

SAS Institute Australia Pty. Limited - Modern Slavery Statement 2022

1. Introduction

SAS is committed to the highest ethical standards in our dealings with customers, suppliers, and competitors. As a result, we are known as a great place to work, a great business partner, and a valued community member. SAS commits to acting with integrity and transparency in all its business dealings and operating responsibly, including establishing and adhering to the goal of identifying and working with its supply chain to eradicate the various forms of slavery.

This statement, made pursuant to section 13 of the *Modern Slavery Act 2018* (Cth) (the 'Act'), is published by SAS Institute Australia Pty. Limited (SAS Australia), ACN 002 287 247. This statement covers SAS Australia's reporting period ending 31 December 2022. The purpose of this statement is to outline our approach to ensuring that SAS Australia has the frameworks and processes in place to minimise the risks of modern slavery in our business operations and supply chain.

SAS acknowledges that modern slavery can occur in many forms as detailed in the Act including the eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour. The worst forms of child labour means situations where children are subjected to slavery or similar practices, or engaged in hazardous work.

For additional information about SAS' strong focus on an ethical culture, the requirements we place on our suppliers and any party acting on SAS' behalf, procurement and our social responsibility initiatives, human rights, and whistleblowing please refer to the following documents:

1. Code of Ethics
https://www.sas.com/content/dam/SAS/en_us/doc/other1/code-of-ethics.pdf
2. Business Partner Code of Conduct:
https://www.sas.com/content/dam/SAS/en_us/doc/other1/csr-supplier-code-of-conduct.pdf
3. Sustainable Procurement Charter:
https://www.sas.com/content/dam/SAS/en_us/doc/other1/csr-sustainable-procurement-charter.pdf
4. Corporate Social Responsibility Report 2021-2022
https://www.sas.com/content/dam/SAS/en_us/doc/other1/csr-107835.pdf

5. The United Nations Global Compact, which commits companies to 10 guiding principles on human rights, labour rights, environmental protection, and measures to fight corruption, an organization of which SAS Inc. has been a member since 2011 (<http://www.unglobalcompact.org/>)

2. Our structure, operations and business

SAS is a leader in advanced analytics software and related services. Through innovative analytics, business intelligence and data management software and services, SAS helps customers at more than 80,000 sites make better decisions faster. Since 1976, SAS has been giving customers around the world the word THE POWER TO KNOW®.

SAS Australia is directly owned by SAS Institute Inc. (SAS) with its head office in North Carolina, USA. SAS employs approximately 12,000 personnel worldwide, with customers in nearly 150 countries. SAS Australia employs approximately 250 people, all residing within Australia, and had annual revenue in excess of \$100 million for the calendar year ended 31 December 2022.

3. Risk identification and management

As a provider of software and associated services, SAS Australia does not operate within a higher-risk industry for modern slavery, nevertheless SAS Australia does obtain goods for use in its business and corporate services (such as cleaning and facilities maintenance services), where there may be an increased risk of modern slavery due to the place of manufacture of the goods or predominant demographics of participants in the industries where these services are acquired. SAS Australia is committed to taking steps to minimise any potential risks not only within its own business but its supply chain.

SAS Australia's supply chain is comprised largely of employee and related costs, software licenses and cloud infrastructure from SAS Inc., rental of office premises and related costs, the procurement of technology for internal usage, professional service costs and third-party contractor costs, along with business development activities. The risk of modern slavery is most prevalent in relation to the procurement of technology. The place of manufacture of technology goods which SAS Australia procures is often jurisdictions which have higher numbers of persons subject to modern slavery.

Over the last two years, SAS Australia has undertaken a review of the potential risk of modern slavery practices across our operations and supply chain taking into consideration a segmentation of the value of spend as covered above and focussed our reviews of publicly available information for non-labour related expenditure. This process involved analysis of financial and other data and identified technology and corporate services as areas which require additional focus and vigilance. SAS Australia is also using these results to prioritise its supplier engagement activities for future years, as well as continuing its review of major spend suppliers.

To manage the risks of modern slavery in our supply chain, SAS Australia has undertaken the following measures:

- Segmented expenditure by vendor and commenced a review of publicly available information about the steps that SAS Australia's non-labour major vendors have in place for identifying, managing and minimising the risk of modern slavery in their supply chains;
- Completed a mandatory questionnaire template that require existing key suppliers to complete based on our risk assessment;
- Introduced a mandatory questionnaire to new suppliers to enable an initial risk assessment;
- Continued the cadence of mandatory on-line training of SAS' Code of Ethics; and
- Communicated this Statement to all staff and emphasised the zero tolerance that the Company has on modern slavery; and
- The setting up and communication of the Whistleblower Policy where confidential complaints/reports can be made directly to the SAS Compliance Department, via email, phone or mail or via the Whistleblower Policy complaints process.

SAS Australia is committed to investigating any report of potential incidences of modern slavery occurring anywhere in its operations or supply chains and would take all appropriate steps to rectify any confirmed incidences of modern slavery in its operations or supply chains. SAS Australia would work collaboratively with its suppliers and, if necessary, their suppliers, to achieve these goals. If, for any reason, progress in this regard was not possible, SAS Australia would take steps to sever its connections to the offending supplier or sub-supplier.

4. Assessing effectiveness and ongoing risk assessment

SAS Australia has continued to grow awareness in our business about the existence of modern slavery and the processes we have put in place to address the risks of modern slavery practices occurring in our operations and supply chains. Taking further steps to raise awareness of modern slavery among our suppliers and to more precisely identify risks within our supply chains will become a means of measuring the effectiveness of our actions.

More specifically, during 2022, SAS Australia observed continued awareness and engagement of personnel in identifying and mitigating the risks of modern slavery. The mandatory key and new supplier questionnaires have been adopted by the business. The responses to the questionnaires have on occasion, alerted SAS Australia to risks amongst its vendors, and enabled SAS to undertake further steps to investigate the risk. This is at least one key way in which SAS Australia is able to measure the effectiveness of the actions it has taken over the reporting period.

In subsequent years, SAS Australia will review the results of the mandatory key and new supplier questionnaires and consider the need for audits based on our assessment of the risks and the supplier responses.

SAS Australia will work to increase collaboration with internal and external stakeholders to prevent and address any contribution that SAS may have to the global issue of modern slavery.

SAS Australia will achieve this by focusing on raising awareness of the forms of modern slavery among our employees and suppliers, continuing to evolve our due diligence processes to aid in the identification of risks, expanding the scope of our supply chain risk assessment, reviewing existing processes and exploring ways to improve identification and action on risks throughout our supply chain.

5. Board of Directors approval

This statement was approved by the SAS Australia's Board of Directors on June 28, 2023.

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Steven Richards

Director, SAS Institute Australia Pty. Limited