



## *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

### *2024 Annual Report*

#### **BLUECAT NETWORKS**

This report addresses the period beginning on April 1, 2023 and ending on March 31, 2024 (“**Fiscal 2024**”) and has been prepared in accordance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the “**Act**”). This report is made on behalf of BlueCat Networks (“**BlueCat**”).

Forced labour and child labour, each as defined in the Act, are crimes and serious violations of human rights. As a leading technology company, BlueCat recognizes the important role that we have in adhering to the highest ethical standards in our operations and products, as well as the supply chains that support these. This report sets out the steps we have taken during Fiscal 2024 to address the risk that forced labour or child labour is used at any step in the production of goods in Canada or elsewhere by BlueCat or of goods imported into Canada by BlueCat.

### **1. BlueCat’s structure, activities and supply chains**

#### **Activities**

BlueCat is a global technology company that supplies software products to enterprises to enable them to simplify, automate, secure and optimize their network. BlueCat’s primary focus is on Domain Name System (DNS) and Internet Protocol (IP) infrastructure.

BlueCat provides its software products pre-installed on hardware servers or as stand-alone virtualized software appliances. It also offers technical support and professional services in connection with its products.

#### **Structure**

BlueCat is a global company with operations in Canada, the United States, Germany, the United Kingdom, Iceland, Japan, Singapore and Serbia. BlueCat is privately held as a portfolio company of Audax Private Equity.<sup>1</sup>

#### **Supply Chains**

The key components of BlueCat’s supply chain consist of the following:

- i. Open-Source Software. BlueCat’s products utilize open-source software.

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<sup>1</sup> BlueCat Networks, Inc. is the Canadian operating company and the qualifying ‘entity’ for the purposes of the Act. BlueCat Networks, Inc. is an Ontario corporation with offices at 4100 Yonge Street, 3rd Floor, Toronto, Ontario, M2P 2B5 Canada.



- ii. Hardware Servers. BlueCat’s hardware is manufactured by a US based supplier that is a publicly traded company and one of the largest information technology providers in the world. Currently, BlueCat’s hardware is manufactured in North America.
- iii. Development Services. BlueCat engages providers of software development services in different parts of the world to assist in its software development efforts. Most of the development services are provided by a service provider based in Asia.

## **2. Steps taken to prevent and reduce the risk that forced labour or child labour is used at any step of the production of goods.**

BlueCat is committed to preventing slavery, servitude, forced or compulsory human labour, child labour, abuse of power over vulnerable individuals, human trafficking or any other form of exploitation in any part of our business or in our supply chain.

BlueCat hardware is manufactured by a US based publicly traded company and one of the largest information technology providers in the world. As part of the ongoing review of its relationship with this supplier, BlueCat will consider both the technical capabilities of the supplier, as well as the supplier’s track record and commitments with respect to social responsibility. Our supplier publishes detailed information regarding its efforts to address risks of forced or child labour in its supply chain which include: adherence to the Responsible Business Alliance (RBA) Code of Conduct, public disclosure of its suppliers, supplier risk assessment and regular on-site audits of high-risk supplier sites.

In addition, BlueCat takes the following steps:

- at the point of recruitment, conducting appropriate checks in accordance with relevant laws on prospective employees and working with our local teams to make sure that compensation, holidays, pay and conditions are appropriately managed and within the legal and local norms in the various territories around the world where we operate;
- reviewing suppliers’ public social responsibility commitments including with respect to policies and procedures for identifying and prohibiting the use of forced or child labour in their activities and supply chains;
- developing and implementing grievance mechanisms; and
- requiring all our suppliers to follow local laws including in respect of forced or child labour.

## **3. Policies and due diligence processes in relation to forced labour and child labour**

BlueCat’s procurement policies require that all contractors comply with relevant laws and applicable BlueCat policies and procedures, which give a clear view of the values and principles that underpin all of the work of BlueCat and what is expected of all persons involved in BlueCat’s business and supply chains.



All suppliers go through an internal review and approval process. BlueCat conducts diligence on each supplier, relative to the nature of the services provided by that supplier. This includes a review of the Supplier's policies and commitments to compliance with laws. If during the supply chain vetting process, it is discovered that additional measures are required with a certain supplier, that will help influence BlueCat's decisions (a) to include that vendor in BlueCat's supply chain, and (b) whether further diligence or contractual protections are required in BlueCat's agreements with that supplier.

BlueCat's hardware supplier is a US based publicly traded company and one of the largest information technology providers in the world. As mentioned in part 3, the supplier's social responsibility initiatives, including in respect of forced or child labour, will be considered in the continued engagement with the supplier.

BlueCat maintains an internal Code of Ethics and Business Conduct which sets out our principles as a business. Our Code requires our people to comply with applicable laws and conduct themselves with the highest ethical standards. Certification and training with respect to the Code is an annual compliance requirement for everyone at BlueCat.

#### **4. The parts of its business and supply chains that carry a risk of forced labour or child labour being used and the steps it has taken to assess and manage that risk**

The part of our supply chain we are most focused on to address the risk of forced or child labour is with respect to hardware manufacturing. BlueCat sources hardware from a single supplier, which is a US based publicly traded company and one of the largest information technology providers in the world. As mentioned in Part 3, the supplier's social responsibility initiatives, including in respect of forced or child labour, will be considered in the continued engagement with the supplier. Our supplier is also subject to US laws which would preclude it from engaging in forced or child labour.

#### **5. Any measures taken to remediate any forced labour or child labour**

No incidents of forced or child labor in our supply chain were identified by BlueCat in Fiscal 2024. As such, remediation measures were not required.

#### **6. Any measures taken to remediate the loss of income to the most vulnerable families that results from any measure taken to eliminate the use of forced labour or child labour in its activities and supply chains**

No incidents of forced or child labor in our supply chain were identified by BlueCat in Fiscal 2024. AS such, remediation measures were not required.

#### **7. The training provided to employees on forced labour and child labour**

All BlueCat employees must complete and successfully pass annual compliance training on our Code of Ethics and Business Conduct. In addition, individuals who are part of our



procurement process receive job specific training with respect to required supplier diligence and when to engage the BlueCat Legal team for further investigation.

**8. How the entity assesses its effectiveness in ensuring that forced labour and child labour are not being used in its business and supply chains**

BlueCat is committed to ensuring that forced labour and child labour risks are addressed in our supply chain. Given the nature of BlueCat’s products and services, our focus is on management of this risk in the hardware manufacturing process. BlueCat has selected a US based world leading supplier, that is a public company and has an express and detailed commitment to addressing these risks. BlueCat will monitor our supplier’s commitments in this respect and such assessment will be a consideration of maintain our ongoing relationship with the supplier.

**Approval and Attestation**

This report was approved by the Boards of Directors of BlueCat Networks, Inc. for the fiscal year ended on March 31, 2024, in accordance with subparagraph 11(4)(a) of the Act.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for BlueCat. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.

I make the above statement in my capacity as a director of the Board of Directors of BlueCat Networks for and on behalf of the Board of Directors.

A handwritten signature in black ink, appearing to read "S. Devito", written over a horizontal line.

Full Name: Stephen Devito

Title: Director, BlueCat Networks, Inc.

Date: May 6, 2024

*I have the authority to bind BlueCat Networks, Inc.*