable way is part of Atos culture and strategy in all of its spheres of influence, it is a “must have” that Atos is proud to integrate into the company’s thinking and processes. We truly believe that our responsibilities go beyond our own company and we strive to embed our values in the relations with all our employees, customers, partners and across our supply chain.

As a matter of fact, Atos expects its suppliers to comply with the strictest standards of ethical behaviour following the principles of the United Nations Global Compact and to respect human rights.

In this document we describe our business and supply chain and explain Atos Corporate Social Responsibility program, our due diligence initiatives within Atos supply chain, our current Code of Ethics’ training, and how we plan to improve all of the above in light of the Modern Slavery Act 2015 requirements.

¹This statement sets out the steps taken by Atos IT Services UK Limited, Atos Consulting Limited, Atos IT Outsourcing Services Limited and Worldline S.A./N.V. insofar as they fall within the scope of section 54(2) of the Modern Slavery Act 2015 and the Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015.

Our Business and Supply Chain

Atos is a leader in digital services delivering systems integration services, consulting, managed services, business process outsourcing, cloud operations, big data and cyber-security solutions as well as e-payments and transactional services. With over 10,000 people working in Atos and in the other Atos companies based in the United Kingdom, Atos is focused on business technology that powers progress and helps organisations to create their firm of the future in a more sustainable society. Atos clients base spans different sectors and markets: from energy and utilities firms, to public, health care and transport sectors, from telecom, media and technology firms, to manufacturing and retail industries, and financial services.



suppliers representing 80% of the spend for services and products



spend in 2016 with suppliers located in the United Kingdom

In the United Kingdom², with around £670 million annual third party spend and 131 suppliers representing 80% of the spend for services and products to both Atos and our clients, we are committed to developing a high-performing supply chain as regards its design and conduct as well as having responsible sourcing practices in place. Atos supply chain is mainly located in 19 countries in Europe and North America where 98.5% of the overall suppliers spend is directed; in 2016 we spent 91.3% with suppliers located in the United Kingdom. In 2016, IT requirements spend made up the greater part of purchases (47% of demands) the majority of which was done with the largest IT Tier 1 suppliers.

Subcontracting was the second source of procurement spend with 31% while 22% of this spend was related to so called 'indirect' spend including mobility, professional services, facilities management and real estate.

Since 2009, Atos has developed, in alignment with Atos companies operating in other countries, a Corporate Social Responsibility program, which also includes labour practices, with a main objective of being able to manage the impacts of the company's operations in a responsible manner and to integrate social and environmental factors in our supplier solution. A number of policies and documents have been developed and implemented to achieve this objective.

²For clarity, the data in this paragraph refer to Atos IT Services UK Limited, Atos Consulting Limited, Worldline IT Services UK Limited and Atos IT Outsourcing Services Limited.

Policies and Contractual Controls

Code of Ethics

Atos has its own internal [Code of Ethics Policy](#) which all Atos employees are required to adhere to.

Within the Code of Ethics Policy, Atos is committed to ensuring compliance with international labor regulations and being a responsible company in dealing with all its partners, guaranteeing strict compliance with laws and regulations.

Most importantly, the Code of Ethics Policy refers to the United Nations Global Compact principles on human rights, labor, environment and anti-corruption, which includes adhering to the elimination of all forms of forced and compulsory labour and the effective abolition of child labour, upholding the freedom of association and the effective recognition of the right to collective bargaining as well as supporting and respecting the protection of internationally proclaimed human rights.

Code of Conduct for Relationship with Suppliers

In addition to the Code of Ethics Policy which is at the backbone of Atos corporate culture, Atos employees who perform procurement related activities on behalf of Atos or who have regular contact with suppliers must abide by a strict Code of Conduct which is described via internal communication systems and distributed annually to Procurement team members.

This Code of Conduct establishes the elementary rules that each employee must respect in the performance of his or her work with clear references and special attention to social rights.

In particular, as far as slavery and human trafficking are concerned, the Code of Conduct clearly states that Atos intends to select suppliers who do not use nor accept that their own suppliers and subcontractors make use of child or forced labour, do not practice or support any psychological or physical coercion, respect individual and collective liberties, and comply with labour laws on recruitment and during the fulfillment of the employment contract.

Procurement members need to sign this document for reading and understanding. Failure to comply with this Code of Conduct may result in disciplinary actions, up to and including termination of the contract of employment.

Supply Chain Standards

We have put together a [Sustainability Supplier Charter](#) which sets forth the ethical principles to be shared between Atos and its suppliers. The Charter makes specific reference to the ten principles of the United Nations Global Compact and includes sections from the Code of Ethics Policy covering the areas of human rights, forced, compulsory and child labor.

Prior to suppliers' participation in any Atos sourcing event, a potential supplier must confirm acknowledgement of the Sustainability Supplier Charter and, once a contract is concluded, the supplier will sign up to its content upon the signature of the Atos contractual terms and conditions.

Failures by suppliers to adhere to the principles set out in this Charter or to effectively marshal resources required to achieve such adherence, can result in their exclusion from Atos' preferred suppliers list and, once a contract is in place, even to the termination of the contractual relation with that supplier.

In 2017, as far as the United Kingdom is concerned, Atos has also amended and strengthened its standard supplier contractual terms and conditions to include obligations on suppliers to comply with the provisions of the Modern Slavery Act 2015, ensure that neither them nor their subcontractors are under investigation or have been convicted for modern slavery offences, conduct reasonable due diligence on their own supply chains' working conditions and practices and notify Atos immediately in the event of suspected slavery and human trafficking offences taking place in their supply chains.

Last but not least, from July 2017 the Code of Ethics Policy will become part of the standard supplier contractual terms used in the United Kingdom: this means that if a supplier violates the Code of Ethics' principles Atos can terminate its relationship with the supplier.

Whistleblowing Policy

In the United Kingdom, Atos has a Whistleblowing Policy which educates and advises on the legalities and principles of whistleblowing and the process of how to make a disclosure about suspected wrongdoing in the workplace, either internally or externally. All employees (including workers, interns, contractors, agency staff, casual workers and consultants) are encouraged to raise any genuine concerns about potential criminal, fraudulent or dangerous activities or wrongdoing committed by employees or officers within Atos, including any violation of the Code of Ethics and the Code of Conduct for relationship with suppliers. Any individual who raises a claim will be supported through the process by the Employee Relations Advisory Team.

Due Diligence and Audits in our Supply Chain

We recognise that one of the challenges in ensuring that slavery and human trafficking are not committed throughout our supply chain is not only to communicate clearly our expectations for fair labour practices to our suppliers but also anticipate, identify, control and manage any such possible risks and impacts. Therefore, we have built appropriate mechanisms in all stages of the procurement cycle, from the initial supplier selection through to on-going supplier management.

Before contract

Sustainability, which includes labour practices, is one of our key supplier evaluation criteria when selecting new partners, suppliers or subcontractors, representing up to 10% of the scoring used in the evaluation of suppliers' answers to tenders. Our suppliers are requested to demonstrate their maturity on Corporate Social Responsibility (CSR) themes by submitting any existing and globally recognised accreditation and certification.

If an area of concern is identified, and always depending on the supplier product/service and geography, our procurement managers, accompanied by the relevant subject matter experts, may choose to proceed with a physical audit of the supplier facilities and operations or request further details and documentation to alleviate any concerns before progressing any further with the specific supplier.

Post contract

In addition to this initial due diligence, since 2009, Atos is using EcoVadis, a specialist assessor of sustainability in global supply chains, to proactively monitor and evaluate in depth its suppliers' portfolio in four key areas: Environment, Labor practices, Fair Business Practices as well as Supply Chain. The EcoVadis assessment goes beyond regulatory compliance and working conditions and child and forced labour are some of the key areas that are evaluated.

Specifically, EcoVadis methodology framework assesses the policies and measures put in place as well as the reporting published by companies with regard to those four key areas. The assessment, conducted by CSR experts, is made on the basis of the companies' answers to a survey which is dynamically adapted to their country, sector and size, on the basis of supporting documentation, and on public and stakeholders' (NGOs, trade unions, press) information. The EcoVadis assessment is repeated every two years.

As a result of this Ecovadis assessment, strengths and improvement areas are identified, with the latter being addressed by a Corrective Action Plan (CAP) that the relevant supplier needs to prepare and comply with. Our procurement managers proactively monitor the progress of these CAPs by the suppliers concerned and those suppliers

with insufficient scores are to be re-evaluated after 12 months. In 2015, less than 12% of our panel at global level had low scores, usually only because of a misunderstanding of the assessment processes.

However, where a score cannot be improved a decision may be taken to cease our engagement with the relevant supplier. For example, we have had a case of a supplier of indirect products that was unable to provide sufficient assurances around absence of child or forced labour in its supply chain. Due to the possible risks associated with the products that were being purchased, we decided to cease trading with this company and to procure products from an alternative, assured supplier.

Atos Group target³ is to ensure that, by end of 2019, those suppliers who represent 70% of its global spend have undergone an EcoVadis assessment. The year 2016 closed with 246 suppliers having a valid EcoVadis assessment, which represents 48.8% of Atos Group global spend. This puts Atos Group on track for meeting its 70% annual target in 2019.

Last but not least, EcoVadis granted 'Gold' status to Atos Group for its Corporate Social Responsibility performance in 2015, confirming its leadership position in the IT Industry in respect of CSR themes.

³With Atos Group we refer to all the companies controlled directly and indirectly by the holding company of the group, Atos SE.

Training

Since January 2011, the Code of Ethics Policy forms part of Atos employees' employment contract. In July 2013, Atos launched an e-learning module that explains the principles of the Code of Ethics. This training is mandatory for all employees, regardless of their position at Atos. In the United Kingdom 86.2% of employees have completed this e-learning module since its launch. All employees will have to repeat this e-learning training in 2017 due to a new version that has just been issued.

In addition, top managers and all persons considered directly concerned by the Code of Ethics' principles in their day-to-day activity, are provided classroom training on the Code of Ethics by Atos senior legal team. Classroom training sessions have been launched throughout the world since the beginning of 2012.





Closing Statement

Atos is globally recognised as a sector leader for its Corporate Social Responsibility program. We understand that slavery and human trafficking risks may pose a threat to international firms and are constantly evolving in the current global environment. For this reason, Atos wants to put those risks at the heart of next year's modern slavery statement undertakings towards excellence in corporate standards and responsibility as follows:

- we will undertake a specific risk assessment of the parts of Atos business and supply chains that are exposed to slavery and human trafficking;
- we will amend our Code of Ethics by adding an explicit reference to modern slavery offences;
- we will insert a special module on modern slavery in the Code of Ethics training that Atos Legal Department provides to executives and top managers;
- we will amend our Supplier Sustainability Charter by adding an express reference to modern slavery offences.

In order to assess the actions taken by Atos in preventing modern slavery in its supply chains, Atos will review the following key performance indicators and report about them in future modern slavery statements:

- number of managers trained to the Code of Ethics (so called ETO²S training);
- actions taken to improve the supply chain audits;
- number of suppliers and related level of spend subject to an Ecovadis assessment;
- uptake of an alert service offered by Ecovadis that provides news updates to Atos including legal proceedings involving suppliers that have completed the Ecovadis assessment.

This statement was approved by the Boards of Atos IT Services UK Limited, Atos Consulting Limited, Worldline IT Services UK Limited, Atos IT Outsourcing Services Limited and Worldline S.A./N.V.

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