

# Modern Slavery Statement 2021

Avast plc

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# Introduction

Avast is in the business of protection. This extends beyond protecting the digital lives of our customers and applies to our employees and those we interact with as part of our wider value chain. Through our suite of policies, including our Modern Slavery policy and Code of Conduct, we commit to a high standard of behaviour towards all employees and other personnel, as well to respect human rights in all our operations and business dealings.

This commitment extends to our supply chain, and a large part of our focus on modern slavery this year has been to engage with our new and existing suppliers in the continued roll-out of our Supplier Compliance Document, which asks suppliers to comply with either the Avast Supplier Guidelines or their own policies, which have to be in line with international standards of conduct and principles. The [Avast Supplier Guidelines](#) set out the social and environmental standards we expect from our suppliers.

2021 saw Avast experience continued disruption to our business with a period of uncertainty regarding our potential merger activity, along with the ongoing impacts of the Covid-19 pandemic. We recognise the increased vulnerability of many individuals to modern slavery and human trafficking due to the economic and social disruption caused by the pandemic, making this issue more pressing than ever. Whilst not occurring within this reporting period, we also acknowledge the significant impact of the conflict in Ukraine. Please refer to our blog for details of Avast's response: [Avast Response To War In Ukraine | Avast](#)

This is our fourth Modern Slavery Statement pursuant to section 54(1) of the UK Modern Slavery Act 2015 and section 13 of the Australian Modern Slavery Act 2018. The Statement provides a summary of the steps Avast has taken, and is continuing to take, to prevent modern slavery and human trafficking within our business and supply chain. The table below illustrates how the different sections of this Statement align with the reporting criteria under both the UK and Australian Modern Slavery Acts.

UK Modern Slavery Act	Australian Modern Slavery Act	Relevant Section within this Statement
Organisation structure and supply chains	Identify the reporting entity Describe the structure, operations and supply chains of the reporting entity Describe the process of consultation with any entities that the reporting entity owns or controls	1. Reporting Entities, Business & Supply Chain
Policies in relation to slavery and human trafficking		2. Policies
Risk assessment and management	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	3. Risk Assessment, Prevention and Mitigation
Due diligence processes	Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation processes	4. Due Diligence Processes
Training on modern slavery and trafficking		5. Training and Capacity Building
Key performance indicators to measure effectiveness of steps being taken	Describe how the reporting entity assesses the effectiveness of such actions	6. Measuring Effectiveness and Consultation
	Include any other information that the reporting entity, or the entity giving the statement, considers relevant	7. Close

# 1. Reporting Entities, Business & Supply Chain

## 1.1. Reporting Entities

This statement on modern slavery and human trafficking is published on behalf of Avast plc and its wholly owned subsidiaries, including Avast Software s.r.o., and Piriform Software Limited (trading as CCleaner), pursuant to section 54(1) of the UK Modern Slavery Act 2015 and section 13 of the Australian Modern Slavery Act 2018. References to “we”, “us”, “our”, and “Avast” refer to all of these companies. This statement applies to the financial year ending 31 December 2021.

Avast plc, as the parent company, sets the approach and policy for modern slavery across all wholly owned subsidiaries. This statement has been approved by the Board of Avast plc on behalf of itself and its relevant subsidiaries. This statement was shared with all reporting entities prior to approval by the Board of Avast plc. We plan to review our consultation process on modern slavery across the business to ensure it is proportionate for Avast as we continue to grow.

## 1.2. Our Business

Avast is a global leader in consumer cybersecurity with 400+ million users of our products worldwide. Avast combines artificial intelligence with human ingenuity to create the world's largest consumer cybersecurity network protecting people from attacks online.

Avast offers products under the Avast and AVG brands that protect people from cybersecurity and privacy risks on the internet and the evolving Internet of Things (IoT) threat landscape. Avast also offers products which allow users to optimise their devices and online experience. Avast believes that every online user deserves a safe online experience and therefore provides its core antivirus products, Avast Free Antivirus and AVG Antivirus Free, for free, while offering additional security features in premium product versions. Avast's portfolio also includes virtual private network (VPN), anti-track and device optimization solutions. In 2021 we acquired Evernym, which build and deploy self-sovereign identity solutions which aim to put consumers in control of their data and enable people and organizations to benefit from a safer and more trusted internet.

In 2018, Avast plc became a publicly listed company on the London Stock Exchange and was admitted to the FTSE 100 index in June 2020. As of June 2022, we have more than 1,900 employees in 26 offices in 16 countries ((Australia, Czech Republic, Germany, Hong Kong, Italy, Japan, Netherlands, Romania, Russian Federation, Serbia, Slovakia, Switzerland, Taiwan, United Kingdom, the United States, and Canada). When contingent workers and contractors are taken into account, the number of people working with Avast is in excess of 2,000.

Our culture at Avast can be described based on the 5 A's Principles: Adult relationships based on mutual trust, transparency and maturity), Accountability, Achievement focused, Autonomy and Asynchronous working. We offer high levels of flexibility, with many staff on work from anywhere contracts.

More information about our company structure, subsidiaries and the locations where we operate can be found in our Annual Report available at: [Results, reports and presentations | Avast](#)

## 1.3. Our Supply Chain

Our supply chain includes our business partners, third party suppliers, manufacturers, resellers and distributors (“supply chain”). The global nature of our operations mean our supply chain operates across many markets and continents including Asia, Europe, South America, Central America, North America and Africa. Whilst Avast operates in an industry where the risk of modern slavery and human trafficking is generally considered to be low, we recognise the inherent modern slavery risks that can exist within supply chains, particularly in geographies that have limited modern slavery and human trafficking regulations in place. Our top five highest spend supplier categories in 2021 were Sales Commissions and Fees, Paid Search, Marketing, Consultancy and Professional Services, and Distribution of Digital Content.

## 2. Policies

We have developed various policies to support Avast conduct its business in an ethical and transparent manner and identify and mitigate the risk of slavery or human trafficking within our business and supply chain. Our policies are available to staff through our intranet, and some of our ethical or external facing policies are also published on our website.

During 2021 we circulated key policies amongst all Avast staff, including our Modern Slavery Policy, Whistleblowing Policy, Code of Conduct, and Sanctions and Anti-Money Laundering policy, amongst others. More details are provided in Section 5 of this Statement.

Policy	Summary
Avast Supplier Guidelines	<p>The Avast Supplier Guidelines set out the social, ethical and environmental standards and expectations for our supply chain. These guidelines encapsulate the principles which we abide by and uphold. We expect our partners, suppliers and contractors to uphold the standards along with the laws, rules and regulations of the countries in which they operate. By abiding by the guidelines, our suppliers take responsibility for whomever they subcontract with to ensure that all of our supply chain is covered.</p> <p>The guidelines are based on international standards including 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>We expect our suppliers to take reasonable steps to monitor their business and supply chains to ensure compliance with all applicable laws and regulations.</p> <p>Our Supplier Guidelines are available on our website and can be accessed in over 30 languages: <a href="#">Avast Supplier Guidelines</a></p>
Modern Slavery Policy	<p>We have an internal modern slavery policy which states our commitment to respect human rights in all our operations and business dealings and is designed to ensure that Avast complies with the applicable laws in the jurisdictions in which Avast operates, and with relevant international standards.</p> <p>Our Modern Slavery policy is posted on the Avast website, accessed here: <a href="#">Modern slavery policy   Avast</a></p>
Code of Conduct	<p>We have a Code of Conduct which lays out the principles all our staff must follow and sets the foundation for how we work together, treat our customers and operate responsibly within a set of diverse markets and constraints. In particular, it outlines our business ethics as well as how to select and work with our suppliers. We have procedures in place for addressing breaches of the Code of Conduct in a timely and consistent manner.</p>
Grievance Procedure	<p>We have a Grievance Procedure in place which outlines the process for raising a grievance within Avast. All Avast employees can use the process described in this document to raise concerns or problems with Avast management. This includes concerns about work, working conditions or a management decision or action affecting employees' work or employment rights, and could be used to raise concerns regarding modern slavery. The guidelines aim to ensure the fair and consistent treatment of employees worldwide irrespective of the issue raised.</p>

Recruitment Policy	<p>Avast adopts international standards in its recruitment of staff, including the Employer Pays Principle and requires its business partners to adhere to labour, health, safety and employment laws in the countries in which they operate, and to ensure that they have or put in place measures to prevent and address modern slavery.</p> <p>Our Recruitment Policy sets out responsibilities for recruitment within Avast, and our commitment to fairness and consistency of application, clarity and transparency of processes, and equitable treatment.</p>
Sanctions and Anti-Money Laundering Policy	<p>Our Sanctions and Anti-Money Laundering Policy is designed to ensure that Avast has risk-based policies, procedures and internal controls in place to detect and prevent the use of Avast to facilitate money laundering, terrorist financing and other illegal activities.</p>
Whistleblowing Policy	<p>We encourage all of our employees, customers and other business partners to report any concerns related to the activities or the supply chains of Avast. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. One of the principles underpinning our procedure is rights-compatible, which means ensuring that outcomes and remedies are in line with internationally recognised human rights.</p> <p>Our whistleblowing procedure is designed to make it easy for employees to make disclosures, without fear of retaliation. In addition to internal channels we also have an external reporting hotline.</p>
Purchase to Pay (P2P) Policy	<p>Our Purchase to Pay policy sets out the roles and responsibilities for end-to-end purchase to pay processes within Avast, along with our supplier selection criteria and contract management requirements.</p>

### 3. Risk Assessment, Prevention and Mitigation

In 2019 we commissioned an external provider to conduct a risk assessment of our business activities and business relationships to identify our modern slavery risks and to understand how existing policies and processes for preventing, addressing, and managing modern slavery compares to international best practice. This assessment was guided by the Global Slavery Index which categorize vulnerabilities to modern slavery by looking at governance issues, lack of basic needs, inequality, disenfranchised groups and effects of conflict.

The assessment generally found that Avast has a governance foundation for addressing risks of modern slavery that can be improved by aligning with international good practices. The profile of business activities and relationships indicates a low likelihood of modern slavery occurring but relationships in higher-risk countries performing higher-risk activities exist. The findings from this review informed the development of a risk-based due diligence and supplier engagement methodology, which is outlined in Section 4 of this Statement.

We have outlined what we consider to be some of the key modern slavery risk areas for our business below, both in our supply chains and operations.

#### 3.1. Operations

Avast employs people in different countries around the world, many of whom are on work from anywhere contracts. We offer a flexible workplace and trust our people to deliver. Whilst this brings many benefits for our staff and organization, we recognize the risks that come with having decreased visibility of our people. For example, it can be harder to support staff wellbeing when working remotely, and people may feel less able to speak up if they have any concerns. To mitigate this, we require all new staff to read our key

organizational policies when they join Avast, including our Code of Conduct and Whistleblowing policy which provides different mechanisms for staff to raise any concerns.

We recognize that recruitment and human resources practices can expose Avast to increased modern slavery risk. This includes the use of contingent workers, where modern slavery risk can occur due to Avast not having direct oversight of employment conditions within the labour agency, as well as use of recruitment agents, which pose a particular risk for the recruitment of migrant workers who may be subject to debt bondage. To mitigate these risks, we require all suppliers, including labour and recruitment agencies, to sign up to our Supplier Guidelines which set our expectations around labour and working conditions. In 2022 we will be conducting an audit of our Human Resources and Payroll practices.

## 3.2. Supply Chain

The risk assessment identified that 91% of Avast's business relationships are likely lower risk based on headquarter locations in countries with strong performance in the Global Slavery Index. The assessment also found that relationships in business operations such as office facilities management, catering, travel, and hospitality are potential sources of directly linked risks based on the types of activities and sectors involved.

Laptops, computers and mobile phones have been identified by the Global Slavery Index as one of the top five products at risk of modern slavery by value imported to G20 countries, with China and Malaysia identified as two higher risk source countries<sup>1</sup>. We are cognizant that not only is the sourcing of these products a material area of risk for Avast, but that as part of the global supply chain ourselves, our products may be integrated into a supply chain which is at risk of modern slavery or human trafficking. We have included these products and sourcing countries in our list of those posing a higher risk within our due diligence methodology, which informs how Avast might engage with relevant suppliers.

We recognise that Avast may also be exposed to risks of modern slavery further down our supply chain, including through the raw materials that go into the products we buy. Conflict minerals, defined by US legislation as tantalum, tin, tungsten and gold or their ores, pose an additional risk for the technology sector due to their usage as raw materials for a number of electronic products<sup>2</sup>. Through our Supplier Guidelines we require all suppliers to comply with all applicable conflict minerals regulations and to source responsibly.

## 4. Due Diligence Processes

### 4.1. Due Diligence Approach

Our due diligence approach has been developed by our Legal and Procurement functions and aims to embed controls for modern slavery risks within our purchasing activity. Our process includes the following activities:

- Supplier onboarding: we require all new suppliers to sign our Supplier Compliance Document, which requires our suppliers to uphold the principles in the Avast Supplier Guidelines or have in place their own codes of conduct and modern slavery policy that are aligned with international standards. Our Legal Team assesses all signed Documents and reviews our suppliers' policies, if needed, to ensure that these conditions are met.
- Existing suppliers: over the last year, a large part of our focus has been to engage with existing suppliers through rolling out our Supplier Compliance Document. By the end of 2021, approximately 50% of our active vendors had signed the Supplier Compliance Document. Where suppliers had queries regarding these documents representatives from either our Legal, Procurement or Sales Operations functions engaged with them directly to work through any concerns and ensure a mutual understanding. Our target is for all suppliers to go through this process.
- Higher-risk suppliers: we have developed a Supplier Questionnaire to issue to higher-risk suppliers that must be answered within 10 working days. This includes questions around employment

<sup>1</sup> [6\\_Importing-Risk-1653664593.pdf \(globalslaveryindex.org\)](#)

<sup>2</sup> [Technology and conflict minerals | Ethical Consumer](#)



practices, recruitment practices and working locations. Our criteria for issuing this questionnaire is that a supplier must fall within a pre-determined list of both high risk category (sector or product), and high risk country. At present we do not have any suppliers that meet this criteria.

## 4.2. Audit and Investigation

We recognise that monitoring our suppliers is crucial in our efforts to identify and address modern slavery risks. Through contractual reporting obligations, we require our suppliers to inform us of modern slavery incidents which have occurred in their business, and which affect us, so we can work with them to remedy the issue and prevent the situation from occurring again.

We may audit our supply chain as part of our due diligence process and where we reasonably suspect that modern slavery, human trafficking or other breaches are or may be occurring within our business or supply chain, we reserve the right to investigate such concerns. This may include announced or unannounced onsite visits to Company's facilities by our employees or agents, including but not limited to third-party auditors, to monitor and verify compliance with these Guidelines. We may ask for access to information relevant to monitoring modern slavery, human trafficking and other risks, including but not limited to, employment contracts, recruitment agency contracts, records of wages, time worked, and confirmation of payment. We have not had the need to conduct such audits in the reporting year.

If necessary, we may work with the supply chain partner to implement corrective action plans in collaboration with top-level management to address and resolve any identified issues. However, in case any single serious or persistent breaches of the applicable laws, statutes and regulations in force may result in termination of the contractual relationship and/or reporting to the relevant authorities by Avast.

We also recognise the importance of providing reporting mechanisms where any concerns relating to modern slavery or human trafficking in our supply chain or operations can be raised discreetly and without fear of retaliation. Our whistleblowing policy provides details of how all Avast employees, or any other person associated with Avast, can raise concerns regarding illegal or unethical behaviour. We have a number of reporting mechanisms in place, including a 24-hour Avast Ethics & Reporting Line and a Whistleblowers' Hotline. We remind our employees that they can also report any concerns outside of the company by contacting the UK Modern Slavery Helpline on 0800 0121 700, accessible at <https://www.modernslaveryhelpline.org/>. We have not had any reports of modern slavery incidents in our supply chain during the reporting period. In 2022 we will be reviewing and updating our Whistleblowing policy to ensure it aligns with best practice.

## 5. Training and Capacity Building

Training our staff on modern slavery is crucial to ensuring that they are aware of higher risk areas for our business, how these might relate to their role, and to increase awareness on the issue more widely.

In 2021, as in the previous year, we conducted a campaign to raise awareness of our key policy documents, including our Modern Slavery Policy, amongst all Avast staff. All new joiners, as part of their induction, are directed to our intranet which outlines our policies and approach to tackling modern slavery.

Our Procurement and Sales Operations teams, who have been engaging with suppliers on modern slavery as part of the Supplier Compliance Document rollout, were provided with more in-depth training. This was delivered by our Legal team and provided attendees with an overview of modern slavery, information on risks and red flags, and details on how participants can manage risk. Our Legal team have also provided training to our Procurement function to enable them to train staff called Requestors across the business who have the ability to procure goods or services for their teams. These staff were also provided with copies of relevant documents and content relating to Avast's approach to modern slavery. This ensures that our people are cognisant of modern slavery risks when conducting procurement activities.

## 6. Measuring Effectiveness and Consultation

The General Counsel together with the Internal Audit team has overall responsibility for ensuring our Modern Slavery policy complies with our legal obligations, and that Avast staff and others under our control comply with it.

We have tracked engagement with our key policy documents for modern slavery, both amongst our staff as well as our supply chain:



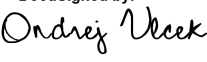
- For our staff, our policy campaign has allowed us to monitor how many employees have completed a review of key policies, including modern slavery. Moving forwards, this information will be collected for new joiners.
- For our supply chain, we have continued the rollout of our Supplier Compliance Document and are tracking progress to ensure we have a complete record of all suppliers that have signed up to this process, and those where engagement remains ongoing.

## 7. Close

As a global business, we recognise the importance of not only complying with applicable regulations and customs everywhere we operate, but also considering our opportunities to have a positive impact. This includes the work of the Avast Foundation, which aims to work with people and communities across the globe to remove barriers to digital freedom. More information is available on the website: [Avast Foundation News & Media](#).

We are pleased with the progress we have made to mitigate the risks of modern slavery with our business and supply chain but recognise, like many other organisations, we can and must do more. Looking ahead, our priorities for next year include a refresh of our risk management process. This will involve the design and implementation of a new risk and compliance framework, along with development of a third-party risk management framework. We plan to take this opportunity to review our current governance and approach to modern slavery to ensure we are able to embed this within our revised risk management approach, enhancing our ability to monitor effectiveness of actions taken both to assess and address our risks.

This statement has been approved by the Board of Avast plc on behalf of itself and its relevant subsidiaries Avast Software s.r.o., and Piriform Software Limited.

DocuSigned by:  
  
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**Ondrej Vleck**

CEO

June 2022