

Action	Date	Signature
Prepared – Finance Operations Director	09 August 2024	<small>DocuSigned by:</small> <i>Michael Peacock</i>
Reviewed – Group CEO, UK & Europe	09 August 2024	<small>3A54F480F8540E...</small> <small>DocuSigned by:</small> <i>Darrell Boxall</i>
Reviewed – Head of People and Culture, Jonas Group UK & Europe	12 August 2024	<small>70C1894D541349F...</small> <small>DocuSigned by:</small> <i>Lauren McKaffie</i> <small>C7F8181F6E09462...</small>

## **Structure & Management**

This risk assessment covers Jonas Computing (UK) Limited, Gladstone Limited and all of its UK subsidiaries that fall under the Jonas UK & Europe Portfolio, along with a number of Irish entities indirectly owned. For a full list of legal entities, please see Appendix A.

Jonas UK is a collective of 32 businesses that operate within the UK Group under one CEO. Each business has its own Managing Director (internally referred to as a BUL, Business Unit Leader), who then reports through a Group Director, who in turn reports into the CEO.

The businesses have their own autonomy to make operational decisions and control their own commercial processes at a business level. Most finance functions are provided centrally at the Jonas UK level, with People & Culture, Payroll and the remaining finance functions centralised at a wider UK level.

## **Nature of suppliers**

There are 2 principal groups of suppliers to review. External suppliers that are engaged at the business level and also internal suppliers, our employees and contractors.

## **Assessment of our internal suppliers**

### **1. Our employees**

The management and review of employees is formalised centrally at a UK level. We have a dedicated UK People & Culture team, who's primary focus during 2023 has been Jonas UK. WorkDay is used to manage communications and data. Key controls in place are:

- All employment contracts are standard Jonas contracts, instigated and reviewed by Jonas UK People & Culture.
- All compensations are reviewed during on boarding and then annually to ensure they meet any statutory requirements.
- A number of checks are completed on any new recruit, including; identity checks, references, right to work checks and criminal record checks, where applicable.
- Location of employees are reviewed to ensure adequate for the employment and to ensure no regulatory high risk is created.



- All employees are set up on the payroll system in a timely manner and paid on a monthly basis. Pay is reviewed by the Payroll team and the Payroll Manager, along with the businesses' Managing Director. All payments and deductions are in line with HMRC and pensions contributions are checked through the use of Aviva's Auto-enrolment tool.
- Jonas UK People & Culture provide clear employment practices and requirements, which cover:
  - ethical and moral obligations
  - equal opportunity and diversity
  - discrimination
  - bullying and harassment
  - criminal offences
  - health & safety
  - grievances
  - whistleblowing
  - disciplinary

In addition to this, we have a dedicated on-line zone which focuses and provides resources and support for health & wellbeing.

## 2. Our agency workers

We use minimal agency workers. We produce and maintain a list of approved recruitment agents that we feel operate in accordance with good anti-slavery practices, and this is managed and controlled centrally by Jonas UK People & Culture. We keep the agents under regular review; each agent's practices are reviewed at least every 12 months, or at the time of introduction.

Before being added to the list, we check the following:

- Agree T&Cs, rates and payment terms.
- Ensuring the employee(s) it provides have the appropriate papers (eg work visas).
- Ensuring the agent can provide assurances that appropriate checks have been made on the person it's supplying.
- All agency workers have a specific contact with Jonas through People & Culture or the hiring manager (if required), where they will be informed of their terms and the requirements of their engagement. They have the opportunity to ask any questions they wish to.
- Any recruitment agencies that are located in a high risk location, with significant spend, are assessed through our external supplier procedures.

## 3. Our contractors

Jonas UK has minimal contractors. People & Culture are notified of all contractors and they fall within the following process:

1. Details are maintained on a central UK database.
2. Standard contracts are reviewed and agreed.
3. Rates and locations reviewed.
4. Payments are made monthly via our payroll system and authorisation process for off payroll workers.

5. Payments are made monthly via our supplier payment run process for those that fall outside of IR35.

#### **4. Our payroll and People & Culture services to sister companies**

We provide UK services to a few UK companies which are not within our own management structure, but are sister companies under common control. Please see Appendix C for details.

Whilst these companies do not fall under Jonas UK People & Culture's control, they are managed by central HR teams in North America and Australia which follow the same level of scrutiny and processes.

#### **Evaluation – internal suppliers**

Overall due to centralised and strong controls, lead by an experienced team, we consider our internal suppliers to be of low risk.

#### **Assessment of our external suppliers**

External suppliers are engaged at a business unit level, therefore not under central control. Some suppliers could/do have multiple contracts across our businesses.

##### **1. Knowing our external suppliers**

Jonas UK has a centralised library where we can access information to understand our direct suppliers. Knowledge of who our suppliers are, where they operate, what they supply us with, and what we spend with them is available. Our full supply chain and fourth party supplier knowledge still needs to be improved.

##### **2. Sector and type of supply**

Our suppliers cover a multitude of sectors. Our external supplier costs are largely relate to hosting and maintenance costs hardware costs. Type of supply which we believe to be high risk within our supply chain is hardware, which is a material cost, and domestic services, which is trivial, but still relevant to some of our businesses.

##### **3. Nature of our businesses**

Our businesses are vertical software businesses, providing software and relevant services. A number of companies also buy in and sell on hardware. This revenue stream is considered the only revenue stream of risk. All others are serviced by our own internal suppliers (see above) or have associated hosting costs which are not considered as high risk due to location of the supplier activities and the product provided.

#### 4. Location of supply

Predominately are suppliers are UK & Europe based, with a growing number in North America. We consider high risk geographies to be Latin America, Asia and Africa.

#### 5. Inter company trading and charges

We are part of the Worldwide Jonas Software Group (headed up by Gary Jonas Computing Ltd), which is part of the wider Constellation Software Group (Ultimate parent company is Constellation Software Inc.) We have trading activities with sister companies across the globe, along with management charges from Gary Jonas Computing Ltd and Constellation Software Inc. Internal suppliers across our Group are not seen as a risk, employee practices are of a high standard and under a high level of control. External suppliers, again, are not centralised and detail from a UK perspective is not known. Control and processes in place to audit these external suppliers are also unknown.

#### Evaluation – external suppliers

This is seen as the higher risk area which needs continued attention, to obtain more detailed data across our businesses so we can start to pull the information together that we need to audit and understand our suppliers, so we can then understand our risk profile and mitigate any high risks.

#### Plan to address our weaknesses

1. **Central library** - To ensure we have a complete list of all our suppliers and central visibility. We are partnering with Prevalent, a third party risk management specialist to provide us with a system which incorporates a central library function for this.
2. **Complete Risk assessments for existing suppliers**– understand who our high risk suppliers are. We have set up the Prevalent software with 2 forms of assessment. Initial assessments which are completed internally to understand the risk profile of the supplier and provide each supplier with a tiering. This tiering is based on the 3 risk identifiers we believe are key; location of supply, type of supply and size on contract. Then secondary assessments which are externally sent out for any high risk suppliers, these assessments ask detailed questions based on the requirements of the Modern Slavery Act 2015, and will provide us with a good understanding of the suppliers approach and business practices in relation to this risk. The external assessment also queries our suppliers' suppliers, Prevalent also provides details of these via their knowledge base, and from this we will assess whether any of these indirect suppliers should have an external assessment.
3. **Prepare an on going process for new suppliers** – ensure our new suppliers are being assessed and recorded as they are engaged (in line with the above)
4. **Set up clear processes and policies** - To ensure that all businesses understand what's required going forward.
5. **Set up controls and an audit process**- To ensure the processes and policies are being followed across the businesses and there is internal accountability.



6. **Understanding our sister companies** - To ensure they have relevant processes and policies in place.

The 2024 objectives have been agreed as the critical action points from the date of this risk assessment to the next review by 30 June 2025.



2024 Objectives	Action Step	Indicator
(1) Know our direct suppliers	Develop a central data base where we can access a complete list of our suppliers.	Ensure all suppliers and business units acquired in 2023 and earlier are on the Jonas Partner Platform (JPP) and suppliers are up to date.
(2) Understand the risk profile of our suppliers	Complete the tiering analysis within the Jonas Partners Platform for the suppliers uploaded in objective 1.	All suppliers within the platform should have an appropriate tiering from 1-3. 1 being high risk, and 3 being low.
(3) Set up risk profiling to reflect our key risk areas	Ensure risk profiling reflects the key risks identified of geography, type of supply and contract value.	Review reports and analysis produced so far and consider if the contract value threshold needs reducing.
(4) To understand our high risk suppliers	To complete external assessments for our Tier 1 suppliers to confirm the detail of how they address the risk within their organisation, what procedures and processes they have in place and who their suppliers are.	All Tier 1 suppliers should have assessments sent out and any relevant risks identified, and acted on.
(5) Ensure all new suppliers are aware of, and satisfy, our minimum labour standards.	Develop a code of conduct on supplier practices, to roll out to all new suppliers and notify existing high risk suppliers of. High risk suppliers to confirm compliance or provide their own equivalent standards.	Confirmations recorded on Prevalent for all Tier 1 suppliers. To be included in new supplier processes and policy which will be signed off by MDs and those responsible for purchasing via WD.
(6) Ensure we have contractual recourse under standard supply contracts if modern slavery issues are subsequently identified.	Prepare a standard supplier contract to include warranties on modern slavery compliance, termination rights for non-compliance and, where suppliers are high risk, audit rights.	To be included in new supplier processes and policy which will be signed off by MDs and those responsible for purchasing via WD.
(7) Ensure we have clear policies in place for the businesses and employees to follow.	Prepare a Jonas UK supplier policy adequately addressing the modern slavery risks we face and communicate out to the UK. Confirm policy for continued staff training and increase awareness of Modern Slavery.	To be included in new supplier processes and policy which will be signed off by MDs and those responsible for purchasing via WD.
(8) To ensure we have a clear and effective onboarding process going forward for suppliers.	Prepare a supplier onboarding process and communicate out to the UK.	To be included in new supplier processes and policy which will be signed off by MDs and those responsible for purchasing via WD.



## **Appendix – A**

### **Jonas UK Companies included in risk assessment**

Gladstone Limited  
Gladstone MRM Limited  
Jonas Computing (UK) Limited  
XN Leisure Systems Limited  
Fitronics Limited  
London & Zurich Limited  
London & Zurich Finance Limited  
Paygate Solutions Limited  
Metalogic Holdings Limited  
Jonas Metals Software Limited  
EZ-Runner Systems Limited  
PCI Systems Limited  
Salon Software Solutions Limited  
Jonas Lifestyle Limited  
Blayhall Marine Limited  
Havenstar MMS Limited  
Havenstar Software Solutions Limited  
Bluestar Software Limited  
AMT-Sybex Limited  
Marrakech (U.K.) Limited  
AMT-Sybex Software Limited  
AMT Group Ltd  
Power2SMS Limited  
Infoscience (Software) Limited  
Seiki Systems Limited  
Workflow Asset Management Limited  
Jonas Software UK Holdings Inc  
Invotech Limited  
Inovem Limited  
Intelligent Counting Limited  
Hopewiser Holding Group Limited  
Hopewiser Limited

## **Appendix – C**

### **Companies we provide UK Payroll, Finance, Company Secretarial or People & Culture services to:**

The Hessel Group Limited  
Jonas Collections and Recovery Limited  
Shortcuts Limited  
RBRO Solutions-UK Limited

## **Appendix – D**

### **UK Companies with hardware trading**

Gladstone MRM Limited



Jonas Computing (UK) Limited  
XN Leisure Systems Limited  
Jonas Lifestyle Limited