

# Modern Slavery Statement

For the Period 1 January 2020 to 31 December 2020

## Teradata Australia Pty Ltd

### About Teradata Australia

Teradata Australia Pty Limited (ACN 125 071 374) (**Teradata Australia**) makes this statement pursuant to the *Modern Slavery Act 2018* (Cth).

Teradata Australia is committed to acting ethically, with integrity and transparency in our business dealings and relationships. Teradata Australia views Modern Slavery as a gross abuse of human rights and is committed to implementing and enforcing systems and controls to help ensure it does not occur anywhere in Teradata Australia's own business or in that of our supply chains.

### Who we are

Teradata Australia is a proprietary limited company with its registered office in North Sydney, New South Wales. Teradata Australia does not own or control other entities.

Teradata Corporation is the ultimate holding company of Teradata Australia. Teradata Corporation, a company incorporated in the United States, headquartered in San Diego and listed on the New York Stock Exchange, is the parent of a worldwide group of companies that provides analytic data platforms, software applications and related consulting, maintenance and support services. The Teradata group employs, directly and indirectly, approximately 8,000 employees worldwide.

Teradata is proud that it has been designated one of the “World’s Most Ethical Companies” by the Ethisphere Institute each year since 2010. We also have been recognized by listings on Dow-Jones Sustainability Indices which include, amongst other things, consideration of listed-companies’ ethical, compliant and sustainable employment and supply chain practices.

### What we do

Teradata Australia delivers better business outcomes through technology-enabled solutions in the areas that matter most to our customers – from operational excellence and asset optimization, to customer experience and product innovation, to finance transformation and risk mitigation. Teradata works with leading businesses in over 70 countries worldwide. Our clients include many of the top performers and best-known brands in telecom, transportation, consumer packaged goods, financial services and manufacturing.

We focus on turning the most complex and challenging data sets into high-value assets that produce high-impact insights and tangible value for the business.

Our specific solutions and services include:

- Business Analytics Solutions: analytics that unleash the breakthrough value hidden in your data
- Ecosystem Architecture Consulting: expertise to design and deliver the right architecture to advance the business
- Hybrid Cloud Solutions: tailored cloud strategies and deployment plans that put analytics everywhere it needs to be

We are data strategists and data scientists, technologists, innovators and experts in all types of analytics. We engage directly with business and IT leaders to solve urgent real-world problems and seize compelling strategic opportunities. We combine proven analytics expertise, specialized business consulting, and scalable, high-performance, analytics ecosystems. Teradata’s agile analytical ecosystems solutions are market-leading and award-winning.

## **Our values**

As set forth in our Code of Conduct, Teradata strives to demonstrate responsibility in all aspects of our business endeavors. We are committed to the communities where we work and live. Our desired behaviours include ethics, respect and accountability. And, our Code of Conduct commitments include that we conduct business ethically and in compliance with our Code of Conduct and Policies, we respect others and we comply with laws. These values, qualities and commitments, combined with our policies, practices and actions described above, purposely are intended to foster a corporate culture of ethics, compliance and integrity in everything Teradata and Teradata employees do in connection with our business – to do the right things, always – including with respect to avoiding and trying to help eliminate modern slavery and human trafficking.

## **Our operations**

Teradata Australia offers three main services to our customers: cloud and hardware-based data warehousing, business analytics, and consulting services. Those services are delivered by a combination of employees and contractors based around Australia. We maintain physical offices in Sydney and Canberra with a virtual presence in other cities around Australia. During the reporting period, we also maintained an office in Melbourne.

We engage 160 employees around the country. Our workforce is primarily composed of IT and other professionals and our activities are largely the supply of professional services and computer hardware and software to Australian business and government clients.

## **Our supply chain**

We acquire a range of goods and services from suppliers in Australia and internationally. Categories of goods and services acquired from our approximately 125 Australian suppliers included recruitment, office operating expenses and utilities, IT hardware and software, motor vehicle and transportation, professional services, and events, training and sponsorships. The goods and services we acquired from 12 international suppliers are digital marketing, unstructured data management, software, data analytics, data intelligence platform, software, IT recruitment, IT solutions, hotels and education.

We also acquire goods from other members of the Teradata corporate group (all of which are subject to the same procurement standards outlined in this statement). The goods acquired from other Teradata entities are primarily computer hardware and software, which is in turn acquired from suppliers such as Dell and FLEX.

In relation to spending with external suppliers, the vast majority of our expenditure occurs in Australia, with roughly 1% of our expenditure attributable to overseas suppliers. Two-thirds of our overseas expenditure is to suppliers in the United Kingdom and United States with our remaining suppliers based in India, Singapore and Indonesia.

## **Modern slavery risks in our supply chain**

### **Direct suppliers - Australia**

We assess the risks of modern slavery in our own operations and in our direct Australian suppliers to be low. The vast majority of our suppliers are located in Australia, a country with low risk of modern slavery. The 2018 Global Slavery Index ranks Australia 163 of 167 countries on estimated prevalence of modern slavery and 161 on estimated vulnerability to modern slavery. In particular, the estimated prevalence of modern slavery is 0.65 per 1,000 population and the estimated vulnerability to modern slavery score is 4.27 out of 100.

The areas of risk in our Australian direct suppliers are:

- Catering, event management and venue hire: a higher risk area of spend as the hospitality industry and fresh fruits industries may involve poor working conditions including, but not limited to, wage theft and inadequate record-keeping, especially for people on temporary workers visa and migrant workers.
- Janitorial services is a higher risk area of spend as the cleaning industry may involve workforces with a high proportion of low skilled migrant workers who may have limited English language

skills and understanding of rights under Australian law, low barriers to entry and profit margins which create significant commercial pressures on suppliers. These factors lead to increased risk of modern slavery and similar mistreatment.

*Our expenditure in this category was very small (<\$10,000) and the services were primarily obtained from Bic Services Pty Ltd. Bic Services has made a modern slavery statement for FY20 which outlines its processes and initiatives to mitigate modern slavery risk within its business and its supply chain. All their personnel who carried out work for Teradata are based in Australia.*

### **Direct suppliers - overseas**

The majority of our overseas expenditure with external suppliers is in the United Kingdom and United States, two countries with low modern slavery risks. The majority of purchases from the vendors in these countries are related to spend categories unlikely to attract modern slavery risk including include data analytics, digital marketing and software products.

In relation to our remaining overseas expenditure:

- while Singapore has a medium ranking in the prevalence of modern slavery, our spend was attributable to a low-risk purchase (corporate event sponsorship);
- our expenditure in India is attributable to digital marketing, another low-risk category; and
- our expenditure in Indonesia is attributable to PT Banigati Betegakayodya Resort Bali in the hospitality industry, which may attract elevated risks of modern slavery. We have not identified any publicly available information to determine if the company takes any initiatives to address the risks, nor that the company was implicated in instances of modern slavery practices.

### **Extended supply chain**

The risks of modern slavery in our extended supply chain are potentially higher.

Goods we consumed that are imported into Australia that are at most theoretical risk of modern slavery are IT hardware, laptops, computers and mobile phones. The electronics industry is recognised as a high-risk industry for modern slavery and similar mistreatment. Manufacturing often occurs in locations with minimal regulation and oversight. Forms of modern slavery identified by the Global Slavery Index and other reports present in the electronics sector include passport retention or doctoring of identity documents, restriction of freedom of movement, poor living conditions, underpayment, fines and illegal salary deductions, excessive working hours and unpaid overtime. There is also a risk that products are manufactured from raw materials, where production involved workers being subjected to modern slavery.

There is some risk that Teradata Australia may be linked to modern slavery practices through our acquisition of goods of this kind. The Teradata group has assessed that globally in the context of its industry, business and operations, the potentially most likely, most significant, most-Teradata-influenced and highest-risk channel for modern slavery and human trafficking would be in its supply chain for Teradata-branded computer hardware products.

In relation to these goods:

- All Teradata-branded production hardware is sourced solely from one contract-manufacturer, FLEX LTD. FLEX is a founding and active member of the Responsible Business Alliance, maintains its own anti-trafficking/anti-slavery initiatives and publishes its own slavery and human trafficking Statement. In its statement FLEX describes the measures it takes to help assure that its upstream suppliers comply with FLEX and Responsible Business Alliance Code of Conduct requirements pertaining to human rights, slavery and human trafficking.
- Dell Australia Pty Limited adopted a joint Statement Against Slavery and Human Trafficking with EMC in December 2020, which describes its efforts to prevent slavery in its supply chain, including vendor verification, risk assessments and audits.
- Quantum Corporation, which provides IT infrastructure for data storage and security, published a modern slavery statement under the UK Modern Slavery Act 2015 for the fiscal year ended 31 March 2020 which describes the initiatives adopted by Quantum to reduce the risk of modern slavery.

- TPG signed an Australian Telecommunications Leadership Statement on Human Rights & Modern Slavery in December 2020, an initiative of the Telco Together Foundation bringing together leading telecommunications companies in Australia to identify areas for a unified approach to address modern slavery risks in the industry.
- Optus published a modern slavery statement for FY20 which explains the general approach adopted by Optus including identifying risks based on supply and country of manufacture and source, mapping the risks against existing and new suppliers; tailoring policies, code of conduct, agreements and providing staff training; and supplier due diligence and risk assessments against set indicators, supplier audits, education and co-operation to improve processes.

## **What we have done to assess and address Modern Slavery Risks in our supply chain during 2020: our human rights and due diligence infrastructure**

### **Our policies**

Teradata is committed to treating all its employee worldwide with respect and dignity. We strive to provide a workplace that is free from violence and discrimination. Employees are required to comply with [Teradata's Code of Conduct](#). Teradata requires that it, its subsidiaries and its employees (as well as its suppliers and business partners) comply with all applicable local employment and human rights laws, routinely exceeding national minimum wage legislation, where such applies. Where Teradata procures temporary/supplementary personnel via staffing agencies, we require such agencies to adhere to the same principles.

The Teradata Code of Conduct includes provisions requiring compliance with our employment policies, employment laws, labour rights and human rights, including the principles of the UN Global Compact and the Responsible Business Alliance Code of Conduct.

Our global policies prohibit harassment, discrimination, workplace violence (including threats of violence), illegal conduct and criminal conduct. These policies promote diversity, inclusion and freedom of association/expression (such as with respect to workers' council and diversity-based business resource groups), and provide an internal dispute resolution mechanism to address employee grievances.

Human rights violations may be fostered and concealed by bribery, corruption and false/inaccurate books and records entries. In connection with this, Teradata has a zero tolerance policy regarding bribery, corruption and falsification of books and records (see our [Anti-Bribery and Anti-Corruption Policy](#)). Modern slavery and human trafficking can also be connected with pornography, prostitution and adult-sexually-oriented entertainment. As such, Teradata policies prohibit the use of any Teradata resources and any company-related entertainment, activities and spending in connection with these. To help assure compliance with respect to these areas, Teradata regularly blocks, audits, monitors, analyses and places heightened internal controls with respect to bribery, corruption, books and records, pornography and entertainment compliance.

Our global [Conflict Minerals Policy](#) also prohibits Teradata Corporation, its subsidiaries, employees and suppliers from utilizing conflict minerals sourced from forced labour, child labour, slavery or violence in the region of the Democratic Republic of the Congo in Africa or those who perpetrate or support such human rights abuses. That policy includes the following statements: "Teradata opposes and condemns DRC Conflict Perpetrators, their perpetrating conduct, and the adverse consequences that conduct imposes on the people and environment of the DRC Region. Teradata supports goals, laws and initiatives that effectively (1) respect and protect human rights and the environment, (2) foster supply chain integrity, ethics, compliance, accountability and sustainability, and (3) oppose, condemn, stop, eliminate, reduce, isolate, identify and penalize DRC Conflict Perpetrators."

Teradata is a signatory to the UN Women's Empowerment Principles (the WEP). The WEP includes, among other things, commitments to: treating all women and men fairly at work – respect and support human rights and non-discrimination; and ensure the health, safety and well-being of all women and men workers.

Anyone, including all Teradata employees, can access the Teradata Ethics Helpline, allowing Code of Conduct, policy, and other ethics and compliance questions to be raised, and violations or suspected violations of such or the law to be reported, with options to do so on an anonymous and/or confidential basis. As a matter of policy, Teradata will not retaliate against an employee because he/she raised such a

concern or in good faith reported an actual or suspected violation of our Code of Conduct, policies, or the law.

In addition to taking preventative and defensive measures to help avoid, reduce and eliminate modern slavery and human trafficking, Teradata and its employees take affirmative actions in many countries across the globe to improve quality of life and reduce or eliminate circumstances that might foster or give rise to oppression, suffering, human rights violations, modern slavery and human trafficking. These include “Teradata Cares” initiatives that focus on education and community support/development, providing employees with paid time-off for volunteering, matching employee gifts to help improve quality of life and the environment, community service grants, scholarships, and company-sponsored “Days of Caring” community support and development events. See section 6 of our [Corporate Social Responsibility Report](#).

## Suppliers

Teradata maintains a dedicated procurement and supplier management team. Prior to being registered in Teradata's procurement systems, Teradata's suppliers are subjected to due-diligence screening and risk-assessments, and those who advance are required to meet or exceed the standards of the Teradata Code of Conduct for Suppliers and/or the Teradata Code of Conduct for Business Partners. These supplier and business partner codes incorporate: (1) the Teradata Code of Conduct; (2) the principles of the UN Global Compact; (3) the principles of the Responsible Business Alliance Code of Conduct; (4) the Teradata Conflict Minerals Policy; (5) laws and Teradata policies regarding anti-bribery, anti-corruption and trade compliance (e.g., the Teradata Anti-Bribery and Anti-Corruption Policy); and (6) laws and Teradata policies regarding privacy and data protection (e.g., the Teradata Privacy Policy). Teradata maintains where possible a contractual right to audit the activities of its suppliers and business partners so that these matters may be effectively monitored.

All Teradata-branded production hardware is sourced solely from one contract-manufacturer (also commonly referred to as an electronics-manufacturing-services (EMS) supplier), FLEX LTD. FLEX is a founding and active member of the Responsible Business Alliance, maintains its own anti-trafficking/anti-slavery initiatives and publishes its own slavery and human trafficking Statement. In its statement FLEX describes the measures it takes to help assure that its upstream suppliers comply with FLEX and Responsible Business Alliance Code of Conduct requirements pertaining to human rights, slavery and human trafficking.

Teradata's agreements with FLEX (Teradata's EMS supplier) require compliance with laws, labour standards and conflict minerals requirements, and Teradata regularly communicates with FLEX regarding, and monitors FLEX's compliance with, FLEX's agreements and obligations with respect to the supply chain for Teradata-branded hardware.

In addition, Teradata communicates and works closely with FLEX with respect to applying strong human rights, anti-slavery and anti-trafficking requirements, practices, controls and validations regarding DRC conflict minerals. Both are participating members of the Responsible Minerals Initiative and apply internationally recognized processes and standards to help assure that DRC conflict minerals derived from forced labour, child labour, violence, threats of violence, slavery and human trafficking are not included in Teradata-branded hardware by Teradata, FLEX or upstream suppliers.

Teradata publishes an annual [Conflict Minerals Report](#) that describes its initiatives, processes, due diligence and progress with respect to helping make sure that Teradata-branded hardware does not include DRC conflict minerals derived from derived from forced labour, child labour, violence, threats of violence, slavery and human trafficking derived from forced labour, child labour, violence, threats of violence, slavery and human trafficking. Flex does the same in its [Specialised Disclosure Report](#).

In short, Teradata demands that its suppliers, including and through its sole-source contract-manufacturer for Teradata-branded hardware, adhere to the same high standards of ethics and integrity as Teradata itself and if suppliers/partners fall short of those standards, the relationship shall be avoided in the first place or ended if the relationship already has been put into place.

## Governance

Teradata implements, adheres to and is, where applicable, a signatory of the following policies, principles and codes of conduct which can be accessed by anyone on our [Corporate Governance page](#):

- Teradata Code of Conduct
- Teradata Code of Conduct for Suppliers
- Teradata Code of Conduct for Business Partners
- UN Global Compact Principles
- Responsible Business Alliance Code of Conduct Principles
- Teradata Anti-Bribery and Anti-Corruption Policy
- Teradata Conflict Minerals Policy

Teradata also publishes the Teradata Conflict Minerals Report and Teradata Corporate Social Responsibility Report in respect of yearly performance.

Teradata is a formal signatory to the UN Global Compact, in respect of which we have achieved the “GC Advanced” designation for our annual Communication On Progress (**COP**). The UN Global Compact includes ten principles in the areas of human rights, labour, the environment and anti-corruption. By adopting the principles of, and becoming a signatory to, the UN Global Compact, Teradata embraces, supports and enacts, throughout our sphere of influence, a set of core commitments in the areas of human rights, labour standards, environment and anti-corruption. Our Corporate Social Responsibility Report constitutes our annual UN Global Compact COP and contains further details our commitment in this regard.

In addition to the foregoing, Teradata seeks always to comply with all applicable laws and regulations in all the countries in which we do business.

Teradata has a compliance team, led by the global Chief Ethics and Compliance (**E&C**) Officer and the global E&C Office (which is part of our global Law Department), which also includes close involvement of the following departments at the corporate-group level and the applicable regional and country levels:

- Legal
- Internal Audit, Controller and Enterprise Risk Management
- Security
- Human Resources
- Procurement, Supply-Chain Management & Operations

The Teradata E&C process, charter and reporting/governance model are established by written corporate management policies, which, amongst other things, provides for establishing, communicating, training, certifications, establishing and operating the Teradata Ethics Helpline, monitoring, detecting, addressing, investigating, risk-assessing, implementing controls, implementing preventative actions, implementing mitigation actions, implementing disciplinary/corrective actions, senior management reporting and oversight, Board of Directors Audit Committee reporting and oversight - regarding compliance requirements and practices. The Board of Directors Audit Committee charter also expressly provides for oversight of Teradata E&C initiatives. Many aspects and further details of E&C governance at Teradata are described in the [Teradata's Code of Conduct](#) and [Corporate Social Responsibility Report](#).

Governance and compliance with respect to human rights, labour rights, anti-slavery, anti-human trafficking, anti-bribery/anti-corruption, compliance and controls policies are dealt with as part of and in accordance with that E&C governance model. The Chief Region Counsel for a region serves as the E&C officer for the corresponding region, and Law Department personnel in various countries serve as E&C deputies. The Australian Legal Counsel serves as the E&C Officer for Australia with a direct reporting line to the Chief Region Counsel, and an indirect reporting line to the Chief Ethics and Compliance Officer, via whom any matters may be brought to the attention of the company's senior management, and the Audit Committee on an *ad hoc* basis if/when desired and via quarterly board meetings. The E&C Officer for Australia supports the oversight of all E&C matters in the country, investigates matters of concern, and ensures regulatory compliance. All E&C personnel have received training regarding bribery, the FCPA and E&C and continuously monitor and review new E&C developments and laws.

With respect to certain policy/compliance areas, particularized supplemental governance models may apply. For example, with respect to Conflict Minerals (which includes human rights, anti-slavery and anti-human-trafficking considerations and objectives) our [Conflict Minerals Policy](#) establishes and provides the charter for the Teradata Conflict Minerals Management Committee for conflict minerals oversight, reporting and compliance, as well as linkage to dealing with violations/non-compliance through Teradata E&C processes. This is also described in the [Conflict Minerals Report](#) in Section 10.

## Training

All Teradata employees are required to undertake compulsory ethics and compliance training and to certify annually that they have undertaken such training and will comply with Teradata's Code of Conduct. The scope and extent of such training is described further in Section 10 of the Teradata [Corporate Social Responsibility Report](#). Human rights, labour rights, anti-slavery/trafficking, anti-harassment/discrimination/bullying, anti-bribery/corruption, UN Global Compact principles, Responsible Business Alliance Code of Conduct principles, conflict minerals, supplier code of conduct, supplier due diligence and heightened duties of Teradata managers, amongst other things, have been included in such training over the past several years. Relevantly, the Code training for the 2020 cycle re-emphasised anti-bribery/corruption, conflicts of interest, and reporting misconduct.

## What we have done to assess and address Modern Slavery Risks in our supply chain during 2020: Teradata Australia supplier risk assessment

We commissioned law firm Clayton Utz (**CU**) to conduct a Modern Slavery risk assessment for the Teradata Australia supply chain. CU's Forensic and Technology Services team undertook a forensic analysis of our direct supplier base. The analysis utilised spend data to assess supplier risk based on their location and the nature of the goods or services provided. The review adopted the classification utilised in the 2018 Global Modern Slavery Index (<http://www.globalslaveryindex.org>) which provides scores in three areas:

- **Prevalence measure** which is estimated from the result of modern slavery surveys and socio-economics factors underlying each country;
- **Vulnerability score** which includes variables such as governance issues, lack of basic needs, inequality, disenfranchised groups and effects of conflicts; and
- **Government response index** which includes variables such as identification and support of slavery survivors, criminal justice mechanisms for prevention and government and corporate termination of the sourcing of goods and services produced from forced labour.

The analysis identified modern slavery risks associated with particular suppliers and categories of expenditure and provided recommendations on areas of further investigation and scrutiny. We will use the results of the forensic analysis to better understand modern slavery risks in our supply chain and direct our efforts toward those areas.

## How we will measure the effectiveness of our actions to identify and combat Modern Slavery Risks in our supply chain

Teradata has not detected, encountered or received reports of any E&C matters since 2007, when Teradata Corporation became an independent publicly-traded company that involve a violation of slavery, human-trafficking or conflict minerals laws/regulations. We intend to continue for years to hone our initiatives, policies, processes and vigilance regarding compliance with respect to these areas and E&C, improve them as opportunities arise and maintain a track-record of compliance with slavery, human-trafficking and conflict minerals laws, regulations and requirements.

## Approval of this statement

This statement was approved by the board of directors of Teradata Australia Pty Ltd on 29 June 2021.



Noel Pettitt  
Director