



Modern slavery statement FY2020

Reporting period:
1 January, 2020 - 31 December 2020

ABN 99 088 279 761

/thoughtworks

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Introduction

This statement is made by Thoughtworks Australia Pty Ltd (ABN 99 088 279 761), an Australian company with its registered office at Level 10, 50 Carrington Street, Sydney NSW 2000, in accordance with the requirements of Section 14 of the Modern Slavery Act 2018 (Cth) covering the financial year ending 31 December 2020.

Thoughtworks' Purpose is *to create an extraordinary impact on the world through our culture and technology excellence*. We abhor and reject discrimination and inequality, and promote diversity in all its forms. We encourage and support each other; and value honesty and transparency. We believe ideas and doing the right things are more important than appearances and backgrounds. As technologists, we have a unique role to play in how technology should benefit all of society, pursuing a more equitable future. Part of that role is to continuously educate ourselves on the issues that matter to the causes we believe in. We recognise our privilege and strive to see the world from the perspective of the most vulnerable. More information on Thoughtworks' social change mission can be found at

<https://www.thoughtworks.com/social-change>.

Structure and operation

Founded in 1993, Thoughtworks is a privately owned global professional IT services company, specialising in the delivery of highly strategic IT consulting as well as development of custom software solutions with a client base consisting primarily of Fortune 1000 organisations.

Thoughtworks Australia is 100% owned by Thoughtworks Holdings Ltd, a holding company part of the global Thoughtworks group of companies, which are ultimately owned by Thoughtworks Inc., (a company incorporated in Chicago). Thoughtworks Australia does not own or control any other subsidiaries.

In addition to the headquarter in Chicago, the Thoughtworks group has offices located throughout the United States, as well as wholly-owned subsidiaries in 17 other countries including Australia, Brazil, Canada, China, Germany, India, Singapore, and the UK with 8000+ employees globally. In Australia, Thoughtworks Australia operates 3 offices in Sydney, Melbourne and Brisbane with over 300 employees.

Supply chain

Given Thoughtworks' main business operation is the provision of professional services via our consultants, our supply chain is relatively simple. The top 3 categories of Thoughtworks Australia' procurement spend (account for approximately 84% of the total spend) for the last financial year, in order of spend, are:

1. **Office services:** rent, cleaning services and catering suppliers
2. **Professional services:** tax advisors, payroll agent, legal advice, marketing services
3. **Travel:** accommodation, hire car, meals

The majority of these suppliers are based in Australia.

Thoughtworks Australia also receives distributed professional services (offshore delivery centres and centralised business process services) from our affiliate companies in China, India, Singapore and Thailand.

Risks of modern slavery in Thoughtworks operations and supply chain

During this reporting period, in assessing the risks of modern slavery for Thoughtworks Australia, we have looked at the following aspects:

Risks in our operation

Thoughtworks prides itself on maintaining high standards of integrity and has workplace policies to ensure that all our employees are treated with respect regardless of gender, race, religion, ethnicity, age, sexual orientation, national origin, disability or any other protected characteristics. We strongly support the aim of eradicating modern slavery, forced labour and human trafficking and are committed to acting ethically and with transparency in our internal business operations and are committed to implementing the appropriate measures to ensure that the same standard is applied to external suppliers. Fostering a safe and healthy working environment for employees and supplier staff is of significant importance to our business and is supported by various workplace policies, including our Code of Conduct. As a professional services company, our workforce consists mainly of skilled labour. Prospective employees are subject to rigorous due diligence process in

ensuring the risks of modern slavery in relation to our employees is minimised, as described in the mitigation section below. Thus we assess the risks of modern slavery in our operations to be low.

More information about our people and culture can be found here:

<https://www.thoughtworks.com/about-us/our-purpose>

<https://www.thoughtworks.com/about-us/diversity-and-inclusion>

Risks in our supply chain

Thoughtworks operates as a group business which means that the business structure, standards, policies and procedures are similar and aligned between all of the entities in the group. This includes standards and practices in recruitment and human resources as well as shared global policies and processes such as procurement and compliance functions. Thus we see little risks of modern slavery in the operations of our affiliate in China, India, Singapore and Thailand.

Our supply chain is also relatively small and simple given the nature of our business. We also do not require procurements of goods and services in high risk countries or industries.

Thus far, we have not been made aware of any allegations of forced labour or modern slavery incidents in any of our suppliers.

Risks factors

In making the above risk assessment, we have also considered the following factors:

Sector and industry risks: Certain sectors and industries may have high modern slavery risks because of their characteristics, products and processes such as manufacturing. Thoughtworks Australia as a premium professional IT service provider is likely to not be considered a high risk industry given the nature of highly specialised skills and knowledge required from our employees as well as the extensive formal recruitment process potential candidates are required to undergo. In our supply chain, we mainly deal with smaller, local vendors on a one-off basis which are not in the high risk industries.

Product and services risks: Thoughtworks recognise that certain products and services may have high modern slavery risks because of the way they are produced, provided or used such as services that often involve lower wages and manual labour. From our supply chain, we believe that the office cleaning service providers are likely to belong to the high risk industry category and as such have taken steps to mitigate the risks associated with these providers as described in the mitigation below. This currently represents a small portion of Thoughtworks' Australia procurement spend. For vendors that provide professional services, they are typically from major firms such as EY and PWC and would be subject to the same modern slavery reporting requirements under the legislation.

Geographic risks: Some countries may have higher risks of modern slavery, including due to poor governance, weak rule of law, conflict, migration flows and socio economic factors like poverty. This is also a low risk for Thoughtworks as the majority of our suppliers are based in Australia. We acknowledge countries such as Thailand, India and China where we are receiving intra-company services from, may be considered high risk countries. However we are confident this is low risk in the case of the Thoughtworks group as Thoughtworks entities operate similarly in the core aspects across all the countries to ensure the same level of service quality delivered to our clients as well as adhering to our core values of equality and transparency.

Entity risks: Some entities may have particular modern slavery risks because they have poor governance structures, a record of treating workers poorly or a track record of human rights violations. Thoughtworks Australia considers these to be predominantly in the manufacturing, resources and retail industry and as such are not directly linked to our current supply chain.

Notwithstanding the above, Thoughtworks recognises that even where these risks may not have been identified, there is the potential for them to exist, particularly deep in the supply chain. Our Procurement function and the online portal used to manage suppliers have only been recently established in the last 12 months thus we are still in the process of obtaining better visibility of the entirety of our supply chain and will continue to proactively monitor the risks.

Mitigation actions to address the risks

Our employees in Australia undergo an extensive recruitment process that includes verifying an individual's right to work in Australia via VEVO using copies of the

employee's identification and visa documents, execution of an employment contract with terms adhering to the Fair Work requirements, including the National Employment Standards. All new employees are also provided with a Fair Work Information Statement. We do not retain any of the employees' original identity documents nor make any unauthorised deductions from the employees' payroll. We also provide our employees with a number of benefits as outlined here <https://www.thoughtworks.com/careers/au/benefits>

In addition, due to the nature of our global businesses which requires employees to travel to or from any of our group companies based outside of Australia, through our Mobility function, Thoughtworks takes measures to ensure that this only takes place in adherence to local immigration rules including but not limited to compliance with relevant local employment laws and wages standards.

In relation to our supply chain, all new suppliers onboarded to our procurement portal is required to make a commitment to "eliminating modern slavery, forced labour or human trafficking in their supply chains and in any of their corporate activities". They are also required to comply with our Code of Conduct as well as relevant laws and regulations, as per our standard contractual terms. Suppliers are also required to notify us of any breaches of the Code. In addition, as we have identified a number of cleaning service suppliers who may be in the high risk sector, we have conducted a due diligence activity with them to obtain a better understanding of the potential risks.

We have also established a global Procurement function with a formal supplier vetting process to increase the maturity of our supplier due diligence program. This would help with not only the initial onboarding of suppliers but also provide a checkpoint for further re-assessment and monitoring of such suppliers as the relationship grows. Via the Procurement function, we aim to strengthen our collaborative relationship with any long-term supplier and communicate clearer expectations around minimising the risks of Modern Slavery in their supply chain and operations. In addition, our Procurement function has provided guidance to the business on selecting socially aligned suppliers, including checking compliance with local anti-slavery laws.

We also have a number of policies that allow both our employees and suppliers to report concerns, suspicions and breaches of the Code of Conduct, including those relating to modern slavery:

- Code of Conduct - <https://files.thoughtworks.com/pdfs/code-of-conduct-en.pdf>

- Work Health & Safety Policy
- Whistleblowing Policy

Assessment of effectiveness of mitigation actions

To monitor the effectiveness of the risk mitigation actions above, Thoughtworks rely on the close collaboration between different functions such as Procurement, Compliance, Legal, Recruitment and People (HR) to act as checks and balances against any risk of modern slavery contravention. We believe at this stage, the Procurement review process and close collaboration between the functions is commensurate with the low risk profile of our supply chain and operations. Should the risk assessment change, particularly if there is an introduction of a new high-risk supplier or when the nature of our procurement changes, we will consider whether there is a need to establish a more formal review process between the functions or additional mechanisms such as auditing of suppliers to monitor the effectiveness of the mitigations.

Consultation and Approval

This statement is made by Thoughtworks Australia Pty Ltd (ABN 99 088 279 761) as a reporting entity in accordance with the requirements of the Modern Slavery Act 2018 (Cth) covering the period from 1 January 2020 to 31 December 2020.

This Statement has been circulated to the Board of Directors of Thoughtworks Australia for review and comment. The Board of Directors has approved this statement which is signed on their behalf by the Director designated below, on 8 June 2021, and the information in this statement is accurate as at that date.

DocuSigned by:

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Kristan Vingrys

Managing Director, Thoughtworks Australia

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