

Policy Number: P-RS-GL-SC-003

Version Date: February 2018

Policy Owner: Michelle Peterson, VP of Business Operations

Functional Owner: Rackspace Supply Chain

PURPOSE

The company policy communicates our global supplier code of conduct

SCOPE

Rackspace Hosting, Inc. and its global affiliates (“Rackspace”) expect its suppliers to follow workplace standards and business practices that are consistent with Rackspace’s ethical, social and environmental values as laid out in this Supplier Code of Conduct (“the Code”). Requirements in this Code apply to the entire supply chain, including sub suppliers and subcontractors. These requirements equally apply to all workers, including but not limited to permanent, temporary, and agency workers, as well as piece rate, salaried, hourly paid, legal young workers (minors), part time, night, and migrant workers.

POLICY STATEMENT

1. PEOPLE: HUMAN RIGHTS

It is important that our Suppliers share our commitment to bolster and protect human rights by treating all people with respect and dignity while adhering to all human rights and labor laws. We have further published our statement in response to the Modern Slavery Act of 2015 to remain transparent on standards and core business practices that ensure human rights are held to the highest standard; and that we do business with those that share those same ethical standards. You can read our policy at

<https://www.rackspace.com/responsibility/people>

Suppliers are strongly encouraged to educate their workers on their rights and have appropriate and effective grievance mechanisms in place.

- a. **Non-discrimination:** All people shall receive equal treatment in all aspects of employment. Suppliers will not discriminate in employment (including but not limited to hiring, compensation, promotion, discipline, termination or retirement) on the basis of sex, race, religion, age, disability, sexual orientation, pregnancy, marital status, socio-economic status, nationality, political opinion, trade-union affiliation, social or ethnic origin or any other status protected by country law.
- b. **Voluntary Employment:** All work performed for suppliers must be voluntary and workers must be free to leave or terminate employment at any time at their own will and without penalty. Forced, bonded or indentured labor, involuntary, prison labor, slavery or trafficking of persons will not be used.
- c. **Child Labor:** No person shall be employed under the age of 16 or under the minimum age for completion of compulsory education, whichever is greatest.
- d. **Work Hours:** Employers shall not require workers to work more than the regular and overtime hours allowed by the country where the worker is employed. All overtime work shall be consensual, shall be compensated at an agreed rate and shall not be requested by the employer on a regular basis.
- e. **Wages and Benefits:** Employers shall pay at least the minimum wage (or the appropriate prevailing wage), whichever is higher; comply with all legal requirements on wages and benefits required by law or contract.
- f. **Harassment or Abuse:** Every worker shall be treated with respect and dignity. No worker shall be the subject of harassment or abuse of any type (physical, sexual, psychological or verbal.)

- g. Freedom of Association: Employers shall recognize and respect the right of workers to freedom of association and collective bargaining.

Rackspace expects our suppliers to provide a safe and healthy working environment to prevent accidents and injury linked with, arising out of, in the course of work of as a result of the operation of supplier facilities. Suppliers will take a proactive approach to health and safety.

- a. Legal Compliance: Suppliers should ensure all business operations are carried out in compliance with all applicable health, safety and environmental legislation and regulations within the countries and industries they operate.
- b. Information, Instruction, Training and Supervision: Effective training programs addressing workplace hazards and safety procedures are to be implemented and made mandatory for workers.
- c. Emergency Preparedness: Suppliers should establish a process for identifying potential occupational health and safety hazards/risks (including any environmental hazards) within the workplace. Procedures for emergency preparedness should be implemented to mitigate such hazards.
- d. Incident Reporting and Management: Suppliers should have a procedure in place within their management system to measure and regularly assess the effectiveness of their current policies and procedures regarding health, safety and environmental obligations.

2. POCKET: ETHICS AND GOVERNANCE

Suppliers should understand that although this Code covers a wide range of business practices, it is not all-inclusive. Suppliers must conduct themselves according to the following principles and seek to avoid even the appearance of improper or inappropriate behavior by exercising good judgment in all areas of business.

- a. Conflicts of Interest: Suppliers and their workers should avoid conflicts of interest. A "conflict of interest" exists when a person's private interest interferes in any way - or even appears to interfere - with the interests of the company
- b. Anti-Corruption & Anti-Bribery: Suppliers and their workers or agents shall not give, receive, offer or solicit bribes of any kind or to use their position, power or authority to obtain or gift improper benefit or advantage. This includes allowing others to offer or accept bribes on behalf of a supplier. Full compliance with international laws in these areas must be adhered to.
- c. Respecting Privacy: Suppliers are to comply with all applicable privacy laws, information security laws and regulatory requirements where personal information of any kind is collected, shared or stored. Protecting the privacy of the individual, including workers, is paramount.

3. PLANET: ENVIRONMENTAL SUSTAINABILITY

Suppliers are encouraged to incorporate environmental responsibility into their operational decision making processes, to perform above the minimum standard of the law and continually revisit their sustainability performance to ensure efforts are being made to improve results.

- a. Stewardship: We value companies who measure and manage their resource use and demonstrate stewardship in minimizing their impact to humans and the planet. Suppliers should familiarize themselves with [Rackspace's Global Energy Policy](#).
- b. Responsible Sourcing: Suppliers are expected take a holistic view and consider social, environmental and governance aspects of decisions on upstream and downstream suppliers, materials and services.
- c. Environmental Management System for Supplier Operations: Suppliers shall take a proactive and progressive approach to minimize negative impacts to the environment. Suppliers should have environmental policies and standards and must comply with all environmental laws and regulations. Factories shall continuously monitor their production process including those related to emissions, discharges and disposal of waste.

- d. **Designed for Sustainability:** Efforts should be made to consider all impacts of goods and services used and produced throughout the product/service lifecycle (design, sourcing, manufacturing, shipment, operation re-use, recycling and disposal). Rackspace views these efforts as essential to further the human experience, strengthen communities of operation and to minimize impact on the planet.

4. ASSESSMENT AND MANAGEMENT

Rackspace expects suppliers to have effective management systems implemented in all areas of operation to ensure compliance with the standards laid out in this Code. Suppliers must continuously assess their operations against each of the standards in this code using high quality and industry current processes and management tools.

Enforcement

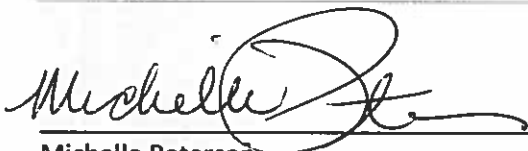
Suppliers are responsible for the conduct of their sub-suppliers and are expected to take appropriate steps to bring sub-suppliers into compliance with the Code. This code is not intended to replace, revise or override any existing contractual requirements between a supplier and Rackspace. If a contract between a supplier and Rackspace includes stricter or more specific requirements than this Code, then we expect suppliers to adhere to those stricter or more specific requirements. Suppliers should know and understand that failure to comply with the standards stated in this Code may result in an immediate re-evaluation of the supplier relationship.

At a minimum, Rackspace suppliers must comply with all the laws applicable to its business operations in each country in which it operates, both in letter and in spirit. Suppliers must promptly cooperate with Rackspace's requests for information related to compliance with the law, this Code and/or any existing contract between.

Ongoing, independent monitoring of corporate supply chains is essential. Suppliers are encouraged to provide and offer accessible and confidential means for workers to report suspected violations that is free from undue influence or retribution, as well as an independent audit mechanism to investigate and remediate issues.

Confidential Reporting Hotline: If any person wishes to report a suspected violation of this Code, they should contact Rackspace by emailing SUPPLIERCODE@RACKSPACE.COM.

Executive Approval


Michelle Peterson
Vice President, Business Operations

2/23/2018
Date

Version History

Date	Version	Review and Revision Comments
03/12/14	1.0	Policy Published
05/03/17	1.1	Version 1.1 Signature Refresh
2/23/2018	2.0	Version 2.0 Published