

Cognizant Technology Solutions Australia Modern Slavery Statement 2020-21

This statement is provided pursuant to section 13 of the *Modern Slavery Act 2018* (Cth) by Cognizant Technology Solutions Australia Pty Ltd (**CTS Australia**) ('the Reporting entity').

The statement outlines the actions of CTS Australia to address modern slavery risks in our business and supply chain for the US financial year ending 31 December 2020.

Introduction

CTS Australia is part of Cognizant, one of the world's leading digital technology and professional services businesses.

Cognizant is headquartered in New Jersey (USA) and has 289,500 employees worldwide (as of 31 December 2020).

This is the first statement provided by any Cognizant entity under the Australian modern slavery reporting regime.

Cognizant Worldwide Limited (**CWW**), a company registered in the United Kingdom, has provided four statements to date under the *Modern Slavery Act 2015* (UK).

Cognizant is committed to corporate social responsibility and believes in acting ethically throughout our business. This ethos is underpinned by our core values and driven by our Global Chief People Officer and local People & Culture team. ESG issues impact all of us at Cognizant. That is why we act through rigorous cross-functional governance, driven by committed leadership. We have made new commitments and created new policies and processes as part of our increased focus on ESG. In 2020, Cognizant proudly invested in diverse and dedicated leaders to drive our integrated ESG management approach and deliver tangible results. We hired a Global Head of ESG and Chief Sustainability Officer, Sophia Mendelsohn, to lead that integrated effort. We also promoted Shameka Young to Global Head of Diversity & Inclusion.

Cognizant opposes all forms of slavery, human trafficking and forced labour in its operations and the operations of its suppliers.

Cognizant's management of modern slavery risks falls within its overall approach to protecting human rights and equal opportunity and upholding business ethics.

As we explain below, given the nature of the industry in which we operate, and our risk assessment of modern slavery practices emerging in our operations and supply chain, Cognizant's main focus has been ensuring that its standards and expectations are clearly communicated to existing and prospective suppliers.

Structure, operations and supply chain

CTS Australia was registered in May 2002 and commenced active operations in 2006 as part of Cognizant's broader expansion into the Asia-Pacific region.

We have offices in Sydney and Melbourne and satellite premises in Brisbane and Perth, however, many of our employees are client-based.

CTS Australia's office locations form part of a much larger regional footprint which includes over 25 regional offices and 16 delivery centres.

As at 31 December 2020, CTS Australia has approximately 1,800 employees. The majority of the workforce consists of highly trained associates with software engineering, programming and other IT skills.

CTS Australia is a wholly owned subsidiary of Cognizant Technology Solutions AG, a company registered in Switzerland.

The ultimate parent entity of all Cognizant entities globally is Cognizant Technology Solutions Corporation (**CTS Corp**), a company listed and registered in the USA.

As at 20 May 2021, CTS Australia owns and/or controls several entities which it has established or acquired over recent years. For the avoidance of doubt, even though CTS Australia owns and or controls such entities, they are not reporting entities in their own right for the purpose for the Act.

CWW is the primary contracting entity for Cognizant's global business, however, CTS Australia, and its respective subsidiaries, at times enter into contractual arrangements with local clients and suppliers.

Although CTS Australia has, a large workforce of its own, it often utilises the services of other Related Body Corporates and or affiliates forming part of its corporate group from around the globe, in particular, the offshore delivery centres (**ODCs**) in India, Malaysia, Singapore and the Philippines.

ODCs are an essential part of CTS Australia's supply chain. They allow us to provide cost effective services, access to global talent and capability, as well as 24/7 worldwide support to clients regardless of geographic location.

MS risks in operations and supply chains

Cognizant is fundamentally a "people business". We do not manufacture any products, nor do we usually directly procure products for clients. An exception to this is, from time to time, CTS Australia may enter into software resale agreements for clients. In our view, such arrangements do not have a material effect on the level of our exposure to the risk of modern slavery.

CTS Australia's operations are confined to Australia. Where a client requires services to be provided offshore, these activities are generally carried out by other entities in the Cognizant corporate group rather than being performed directly or contracted out. Cognizant's global network of offices and ODCs is a key point of difference in the market.

CTS Australia's supply chain is made up of approximately 120 contracted suppliers across 10 countries.

Our supply chain relationships include, but are not limited to suppliers of the following goods and services: property services (e.g. concierge and facilities management), recruitment, cleaning, catering, events, security, office supplies, legal representation and printing.

Since IT consulting and professional services is a highly competitive industry, we need to attract and retain top talent while building a diverse, inclusive workforce that delivers exceptional client service. In other words, there are strong, ongoing commercial imperatives and operational requirements to provide market leading terms and conditions of employment.

We consider that the nature of the industry in which we operate means the risk of modern slavery being used within our sphere of influence is lower than in some other industries. Nonetheless, procedures for ensuring that we do not engage or condone suppliers who engage in modern slavery are in place and continue to develop.

The risk of exposure to modern slavery practices is higher in relation to ODCs compared to CTS Australia's direct operations and onshore supply chain. This is a product of Australia's high level of legal protections and regulatory enforcement mechanisms relative to other countries in the Asia-Pacific region. India and the Philippines are identified as higher-risk countries under the OECD Guidelines for Multinational Enterprises and the Modern Slavery Index published by the Walk Free Foundation.

Baseline audits have occurred with regards to Cognizant's high-risk industries such as purchase of office consumables, cleaning and security services and labour hire. Generally, the greatest risk of potential exposure to modern slavery practices arises through the purchase of office consumables (e.g. food and stationary), cleaning and security services arranged by building owners or facility managers of premises occupied by CTS Australia and outsourced printing.

Actions taken to address modern slavery risks

Cognizant has taken a number of steps to mitigate the risk of modern slavery practices and continue a culture of continuous improvement within CTS Australia and other companies forming part of its corporate group.

Cognizant extends to how a company thinks about its supply chain. Our supply chain management policies include:

- Our Supplier Diversity Statement sets out Cognizant's commitment to working with historically underrepresented and diverse businesses such as minority-, women-, disabled-, LGBTQ+-, or veteran-owned companies. By cultivating an array of relationships, we provide business opportunities to various enterprises, while enabling our long-term success. We seek to verify supplier self-declarations from third party certified diversity supplier databases, and we use third party sources to identify diverse suppliers and related spend in the United States.
- Our Supplier [Standards](#) of Conduct set out the principles by which all of Cognizant's third party representatives, suppliers, vendors, and subcontractors and their parent, subsidiary, and affiliated entities are expected to abide by.
- Our Human Rights [Policy](#) outlines our commitment to respect the basic principles of human rights and sets the expectation that our suppliers, business partners, and clients adopt similar policies within their own businesses.

Supplier Set-up Form

We have updated our supplier onboarding process to include targeted modern slavery due diligence within our supply chain. We have continued to invest in our procurement processes and during 2019 implemented Ariba, an automated supplier onboarding system.

Suppliers are required to provide responses about their own practices and their supply chain in relation to modern slavery. Suppliers are required to provide evidence that they have implemented modern slavery prevention mechanisms.

This is now standard practice across the US, Europe, APAC and India, and continues to be rolled-out to the remainder of our organisational supply chain.

Information gathered via the supplier set-up form is entered into a central database, which is designed to enhance corporate knowledge and encourage honest, two-way engagement between parties.

Furthermore, CTS Australia has implemented contractual obligations as a part of on boarding which requires specific warranties and compliance commitments from its suppliers pertaining to modern slavery compliance and controls.

Global Human Rights Policy

In December 2020, Cognizant adopted a Global Human Rights Policy (**Policy**) .

The Policy seeks to affirm Cognizant's commitment to human rights globally, and to ensure that we are not directly, or indirectly complicit in human rights abuses; focussing on:

- ending human trafficking
- maintaining a safe and health workplace
- considering our supply chain
- maintaining the respect of freedom of association
- ensuring fair and merit-based employment decisions
- treating others with dignity and response
- competing ethically.

The Policy reflects a zero-tolerance approach to human rights violations (including modern slavery) and reinforces Cognizant's commitment to following ethical practices in its business dealings and relationships.

The Board of Directors of CTS Corporation has overall responsibility for overseeing compliance with the Policy. Responsibility for managing day-to-day compliance rests with the Chief People Officer in conjunction with the Chief Compliance Officer and Chief Sustainability Officer (Global Head of Environmental Social Governance).

Amongst other things, the Policy stipulates that: *"If you are aware of a violation of this policy, you have an obligation to report it to the Company. As stated in Cognizant's Whistleblower and Non-Retaliation Policy, Cognizant does not tolerate retaliation against any individual who submits a good faith report of a violation or possible violation of law, the Code of Ethics, or other Cognizant policies."*

The launch of the Policy was accompanied by a training and awareness campaign to all Cognizant associates around the globe.

Core Values & Code of Ethics

In February 2021, we updated our Code of Ethics (**Code**) to reaffirm our core values and emphasize the standards of conduct that we expect from managers and associates to ensure that they are aligned to the Cognizant agenda.

The Code is important because it instils trust and confidence in the minds of our clients, shareholders, partners and associates and supports our empowered 'client-first' culture. Associates and other stakeholders are encouraged to report concerns proactively.

Cognizant's goal is to engineer modern businesses to improve everyday life. This is our purpose, and how we do it matters more now than ever. We do this based on four (4) key principles:

1. We earn trust by continually striving to be a trusted business partner and corporate citizen. In pursuing this goal, we must consistently incorporate ethical standards into our day-to-day business activities.
2. We do the right thing, the right way. Our Clients, shareholders and communities depend on our commitment to perform with the highest level of integrity.
3. We respect people and the environment. Cognizant is committed to a safe and healthy work environment.
4. We live up to our responsibilities. Our commitment to doing business ethically includes respecting privacy, protecting information and safeguarding assets.

Australia Whistleblower Policy

In April of 2020, CTS Australia implemented an Australia specific 'Whistleblower & Non-Relation Policy' (**WB Policy**) in response to amendments to the *Corporations Act 2001* (Cth) (**Corporations Act**).

The WB policy is based on the global Whistleblower & Non-Retaliation Policy which applies to Cognizant's worldwide operations (**Global Policy**). Reports and disclosures which (a) do not qualify for protection under this Policy or (b) are about legal and ethical issues relating to Cognizant business operations not involving CTS Australia, are handled in accordance with the Global Policy.

At Cognizant, we promote a speak-up culture that depends on our associates raising questions or concerns so that appropriate actions can be taken. Reports of suspected improper or unethical activity are investigated and treated confidentially to the maximum extent possible and in accordance with the Corporations Act. Reports and disclosures can be made anonymously.

The WB Policy outlines extensively the reporting avenues available to disclosers, the associated protections and seeks to ensure fair treatment for individuals.

The WB Policy was notified to the workforce, with mandatory training provided to front line leaders, and to all associates in CTS Australia.

Compliance Hotline

Cognizant maintains a compliance hotline through which associates, customers, vendors and others can anonymously communicate concerns about potentially unethical behaviour.

The hotline is staffed by an independent third-party provider (**AT&T**) and is available by phone or online. Reports are investigated by expert independent investigators that are engaged by AT&T.

Supplier Standards of Conduct

In 2017, Cognizant developed a Supplier Standards of Conduct (**Supplier Standards**) to formalise its expectations and requirements in terms of ethical business conduct.

The Supplier Standards apply to all of Cognizant's third-party representatives, suppliers, vendors, and subcontractors (and their parent, subsidiary, and affiliated entities).

All suppliers are required to review and confirm their understanding of our Core Values and Code of Ethics, our Anti-Corruption Statement, and our Global Human Rights Policy.

The Supplier Standards list a number of specific requirements. Currently, there are 16 items. Relevantly, some of the requirements include:

1. **Compliance with laws:** Suppliers must operate in full compliance with all applicable laws and regulations of the country and locale in which the supplier operates.
4. **Prohibition on child labour:** Cognizant strictly prohibits the use of child labour in any of the supplier's operations. Suppliers must not employ workers younger than the greater of (i) 15 years of age, or 14 years of age where the local law allows such exception consistent with International Labor Organization guidelines, (ii) the age for completing compulsory education, or (iii) the minimum age established by law in the country of manufacture. In addition, suppliers must comply with all legal requirements for authorized young workers, particularly those pertaining to hours of work, wages, and working conditions.
5. **Prohibition on forced labour:** All forms of forced or compulsory labour, such as prison labour, bonded labour, or indentured labour, are forbidden in any operations. Forced overtime and human trafficking are also strictly prohibited.
6. **Commitment to health and safety:** Suppliers must provide clean, safe, and healthy working conditions for all employees. Suppliers must comply with all applicable, legally mandated standards for

workplace health and safety in the countries in which they operate and Cognizant encourages suppliers to implement industry best practices.

7. **Fair wages and benefits:** Suppliers must pay workers according to any applicable minimum wage standards, as well as any legally mandated overtime premium for all hours worked. Suppliers also must ensure that any legally mandated benefits are being provided to their employees and that there are no illegal deductions for employee benefits.
8. **Fair hours:** Suppliers will not require workers to work in excess of the lesser of the limits on regular and overtime hours allowed by the law of the country where the worker is located.
12. **Pre-approval for use of subcontractors:** Suppliers may not use subcontractors in performing their work for Cognizant unless Cognizant gives prior approval.
13. **Commitment to responsible sourcing:** Suppliers will be committed to sourcing goods and services with the same fundamental support of human rights, labour, health and safety, environment, and ethics as set forth in the Supplier Standards.

The Supplier Standards allow Cognizant to conduct announced or unannounced on-site inspections for the purpose of monitoring compliance and inspecting documentation.

The Supplier Standards also provide for mandatory reporting of violations. Specifically, any suppliers who become aware of any actual or potential violation of the Supplier Standards (or other relevant policies and laws) are required to report them to the Cognizant compliance hotline as soon as practicable.

Training and Communication

As part of our hiring processes, all new employees hired into Cognizant are required to undergo mandatory training in relation to Cognizant's Code of Ethics and Core Values. A mandatory refresher is undertaken annually by all employees. Such training is an annual requirement for all staff.

In addition to this, we have built a specific reference to this subject into our corporate induction program and included a module on modern slavery in our in-house people manager training courses.

In recognition of the International Day for the Abolition of Slavery (2 December), the office of our Chief Ethics and Compliance Officer has adopted a practice of issuing a global communication to educate associates on the subject of modern slavery and to encourage associates to be vigilant in spotting and reporting potential signs of modern slavery within our business and supply chain.

United Nations Global Compact

In early 2021, Cognizant joined the United Nations Global Compact (**UNGC**), a worldwide network of more than 9,500 companies and 30,000 non-business participants who are committed to building a sustainable future. By signing the UNGC, Cognizant has committed integrating UNGC's Ten Principles into Cognizant's strategy, day to day operations and organisational culture. These principles focus on supporting the protection of human rights, promoting greater environmental responsibility, and working against corruption in all forms.

In keeping with these principles, we will be adopting additional environmental, social, and governance (**ESG**) goals for our company, and reporting regularly on our progress toward their achievement. Our ESG-focused intent is also reflected in Cognizant becoming a founding member of the World Economic Forum's newly launched Partnering for Racial Justice in Business initiative. This coalition of organizations is committed to building equitable and just workplaces for professionals with under-represented racial and ethnic identities.

Assessment and Monitoring

The risk of modern slavery occurring in CTS Australia's organisation and supply chain is managed in accordance with Cognizant's global compliance framework. The Global Compliance team (based in the USA) is responsible for monitoring and investigating any suspected unethical behaviour including modern slavery.

The Global Compliance team reports directly to the Board of Directors of CTS Corporation and provides regular updates on the outcome of investigations and inquiries relating to a range of ethical issues. CTS Australia has access to Cognizant's significant dedicated internal compliance capabilities and resources. Specifically, Cognizant employs a General Counsel, Chief Compliance Officer and Chief Security Officer. These individuals and their staff serve to ensure that our operations follow all internal policies and external laws and regulations.

The Global Compliance team is responsible for providing oversight with respect to modern slavery risks on behalf of the Board of Directors of CTS Australia and Cognizant generally. Several committees and subcommittees support the Board of Directors of CTS Corporation. The Audit Committee is responsible for review and evaluation of the company's enterprise risk management and management of third parties and contractual risks.

Cognizant measures its performance and assesses the effectiveness of the control measures outlined above via regular meetings of the senior leadership team and staff pulse surveys. The most recent staff pulse survey was conducted in June 2020 and indicated a high level of staff confidence in Cognizant's performance in terms of respecting human rights and equal opportunity.

At the time of preparing this Statement, CTS Australia has not been charged or convicted of any criminal offences relating to modern slavery or slavery-like practices. We are not aware of any current or previous issues relating to slavery or human trafficking within CTS Australia's operations and supply chain. As such, we have not had to initiate any remediation action to rectify the effects of any modern slavery practices in our operations or supply chains.

Consultation

As stated above, CTS Australia owns or controls several entities. We confirm that each of these entities were consulted in the course of preparing this Statement.

The consultation process occurred over a 12-month period and included the following specific steps and project milestones:

- On 15 February 2021, CTS Australia's Chief Executive Officer & Managing Director sent an email to contact persons at all of our subsidiaries advising that we were in the process of preparing this Statement and foreshadowing a meeting to gather relevant information;
- On 6 April 2021, members of CTS Australia's Legal, People & Culture and Compliance teams convened a teleconference with representatives from each entity. The purpose of the teleconference was to confirm audit findings and information, increase awareness of modern slavery risks and validate pre-existing understandings and assumptions with respect to supply chains in our subsidiaries.
- Between November 2020 and April 2021, CTS Australia personnel liaised with subsidiary entities via phone and follow-up emails.

Based on the consultations outlined above, CTS Australia believes that the risk of exposure to modern slavery practices occurring in the operations or supply chain of its 'owned or controlled entities' is not materially different to CTS Australia's own risk profile.

Other relevant information

The Top Employer Institute certified CTS Australia by in both 2020 and 2021 as a Top Employer for Excellence in Workforce Planning, Talent Strategy, Leadership Development and Career and Succession Management.

Approved by principal governing body and responsible persons



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