

Rackspace Slavery and Human Trafficking Statement

Effective Date: March 28, 2017

We are publishing this Slavery and Human Trafficking Statement in response to The United Kingdom Modern Slavery Act of 2015, reflecting our continued commitment and resulting efforts to operate responsibly; including protecting the human rights of all who work directly and indirectly to deliver Rackspace's products and services.

Rackspace is committed to continually monitoring and improving our processes and performance to eliminate any possible complicity in Human Rights violations.

Human Rights abuses can take many forms and may include child labor, forced or coerced labor, and sex trafficking. Through this statement we will use the terms "slavery and human trafficking" to encompass all prohibited forms of unlawful labor.

Business Overview

Rackspace's business model helps businesses tap the power of cloud computing without the complexity and cost of managing it themselves. We deliver products and services through our Rackers (our employees), our in-house clouds (data center infrastructure, and associated suppliers) and providers who offer third-party clouds.

Our business operates 24-hours a day in multiple geographies including physical operations in The United States, The United Kingdom, Australia, Switzerland, The Netherlands, Germany and Hong Kong (SAR) of the People's Republic of China. There are no notable seasonal factors that affect our labor force in material ways.

Company Wide Training & Awareness

All Rackers must abide by our [Code of Business Conduct and Ethics](#), and are required to review and complete annual training. This Code addresses our zero tolerance for Discrimination or Harassment, guidelines for Ethical Procurement,

as well as how to report suspected violations via the Ethics Policy & Whistleblowing Hotline.

Similarly, our Rackspace [Supplier Code of Conduct](#) outlines what we expect from those we do business with. Our code draws on work done by the International Labor Organization, the United Nations Universal Declaration on Human rights, on important human elements from the Electronics Industry Code of Conduct (EICC), and in pursuit of the United Nations Sustainable Development Goals (SDG's).

By design, our Rackspace Supplier Code of Conduct puts people first: prohibiting discrimination and child labor, insists that employment be voluntary and free from harassment or abuse, and be paid the legal minimum wage while assuring a safe and healthy work environment.

While available publically, all suppliers are required to receive and acknowledge a copy of the Rackspace Supplier Code of Conduct. We award business to suppliers who comply with this code. We rely on a variety of methods to monitor supplier and sub-supplier performance and progress in relation to our Supplier Code of Conduct.

Our Supply Chain & Risk Assessment

Our Supply Chain procures a wide variety of products and services on behalf of our business.

- **Identifying Risk:** We conduct internal risk and materiality assessments to identify potential categories, countries, product or other areas that receive additional scrutiny for risks including Slavery and Human Trafficking.
- **Both current and prospective suppliers** go through a Due Diligence process prior to business award or contract renewal. The depth of due diligence varies based on factors such as the category and country of origin of the supplier, products, and services. This due diligence involves a cross-functional team of Rackers, inclusive of Corporate Social Responsibility (CSR) and Category Supplier Managers who evaluate proposed products, services, or suppliers against our policies and measures.
- **Managing Risk:** Suppliers in Categories of Risk for Human Trafficking must demonstrate awareness, policy and measures for driving it out of their business prior to business award as well as monitoring performance in

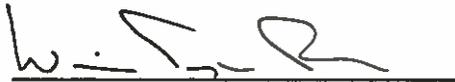
quarterly business reviews. As an example, we require Customer Hardware providers to have express policies in place to address human rights in the workplace and monitor their performance in their annual Corporate Social Responsibility reporting.

Current Risk and Effectiveness

We continuously evolve our processes to prevent slavery and human trafficking within our business. We expect Rackers, direct suppliers, and their sub-suppliers to be 100% compliant with regard to policy, transparency of results, corrective action plans and capability building investments to make progress with regard to eliminating slavery and trafficking of any kind.

This statement was reviewed and approved by the Rackspace Hosting Board of Directors on March 28, 2017.

Executive Approval



Taylor Rhodes
CEO and Director, Rackspace Hosting

3/29/2017

Date