

Cray U.K. Ltd.

UK Modern Slavery Act Transparency Statement for Fiscal Year 2016

The UK Modern Slavery Act 2015 requires that any commercial organization in any sector, which supplies goods or services, carries on a business or part of a business in the UK, and is above a specified total turnover must produce a slavery and human trafficking transparency statement for each financial year of the organization (the "Transparency Statement"). The Transparency Statement must include the steps the organization has taken during the financial year to ensure that slavery and human trafficking is not taking place in any of its supply chains, and in any part of its own business.

Cray U.K. Ltd., U.K. Companies House # 3941275, together with its affiliates and subsidiaries ("Cray," "we" or "our"). is a leading global manufacturer of supercomputers. Its parent company, Cray Inc., is headquartered in the USA, however, all of our UK-based activities are carried out by Cray U.K. Ltd. Our supply chain utilized for products and services we provide to our UK-based customers is managed centrally by our parent company, and is charged with engaging with suppliers that meet the integrity and quality obligations expected of Cray's customers, most of whom are agencies of national governments, large educational or scientific organizations, or significant corporate entities that can utilize the highly sophisticated products and services offered by Cray.

Cray is opposed to all forms of human trafficking, slavery, servitude, forced or compulsory labor and all other trafficking-related activities. We are committed to: (i) fully complying with all applicable labor and employment laws, rules and regulations, and (ii) working to mitigate the risk of human trafficking in our business and supply chains.

Cray's policies require compliance by its employees, agents, contractors and consultants with laws, rules and regulations. These policies include reporting procedures and accountability provisions, and provide for protection against retaliation for those making a report (whistleblowers). If Cray becomes aware of a violation of its policies, Cray will promptly investigate the matter and take appropriate action. Furthermore, if Cray becomes aware that laws, rules or regulations have been violated, Cray will cooperate fully with the appropriate authorities.

Cray's standard forms of supplier agreements and purchase order terms and conditions (the "Standard Agreements") obligate suppliers to adhere to social and environmental compliance requirements, including prohibitions on the use of forced labor and child labor. The Standard Agreements also require adherence to applicable laws, rules and regulations.

Capabilities and quality standards are surveyed, reviewed and audited by Cray personnel at the time of supplier selection and in connection with quarterly business reviews of its significant suppliers. Cray may request and review third-party audit results as part of the selection process. Cray also makes visits to the facilities of its significant suppliers in order to review their business practices, and any issues that arise as a result of these visits are addressed.

We will monitor our effectiveness in ensuring that slavery and human trafficking is not taking place in our business or supply chains by considering the following measures:

- Monitoring staff training levels;
- Recording actions taken throughout the year to strengthen our supply chain due diligence processes;
- Recording any steps taken to identify and mitigate modern slavery risk concerning particular suppliers who appear to not comply with Cray's anti-trafficking requirements; and
- Monitoring the number of investigations undertaken and any remedial action required.

We will report on these indicia in future statements.

Cray provides ethics training to all employees, which includes an obligation to comply with laws, rules and regulations and report violations of laws, rules and regulations. Cray will provide generalized training to all employees regarding Cray's policies concerning slavery and human trafficking. Cray will also provide specialized training to employees materially involved in procurement and supply chain management specifically on the topic of Cray's supplier due diligence processes concerning slavery and human trafficking.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Cray's slavery and human trafficking statement for the financial year ending December 31, 2016.

SIGNATURE

Cray U.K. Ltd has duly caused this Transparency Statement to be signed on its behalf by the undersigned director thereunto duly authorized by action of its Board of Directors.

Date: June 13, 2017

CRAY U.K. LTD



Peter J. Ungaro

Director, Cray U.K. Ltd.