



## STATEMENT AGAINST MODERN SLAVERY

This statement sets out the steps Cerner Corporation and its controlled subsidiaries – including Cerner Limited and Cerner Corporation Pty Limited (ABN 23 051 063 435) (collectively, “Cerner”, “we”, “our” or “us”) – have taken to ensure that slavery, human trafficking, child labor and forced labor are not taking place in its business or its supply chains. As part of our overall commitment to supporting human rights around the world, we oppose and prohibit all forms of modern slavery, and we expect the same from our suppliers and business associates.

We are issuing this statement pursuant to the UK Modern Slavery Act and the Australia Modern Slavery Act, which require Cerner and certain of our subsidiaries to disclose efforts to ensure that modern slavery is not taking place in our supply chains and business operations. This statement covers our 2020 financial year (January 1, 2020 – December 31, 2020).

### **Business and Organization**

Cerner is a leading supplier of health care information technology ("HCIT") solutions and tech-enabled services. Our mission is to relentlessly seek breakthrough innovation that will shape health care of tomorrow. We offer a wide range of intelligent solutions and tech-enabled services that support the clinical, financial and operational needs of organizations of all sizes. Cerner® solutions and services help clinicians make care decisions and assist organizations in managing the health of their populations. Cerner also offers integrated clinical and financial systems to help manage day-to-day revenue functions, as well as a wide range of services to support clinical, financial and operational needs.

Cerner is headquartered in the United States and operates globally, primarily in Australia, Canada, Europe, India and the Middle East. Cerner Corporation started doing business in 1980, is a public company which trades on the Nasdaq stock exchange under the symbol "CERN", and is headquartered in Kansas City, Missouri. Cerner Corporation Pty Limited (ABN 23 051 063 435) and Cerner Limited are wholly owned, indirect subsidiaries of Cerner Corporation. Cerner Corporation Pty Limited has its registered office and principal place of business at Level 13 & 14, 1 Pacific Highway, North Sydney, NSW 2060, Australia, and Cerner Limited has its registered office and principal place of business at 6th Floor, The Point, 37 North Wharf Road, London W2 1AF.

Cerner employed approximately 26,400 associates worldwide as of December 31, 2020. Of that total population, approximately 74% of our associates were employed in the United States and the remaining associates were employed outside the United States. As reported in Cerner’s [annual report on Form 10-K for the year ended December 31, 2020](#), approximately 35% of our associates

work in professional services (implementation, training, consulting and other services), 27% of our associates work in development (coding and engineering), 10% of our associates work in managed services (hosting), and the remaining associates work in other areas with no such area making up 10% or more of our associate base. Cerner reported revenues of \$5.5 billion USD for the year ended December 31, 2020. More information about our business and organization can be found in Cerner’s other filings with the U.S. Securities and Exchange Commission ([www.sec.gov](http://www.sec.gov)).

Cerner is a healthcare IT company that does not engage in any industries flagged as presenting a high-risk opportunity for modern slavery. Cerner does not generally rely on supply chains for the services it provides, instead leveraging its own employees.

Cerner leverages long-standing supplier relationships to globally source Cerner's largest investments in technology and professional services. The primary goods and services Cerner procures include software, hardware, and IP development services. Cerner’s primary supplier relationships in the UK and Australia provide infrastructure and technology in support of Cerner’s remote hosting business. These stable relationships help to ensure continuity among Cerner’s products and services and its internal business operations, including broader compliance requirements.

## **Values and Policies**

### *Global Code of Conduct*

Cerner recognizes its social responsibility in the communities in which it operates. A core tenet of Cerner’s [Global Code of Conduct](#) is to conduct Cerner’s business in an ethical manner and with great integrity, and simply to “Do the Right Thing.” The Global Code of Conduct, and the various written policies that support it, are designed to create a culture of ethics and integrity and to facilitate compliance with the laws of all jurisdictions in which Cerner operates. Cerner’s Global Code of Conduct is translated from English into French, German, Portuguese and Spanish to ensure our associates can access and understand it.

### *Anti-Human Trafficking Policy*

In addition to Cerner’s Global Code of Conduct, Cerner has adopted an [Anti-Human Trafficking Policy](#), which further prohibits Cerner, its associates, directors, officers, consultants, contractors, distributors, agents, local sponsors and any other business partner from:

- Engaging in severe forms<sup>1</sup> of trafficking in persons;
- Procuring commercial sex acts in association with Cerner business;

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<sup>1</sup> “Severe forms of trafficking” includes sex trafficking in which a commercial sex act is induced by force, fraud or coercion, or involves a minor, or the recruitment, harboring, transportation, provision or obtaining of a person for labor or services through the use of force, fraud, or coercion for the purposes of subjection to involuntary servitude, debt bondage, peonage or slavery.

- Using forced labor in the performance of any Cerner contract;
- Destroying, concealing, confiscating, or otherwise denying access by an employee to the employee's identity or immigration documents;
- Using misleading or fraudulent recruiting practices;
- Charging employees recruitment fees;
- Failing to pay return transportation costs at the end of employment for an employee who was brought by Cerner outside that employee's nation of residence to work on a U.S. government contract or subcontract, unless the employee is legally permitted to remain in the country of employment and chooses to do so;
- Providing or arranging housing that fails to meet the host country housing and safety standards; and
- If required by law or contract, failing to provide an employment contract, recruitment agreement or similar work document in writing in a language the employee understands and at least five days prior to the employee departing from his or her country of origin if the employee is required to relocate to perform the work.

This Anti-Human Trafficking Policy sets forth Cerner's commitment to working to mitigate the risk of human trafficking and forced labor in all aspects of our business. Cerner is strongly opposed to human trafficking and forced labor in any form and is committed to acting ethically and with integrity in all its business dealings and relationships.

Cerner associates and business partners who become aware of a violation of our Anti-Human Trafficking Policy are strongly encouraged to report this to Cerner's legal team or to the Cerner Ethics & Whistleblower Hotline, a mechanism set up in part to allow people to safely report modern slavery risks in Cerner's operations and supply chains.

### *Conflict Minerals Policy*

Separate yet interrelated to Cerner's Anti-Human Trafficking Policy and Cerner's Global Code of Conduct is Cerner's [Conflict Minerals Policy](#).

Cerner supports efforts to end the human suffering and environmental impact that has been associated with mining in the Democratic Republic of Congo and adjoining countries<sup>2</sup> ("Covered Countries"). We are committed to meeting all legislative and regulatory requirements that seek to eradicate this suffering; we also support greater transparency with regard to our supply chain, in particular the sourcing of Conflict Minerals<sup>3</sup>. Accordingly, we have adopted a Conflict Minerals Policy, and we expect our suppliers to adopt a similar policy and meet our expectations below.

Tracing the origin and chain of custody of minerals throughout a global supply chain is a complex process which can only be accomplished with the cooperation and support of a vast number of

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<sup>2</sup> Angola, Burundi, Central African Republic, Republic of Congo, Rwanda, South Sudan, Tanzania, Uganda, Zambia.

<sup>3</sup> Cassiterite, columbite-tantalite, gold, wolframite and their derivatives (tantalum, tin and tungsten).

industries and public and private stakeholders. To this end, we have the following expectations of our suppliers and their suppliers to acquire minerals only from responsible sources:

- Suppliers should not supply us with any products or other materials that directly or indirectly finance or benefit armed groups in the Covered Countries;
- Suppliers should use their best efforts to source Conflict Minerals only from sources that are identified as DRC Conflict Free;
- Suppliers should develop policies, procedures, due diligence processes and management systems that are reasonably designed to prevent products or minerals that are not DRC Conflict Free from entering our supply chain and to provide transparency as to the source of any Conflict Minerals;
- Suppliers are expected to take steps to identify the steps in the supply chain through which Conflict Minerals are introduced, and to undertake all due diligence efforts necessary to identify the smelter, refiner and/or mine from which Conflict Minerals originate, including requiring direct or indirect suppliers to our suppliers to cooperate in diligence efforts and to provide any information necessary to facilitate our compliance efforts with respect to the Conflict Minerals Rules; and
- Suppliers are encouraged to support industry efforts to enhance the traceability and responsible sourcing of Conflict Minerals.

In seeking to meet these expectations, our suppliers will be expected to:

- Implement and communicate policies that are consistent with this Conflict Minerals Policy, and require that their direct and indirect suppliers do the same;
- Establish procedures and contractual provisions that facilitate the traceability of Conflict Minerals within our supply chain;
- Provide us with timely and accurate information, at our request, regarding the source of Conflict Minerals in our supply chain and the steps that have been undertaken to determine whether such products and materials directly or indirectly finance or benefit armed groups in the Covered Countries, including whether the source has been verified by a recognized, independent third party;
- Use reasonable efforts to source Conflict Minerals from smelters and refiners that have been validated by a recognized, independent third party as DRC Conflict Free; and
- Advise us as promptly as possible of any determination that any products or materials in the supply chain are not DRC Conflict Free.

We evaluate our relationship with our suppliers on an ongoing basis, and we reserve the right to evaluate the extent to which a supplier has failed to reasonably comply with this Conflict Minerals Policy. If we determine that a supplier's efforts are deficient, we reserve the right to evaluate the supplier relationship and to take any appropriate action, including terminating our relationship with the supplier.

## **Our Modern Slavery Risks**

Modern slavery experts and leading non-governmental organizations play a key role in helping us identify modern slavery risks associated with our supply chain and operations. While modern slavery can be found among any population, we recognize certain groups are particularly vulnerable, including:

- Domestic and foreign migrant workers;
- Contract, agency, and temporary workers;
- Vulnerable populations (e.g., refugees); and
- Young or student workers.

While modern slavery can be found in all countries, some countries are associated with a higher risk for modern slavery, for example, countries with large populations of migrant workers, with weaker labor law enforcement, where charging workers recruitment fees is common practice, or where modern slavery prevalence has been well documented. Based on the Global Slavery Index and review of our business and supply chain footprint, we understand that those of the countries in which we do business, such as India, Malaysia and Egypt, may present higher risks for modern slavery, requiring additional due diligence, partnership, and collaboration.

Cerner, as a healthcare IT company, does not engage in any of the industries or hire or engage those groups (other than contractors and contingent workforce to perform professional services from time to time) flagged as presenting a high-risk opportunity for modern slavery. Although Cerner does not generally rely on supply chains for the services it provides, instead leveraging its own employees, we work to ensure that we do not knowingly engage with suppliers that violate the spirit of applicable labor laws. Notwithstanding the relatively low risk in our business, we understand the importance of combatting slavery and human trafficking and are committed to preventing modern slavery in our business and in our supply chains.

## **Actions Taken to Assess and Address Risks**

We have taken a risk-based approach to monitor our business and suppliers, which we believe allows us to allocate resources appropriately and effectively.

### *Compliance Program*

As part of the Company's compliance programs, Cerner associates receive training on acting ethically and in accordance with Cerner's Global Code of Conduct. We have established multiple channels through which our associates, contractors and suppliers can report concerns of unlawful or unethical conduct without fear of retaliation.

## *Supply Chain and Due Diligence*

We have implemented a [Supplier Code of Conduct](#) (“Supplier Code”) that applies to suppliers, contractors, consultants, vendors, distributors, and other third parties, including, without limitation, the agents, subsidiaries, affiliates and subcontractors of such entities and individuals, that provide products or services to, on behalf of or for the benefit of Cerner or Cerner’s clients. The Supplier Code sets out the minimum ethical and legal expectations for our Suppliers in connection with any Cerner business and is designed to deter wrongdoing and promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- compliance with applicable laws, rules, and regulations, including relevant labor laws;
- the prompt reporting of unethical or unlawful situations and violations of the Supplier Code; and
- accountability for adherence to the Supplier Code.

Specifically, the Supplier Code provides that for entities in the supply chain:

- Forced, bonded, or indentured labour or involuntary prison labour must not be used. All work performed must be voluntary, and workers must be free to leave upon giving reasonable notice and at their own will;
- Workers must not be required to forfeit any documents related to travel, work authorization, immigration, identification, or other similar personal documentation, as a condition of employment;
- Child workers may not be used. We do support the use of legitimate workplace apprentice or internship programs, in compliance with all applicable laws and regulations;
- Workdays and workweeks may not exceed the maximum set by applicable local law. Workers will be allowed at least one day off per seven-day week, and excessive, mandatory overtime is prohibited;
- Compensation of all workers will comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. All workers must be paid in a timely manner;
- There will be no harsh or inhumane treatment, or the threat of any harsh or inhumane treatment, toward workers, including any bullying or harassment, sexual harassment, sexual abuse, corporal punishment, or mental or physical coercion;
- They must implement its own due diligence procedures for its suppliers, agents, representatives, vendors or other third-party resources to detect and prevent violations of applicable laws prohibiting human trafficking, forced labour and other forms of modern slavery;
- They must be committed to a workforce free of harassment and unlawful discrimination;

- They must not unlawfully interfere with the rights of workers to associate freely, join or not join labour unions, seek representation or join workers' councils in accordance with local laws; and
- They must not unlawfully lay off workers, including temporary layoffs to promote or increase revenue and turnover.

### *Investigations and Violations*

The prevention, detection, and reporting of modern slavery violations is the responsibility of all Cerner associates and business partners. Any Cerner associate or business partner who is aware of a violation or potential violation is encouraged to report such activity to Cerner's Legal Group, to their HR Partner, to Associate Relations or via the [Cerner Ethics & Whistleblower Hotline](#), without fear of retaliation. We promote these reporting options through our intranet, internal policies, reminder campaigns, and trainings.

If a modern slavery concern is raised through the hotline or other reporting channels, our Legal, Human Resources/Associate Relations (if applicable) and Compliance Teams will coordinate with appropriate stakeholders to investigate and address the issue. If a reported concern is substantiated, the corrective response may involve working with the supplier or associate to ensure that the issue is addressed or, if that is not possible, terminating the associate or supplier, as applicable and as permitted by local law. Also, any Cerner associate or business partner who knowingly fails to report a violation will be subject to appropriate corrective and/or disciplinary action, up to and including dismissal or termination of employment or engagement as appropriate and as permitted by local law.

### *Evaluation of Suppliers*

We evaluate our relationship with our suppliers on an ongoing basis, and we reserve the right to evaluate the extent to which a supplier has failed to reasonably comply with applicable local laws, our Global Code of Conduct and, to the extent relevant, our Supplier Code. If we determine that a supplier's efforts are deficient, we reserve the right to evaluate our relationship with such supplier and to take any appropriate action, including terminating our relationship with the supplier.

Some of Cerner's suppliers are located in countries that may be more vulnerable to human rights abuses or corruption than others. Cerner conducts varying levels of due diligence on its suppliers and other business associates, depending on the potential risk presented by that relationship. In instances where risk is greater, suppliers' records may be audited for compliance.

The Company has implemented a standardized assessment process to gauge adherence to legal requirements for suppliers that potentially pose a higher risk to our business. For example, the Company's Supply Chain Team is responsible for completing an initial vendor risk screen when contemplating a new global supplier relationship. This assessment is based on information about the supplier's business, both that is provided by the supplier and publicly available, and the risk

the supplier poses with respect to modern slavery and other unlawful business practices. The Supply Chain Team also identifies issues, communicates to executive leadership, escalates for decision-making purposes and supports the overall negotiation and communication process throughout the supplier engagement, as appropriate. Additionally, our supplier agreements include language that requires all suppliers to comply with all applicable laws in the country in which they are operating, and new supplier agreements will include reference to compliance with applicable laws regarding human trafficking, forced labor and other forms of modern slavery. To date, we have not identified or been informed of any incidents of slavery and human trafficking within our business or supply chain.

### **Impacts of COVID-19 Pandemic**

Our focus on health and safety and human rights has continued through the challenges of the COVID-19 pandemic. Throughout the COVID-19 pandemic, we have acted to support our associates (employees), clients and communities during these challenging times, responded to the associated business impact and developed processes to ensure we were meeting the needs of our clients. These actions have included:

- Transitioning all associates whose work allowed to a virtual environment.
- Mobilizing a taskforce to provide work-from-home and travel guidance based on information from the World Health Organization, the U.S. Centers for Disease Control and other global health agencies and input from provider clients.
- Enhancing health, wellness and family resources for our associates.
- Supporting our communities with community giving, including donations of meals for healthcare professionals and first responders, personal protective equipment and hand sanitizer for students.
- Hosting a series of mass COVID-19 vaccination events at our World Headquarters through a collaboration with North Kansas City Hospital, Liberty Hospital, Clay County Public Health Center and cities within Clay County.
- We have implemented social distancing measures as we plan towards re-introducing colleagues back into our business premises once it is safe to do so in line with applicable guidance.

We are continuously monitoring the situation and reviewing our existing measures in line with applicable government guidance. The Boards of Directors of all Cerner entities have been kept up to date throughout the pandemic regarding risk levels and mitigation plans.

### **Consultation**

In order to prepare this statement, Cerner Corporation engaged with Cerner Limited and Cerner Corporation Pty Limited and consulted with them about the contents of this statement.

## **Assessing the Effectiveness of our Actions & Moving Forward**

Modern slavery remains a complex challenge. We recognize that our policies and procedures seeking to address modern slavery risks require ongoing review to identify potential enhancements. We will continue to review our processes and controls to determine what enhancements may be warranted, including as our understanding of modern slavery risks evolves.

This Modern Slavery Act Statement has been reviewed and approved by the Cerner Corporation Board of Directors and is issued by Cerner Corporation, Cerner Limited and Cerner Corporation Pty Limited.

A handwritten signature in black ink, appearing to read "Brent Shafer". The signature is fluid and cursive, with the first name "Brent" being more prominent than the last name "Shafer".

**Brent Shafer**

Chairman of the Board and CEO

Cerner Corporation

September 9, 2021