

Supplier Diversity Policy

Related Policies and Processes

[Supplier Standard of Conduct](#)

Scope

Cognizant is committed to providing opportunities for qualified businesses owned by people of diverse backgrounds to participate as suppliers of products and services to our company. This Policy outlines the principles under which Cognizant will engage Diversity Suppliers.

This Policy applies to all directors, officers, and employees of all Cognizant entities, subsidiaries, affiliates, and joint ventures over which Cognizant has operational control (collectively “Associates”) and all Suppliers based in countries listed as in-scope in the Appendix A of this policy.

Cognizant’s Supplier Diversity Program will be administered and managed by the Cognizant’s Vendor Management Organization (VMO), with oversight from the Global Head, Diversity & Inclusion. Our leadership and employees are committed to adopting procurement processes and practices that will enhance opportunities for Diverse Suppliers, as defined in Appendix A, to fairly compete to be engaged by Cognizant.

Guiding Principles

- The primary goals of Cognizant’s Supplier Diversity Program are to:
 - Provide opportunities to Diverse Suppliers who may otherwise be excluded from sourcing opportunities due to physical, social or cultural reasons, while also:
 - Satisfying our procurement standards;
 - Creating long-term value for our clients and our communities;
 - Providing competitively priced and reliable goods and services;
 - Helping us remain agile, disruptive and ahead of the market; and
 - Complying with Cognizant’s [Supplier Standards of Conduct](#)
 - Communicate the value of supplier diversity both internally and externally to all stakeholders.
 - Leverage our supplier diversity to meet our corporate customers’ supplier diversity requirements.

- Cognizant’s sourcing departments must include one diverse supplier in all sourcing events exceeding USD \$150,000, including RFx, Reverse Auctions, and Transactional Sourcing.
- Cognizant’s commitment to supplier diversity is not philanthropic, nor does it contradict the application of existing purchasing goals, policies and procedures. The award of opportunities to Diverse Suppliers will be based on criteria established as part of the sourcing request or other criteria that may arise from time to time, including, but not limited to their relative competitiveness, the value of their offerings, and their demonstrated performance.
- All Diverse Suppliers must be so certified by a third-party agency (or commit to obtaining such certification within the first year of engagement).
- To be characterized or defined as a Diverse Supplier, a business must meet one or more criteria that differ by country and may be found in the appendix to this policy.
- Cognizant will report Diverse Supplier spend quarterly to our clients on a requested in the format displayed in Appendix B to this policy.

Version History

Revision Date	Description of Change
Feb 17, 2021	Policy Drafted
July 1, 2021	Policy draft modified with Legal team input
MON-DD-YYYY	[Brief & specific description of change]

Policy Control Information

Policy Name: Supplier Diversity Policy

Department: Vendor Management Organization

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Policy Owner: Michael Krinick, Assistant Vice President, Procurement, Michael.Krinick@cognizant.com

Appendix A: Countries in scope

United States

To be characterized or defined as a Diverse Supplier in the United States, a business must meet one or more of the following criteria:

- **Minority Business Enterprise (MBE)** – A Minority Business Enterprise usually certified by a federal, state or local government agency as having met all of the government standards that award eligibility.
- **Woman Business Enterprise (WBE)** – A Women Business Enterprise usually certified by a federal, state or local government agency as having met all of the government standards that award eligibility.
- **Veteran Business Enterprise (VBE)** – Under SBA Guidelines Small Business Act (PL 85-536) as amended states: Small Business Concerns owned and controlled by veterans not less than 51% owned by one or more veterans and in the case of a publicly owned business not less than 51% of the stock is owned by one or more veterans.
- **Disabled Veteran Business Enterprise (DVBE)** – A disabled veteran recognized by the state of California as a veteran of the U.S. military, naval, or air service, with a service-connected disability of at least 10% or more and who is a California resident. Where at least 51% is owned by disabled veterans and conducts daily business management and control. The home office cannot be a branch or subsidiary of a foreign corporation, foreign firm or other foreign-based business.
- **Disabled Owned** – A business that is at least 51% owned by one or more disabled persons who control and operate the business. Control in this context means exercising the power to make policy decisions and operate means to be actively involved in the day-to-day management of the business.
- **LGBTQ Owned** - A business that is at least 51% owned by one or more LGBTQ persons who control and operate the business. Control in this context means exercising the power to make policy decisions and operate means to be actively involved in the day-to-day management of the business.

Appendix B: Diverse Supplier Spend Report format (Quarterly)

Row Labels	Spend Q1 20XX	Spend Q2 20XX
Minority Business Enterprise	\$X,XXX,XXX	\$X,XXX,XXX
Woman Business Enterprise	\$X,XXX,XXX	\$X,XXX,XXX
Veteran Business Enterprise	\$X,XXX,XXX	\$X,XXX,XXX
Disabled Veteran Business Enterprise	\$X,XXX,XXX	\$X,XXX,XXX
Disabled Owned	\$X,XXX,XXX	\$X,XXX,XXX
LGBTQ-Owned	\$X,XXX,XXX	\$X,XXX,XXX
Grand Total	\$X,XXX,XXX	\$X,XXX,XXX

% of total spend	\$X,XXX,XXX	\$X,XXX,XXX
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