

Atos modern slavery statement 2018



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Atos

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 2017 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.

In 2017 we published our first Modern Slavery statement and at the same time put in place a number of initiatives in relation to excellence in corporate standards and responsibility to be developed during the following financial year. Hence, while most of what we do in this area has not changed since then, in the last financial year we have made a number of improvements to the Atos Corporate Social Responsibility program, our due diligence initiatives within the Atos supply chain and our Code of Ethics in light of the Modern Slavery Act 2015 requirements.

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 9,000 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 firms of the future in a more sustainable society.

Atos' client base spans different sectors and markets: from energy and utilities, to public, health care and transport sectors, from telecom, media and technology, to manufacturing and retail industries, and financial services.



suppliers representing 80% of the spend for services and products



spend in 2017 with suppliers located in the United Kingdom

In the United Kingdom², with around £686 million annual third party spend and 124 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 with regard to its design and conduct as well as having responsible sourcing practices in place. The Atos supply chain is mainly located in 21 countries in Europe and North America where 98.7% of the overall supplier spend is directed; in 2017 we spent 91.5% with suppliers located in the United Kingdom. In 2017, IT requirements spend made up the greatest part of purchases (43% of demands) the majority of which was made with the largest IT Tier 1 suppliers. Subcontracting was the

second largest source of procurement spend with 38% while the remaining 19% 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 principle 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 solutions. A number of policies and documents have been developed and implemented to achieve this objective.

¹This statement sets out the steps taken by Atos IT Services UK Limited, Atos Consulting Limited, Atos IT Outsourcing Services Limited, Worldline IT Services UK 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.

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](#)³ which all Atos employees are required to adhere to.

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

Currently we are in the process of amending the Code of Ethics to include an express reference to Atos' condemnation of modern slavery offences and its efforts to prevent those offences from taking place in its supply chains and in any parts of its business.

Code of Conduct for Relationship with Suppliers

In addition to the Code of Ethics Policy which is 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 provided 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 permit their own suppliers and subcontractors to 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 to confirm having read and understood it. Failure to comply with this Code of Conduct may result in disciplinary action, up to and including termination of the contract of employment.

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

Supply Chain Standards

In 2018, we have reviewed the Charter for our supply chain: this new [Business Partner's Commitment to Integrity](#)⁴ establishes several requirements every Atos supplier has to comply with in three areas: Human Rights, Business Integrity and Environmental Impact. Prevention of forced or compulsory labour is part of the Human Rights requirements Atos business partners, including suppliers, have to support, respect and encourage to be respected within their supply chain.

Prior to participation in any Atos sourcing event, a potential supplier must confirm acknowledgement of the Business Partner's Commitment to Integrity and the supplier will sign up to its content upon the signature of the Atos contractual terms and conditions.

Failure by a supplier to comply with the Business Partner's Commitment to Integrity or to effectively marshal the resources required to achieve compliance with it, can result in its exclusion from Atos' preferred suppliers list and, once a contract is in place, even to the termination of the contract with that supplier.

Also, by accepting the Business Partner's Commitment to Integrity, each supplier recognises Atos' right to perform on-site audits to ensure that it has put adequate internal procedures in place to fulfil its integrity commitment.

In 2017, as far as the United Kingdom is concerned, Atos decided to amend and strengthen its standard supplier contractual terms and conditions to include obligations on suppliers to comply with the Modern Slavery Act 2015, and ensure that (i) neither they nor their subcontractors are under investigation nor have been convicted for modern slavery offences, (ii) they 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. We started using those new terms and conditions in the first half of 2018 to onboard all new suppliers. However, in 2017 we informed all existing suppliers about the publication of Atos' Modern Slavery Statement 2017, as an extension of our Code of Ethics that we mandate all our suppliers to comply with. The communication also contained a link for suppliers to download a copy of the statement published in 2017.

Last but not least, from 2018 the Code of Ethics Policy becomes an integral part of the standard supplier contractual terms used in the United Kingdom: this means that, if a supplier violates the Code's principles, Atos can terminate its relationship with the supplier.

individual who raises a claim will be supported through the process by the Employee Relations Advisory Team.

In the Business Partner's Commitment to Integrity, we also make an Atos Alert System available to all business partners to notify Atos in a timely manner of any suspected violation of the Business Partner's Commitment to Integrity that might impact the relationship with Atos, whether they are allegedly committed by Atos employees or partners, or the business partner's employees.

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 to 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.

Also, 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 the initial due diligence, since 2009, Atos has been 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, labour practices and human rights, fair business practices as well as sustainable procurement. The area focusing on Labour practices and human rights is described by EcoVadis as below: "The criteria in this theme are divided into 2 parts: first on human resources (such as health & safety, working conditions, structured social dialog, career management & training) and secondly on human rights issues (such as child & forced labor and discrimination)." Hence, 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 should prepare and comply with. Our procurement sustainability managers proactively monitor the progress of these CAPs by the suppliers concerned and

those suppliers with insufficient scores are advised to be re-evaluated after 12 months. In 2017, less than 19% 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.

The Atos Group⁵ target is to ensure that, by end of 2019, those suppliers who represent 70% of its global spend have undergone an EcoVadis assessment. The year 2017 closed with 286 suppliers having a valid EcoVadis assessment, which represents 54% of Atos Group global spend. This KPI has improved compared to last year's figures.

In 2017 EcoVadis granted 'Gold' status to Atos Group for its Corporate Social Responsibility performance, confirming its leadership position in the IT Industry in respect of CSR themes.

Last but not least, Ecovadis offers an alert service providing news updates and information about watch lists, including legal proceedings involving tier 1 suppliers that have completed the EcoVadis assessment. As a result, we are made aware of any wrongdoings including those in relation to modern slavery offences by our supply chain.

³ <https://atos.net/wp-content/uploads/2016/07/atos-code-of-ethics.pdf>

⁴ <https://atos.net/wp-content/uploads/2018/05/atos-business-partners-commitment-integrity-2018.pdf>

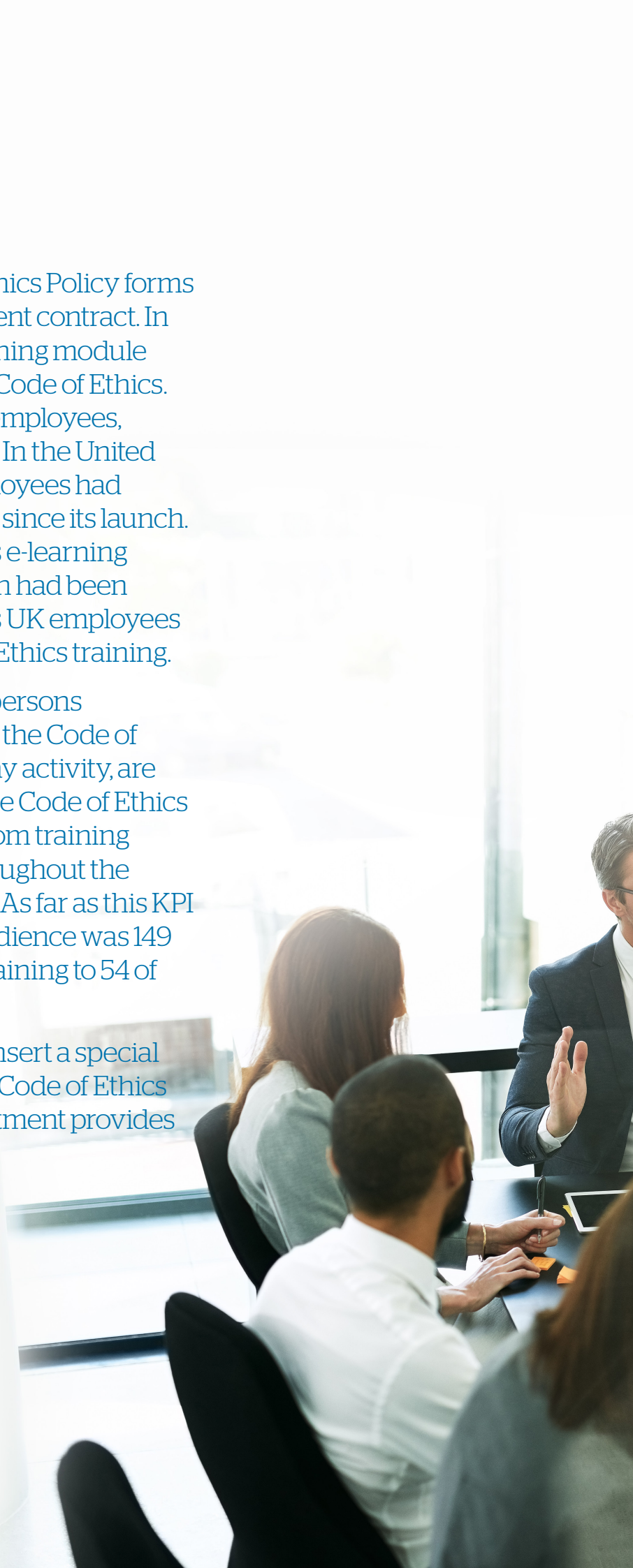
⁵ With Atos Group we refer to all the companies controlled directly and indirectly by the holding company of the group, Atos SE.

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 up to 2017, 86.2% of employees had completed this e-learning module since its launch. Employees have had to repeat this e-learning training from 2017 as a new version had been issued. So far around 85.6% of Atos UK employees have undergone the new Code of Ethics training.

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. As far as this KPI is concerned, in 2017, our target audience was 149 top managers and we delivered training to 54 of those plus 17 outside of our target.

Last but not least, we also plan to insert a special module on modern slavery in the Code of Ethics training that the Atos Legal Department provides to executives and top managers.





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 intends to continue to put those risks at the heart of next year's modern slavery statement and its efforts towards excellence in corporate standards and responsibility.

In order to assess the actions taken by Atos in preventing modern slavery in its supply chains, in the current statement Atos has reported on the following key performance indicators:

- number of managers trained to the Code of Ethics (so called ETO²S training);
- number of suppliers and related level of spend subject to an Ecovadis assessment; and
- 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.

Signed



Adrian Gregory
CEO Atos UK&I
June 2018

About Atos

Atos is a global leader in digital transformation with approximately 100,000 employees in 73 countries and annual revenue of around € 12 billion. The European number one in Big Data, Cybersecurity, High Performance Computing and Digital Workplace, The Group provides Cloud services, Infrastructure & Data Management, Business & Platform solutions, as well as transactional services through Worldline, the European leader in the payment industry. With its cutting-edge technologies, digital expertise and industry knowledge, Atos supports the digital transformation of its clients across various business sectors: Defense, Financial Services, Health, Manufacturing, Media, Energy & Utilities, Public sector, Retail, Telecommunications and Transportation. The Group is the Worldwide Information Technology Partner for the Olympic & Paralympic Games and operates under the brands Atos, Atos Consulting, Atos Worldgrid, Bull, Canopy, Unify and Worldline. Atos SE (Societas Europaea) is listed on the CAC40 Paris stock index.

Bull is the Atos brand for its technology products and software, which are today distributed in over 50 countries worldwide.

Find out more about us
atos.net

Let's start a discussion together

