

TELEHOUSE POLICY – MODERN SLAVERY

Introduction

This Policy sets out Telehouse's approach to identifying and managing all potential modern slavery risks related to its business and to establish protocols intended to prevent modern slavery or human trafficking.

As a leading provider in the ICT solutions industry, Telehouse recognises that it has a responsibility to take a zero tolerance approach to modern slavery and human trafficking, by ensuring that its organisation and supply chain is free from such activity. To this end, Telehouse has set out the activities that it will undertake during this financial year.

Organisational structure and supply chains

This statement covers the activities of Telehouse and its operations in the United Kingdom for the year commencing on 1 April 2018 and ending on 31 March 2019.

- Telehouse is a Japanese owned company established in 1989 to provide managed ICT solutions for global corporations. The company operates a local and regional supply chain with a preference for long term business relationships.
- Telehouse's aim is to improve performance by embedding risk management into the core of what we do and ensure it is key to our corporate strategy. This applies to our Modern Slavery Policy which allows the business to support sound decision-making both internally and across our supply chain.

Telehouse has assessed the following activities and considers them to be potentially high risk of slavery and human trafficking:

- Supplier Due Diligence – The process by which Telehouse requests evidence from suppliers to support their conformity to the Modern Slavery Law.
- Negotiation and Contracting – The assessment process to ensure contractor commitment to meet the set of rules and regulations required to work with Telehouse.
- Supplier Management – The process of managing interactions with contractors who supply goods and/or services to Telehouse.

Responsibility

Responsibilities for the Telehouse anti-slavery initiatives are as follows:

- Policies: The Human Resources department, in collaboration with Compliance, Legal and Procurement, are responsible for putting in place and reviewing this policy statement and the process by which it has been developed.
- Risk assessment: A human rights and modern slavery risk analysis is undertaken at every level of the organisation as a structured, controlled and coordinated process. Risk reporting is built on existing departmental level reporting and is integrated wherever practical into routine management reporting.

Where risks are deemed significantly important they are escalated in accordance with corporate procedures and reviewed for impact against the Corporate Strategy:

- **Investigations/due diligence:** As part of the Telehouse due diligence process the Procurement department reviews supplier and contractor human rights and modern slavery controls at the point of engagement. Thereafter Telehouse continues to monitor compliance against suppliers at predetermined intervals once a business relationship has been established. Where suppliers and contractors fail to provide evidence of compliance they are removed from the preferred supplied list with immediate effect.
- **Training:** Telehouse is committed to providing resources including human resources and specialised skills, technological and financial essential to the implementation, monitoring and improvement of employee awareness of human rights and modern slavery laws. Appropriate e-learning training is undertaken across Telehouse on a regular basis.

Relevant Policies

Telehouse 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** - Telehouse encourages all its workers, 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 workers to make disclosures, without fear of retaliation.
- **Employee code of conduct** - The Telehouse Behaviours makes it clear to employees the behaviour expected of them. Telehouse strives to maintain the highest standards of employee conduct and ethical behaviour when operating in the UK and abroad and managing its supply chain.
- **The Procurement code of conduct** - Telehouse 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. Telehouse works with suppliers to ensure that they meet the standards of the code and improve their worker's working conditions. However, serious violations of the organisation's supplier code of conduct will lead to the termination of the business relationship. The following process and steps will be taken to implement the code of conduct in relation to slavery and human trafficking, including examples where action has been taken to address specific slavery and human trafficking risks.
- **The Recruitment policy** - Telehouse uses only specified, reputable employment agencies to source prospective employees and always verifies the practices of any new agency it is using before accepting workers from that agency.

Due Diligence

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

- Evaluating the modern slavery and human trafficking risks of each new supplier.
- Conducting supplier audits or assessments through, which have a greater degree of focus on slavery and human trafficking where general risks are identified.

- Participating in collaborative initiatives focused on human rights in general, and slavery and human trafficking.

Performance Indicators

Telehouse has reviewed its key performance indicators (KPIs) in light of the introduction of the Modern Slavery Act 2015. As a result, Telehouse:

- Requires all staff to complete e-learning training on modern slavery on an annual basis.
- Has developed a system for supply chain verification Telehouse evaluates potential suppliers before they enter the supply chain.

Training

Telehouse requires all staff within the organisation to complete e-learning training on modern slavery as a module within the organisation's wider human rights/ethics/ethical trade training programme.

The organisation's modern slavery training covers:

- Our business's purchasing practices, which influence supply chain conditions and which should therefore be designed to prevent purchases at unrealistically low prices, the use of third parties engaged on unrealistically low wages or wages below a country's national minimum wage, or the provision of products by an unrealistic deadline.
- How to assess the risk of slavery and human trafficking in relation to various aspects of the business, including resources and support available.
- What initial steps should be taken if slavery or human trafficking is suspected.
- How to escalate potential slavery or human trafficking issues to the relevant parties within the organisation.
- What messages, business incentives or guidance can be given to suppliers and other business partners and contractors to implement anti-slavery policies.
- What steps Telehouse should take if suppliers or contractors do not implement anti-slavery policies in high-risk scenarios, including their removal from the organisation's supply chains.

Awareness Programme

As well as training staff, Telehouse raises awareness of modern slavery issues by regularly communicating relevant information to staff.

The communications 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.

This Policy has been approved by the Telehouse Board of Directors who review and update it annually.

Signed



Ken Sakai
Managing Director
Telehouse International Corporation of Europe

January 2020