

# **Tata Consultancy Services Limited and its Subsidiary Companies**

## **Statement on Prevention of Modern Slavery and Transparency in Supply Chain**

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### *Applicability*

This **Statement on Prevention of Modern Slavery and Transparency in Supply Chain** is applicable to Tata Consultancy Services Limited and its wholly owned subsidiary companies (henceforth referred as TCS or Tata Consultancy Services) across the world. However, if any wholly owned subsidiary has published its own Statement, the same shall override this Statement in respect of that subsidiary.

### *Introduction*

TCS is an IT services, consulting and business solutions organization that has been partnering with many of the world's largest businesses in their transformational journeys for over fifty years. TCS is part of the Tata group, a multinational conglomerate founded more than 150 years ago, led by inspiring leaders who have stayed true to the vision of the founder, Jamsetji Tata. His vision placed the greater good of society at par with business growth and pioneered social initiatives that changed the way responsible business was run. The Tata group philosophy of management has always been that corporate enterprises must be managed not merely in the interests of their owners, but equally in those of their employees, of the consumers of their products, of the local community and finally of the nation as a whole.

TCS operates in over 55 countries through its Branches and Subsidiaries with a global workforce, developing software and delivering services to customers through the unique Location Independent Agile™ global delivery model.

At TCS, we believe in building greater futures for people and communities through innovation and collective knowledge. Human rights are enshrined in TCS' core value of 'Respect for the individual' and upholding of human rights is an integral aspect of the way we conduct our business, treat our employees and support the communities where we live and work. Our approach starts from respecting and protecting human rights in every aspect of our business and supply chain and remediating any adverse human rights impact that may be resulting from or caused by our operations.

Modern Slavery is a term under Human Rights that is used to describe serious exploitation of people. It includes human trafficking, slavery, servitude, forced or compulsory labour, debt bondage, child labour, securing services by threat or deception, etc. Acknowledging the prevalence of modern slavery across the globe, TCS is taking appropriate steps to prevent and address the concerns of modern slavery within its scope of business.

References to modern slavery and human rights are based on the definitions set out in applicable regulations across the globe such as the UK Modern Slavery Act 2015, the Australia Modern Slavery Act, 2018, the Norwegian Transparency Act, the EU Corporate Sustainability Due Diligence Directive and those of other countries where we operate, and guided by the UN Universal Declaration of Human Rights and the conventions of the International Labour Organisation (ILO), particularly relating to forced or compulsory labour.

This statement sets out the steps that we, Tata Consultancy Services, have undertaken during the 2022-23 fiscal year that ended on the 31st of March 2023, to identify potential threats of modern slavery and other human rights violations and to the best of our ability prevent the existence of such violations within our own internal operations, within any stage of our product and services operations and within local and global supply chains. With numerous suppliers across geographies, TCS takes a risk-based approach to the same.

### *Tata Code of Conduct*

We are governed by the [Tata Code of Conduct](#) ('the Code') which represents the values and core principles that guide the conduct of every Tata business. The Code makes it clear that as an organization, we respect the human rights and dignity of all our stakeholders. We do not employ children at any of our workplaces and do not use forced labour in any form. We do not confiscate personal documents of our employees or force them to make any payment to us or anyone else in order to secure employment with us, or to work with us. We strive to provide a safe, healthy and clean working environment for our employees and all those who work with us.

With respect to our supply chain, we only seek to work with suppliers and service providers who can demonstrate that they share similar values to our own, and we expect them to adopt ethical standards comparable with our own at all times.

#### *1. Preventing slavery and other human rights violations in our business*

- 1.1 Slavery, child labour and human trafficking are serious crimes and a violation of fundamental human rights. At Tata Consultancy Services, we conduct our business fairly, ethically and with respect to fundamental human rights. We are fully committed to the prevention of all forms of slavery, forced labour or servitude, child labour and human trafficking, both in our business and in our supply chains. We do not tolerate it.
- 1.2 TCS provides every employee with a written contract of employment. We pay every employee in accordance with the law.
- 1.3 TCS has been a signatory of the UN Global Compact since 2006 which confirms our commitment to the Ten Principles of the United Nations in the areas of Human Rights, Labour, Environment and Anti-Corruption. TCS supports the principles contained in the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, and the United Nations Guiding Principles on Business and Human Rights. Our policies are endorsed by senior management and specify expectations from employees, suppliers and business partners.
- 1.4 TCS provides a safe and healthy working environment to its employees and other stakeholders who work with us. We comply with our legal obligations to ensure the health and safety of all of our employees, including in relation to working hours, rest breaks and holidays. We foster a conducive work environment built on inclusion, tolerance, understanding, mutual cooperation and respect for individual privacy.
- 1.5 TCS makes appropriate checks in line with applicable laws on all directors, officers, employees, business associates, consultants, volunteers, recruitment agencies, suppliers or service providers, to identify compliance risks.
- 1.6 We seek relationships with suppliers who share a common commitment to ethical and lawful behavior. This is reflected in the [TCS Supplier Code of Conduct](#) and the [Sustainable Supply Chain policy](#).
- 1.7 TCS undertakes due diligence when appointing new suppliers and regularly reviews existing suppliers. TCS' risk assessment process considers supplier Country Risk information, (available from numerous sources such as Freedom House, Transparency International Corruption Perception Index, Trafficking in Persons Report and the Global Slavery Index), the operating structure of the supplier, volume of business, category of business, financial information, and any other public information available. Risk assessment and periodic monitoring are done for high-risk suppliers, and TCS reserves the right to audit any supplier as required.

- 1.8 We continuously track regulatory changes in this regard to ensure that our policies and processes incorporate the required compliance obligations, and we stay compliant. Compliance monitoring, internal audits and governance through compliance committees provide assurance on TCS' compliance.
- 1.9 Failure to comply with our compliance policies may result in disciplinary action, including termination of the contract between the associate and / or Company. It could also involve other legal steps being taken against the offending party.

## **2. TCS Supply Chain and Standards for Suppliers**

- 2.1 Our supply chain includes suppliers of IT related Products and Services (e.g., hardware, software, IT services), other products and services (e.g., stationery, cafeteria services, security services, transportation, infrastructure etc.) and people (e.g., contractors, business associates etc.).
- 2.2 All Suppliers must abide by the [TCS Supplier Code of Conduct](#) published on the TCS website. It clearly articulates that the Supplier shall not employ children and shall not use forced or slave labour of any type. It is communicated to all Suppliers through purchase orders and contracts, and also through the TCS website.
- 2.3 Our suppliers must assess their business and supply chains and on on-boarding, confirm that they comply with their legal obligations, in relation to Human Rights, including Modern Slavery, and are committed to ensuring there is no slavery, forced labour or servitude, child labour or other human rights violations taking place in their business, or any of their supply chains.
- 2.4 TCS has embarked on an improved supplier ESG assessment program through an independent and globally recognized supplier ESG assessment platform. Suppliers will now be required to report their ESG performance covering themes of environment, labour and human rights, ethics, and sustainable procurement. This program is being driven in a phased manner beginning with our top critical suppliers.
- 2.5 If a supplier does not comply with the Supplier Code of Conduct or is found to have slavery or violated other human rights in their business, or knowingly in their supply chain, TCS may terminate the contract with immediate effect and pursue legal remedies against the supplier concerned.
- 2.6 All suppliers are given details of whom to report ethical concerns to within our company through the Supplier Code of Conduct. All such concerns would be investigated as applicable.

## **3. TCS Standards for Associates and Others providing services**

- 3.1 All our policies and this statement are published on an internal portal and our associates are informed, so that they can familiarize themselves of the same. This statement is also made available on the TCS website for all others providing services in any capacity including as: director, officer, consultant, volunteer, supplier or service provider or in any other capacity not already mentioned.
- 3.2 All our associates are expected to act with compliance and integrity in accordance with the standards of behaviour set out in the Tata Code of Conduct. Each associate provides a signed deed of acceptance to this on joining the organization. Related compulsory training is administered as part of the employee induction process. Training on geography specific Labour Laws is provided to the associates, as required. Associates are encouraged to review and continuously familiarize themselves with the company policies on conduct, ethics and whistleblowing.

- 3.3 They must immediately report any suspicions of Modern Slavery or other human rights violations in our business or supply chains through the Ethics Concern reporting portal or to [corporate.compliance@tcs.com](mailto:corporate.compliance@tcs.com). We will investigate and report to the Management and if required to the Board of Directors, within a reasonable time, on actions which may be required to be taken.
- 3.4 They will not suffer any detrimental treatment as a result of reporting any genuine concerns, raised in good faith. This applies, even if after investigation, they are found to be mistaken. If an associate believes that he / she has suffered such treatment on doing so, then the associate should immediately refer to our Grievance procedures for reporting and use the [Whistleblower Policy](#) for protected disclosures, if required.

#### 4 *Applicability in Australia*

Representatives of the entities in Australia have been involved in the preparation of this Statement. This Statement is submitted to the prescribed Authority in Australia.

This Statement is applicable to our entities in Australia as given here under.

Name of Entity	Name of Parent Company	Company Registration Number	% of Shareholding	Applicability of this Statement
Tata Consultancy Services Limited registered as a foreign company in Australia	Entity is a Branch of Tata Consultancy Services Limited	ABN 28 109 981 777	Not applicable	Y
TCS FNS Pty Limited	Tata Consultancy Services Limited	ABN 45 116 714 482	100%	Y
TCS Financial Solutions Australia Pty Limited	TCS FNS Pty Limited	ABN 20 001 899 369	100%	Y

Other Subsidiaries of Tata Consultancy Services Limited may be referred to in its [Annual Report for 2022-23](#).

TCS in Australia is committed to comply with the provisions of the Australia Modern Slavery Act, 2018. TCS entities in Australia have taken significant additional steps over and above global actions in 2022-23 to identify the areas of risk of modern slavery within its operations and within its supply chains.

- The Modern Slavery Committee for Australia consisting of representatives of various units and departments continue to focus on this matter. The Committee convened meetings twice in 2022-23 to review on-going compliance to obligations, evaluate effectiveness of processes put in place and discuss proposed steps to further improve processes.
- The Modern Slavery Supplier Self-Assessment Questionnaire (SAQ) has been reviewed and updated and sent to supply chain members. Further actions are taken based on the analysis of responses received. Most suppliers in TCS Australia supply chain have long existing business relationship with TCS, and no existing data or information at hand has revealed any obvious risks of modern slavery.

Where required, discussions would be held with supply chain members for raising awareness and possible advice in implementing appropriate measures to ensure no incidents of modern slavery are present in their supply chains.

- New Suppliers are being assessed using the Modern Slavery Assessment checklist introduced by TCS Australia. There has been focused engagement with the Supply chain to enhance their awareness and towards ensuring on-going compliance.
- Supplier contracts include a clause on supplier’s responsibility towards prevention of modern slavery in compliance with the Act. Modern Slavery awareness and prevention is encouraged in all discussions concerning the engagement of new suppliers and in the management of existing suppliers.
- The web – based training pack on Modern Slavery Act implemented to increase awareness among all employees across TCS Australia has been updated. The induction process for all new employees includes online training to create awareness of modern slavery and how TCS complies with the Modern Slavery Act. Discussions are held with functional teams to create awareness on modern slavery.

**Audit of TCS Australia operations:**

- Desk top audits/review were continued, covering in-depth assessment of recruitment practices, review of payroll and data sampling of personnel files were undertaken, and it was found that no evidence of modern slavery existed in any of the areas. TCS entities in Australia will continue with these reviews on a periodic basis.

The activities for 2023-24 will continue to build on the activities being undertaken. It is proposed to have more focus on governance, digitization, training and awareness building within the organization and in the supply chain to ensure compliance with Modern Slavery law amongst their supply chain.

**5 Applicability in the UK**

Representatives of the entities in UK have been involved in the preparation of this Statement. With reference to the UK Modern Slavery Act 2015, this Statement is applicable to our entities in the UK as given hereunder.

Name of Entity	Name of Parent Company	Company Registration Number	% of Shareholding	Applicability of this Statement
Tata Consultancy Services Limited registered as a foreign company in UK	Entity is a Branch of Tata Consultancy Services Limited	Foreign Company No. FC025271 UK branch registration No. BR007627	Not applicable	Y
Tata Consultancy Services UK Limited (previously W12 Studios Limited until May 24, 2021)	Tata Consultancy Services Limited	08055387	100%	Y

Diligenta Limited	Tata Consultancy Services Limited	05535029	100%	N (Refer to Diligenta website)
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Other Subsidiaries of Tata Consultancy Services Limited may be referred to in its [Annual Report for 2022-23](#).

Specific additional actions taken in the UK entities in 2022-23 over and above global actions include the following:

- The Anti-Slavery Working Group consisting of representatives from the Employee Relations, HR Compliance, Health & Safety and Procurement teams, continues to focus on improving internal processes and practices to mitigate the risk of human exploitation, trafficking or modern slavery within TCS UK and Ireland and its supply chain. Towards this, the following progress was made during the year
  - Relevant policies were reviewed and assessed and minor improvements made to elaborate policies. Our employment policies comply with all statutory employment rights which apply in the UK, and the majority are significantly enhanced.
  - All our employees in the UK are paid at par or above the Living Wage and the London Living Wage in the capital, which are higher than the National Minimum Pay rates. We are also working towards getting accredited as a Living Wage Employer by the Living Wage Foundation.
  - We continue to raise awareness on the subject and how to report concerns through our employee induction and other internal communication channels.
  - Self-assessment of recruitment practices was initiated which included review of employment contracts, background checks, supplier audits and personnel files. There is no evidence of modern slavery being noted in any of the areas. These audits will continue to be undertaken periodically.
  - Supplier risk assessment (Stage 1 Assessment) is conducted annually for all suppliers of products and services procured by TCS. Our supplier risk assessment process categorizes and identifies suppliers for additional assurance evaluations (Stage 2 Assessment). The evaluations include verification of steps taken by our suppliers to prevent modern slavery in their operations as well as in their supply chains. TCS reserves the right to undertake supplier audits.
  - We have completed the annual Stage 1 Assessment for our suppliers and no supplier has been identified as high-risk. Stage 2 Assessment has been undertaken for all priority suppliers identified based on a final residual risk ranking. All priority suppliers have completed the supplier evaluation that assesses them on health, safety, social and environmental parameters. The supplier evaluations have not revealed any significant risks of modern slavery.
  - Supplier Contracts include a clause on supplier's responsibility towards prevention of modern slavery in compliance with the Act. Adherence to our Code of Conduct at all times whilst providing goods and/or services to TCS is a mandatory requirement and our suppliers reaffirm their adherence and agreement to our Code of Conduct (including amendments as applicable) annually as part of the supplier assessments.

There have been no instances or suspected instances of modern slavery, identified or received through our reporting channels in the past year. We understand the imperative to maintain focus and continually review the steps we take to ensure we maintain a slavery free business and supply chain. We will continue to build on the above activities in 2023-24 with a special focus on increasing training and awareness by:

- Providing further training on Human Rights and Anti Modern Slavery to identified frontline staff and refresher trainings at periodic intervals
- Updating the course material of the existing mandatory legal and compliance training for managers in UK to include additional guidance on modern slavery
- Enhancing existing communication channels to create frequent awareness on Modern Slavery among all our employees

## 6 Applicability in Norway

TCS has been servicing Norwegian market since 2003 and established office in Oslo in 2006. TCS Norway works with Banking & Financial Services, Insurance, Energy & Resources, Manufacturing, Retail & Distribution, Telecom, Travel and Transportation & Hospitality and Education helping them to adapt to the opportunities and challenges of the digital economy.

TCS Norway is committed to comply with the provisions of the Norwegian Transparency Act, which entered into force on 1<sup>st</sup> July 2022. The purpose of this Act is to promote the respect for human rights and decent working conditions, a purpose which is fundamentally aligned with that of TCS.

Representatives of the entity in Norway have been involved in the preparation of this Statement. This Statement is applicable to our entity in Norway as given hereunder.

Name of Entity	Name of Parent Company	Company Registration Number	% of Shareholding	Applicability of this Statement
Tata Consultancy Services Limited registered as a foreign company in Norway	Entity is a Branch of Tata Consultancy Services Limited	990 130 124	Not applicable	Y

In Norway, TCS has taken significant additional steps over and above global actions to identify the areas of risk with respect to human rights and decent working conditions within its operations and within its supply chain and business partners (henceforth collectively referred as supplier) as mentioned below.

- A Cross Functional Taskforce was formed including leads from operational functions as well as business units to operationalize the Act and undertake Due Diligence assessments.
- A Third-Party consultant firm has been consulted to assist with the deployment of the obligations.
- TCS has an effective ethics concerns reporting portal in place, which has been reviewed to satisfy the needs of the Norwegian Transparency Act.

### TCS Norway Operations Due Diligence

- An HSE (Health, Safety & Environment) Committee is in place which has elected representatives from various project locations. The committee meets once a quarter to discuss and improve conditions related to physical, psychosocial, health, and safety related issues at work environment.
- A due diligence of internal policies, guidelines and processes has been conducted according to corporate and third-party guidance to ensure the highest level of compliance to labor and human rights in TCS' operations and its supply chain. No adverse findings / significant risks have been identified.



- Existing contracts and supplier onboarding procedures have been reviewed to assess risk with respect to contractual obligations of suppliers working with TCS Norway.
- An awareness session on labour & human rights has been conducted for all managers in TCS Norway to ensure that the requirements of the Norwegian Transparency Act are followed in all operational and business areas.

#### **TCS Norway Supply Chain Due Diligence**

- The list of Supply chain vendors and Business Partners of TCS Norway were reviewed; most of them are Norwegian and consequently also subject to the Norwegian Transparency Act.
- Suppliers have been shortlisted using a risk-based approach, using elements such as their geographical footprint (e.g., country of incorporation and production), the nature of their product or service input, the spend and our experiences working with them.
- A screening of public sources has been conducted for shortlisted suppliers, considering industry risk, the identified risks to working hours, discrimination and equal opportunity, wages and benefits and other labour-related rights, as well as the occurrence or likelihood of occurrence thereof.
- A self-declaration by shortlisted suppliers is being obtained to identify risks related to human rights and working conditions in their operations.

There have been no adverse findings / significant risks identified in the past year. The activities for 2023-24 will continue to build on the activities being undertaken.

#### **7 Effectiveness of actions and residual risk**

TCS is in the knowledge-based industry and its activities involve low risk of Modern Slavery and adverse working conditions. TCS continues to promote respect for fundamental human rights and decent working conditions within its scope of business and addresses it through the Code of Conduct, Policies and Procedures. As regards to our supply chain, our engagement process with them and the Codes governing their appointment ensure that the risk of Modern Slavery and adverse consequences to human rights and working conditions are minimal.

To address any residual risk, TCS is continuously reviewing policies and procedures for improvement, and assessing the effectiveness of measures taken in this regard on an ongoing basis using the following key performance indicators:

- Associate training
- Actions taken based on effective supply chain auditing and verification
- Observations from Internal Audits
- Investigations and outcomes of reports of Modern Slavery and Human Rights violations in the operations or in the supply chain, if any.

*This statement is approved by the Board of Directors on 12 July 2023 and is signed on their behalf by,*

**Milind Lakkad**

**Chief Human Resources Officer**