Avast Modern Slavery Transparency Statement (May 2019)

A) Our organization

Avast plc is one of the world’s largest consumer cybersecurity companies with a user base of 435+ million and our aim is to keep people around the world safe from cyberattacks. As part of our mission to keep you safe, we are committed to ensuring that the products you use and the people you trust to provide you with your security are not tainted by modern slavery and human trafficking: two evils that corrode human dignity and security.

This is our Transparency Statement on Modern Slavery in accordance with section 54(1) of the UK Modern Slavery Act 2015 (the ‘Act’), the Australian Commonwealth Modern Slavery Act 2018 and the New South Wales Modern Slavery Act 2018, for the financial year ending 31 December 2018. This Statement discusses what we are doing or plan to do, including the on-going steps that Avast has taken or will take to ensure that slavery and human trafficking does not occur in our business or supply chain. Our Statement is made on behalf of all our subsidiaries who may be required to make a Statement pursuant to the Act. It covers those areas within our business and supply chain that we have identified as potential slavery risks.

B) Our policies in relation to Modern Slavery

Avast does not tolerate the existence of slavery, servitude, compulsory labour, trafficking and related acts of exploitation against any human. Our Legal Department and Human Resources Department have primary responsibility for developing and enforcing Modern Slavery and human rights policies and procedures. We produced a Modern Slavery Policy in 2018, which we expect our personnel and supply chain (i.e. partners, vendors, suppliers, distributors and resellers) to follow. We also have internal policy guidelines covering related areas such as Code of Conduct, Grievance Procedure and Whistleblowing. In October 2018, we implemented our Whistleblower’s Hotline with the help of an independent third party, and have processes in place for following up on complaints.

C) Due diligence

In 2019, Avast contracted an independent human rights advisor to assist in its review of its due diligence process and to develop best practice approaches. As a result of our risk assessments, we will be developing mechanisms to look into how the partners we work with or will potentially work with handle issues like Modern Slavery and human trafficking, for example, providing questionnaires as part of procurement due diligence and monitoring to assess issues like recruitment practices and salary.

We are reviewing our procurement contracts with the aim of strengthening legal measures to ensure our partners warrant their conformity with Modern Slavery legislation. These measures may include ensuring employee
background checks are done, and specifying accountability procedures we want to put in place such as visits to high risk sites. In some circumstances, we also want our partners to make available a 24/7 Whistleblower’s Hotline to their employees, whilst ensuring they are protected by a non-retaliation policy in their language for whistleblowing.

If we hear of incidents that suggest one of our partners is engaging in modern slavery, we will investigate. 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 partners and putting them on an internal ‘blacklist’.

D) Identifying potential risks and risk management

As a software company, most of our business activities present a low risk for modern slavery compared to sectors like manufacturing and retail. However, we have recently ventured into hardware with Avast Omni, a dongle, which is used in Smart Home networks to protect users from threats from all their other platforms and devices.

For this first venture into hardware, we made sure we included a modern slavery clause in our supplier contract with our manufacturer. Our manufacturer is in a potentially higher risk jurisdiction, and is responsible for sourcing components and raw materials. The modern slavery clause in our contract includes a requirement for our supplier to conduct due diligence for their own supply chains and to provide a report to Avast annually on the results. It also grants Avast the authority to approve sub-contractors and vendors. As part of our relationship with the manufacturing supplier, Avast staff make regular-site trips. We are looking at developing an auditing checklist for these on-site visits.

We identified another potential risk area in our use of an overseas call center to provide support to our customers. We work with a partner in another potentially higher risk jurisdiction with 500+ employees in a call center. We plan to put in place contractual clauses to ensure our partner is complying with ethical recruitment practices, paying them suitable wages and conforming to health and safety standards.

We have assessed our internal policies and procedures in relation to modern slavery risks. We find our Human Resources policies and recruitment practices reflect Avast’s commitment to non-discrimination, diversity and equitable treatment. We regularly audit our workforce hiring and retention practices and do not find any evidence to suggest that modern slavery practices are utilized within the organization in its offices worldwide. Although the risk of modern slavery occurring in-house is minimal, we stay vigilant by maintaining high standards in our
recruitment policies and processes. We take responsibility for monitoring and evaluating our legal compliance on a regular basis.

E) Effectiveness

We have taken steps to establish policies and procedures to address human rights issues internally and externally but are preparing to address the gaps as novel risks arise with new business activities and relationships. In general, we believe we already have effective measures in place in our procurement and recruitment methods and policies, but will continue to be diligent in addressing these issues. The effectiveness of our proposed legal and practical measures will be seen as we continue to grow in our business.

F) Training

With the help of our independent consultant in 2019, we are training staff in the Legal Department on Modern Slavery and plan to 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.

This statement has been approved by the Board of Avast plc Board of Directors and signed on their behalf by the CEO. 

[Signature]

Chief Executive Officer
Avast plc