

**FORTINET STATEMENT ON
CALIFORNIA TRANSPARENCY IN SUPPLY CHAINS ACT OF 2010 AND MODERN SLAVERY
ACT 2015**

The California Transparency in Supply Chains Act of 2010 (SB 657) as well as the United Kingdom Modern Slavery Act 2015 requires manufacturers, who conduct business in certain applicable regions (in California and in the United Kingdom, respectively) and have gross worldwide sales over \$100 million and/or over £36 million, to publish their ongoing efforts to eliminate slavery and human trafficking from their business and their supply chain.

Fortinet is fully committed that its business practices, human resources procedures and the selection of its staff are aligned with the combat against slavery and human trafficking.

We are a manufacturer of Network Security Products and relevant services. We provide top-rated network and content security, as well as secure access products that share intelligence and work together to form a cooperative fabric. Our unique security fabric combines Security Processors, an intuitive operating system, and applied threat intelligence to give customers proven security, exceptional performance, and better visibility and control--while providing easier administration. We use external contract manufacturer in a number of countries around the world to manufacture our products. Manufacturing locations include the United States, Germany, China, Taiwan and others.

Fortinet is headquartered in Sunnyvale California with offices around the Globe, amongst them in the United Kingdom. Fortinet Group has around 4,700 permanent employees worldwide.

We have confirmed with Fortinet's head of supply chain, XJ Zhong, SVP of Operations & Information Technology, the following facts.

1. Fortinet's Supply Chain Verification

- Fortinet is committed to eliminating human trafficking and slavery from its supply chain. Fortinet requires from all its suppliers honest and ethical conduct as a requirement to work with us. Fortinet has no actual knowledge of any unethical behavior, but if we had positive knowledge or serious indications of any irregularities we would investigate such issues in our supply chain. Fortinet does not routinely engage any third party to verify compliance within our supply chain. Suppliers must comply with all applicable laws and regulations when engaged by Fortinet.

2. Fortinet's Supply Chain Audits

- Fortinet's standard manufacturing agreement gives us the right to conduct unannounced audits for human trafficking issues. If Fortinet has actual knowledge of noncompliance, we use due

diligence in investigating and resolving the issue. Fortinet does not routinely engage any third party to conduct independent or unannounced audits of our supply chain.

3. Fortinet's Direct Supplier Certification

- Fortinet's policy is to require all of our direct suppliers to agree to comply with all applicable laws and regulations for all work they perform with Fortinet. This is often accomplished by including compliance language in the contract or purchase order. Additionally, Fortinet's standard manufacturing agreement includes specific language prohibiting human trafficking and giving us the right to unannounced audits.
- If Fortinet discovers any supplier is out of compliance, it is considered a breach of contract. We will take steps to ensure that the issue is corrected by the supplier. If the supplier is unable to correct the problem within a reasonable time, Fortinet will use its discretion to take disciplinary action, including terminating the business relationship with the supplier.

4. Fortinet's Accountability Standards and Internal Policies

- All Fortinet employees and contractors are required to comply with **Fortinet's Code of Business Conduct and Ethics**, and **Fortinet's Employee Handbook**. Fortinet employees certify compliance annually. Both cover such important concepts as anti-bribery, anti-discrimination, anti-harassment, conflicts of interest, compliance with all laws, etc. Any employee who does not follow these policies will be subject to disciplinary action, up to and including termination of employment and pursuant to the applicable laws and regulations of the country where the employee is employed.

5. Fortinet's Employee Training

- Fortinet currently trains certain Fortinet employees on the dangers associated with human trafficking. As part of Fortinet's continuous commitment to ethical business practices and improvements thereupon, Fortinet is evaluating whether to expand such training to relevant employees in Fortinet's supply chain.

This statement is made pursuant to the California Transparency in Supply Chains Act of 2010 (SB 657) and the United Kingdom's Modern Slavery Act 2015 and sets out the status of Fortinet, as a group, during the prior calendar year, to prevent modern Slavery and Human Trafficking in Fortinet's business and supply chain.

Signed for and on behalf of Fortinet (UK) Limited:



John Whittle,
Director Fortinet (UK) Limited
June 2017