

Conduent Corporate Social Responsibility Report 2021



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Message from our President and CEO

In 2021, we continued our mission to deliver essential services and solutions to our clients. We understand that this comes with a significant responsibility to society, and we are continuously working to empower our associates, support our global communities and operate responsibly across every interaction. Despite the ongoing challenges of the COVID-19 pandemic, we continued to expand our Environmental, Social and Governance (ESG) initiatives, which align with the United Nations' Sustainable Development Goals (SDGs) and the Sustainability Accounting Standards Board (SASB) framework.

This 2021 Corporate Social Responsibility report outlines our ongoing commitment to conduct business sustainably and responsibly to better serve our stakeholders.

Protecting our planet

We remain focused on reducing the overall environmental footprint of our operations. In addition, we've expanded our disclosures to include our first response to the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.

We recycled over 36,000 pieces of electronic equipment globally last year. This accomplishment was, in part, the result of a multi-year data center migration project to state-of-the-art, more energy-efficient facilities. Consolidating our data centers and other facilities has not only helped our recycling efforts, but also contributed to our progress on reducing our greenhouse gas emissions. Solutions such as electronic tolling and digital payment cards represent other ways we are minimizing the environmental footprint for our clients and communities.

Supporting our people, communities and mission-critical solutions for clients

We believe that to take care of our clients effectively, we must first take care of our associates. By supporting initiatives that promote learning, well-being and diversity, we can not only positively impact our community of associates, but also the communities where they live and work. At Conduent, we are one team with one mission, and we are committed to creating an environment where each of our team members can be themselves, grow and thrive — while making a difference for others.

We were honored to be recognized by *Forbes Magazine* as one of the Best Employers for Diversity and as a Best Place to Work for LGBTQ+ Equality and Diversity by the Human Rights Campaign (HRC) Foundation and Comparably respectively.

With a strong global culture, our associates have the support and environment they need to deliver mission-critical services and solutions to millions of people who count on us every day. These essential interactions include getting benefit dollars into the hands of people who need them, supporting consumers with an effective and empathetic customer experience, helping health insurance plan members with billing and enrollment and enabling seamless travel experiences.

Beyond their daily work, Conduent associates participated in over 2,300 volunteer hours. This dedication contributes to the five UN SDGs outlined in this report and demonstrates the commitment of our associates to their communities and our clients.

Responsibly governing our business

We strive to not only operate in alignment with industry standards, but also act as a role model of ethical behavior. Starting with the highest levels of our company, including our board of directors, we promote accountability and transparency through oversight and enterprise risk management. The Corporate Social Responsibility (CSR) and Public Policy Committee of our board of directors assists with prioritizing the ESG focus areas found throughout this report.

Our associates are dedicated to completing their work ethically and in alignment with our Code of Conduct. To lead by example, our senior leaders also certify their commitment to communicating and upholding ethics and compliance guidelines annually within their organizations.

Thanks to the hard work of our associates, we have continued to advance our ESG commitments as outlined in this report. Our goal is to be the business services partner of choice while driving progress and disclosure across our ESG initiatives. I am proud to be partnered with such a dedicated team who works hard on behalf of our clients, our communities and each other.



A handwritten signature in black ink, appearing to read 'Cliff Skelton'.

Cliff Skelton
Conduent President and CEO

About Conduent

At Conduent, our purpose is to deliver mission-critical services and solutions on behalf of businesses and governments — creating exceptional outcomes for our clients and the millions of people who count on them. Our extensive portfolio of services and solutions spans complete value chains across diverse business processes and industries where we handle millions of interactions every day.

Each of those interactions — whether it's an inquiry, transaction, payment, communication, claim or many other opportunities to serve — includes unique, individualized information sets that must be managed punctually, accurately and securely to ensure a seamless and effective experience for end users.

Through dedicated people, process expertise and technology, such as analytics and automation, Conduent services and solutions deliver value for clients — by improving experiences, creating efficiencies, reducing costs and enabling revenue growth while better serving millions who depend on them.

We recognize that the work we do comes with significant responsibilities to society. That's why we're continuously working on ways to empower our associates, strengthen our global communities and infuse responsibility into every interaction.

It's also why our policies and business practices are rooted in a commitment to timeless values, such as communication, teamwork, inclusion, humility and accountability. This commitment not only guides the services and solutions we develop but also how we operate and contribute to society around the world.

Our businesses



Commercial

Enhancing customer experience and business process efficiency across the enterprise

- Customer Experience Management
- Human Capital Solutions
- Claims and Administration
- Business Operations Solutions

3/4

health insured lives in the U.S. touched by Conduent services

3.7B+

documents captured, indexed and classified annually

\$18B

in total billed reductions from bill review and repricing on workers' compensation claims



Government

Streamlining delivery of government services to constituents in need

- Child Support
- Payments
- Eligibility and Enrollment
- Government Healthcare Solutions

36

Electronic payments for government services in 36 states

49M

Nearly 49 million Medicaid recipients supported

45%

Processing over 45% of SNAP payments on behalf of government entities



Transportation

Creating safe, seamless journeys across the transportation ecosystem

- Road Usage Charging
- Public Safety
- Transit
- Curbside Management

9M

Processing nearly 9M tolling transactions every day

48%

of the transactions of the top 10 U.S. tolling agencies

\$700M

collected annually for citations and delinquent revenue collections

Our footprint



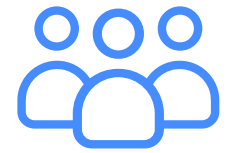
Headquartered in
Florham Park, NJ



Approximately
60,000 associates



Operations in
24 countries



Top 5
largest outsourcing employers
in the Fortune 1000



Serve 80+
of the Fortune 100 and
500+ government entities



30 years
of business process
outsourcing expertise



55
industry analyst
accolades



Manage 1.3B
customer service
interactions per year

ESG focus areas align with strategy and core values

At Conduent, our clients are at the center of everything we do. They are the focus of our strategy to drive initiatives that improve our efficiency, quality and growth as a company. This enables improved **experiences, performance and value** for both our clients and their end users. Our ESG focus areas are aligned with our strategic goals and with our company values.



2021 highlights

Protecting our planet

32%

reduction in Scope 2 carbon emissions since 2019

16M lbs.

of paper recycled in 2021

36.7K

items of e-waste recycled in 2021

55%

reduction in real estate square footage since 2017

Supporting our people and communities

25%

of sourceable spend allocated to diverse suppliers in the U.S.

2,372

hours volunteered



Forbes: Best Employers for Diversity



HRC Foundation Corporate Equality Index: Best Place to Work for LGBTQ+ Equality in the U.S. (2022) and Mexico (2021)

Delivering mission-critical solutions for our clients

\$125B

disbursed in payments to support government programs

3/4

health insured lives in the U.S. touched by Conduent services

Nearly 9M

tolling transactions processed every day

1.3B

customer service interactions completed each year

Responsibly governing our business

87.5%

of the board of directors are independent

37.5%

of the board of directors identify as female or ethnically diverse

99%

of associates completed annual ethics training

ISO27001

corporate information security certification achieved

Our approach to Corporate Social Responsibility

Conduent's dedication to economic, environmental and social responsibility is an integral part of our long-term performance strategy.

We demonstrate our commitment to ESG practices and policies through our actions and initiatives — and transparently communicate progress through ongoing disclosures in accordance with recognized frameworks and standards. We have taken a comprehensive approach with a cross-functional, enterprise-wide program to assess, develop and report on ESG initiatives and performance across Conduent. We are focused on four key pillars:



Protecting our planet



Supporting our people
and communities



Delivering mission-critical
solutions for our clients



Responsibly governing
our business

The pillars include a number of key focus areas, each with key performance indicators to measure our progress which is shared with the Conduent senior leadership team and board of directors.

The key performance indicators are included within the relevant sections of this report.

Key ESG initiatives		
Delivering mission-critical solutions for our clients		
Protecting our planet	Supporting our people and communities	Responsibly governing our business
Energy/GHG management and reductions	Conduent associate experience	Business ethics and professional integrity
Electronic waste and other recycling	Diversity and inclusion	Business continuity and enterprise risk management
Opportunities in clean technology	Giving back in our local communities	Board of Directors' governance framework
	Privacy and data security	
Key ESG outcomes		
Driving environmental impact for our clients	Health and wellness	Workplace practices
Promoting sustainable cities	Alleviating poverty and hunger	Contributing to well-being

Our ESG pillars, key focus areas and outcomes are aligned with five of the United Nations' Sustainable Development Goals (SDGs). Our progress in each of our pillars helps advance achievement of the SDGs for the benefit of our associates, our clients and their end users and the communities where we live and work:



Stakeholder engagement



Key stakeholders



Associates



Clients



Community



Suppliers



Shareholders

Environmental • Social • Governance

We meet regularly with our stakeholders, including shareholders, clients, suppliers, community members, analysts and other partners. We listen to these stakeholders and assimilate their feedback into our strategic planning and business decisions. These recurring meetings also help us to understand what issues are most material to them. The following chart outlines some examples of how Conduent engages with its stakeholders.

Investment community	Quarterly earnings calls and webcasts, other engagements, communications and briefings
Clients	Face-to-face meetings, joint industry memberships, conferences and industry events, quarterly business reviews and client surveys
Associates	Global employee surveys, town hall meetings, CEO discussions, Employee Impact Groups, and communications through email, video and our internal collaboration network
Suppliers/partners	Regular cadence of meetings and reviews including best practices sharing and Supplier Code of Conduct
Community groups	Contributions to charities, engagement in community and philanthropic programs, promotion of diversity initiatives and veteran hiring programs — often in partnership with The Conduent Foundation
Government and industry groups	Face-to-face meetings, leadership groups and roundtable discussions
Industry analysts	Regular briefings, face-to-face meetings, Request for Information (RFI) responses and discussions

Environmental



Protecting our planet

Conduent is committed to transparency regarding its sustainability efforts, including reducing the company's carbon footprint. Our efforts are fully aligned with external frameworks, including the Sustainability Accounting Standards Board (SASB) Software & IT Services Industry Standard, the Carbon Disclosure Project (CDP) Climate Change Questionnaire and, for the first time, the Task Force on Climate Related Financial Disclosures (TCFD) governance and strategy recommendations.



Environmental stewardship

High-level commitments

We have committed to focusing our efforts to protect the planet on four areas that are paramount to our business and operations. These include energy and greenhouse gas management and reduction; e-waste and other recycling; clean technology to transition to less energy-intensive business practices; and reducing the environmental impact for our clients through technologies, such as electronic tolling and digital payments that reduce their carbon footprints.

Reducing the footprint of our operations

Conduent continuously seeks opportunities to improve environmental performance within our operations. Since Conduent's inception, we have cut our real estate footprint in half and optimized our data center operations. We have retired unnecessary, energy-consuming assets, refreshed existing IT hardware and upgraded our IT infrastructure to more energy-efficient models.

In addition to optimizing our technology portfolio, we have pursued responsible e-waste management and paper recycling within our production and office operations to reduce our contribution to end-of-life waste streams. Our practices not only reduce our contribution to landfills but also ensure sensitive information is securely destroyed. Since 2017, Conduent has reduced its real estate footprint by 55% and recycled over 69.7 million pounds of paper-based materials.

Expanding our disclosure of greenhouse gas emissions

In 2021, Conduent assessed its ESG disclosures and determined that enhancing our reporting on climate-related disclosures was of significant importance to stakeholders. We are proud to release our first set of climate-related financial disclosures aligned with the TCFD, including our responses to the governance and strategy recommendations. We intend to expand our disclosures in the future to enhance our reporting on our GHG emissions and energy management in further alignment with TCFD future recommendations. Our current governance and strategy TCFD disclosures can be found on [page 64](#).



Energy/GHG management and reduction

Conduent has taken proactive steps to expand its tracking and reporting of greenhouse gas emissions to CDP and other sustainability reporting frameworks. We prioritized global Scope 1 and Scope 2 emissions as they constitute the greatest portion of our footprint within our operational control.

Conduent is committed to measuring energy usage and setting targets to reduce emissions in the most energy intensive areas. For instance, we consider areas where renewable energy is more readily available as part of our strategic considerations for the locations of our operations.

Currently, 25% of our international fleet of vehicles is hybrid or electric with a plan to expand. Additional actions we have taken to optimize our operations are provided in our opportunities in clean technology section on [page 18](#). We continue to expand our portfolio of digital solutions that have a smaller environmental footprint to enable our clients to reduce their emissions as well.

2021 recorded emissions

Carbon dioxide equivalent (metric tons)

Scope 1 Includes stationary fuels, mobile fuels and refrigerants	3,999
Scope 2 Includes location-based purchased electricity and natural gas	57,265
Scope 3 Includes business air travel	833

Conduent is committed to reducing its global Scope 2 emissions 40–50% from our 2019 baseline by 2030.

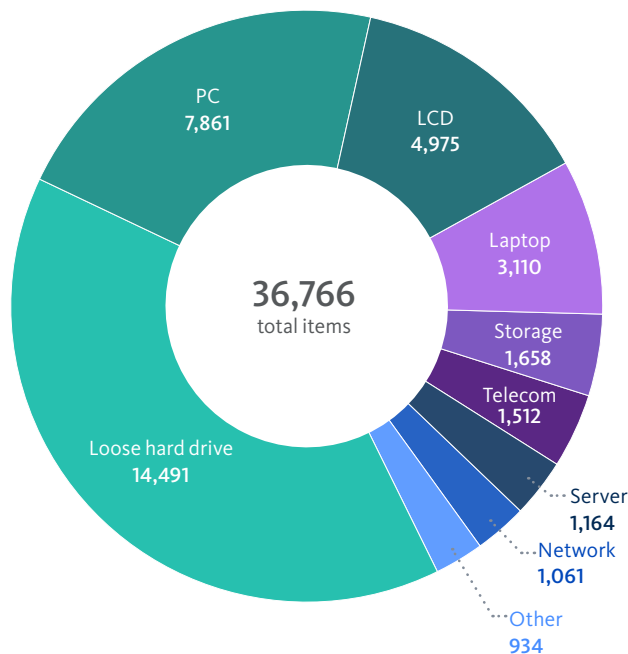


Electronic waste and other recycling

We are continuously implementing ways to manage waste and expand our recycling efforts.

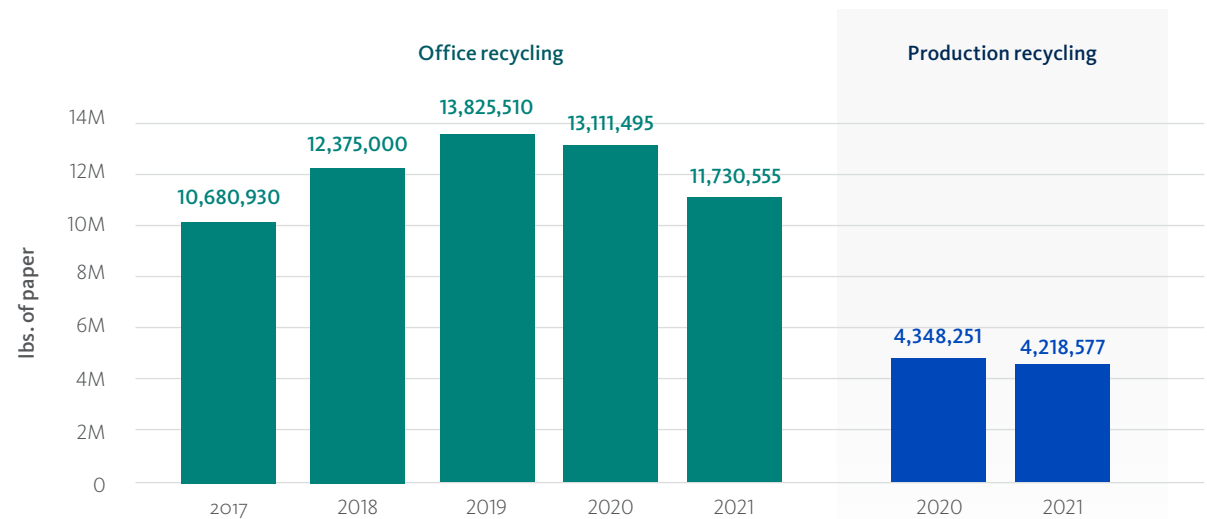
Diverting waste to recycling streams

Conduent ensures the safe disposal of e-waste. We have partnered with secure providers that safely destroy identifying information and return usable resources to the electronics industry manufacturing stream. Below are the items we responsibly disposed of in 2021.



These high e-waste recycling figures are driven by U.S. site and data center consolidation efforts, as well as our expanded reporting that includes Asia, Latin America and the Caribbean. We also reclaimed and repurposed over 150 IT network devices and servers that were not at the end of their life in 2021.

Printing and delivering statements and information is an essential service we provide to our customers. We continue to find ways to make our operations more efficient, automate processes and recycle as much as possible. Since 2017, we have recycled over 69.7M lbs. of paper in our offices and production facilities.



Total paper recycled since 2017
69.7M lbs.

Opportunities in clean technology

Converting to more efficient lighting systems

Conduent has partnered with a women-owned-and-operated firm to assess lighting in its production and office operations across the United States to identify additional energy conservation opportunities. These audits identify sites that are already efficient, the financial savings achieved and ways to replicate that success within our portfolio.

This is significant because in our production operations, where work often happens across three shifts, lighting will be on for long periods of time, if not the entire day. Replacing outdated equipment with more efficient lighting may also better illuminate operations to promote worker safety through improved lighting quality. We anticipate installing LED lighting where it will have the greatest return on investment and plan to extend this initiative across our global operations.

Upgrading servers to more energy efficient models

Conduent has been on a journey to optimize its data center footprint and ensure its remaining data centers use the latest and most energy-efficient technology. Our goal is to maintain a small number of geographically dispersed data centers with state-of-the-art infrastructure to ensure business continuity and resilience as well as the smallest carbon footprint in the event of natural disasters. In 2021, we consolidated 7,959 servers down to 739 high-capacity, energy efficient models.

Our IT team aims to consolidate at least 20-30% of our electronic footprint to further promote efficiency, technology stability and uptime while protecting our planet. For more information on how we're incorporating environmental considerations into our IT planning, see our SASB disclosure on [page 57](#).

Transitioning servers to renewable energy sources

Keeping data centers online at all times can consume high amounts of energy, even as servers become more efficient. One of our primary data centers, located in New Jersey, was selected due to its existing sustainable attributes: power generation through a 14.1MW solar field, on-site rain-water collection system and heat exchangers capable of providing full and mixed-mode free cooling.

At this location, we are proud to support one of the largest privately owned, net-metered solar projects in the Western Hemisphere. Conduent is strategically expanding its use of this data center as we replace inefficient technology with solar-powered servers that help us better protect the planet.



Conduent solutions that drive environmental impact

Many Conduent solutions contribute to environmental sustainability through reducing emissions, employing recycling best practices and enabling digital delivery. The following are some examples that illustrate this impact.

Government Solutions

We have transformed countless check programs in 36 states from paper to digital delivery — improving customer outcomes and reducing our environmental footprint by saving paper and postage.

Our electronic child support payment solutions process more than \$11 billion annually, or approximately one-third of U.S. child support funds. Additional information on our payment and eligibility programs can be found on [page 26](#) of this report.

In addition, our Government Solutions support “No Poverty,” “Zero Hunger” and “Good Health and Well-being” SDGs by providing necessary benefits to millions of recipients — including unemployment insurance, supplemental nutrition assistance, temporary assistance, Medicaid program administration and pharmacy benefit management. In 2021, Conduent disbursed \$125B in government benefit payments.

Customer Experience Management

Our omnichannel Customer Experience Management (CXM) solutions deliver paperless, digital engagement that reduces paper supply chain needs with a more sustainable alternative to traditional printed communications.

In 2021, our customer communications business recycled over 4.2 million pounds of paper-based materials across its production sites. Conduent works closely with its clients to encourage the use of e-delivery to further reduce paper use.

Transportation Solutions

Our Transportation Solutions are making an environmental and social impact through road usage charging, public transit, public safety and curbside management.

For example, all-electronic tolling instead of cash toll payments significantly reduces carbon emissions by limiting congestion, eliminating paper and reducing idle time at toll booths. Our cashless transit fare solution also reduces emissions by reducing bus idle time. Congestion pricing is another valuable method for improving environmental impact, addressing common issues such as urban congestion, vehicle miles traveled and stop-and-go traffic. For instance, one congestion pricing program led to 8.74 fewer pounds of CO₂ emissions per metered parking space each year. Parking demand was reduced due to lower congestion, resulting in 855K fewer pounds of CO₂ produced from searching or waiting for parking spaces.

In addition, our transportation business is a key partner in contributing to SDG 11: Sustainable Cities and Communities and solving the next generation of mobility challenges with innovative solutions. These solutions span the smart-city and infrastructure ecosystem, including modernization investments in all-electronic tolling, contactless payments in transit, dynamic curbside management pricing, analytics-based public safety and congestion management. We help transportation agencies improve traveler experiences, increase public safety and accessibility and modernize multi-modal travel to reduce congestion and emissions.

Climate risk

We understand the significant risk that climate change and other environmental issues can have on our businesses, stakeholders and the communities in which we operate. That's why we closely consider ways we can reduce our impact on the environment, adapt our services to more sustainable models and continually work with our stakeholders to limit environmental effects where possible.

We have identified inherent climate risks to our operations, established governance practices to monitor outcomes over the long-term, and integrate policies and practices to allow us to become a more resilient organization. These are identified in detail in our first Task Force on Climate Related Financial Disclosures on [page 64](#) of this report.

Environmental key performance indicators

Energy/GHG management and reductions

4%

reduction in carbon
emissions in 2021

22%

of energy from
renewable sources

32%

reduction in carbon
emissions since 2019

Opportunities in clean technology

739

servers upgraded to
more efficient models

7,959

servers transitioned to
energy efficient servers

7%

electric and hybrid
vehicles within our fleet

Electronic waste and other recycling

36,766

items of e-waste
recycled

151

items of electronics
reclaimed

7,220

servers retired

Social



Delivering mission-critical solutions for our clients

Conduent strives to improve its social responsibility by making a difference through the work we deliver for clients every day. This work is, by its very nature, helping promote social justice and equity.

With people, processes and technologies, we manage essential business operations on behalf of our clients to ensure delivery of mission-critical services and solutions for the millions of people who count on them.



At Conduent, our environmental and social responsibility efforts closely align with five of the United Nations' Sustainable Development Goals (SDGs):

1 NO POVERTY



UN SDG 1: No Poverty

- Conduent solutions help deliver unemployment insurance, child support payments and social security benefit payments.
- Between 2019 and 2021, Conduent associates around the world participated in over 61,000 hours of volunteer efforts to help those in need improve their standards of living.

2 ZERO HUNGER



UN SDG 2: Zero Hunger

- Conduent solutions enable the delivery of payments for government benefits such as the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC); Temporary Assistance to Needy Families (TANF) and Supplemental Nutrition Assistance Program (SNAP).
- Conduent associates routinely participate in food drives, fundraising activities and other community events to help reduce hunger.



3 GOOD HEALTH AND WELL-BEING



UN SDG 3: Good Health and Well-being

- Conduent's Healthy Communities Institute (HCI) helps identify social determinants of health with tools such as a Mental Health Index to improve access to care and mental health outcomes. In addition, our pharmacy benefit programs promote good health and assist those who may not be able to afford their medications.
- Conduent provides participant eligibility and customer care services enabling access to childcare services and emergency benefits to those in need.
- Associates volunteer with The Naz Foundation, dedicated to engaging in advocacy, care and support for those with HIV and AIDS. In India, associates volunteer time with orphaned children with HIV to support their development through workshops and extracurricular activities while also helping them feel integrated into society.

8 DECENT WORK AND ECONOMIC GROWTH



UN SDG 8: Decent Work and Economic Growth

- Conduent provides solutions for workers' compensation claims. Through proactive nurse case management, our solutions help ensure the right care is provided at the right time to help employees return to work faster after an injury.
- Conduent services and solutions span payroll, human resource management, benefits administration and learning solutions, fostering a positive and decent work experience for the employees and beneficiaries of our clients.



11 SUSTAINABLE CITIES AND COMMUNITIES



UN SDG 11: Sustainable Cities and Communities

- Conduent offers an extensive portfolio of transportation solutions — including public safety, public transit, curbside management and road usage charging — that significantly contribute to sustainable cities and communities. Our public safety solutions help reduce traffic speeds and auto accidents. Our curbside management and public transit solutions reduce traffic congestion and enable seamless, contactless travel experiences. Our road usage charging solutions reduce emissions by decreasing idling in toll plazas.
- Conduent works with community partners, such as the Leukemia and Lymphoma Society and Habitat for Humanity, to support the communities in which our associates live.

Delivering mission-critical services when our clients needed them most

The pandemic posed unprecedented challenges for our clients who needed us to not only maintain our service levels during widespread shutdowns, but also deliver additional programs to help constituents with government benefit programs. To help our clients navigate the uncertainties of the pandemic, we engaged business continuity plans to:



Deliver mission-critical services for the healthcare industry



Support payments for pandemic-related unemployment and nutrition assistance benefits



Enable contact tracing as a platform and service for communities across the globe



Implement contactless payment systems for transit and toll roads



Develop passenger capacity monitors

Addressing health equity through Healthy Communities Institute (HCI)

Our HCI platform supports many of the SDGs, providing social determinants of health data to hospitals and health systems, health departments, local collaboratives and non-profit organizations across the U.S. so that they can improve community health with tailored solutions. The HCI platform provides a hub for community health improvement, leveraging the public health expertise of the HCI team for guidance on assessment and planning while monitoring and tracking progress towards population-level health improvement with HCI's Strategy Tracking Solution.

The following are two examples of community health initiatives based on the HCI platform.

Greater Green Bay Community Hub

In Brown County, WI, the Greater Green Bay Community Foundation and Brown County United Way have partnered to launch the [Greater Green Bay Community Hub](#). This HCI platform provides a one-stop resource for local, state and national survey data to create a detailed picture of the county's challenges and opportunities.

One area of focus they have highlighted from the survey, "[Life in our Community](#)," delves into how residents rate their community on cultural and social acceptance for people of different racial, ethnic or gender and sexual identities alongside their perspectives on the economy and neighbors. These local perspectives are supplemented with metrics of poverty, education and costs of living for their area to promote opportunities for collective action and areas of strength from which partner organizations can build.

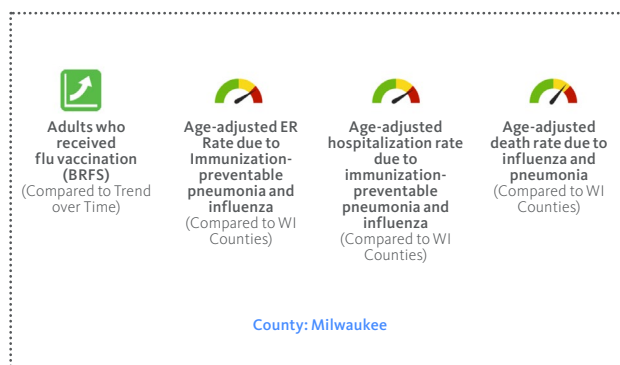
During the recent launch of 2021 survey results and their new HCI platform, community members and local organizations expressed their interest in using this data and hub resources to foster cross-sector partnerships, with a goal to improve inclusion and equity for their increasingly diverse population. The public availability of data and planning resources provides a starting point for local businesses, community-based organizations and residents to build healthier futures and a stronger sense of belonging for all.



Health Compass Milwaukee

[Health Compass Milwaukee](#), built on the HCI platform, was launched by the Milwaukee Health Care Partnership (MHCP) to serve as a comprehensive source of health-related data about Milwaukee County residents and communities. Launched in 2007, the MHCP is a public/private consortium dedicated to improving healthcare for low-income, underserved populations. Its members include four Milwaukee-based health systems, four Federally Qualified Health Centers (FQHCs) and the Medical College of Wisconsin, as well as city, county and state health agencies.

Health Compass Milwaukee serves as a place to provide data, planning tools and resources for local healthcare and public health professionals as well as the broader community. The site also raises awareness around health issues to better support organization-specific and collective health improvement efforts.



In 2021, the four Milwaukee health systems — Advocate Aurora Health, Ascension Wisconsin, Children's Wisconsin and Froedtert Health — sponsored the MHCP's shared Milwaukee County Community Health Needs Assessment (CHNA) focused on health and racial equity. It included a community health survey that directly addressed racism and discrimination as key determinants of health, with key informant interviews and secondary data analysis. This allowed for an understanding of not only health disparities at the county level, but also of how community members are personally impacted by racism and other systemic barriers within their community.

The assessment serves as the foundation for health systems, community health centers, local health departments and the MHCP consortium to develop community health improvement strategies and work toward equity in healthcare. MHCP has used the [Racial & Health Equity](#) page on the Health Compass Milwaukee platform to showcase top health issues identified through this assessment that disproportionately affect communities of color. In addition, the MHCP has included definitions and context to help facilitate community involvement and commitment to addressing systemic barriers.

Making a difference for those in need

In our government business, Conduent enables government programs that support the most vital aspects of our communities, including child support payments, food assistance programs, unemployment insurance and Social Security benefits. Across our business, we manage about 3.6 million daily customer service interactions. Whether providing technical support, getting a child support payment delivered on time or ensuring a needy family received a government benefit such as SNAP or WIC, our 60,000 associates are instrumental in developing and delivering services that make a difference in millions of lives every day.

Government Payment Solutions

As one of the largest providers of these solutions, we understand the deep responsibility we have to ensure accurate, secure and timely payments for recipients.

Given the scale of our operations, we also actively work to streamline our offerings and decrease their environmental footprint to lead to more sustainable outcomes. For example, by using electronic payment cards, we reduce the number of printed checks that must be delivered monthly; eliminate the stigma associated with food-benefit coupons (e.g., food stamps) and enable recipients to participate in the cashless economy while reducing potential loss, theft and fraud. The table on the right outlines the portfolio of programs we support.

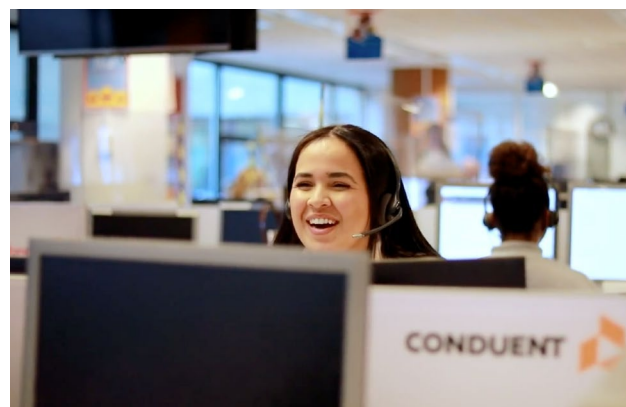
Government payment programs

Card name	Programs supported	Scale
Electronic Benefits Transfer	<ul style="list-style-type: none"> • Supplemental Nutrition Assistance Program (SNAP) • Pandemic SNAP for children during school closures • Temporary Assistance to Needy Families (TANF) • Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) 	<p>~50% of U.S. recipients</p> <p>\$72B approx. amount distributed in 2021 with an additional 12M+ children and households served as a result of the COVID-19 pandemic</p>
Electronic Payment Cards	<ul style="list-style-type: none"> • Unemployment Insurance (UI) • Post-disaster emergency benefits • Foster care and adoption payments • Child support disbursements 	<p>\$16.6B disbursed to 2.4M supported cardholders, including 1.5M child support/other EPC program participants</p> <p>900K UI recipients</p>
Electronic Child Care	Child care time and attendance service for state daycare subsidy programs	<p>200K participants served</p>
Child Support	Child support payment processing	<p>>\$11B processed in supporting 1/3 of all U.S. child support payments</p>
Direct Express	25 federal programs, including Social Security (SSA), Supplemental Security Income (SSI) and Veterans Administration benefits	<p>>\$36B distributed to 3.3M active candidates per year</p>

Contributing to well-being and decent work

The start of the COVID-19 pandemic in 2020 put a significant strain on HR functions and workplace continuity — from ensuring health and safety to shifting to a remote workforce. HR leaders, globally and across all industries, are looking to transform their HR processes to deliver an efficient and modern digital experience to their employees.

Conduent offers a dynamic approach to help employers accelerate this transformation while helping employees optimize their health and wealth benefits. The work our associates do in this space makes a difference in the lives of 10 million employees whose employers use our solutions.



Examples of how our associates have helped create positive and decent work environments for our clients:



Created a consistent, personalized digital employee experience across a global pharmaceutical company's 34 countries and 8 languages in just nine months. This solution helped the company establish end-to-end HR services that adhered to global legislation and country-specific requirements.



Increased delivery speed and use of pension and retirement plan estimates at a telecom giant by consolidating plans and automating processes for participants. This consolidation of a complex benefits landscape coupled with process automation resulted in increased data accuracy and a better member experience.



Rapidly pivoted classroom-based instruction at a global, 300K-employee professional services organization to a virtual learning environment for professionals to earn and maintain their CPE certifications. This enabled the organization to quickly transition to a work-from-anywhere approach to support their business during COVID-19.

Supporting our people and communities

At Conduent, we believe our people and communities are at the core of our success. We operate as one team with one mission and, together, we make a difference in the lives of millions every day.

"Together, we are building an equitable and inclusive workplace culture at Conduent. Across the company, operating in a socially responsible way — from valuing a more inclusive workplace to helping associates grow and thrive — creates opportunities for our company and clients to benefit from our team's diverse perspectives and backgrounds."

Cliff Skelton
President and CEO

Conduent associate experience

At Conduent, our associate experience is guided by three core tenets: be yourself, grow and thrive, and make a difference.

We believe that every associate should feel like they can be their authentic selves. Every day we work to build a culture where individuality is both noticed and valued, no matter if someone is remote or in an office. By nurturing constant interaction, collaboration and connection with each other, we can ensure associates are equipped with the right tools and resources to grow and thrive. From being a part of transformative projects to finding new and better ways of getting work done, associates have an opportunity to gain knowledge and skills through incredible experiences and flexible learning programs.

Our team is united in its passion to make a positive difference around the world — together with our communities, clients and end users. We take pride in this passion. It's what pushes us every day to work hard, innovate, think creatively and solve problems that make a difference.

Associate engagement, training and retention

Our dedicated associates are the foundation of our success at Conduent, and we strive to continuously develop, retain and train top talent across our operations to help associates grow and thrive. Through a range of programs and digital learning platforms like EdCast and Percipio, we enable our associates to learn anywhere, anytime to enhance their professional, business and technology skills.

Employees are also provided job-specific technical training when they are onboarded and during the course of their professional journey. We curate online learning paths for various roles and skills to enable our associates to retain a competitive edge and learn continuously to upskill and reskill at their own pace. Our digital and mobile-enabled learning platforms have wide adoption, with 75% of associates completing developmental training in 2021.

We began building foundational learning in diversity and inclusion through self-directed learning pathways on our Learning Management System. This is supplemented with regular communications and by facilitating discussions with associates on topics of relevance.

Mandatory and developmental training

Our associates complete regulatory and compliance training on a range of topics — such as ethics, harassment prevention, data and privacy, information security and GDPR — based on their role and geography. Various developmental learning programs are deployed in alignment with Conduent goals as well as associate roles and aspirations.

In 2021, we deployed 25 learning programs such as role-based learning for individual contributors and people leaders; Skill Enhancement and Employee Development (SEED); operational excellence and Lean Six Sigma certification; current and future technology skills; manager engagement and effectiveness training.

Given our geographic footprint and the diversity of roles within Conduent, we have a robust set of career growth and skill development programs at the business and regional levels. This includes programs such as EXCElerate in India, which focuses on upskilling associates in key business areas. It also features an advancement program for our call center associates in the Netherlands, as well as a leadership development program powered by MIT Sloan that is available to all associates.



Associate wellness

At Conduent, we focus on holistic wellness to help our associates thrive. This includes tools and resources that span mental, physical, emotional and financial well-being. Mental and emotional well-being continued to be a big focus for us throughout the pandemic. We hosted quarterly global webinars on these topics through our Employee Assistance Program.

Associate health, safety and well-being

The health, well-being and safety of our associates remain key priorities at Conduent as part of our core value of being a good teammate. The ongoing pandemic heightened our attention to two key priorities:

Protecting the health and well-being of our associates

From the beginning of the pandemic, we followed government guidance and best practices for keeping our associates safe and essential facilities operational. We modified our business processes so that 75% of our associate base could work remotely and connect virtually. We enhanced cleaning and sanitation practices, implemented robust contact tracing protocols, offered short-term disability for associates recovering from COVID-19 and instituted flexible leave policies and other measures to ensure safety and peace of mind for our associates. In fact, Conduent CIO Mark Prout was recognized by the American Business Awards with a Gold Stevie for “Leading Through Digital Disruption” for our work in transitioning a majority of our associates to a work-from-home model in a matter of weeks.

Examples of some of the programs sponsored to support our associates through the pandemic include additional insurance to cover home care; counseling services and support helpdesk; access to medical consultation and supplies; COVID vaccination expense coverage in regions where it wasn't free, and testing support.

Beyond the challenges of COVID-19, we continue to recognize employee health and safety as one of our top societal responsibilities. We ensure our facilities are inspected and maintained to the highest standards, preventing risks and safety issues before they arise. We have developed robust emergency preparedness programs in alignment with corporate standards and relevant laws. To improve our work environments, we have also educated our associates on their responsibility to immediately report injuries and unsafe work practices or conditions.

Well-being resources

Conduent has taken a proactive approach to maintain engagement among our remote and on-site workforces through workshops on wellness topics, such as mindfulness and self-care.

Conduent offers an Employee Assistance Program to associates and their immediate families at no cost. This program provides emotional, personal, financial and legal services support to help associates:

- Manage stress
- Find support for mental health or substance use
- Improve relationships at home or work
- Find child or elder care resources
- Get advice on finances
- Access legal services

Other programs include:

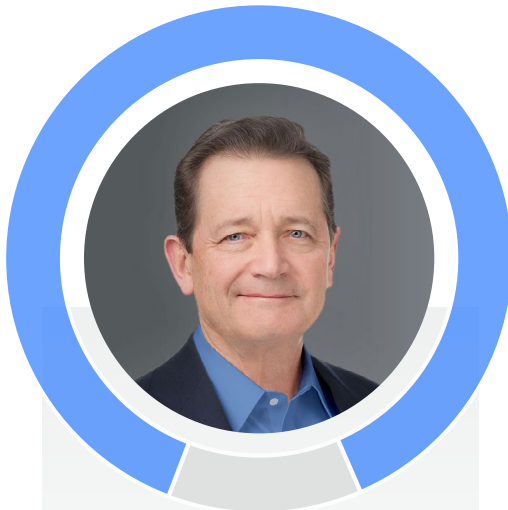
- Tobacco Cessation Program: Provides coaching and nicotine replacement therapy.
- LiveHealth Online Telemedicine: Provides 24/7 phone or online video access to board-certified doctors.
- Virta Health: Provides a clinically proven diabetes reversal program for those who have been diagnosed with Type 2 diabetes.
- Maternity Management: Provides resources who can offer advice and answer questions for a healthy pregnancy.
- Disease Management: Provides support for those diagnosed with a chronic condition such as asthma, cancer, depression, diabetes, heart disease, high blood pressure or stroke. Services help prepare for physician visits, get answers to questions and reduce obstacles to health.
- Health Advocate: Provides specialized help to navigate the healthcare system, including support for medical conditions, research and second opinions on diagnoses and coordination of medical care.

CEO and Glassdoor rating

As we've created a stronger and more engaged culture at Conduent, our CEO, leadership and Glassdoor ratings have continued to improve.

CEO rating

87 / 100
Top 5%



Executive team rating:

88 / 100

Overall culture:

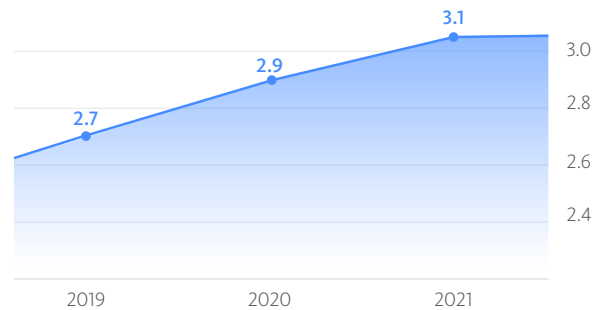
4.6 / 5

Gender and diversity score:

Top 10%

of similar-sized companies

Glassdoor rating



glassdoor

Associate experience survey

As part of our ongoing efforts to maintain and improve associate engagement, we conduct regular surveys across our global footprint. In 2021, through the challenging second year of a global pandemic, key engagement indicators on our associate experience survey held steady.

"Resources and Support" and the "Leadership Index" were among the top scores and were significantly higher than the overall benchmark provided by the survey partner. The survey also highlighted that satisfaction with clarity of direction, performance management and teamwork and collaboration were also well above the benchmark. Steady associate satisfaction scores during this time are a testament to the culture and core values at Conduent.

Diversity and inclusion

Diverse experiences, perspectives and backgrounds lead to better ideas, better outcomes and a better world for our associates, clients and communities. We aim to provide all our stakeholders with the opportunities and tools to reach their fullest potential. As a company, we are committed to:

- Ensuring a comfortable and accepting work environment
- Sourcing top diverse talent
- Creating awareness of diversity and inclusion among associates
- Working with certified diverse suppliers
- Supporting and creating opportunities in the communities we serve



“Being early in this journey, I am excited by our progress. We are focusing our time and energy to understand our gaps and identify what we need to do. I am confident that with this approach, and our teammates assuming positive intent to meet each other where we are on our personal journeys, we will make Conduent an even greater place to work.”

Walt Frye
Global Head of Diversity & Inclusion

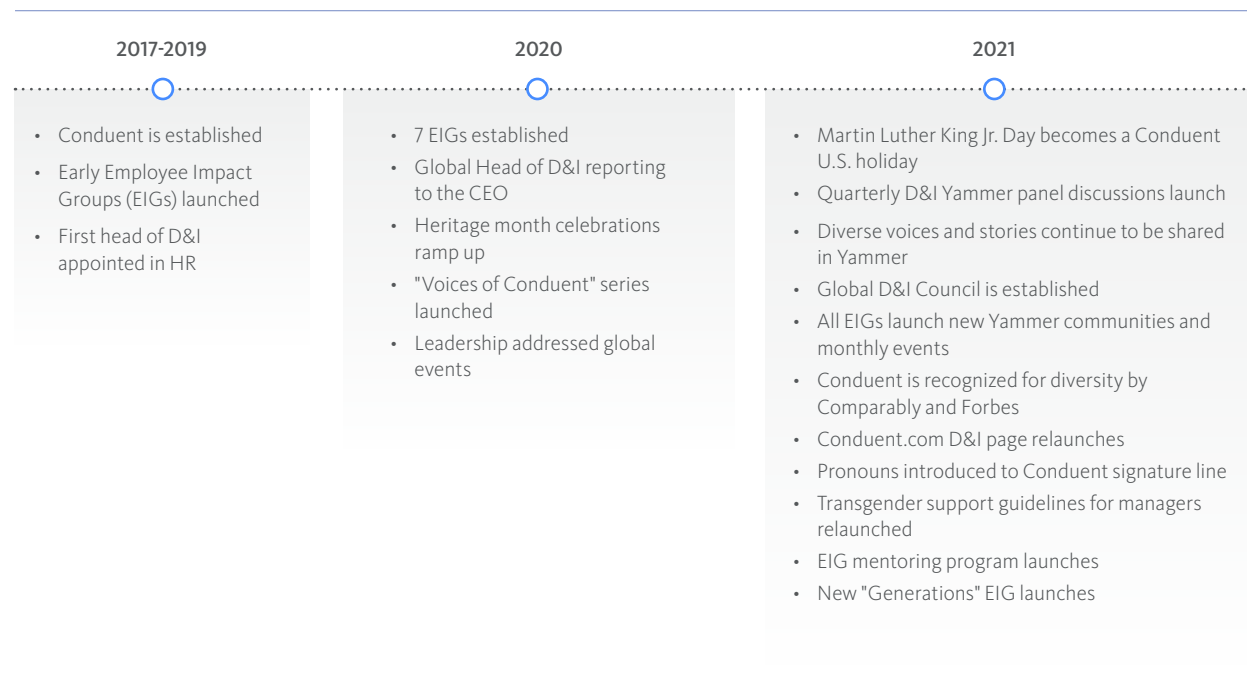
Key principles of diversity and inclusion (D&I)

We believe that a focus on the associate experience of our diverse workforce is fundamental to our diversity and inclusion efforts. Our D&I approach is built to deliver long-term impact and business value based on three key principles:

- 1 Treat D&I as a business opportunity that contributes to sustainable results.
- 2 Engage associates to focus on areas that matter and create value by working with key stakeholders to assure the relevance of our D&I programs.
- 3 Integrate D&I into business practices so that it becomes a part of what we do and who we are, not a separate project disconnected from our core values or operating model.

We are building our operating model to focus on understanding our diverse organization and the impact that our 60,000 associates have on clients every day. Our diversity spans geography, gender identity, race/ethnicity, language and many other attributes that define who we are and reflect the communities in which we operate.

Our diversity and inclusion journey



The Conduent Global Diversity and Inclusion Council (GDIC) was formed to provide guidance on the development and implementation of our global D&I strategy and provide D&I role models for others. Nineteen leaders from across the company have helped define the GDIC's mission and vision and will help us expand this initiative.

In 2021, we established a D&I inclusion index as part of our associate experience survey to better understand how our associates felt with respect to inclusion. Our score of 73.5% indicates that a majority of our associates feel that Conduent has an inclusive environment.

2021 Inclusion Index Score

73.5



We evaluated the scores to each question in the index across geographies, demographics and job levels to understand if there were meaningful differences in the results from which we could learn.

We used a heat-map approach to identify areas of opportunity where the scores were significantly different from the organizational average. This method highlighted areas of risk that must be addressed as well as potential best practices that can be used by others.

Based on this data, we've identified the following areas of opportunity:

- Understanding drivers of scores for women working in entry-level roles
- Addressing significant variability across regions — with the biggest opportunities in North America and Europe
- Focusing on work-life balance for women in management roles

To create a more comfortable and accepting work environment, where every associate can be themselves:

- We asked all U.S. employees to voluntarily update their race, veteran and disability information in the HR system so we can better understand our workforce demographics and ensure all associates feel supported. We plan to use this information to develop programs and training, as well as more robust accommodation processes and communications.
- We updated our gender identity guidelines for managers — including guidance on pronoun use in formal communications — and made our policies more gender-neutral.
- We launched a series of communications under a “Voices of Conduent” campaign, intended to showcase the diverse perspectives, experiences and journeys of our associates.

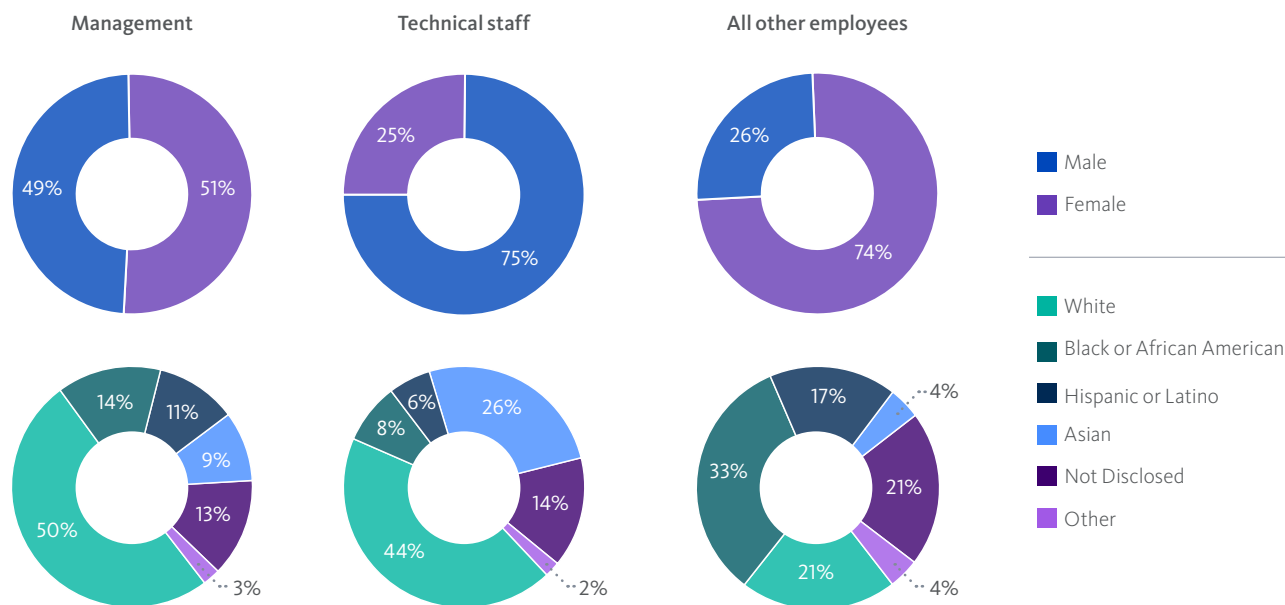


Sourcing top diverse talent

To improve understanding and awareness of D&I across the associate lifecycle:

- We revised our hiring and onboarding practices to make them more inclusive, helping us attract new talent and broaden our access to great candidates.
- We enhanced our careers website to support nine different languages.
- We took steps to reduce bias at various points of the associate lifecycle, including implementing an AI-based tool to reduce biased language in job descriptions.
- We provided managers with training to recognize and minimize bias in decisions related to associates, including hiring and performance management.

Conduent's diversity and inclusion demographics in the U.S.



(as of December 31, 2021)

Global gender reporting

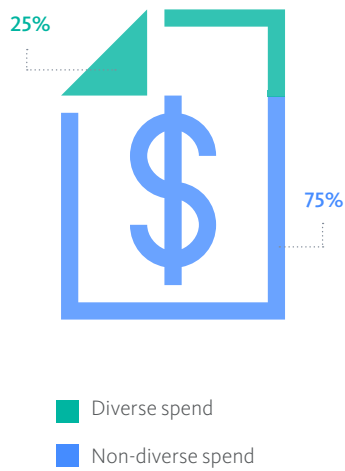
Level	Identify as female	Identify as male	Not disclosed
Management	2,299	2,980	-
Technical staff	1,089	3,299	-
All other employees	31,009	18,937	-
Total	34,397	25,216	-

(as of December 31, 2021)

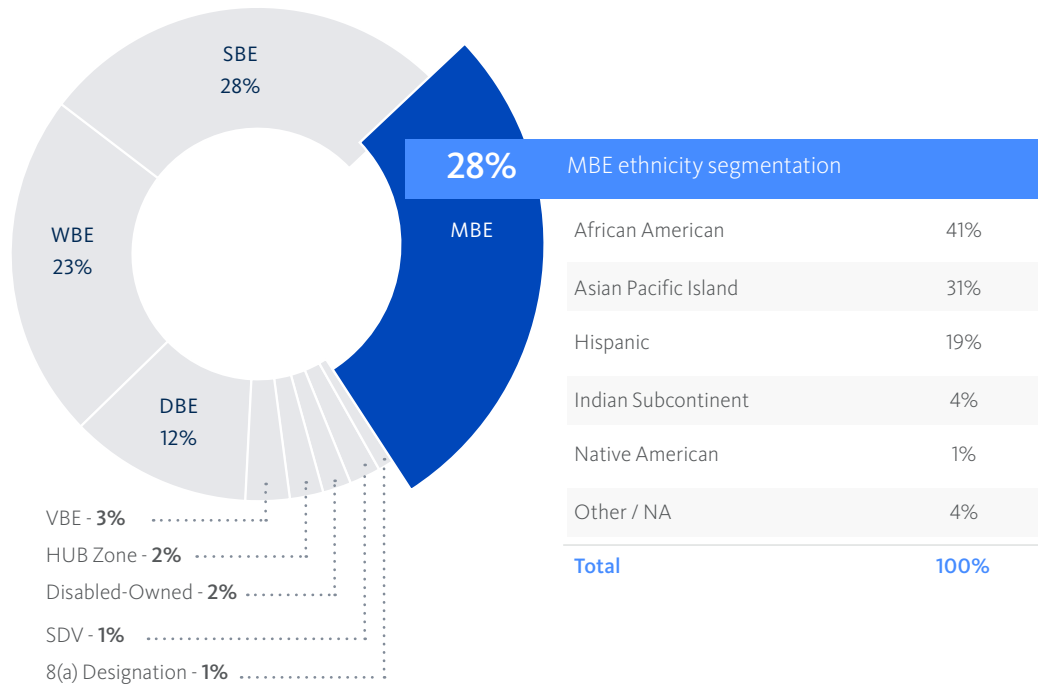
Working with certified diverse suppliers

We extend our D&I commitment to our supplier base. Through our global sourcing and procurement process, we actively seek certified diverse suppliers and ensure the inclusion of diverse suppliers.

Conduent sourceable U.S. spend



Diversity attribute



Our Supplier diversity definitions on [page 73](#) define each of the acronyms used in this chart. All of our suppliers are responsible for knowing and adhering to the standards in both Conduent's [Code of Business Conduct](#) and our [Supplier Code of Conduct](#), as well as the laws and regulations of the locations where they conduct business. Further information, including Conduent's Supplier Diversity policy, can be found on our [Supplier Diversity web page](#).

Employee Impact Groups

A critical part of our culture and associate experience that not only reinforces D&I but also establishes a forum for associates to engage with each other has been the establishment of our Employee Impact Groups (EIGs). Conduent has eight EIGs:



EIGs focus on four key areas:

- 1 Culture:** Driving awareness and appreciation for group members and advancing our culture of openness and inclusion.
- 2 Professional development:** Identifying the professional needs and desires that matter most to their respective members in order to facilitate thought leadership, mentoring and connections.
- 3 Community:** Creating camaraderie through activities and contributions to the communities in which our members live and work.
- 4 Business impact:** Providing unique and varying perspectives that drive quality, growth and efficiency.

At Conduent, EIGs are more than affinity groups. EIG leaders, known as co-chairs, are aligned with an executive sponsor and a member of the senior leadership team. By design, this alignment serves two purposes: to foster the growth and development of the co-chairs, and to champion the needs of the members of the EIGs.

EIG membership growth in 2021



Each EIG also has committee chairs who strategically align with senior business functional leaders to drive the programs, processes and tools. Examples of these committees include membership, communications and professional development.

Our EIGs curated over 100 hours of cultural activities to engage our associates and promote our core value of being open and inclusive. Our EIGs have membership in every region where we have operations. In addition, they deployed over 20 hours of professional development activities to respond specifically to the needs of our diverse workforce.

The Pride Impact Group seeks to inspire LGBTQ+ employees to bring their whole selves to work, share their experiences and connect LGBTQ+ employees across countries and business groups to share knowledge and skills.

The Women's Impact Network (WIN) seeks to inspire all Conduent associates to embrace diversity and act inclusively across the organization by curating learning and professional development opportunities that advance women across all groups and amplifying how diverse teams accelerate business outcomes.

The DisAbility Impact Group (DIG) seeks to empower employees with different abilities to maximize their full potential through unique and powerful collaboration with other like-minded individuals.

The Black Impact Group (BIG) seeks to serve and support associates, positively impact global communities, offer broader contributions to Conduent, develop professional networks and provide an opportunity for members to be heard.

Conduent Salutes! seeks to foster understanding and connections by leveraging the leadership and experience of our associates who are military veterans, military reservists, spouses and family or supportive members of the armed forces community.

The Conduent Asian Network (CAN) is a community for employees who associate with Asia Pacific heritage or experiences. It fosters personal development through key initiatives across the company that advance growth, quality and efficiency to deliver the best outcomes for our clients.

The LatinX Impact Group seeks to provide an opportunity for LatinX associates to see their culture represented, advance their careers, and build a range of skills to become leaders and role models while sharing their voices and creating a sense of camaraderie and belonging.

Generations is an intergenerational group for associates to create a bridge of understanding and teamwork while fostering opportunities for professional development, community, culture and business impact.

“Every day I see the work Conduent puts into improving diversity and inclusion through our strong commitment to the Employee Impact Groups. As an organization, I know it helps us understand customers better and advance innovation to better serve our clients and their end users. As an employee, it increases my community, professional development and perspective at a global level.”



Jessica Calise
Marketing Business
Partner Consultant

WIN Mentoring Program

Since 2019, the Women’s Impact Network (WIN) has facilitated a mentoring program where mentors from different teams share knowledge, skills and experiences to help more junior associates grow and thrive. This voluntary six-month program matches associates through an app created in-house.

The program focuses on creating a strong match and providing the tools necessary for each relationship to be successful and thrive. We’ve seen fantastic outcomes by pairing participants from different geographies and business areas so that both benefit from diversity of culture, experiences and expertise.

Learning resources and tools are provided to enrich participants' experiences. Other networking activities and connections help expand one-on-one relationships to an entire team, where participants can learn from each other's experiences and provide feedback on the program.



Mentors give back by teaching others and become more competent as leaders and communicators as they guide rising talent. Mentees benefit from the perspectives and advice of tenured associates to help them accelerate their learning and development. Potential outcomes for participants of the program include new career opportunities, promotions, increased self-awareness, expanded professional networks and new friends.

The WIN Mentoring Program helps attract and retain talent, enhance employee engagement, promote a diverse and inclusive workplace and share organizational knowledge. With more than 400 participants to date, it will continue expanding to support our associates in their journey to thrive.

“Conduent provides a platform where employees of all orientations and gender identities can come to work and be their truest selves. As we approach Pride 2022, we should take a moment to reflect on all the amazing progress we’ve made as a global society over the past 50 years, and plot a course for a more inclusive, more supportive, and more authentic future for us all.”



Stephen Goodsell
Delivery Manager

Pride

At Conduent, our associates represent almost every culture, ethnicity, gender identity, sexual orientation, age and ability. The Pride EIG has worked tirelessly to further support acceptance and inclusion of our LGBTQ+ team members and allies in our workplace. In 2021, Pride leadership worked with corporate HR communications to develop and deploy enterprise-wide guidance for pronoun use. 2021 was also the first year that Conduent achieved a 100% rating on the Human Rights Campaign Foundation's Corporate Equality Index (HRC CEI 2021). This is a benchmark in terms of corporate policies, practices and benefits for LGBTQ+ individuals.

We are humbled to have also received “Best Place to Work for LGBTQ+ Equality” certifications for both the U.S. HRC CEI and Mexico's Equidad MX. This recognition represents how truly inclusive our policies and workplace are. It will also serve to further attract top talent to Conduent.



The passion of our team has made and continues to make a difference in the lives of Conduent's community every day. LGBTQ+ inclusive initiatives continue to build a sense of community through constant interaction and connection with each other.

Conduent is an organization where individuality is both noticed and valued — where every employee can bring their authentic selves to work.

“Conduent is a company that listens, celebrates and embraces what is both common and different. As a result, we become wiser, more inclusive and a better organization.”

The Black Impact Group was created to illustrate this very idea. The group itself has been an outlet and community where people of African descent can share their cultures and rich heritages through celebratory events held throughout the year. The group provides an opportunity for members to connect with others to build professional relationships and establish a network of contacts globally.

This is the first company I’ve worked for that has an EIG representing black people. This demonstrates their commitment to ensuring our voices are heard and recognizing our significant contributions and achievements as people of color.

I am proud to work for an organization that makes it a priority to make everyone feel like they matter.”



Sabine Chery-Jacques
Treasury Manager

BIG

The Black Impact Group (BIG) is focused on the support and inclusion of black associates, fostering inclusion, elevating the power of diversity and building a sense of community across Conduent. One of the most powerful highlights from 2021 was an event sponsored by BIG to honor Reverend Dr. Martin Luther King, Jr.

In January 2021, Conduent began its recognition of Rev. Dr. King’s work, life, and legacy with a reflection from our Global Head of Diversity & Inclusion, Walter Frye, entitled “Be the Difference – Light The Way.” Frye shared a series of common-sense approaches for Conduent to build a more diverse, open and inclusive environment for its associates, clients, and end users. The session reinforced that, with the core values of leadership and teamwork as our foundation, “everybody can be great...because everybody can serve.” Frye encouraged each associate to take action in four distinct ways: listening with empathy, learning with openness, leading inclusively with positive intent and serving others honorably.

This presentation was followed by a powerful corporate community celebration entitled, “Reverend Dr. Martin Luther King, Jr. – Drum Major of Justice.” The event featured moving reflections on different aspects of Dr. King’s work by various members of BIG, who either spoke or sang in celebration of Dr. King. Recognizing the work of Dr. King and the values he spent his life promoting will continue to be a priority for Conduent.



BIG also introduced the “My Journey to Leadership” series — a professional development opportunity that spotlights Conduent associates in leadership roles and focuses on their path from entry level or individual contributor to management positions. At each session, a leader shares their career journey from both personal and professional perspectives — including obstacles they overcame to achieve success — and answers questions from participants.

While created to encourage and inspire people of color at Conduent, these sessions are open and available to all Conduent associates. In 2021, four sessions were held featuring speakers in various positions of leadership, from director to executive vice president. Participants take away lessons learned that can be applied to their own journeys and inform future aspirations.

"What if we told you that you can come to work to have fun, make friends and on top of that further your career?"

That's what we do at LatinX. We are a group of enthusiastic individuals who collaborate to have fun at work, while representing our Hispanic heritage. We make friends through cultural activities like cooking and dancing; and we help Latinos further their careers at Conduent through professional development programs and sharing inspirational testimonials of what a day in the life is for our top leadership."



Merly Sandoval
Senior Director,
Project Management

LatinX

The LatinX impact group started with a little over 50 members at the beginning of 2021 and ended the year with over 350 members across our global organization. We believe that a key reason for our successful membership growth in 2021 is the wide variety of activities that were offered to members. Events and activities included a professional growth speaker series called "A Day in The Life," a multi-phased English Program, and celebrating Hispanic Heritage Month.

With a handful of committee chairs, we developed strategic outreach to country leaders, business owners and senior leadership team sponsorship to provide professional development programs and build a stronger organization that thrives on diversity. It has been a journey filled with laughter and positivity at Conduent.

"A Day in The Life" provides our members with insights on leader perspectives and responsibilities throughout their day-to-day experience, and also highlights the key behaviors and values that have helped to make them successful. Several members of our senior leadership team, including our CFO and global group presidents, have shared personal and professional experiences as well as provided invaluable advice to future generations of leaders.

Hispanic Heritage Month was the highlight of this past year. We believe that when team members feel valued and that their culture is represented, it creates a stronger sense of belonging. This celebration gave us the opportunity to display the richness of Latin American culture. Some of our events included dancing lessons, from Caribbean popular salsa to Brazilian samba; cooking classes with traditional Mexican and Guatemalan food; Spanish and Portuguese language and cultural capsules; and a coffee event that showcased one of the biggest exported resources from Latin American regions.

Last but not least, we launched the English Program to promote career advancement and skill development for Conduent associates and support them in becoming successful in our business. Our primary objectives are to attract, retain, and promote our talent. We understand that English proficiency is a valuable skill for career development, so our pilot program featured English-sponsored lessons in partnership with an external vendor sponsoring junior-level associates that are in the process of completing or have recently completed their professional education.

We also launched an English Conversation Club, which is a fun way to practice English conversational skills through workshops and guided activities. Both programs help our Latin American associates develop skills and expand their career development within the company.

Culture awards



THE AMERICAN
BUSINESS AWARDS®

Awarded with Gold Stevie for
leadership through digital disruption



Rated among the top 500
employers for diversity by Forbes



Achieved top score in recognition of
LGBTQ+ equality in the U.S.



Achieved top score in recognition of
LGBTQ+ equality in Mexico



Recognized for training created for
visually impaired associates



One of the top 100 highest-rated
companies for women



Ranked among the top 50
companies for overall culture



One of the top 100 highest-rated
companies for employees of color



Recognized as one of the
best 50 CEOs for diversity

Making a difference through philanthropy and volunteerism

Being part of a company that believes in giving back to and growing with the communities in which we live and work, Conduent associates work on behalf of many charities and causes. We have identified several key focus areas to make an impact through our national and local volunteering efforts. These are:



Education:

Contribute to child development through partnership with schools.



Quality of life:

Provide outreach support, and donations to those in need, with a focus on poverty and hunger.



Health and wellness:

Strengthen awareness of and access to health and hygiene-related essentials and support.



Environment:

Protect the environment and reduce our carbon footprint.

The Conduent Foundation

As Conduent's philanthropic organization, the Conduent Foundation makes donations to support and extend our ongoing volunteerism program — ConduentCares. From supporting local communities on an ongoing basis to responding to crises like typhoons and other natural disasters, ConduentCares oversees the company's support for the communities in which we operate.



Contributions to sustainable cities and communities

The following are some recent examples of contributions by associates in support of communities as well as advancing UN SDG 11: Sustainable Cities and Communities.



In the United States, a regional effort was coordinated for the Leukemia and Lymphoma Society (LLS)'s Light the Night Campaign to support associates touched by cancer. Across five sites, associates volunteered over 100 hours, raised \$13,000 and received additional contributions from the Conduent Foundation.



In the Philippines, nearly 600 Conduent associates donated food, water, clothing and hygiene kits through the Nano Nagle Child Care and Learning Center to Badjao families in Mambaling who were severely impacted by Typhoon Odette. Local Conduent management matched the associate-led campaign with 450 care packs containing additional food and essential hygiene kits.



In Jamaica, Mustard Seed Communities provides a safe haven for children and young adults with disabilities, as well as teen mothers and their infants. Conduent has supported Mustard Seed Communities since 2019 and in 2021 helped renovate their Children's Home in Jamaica.

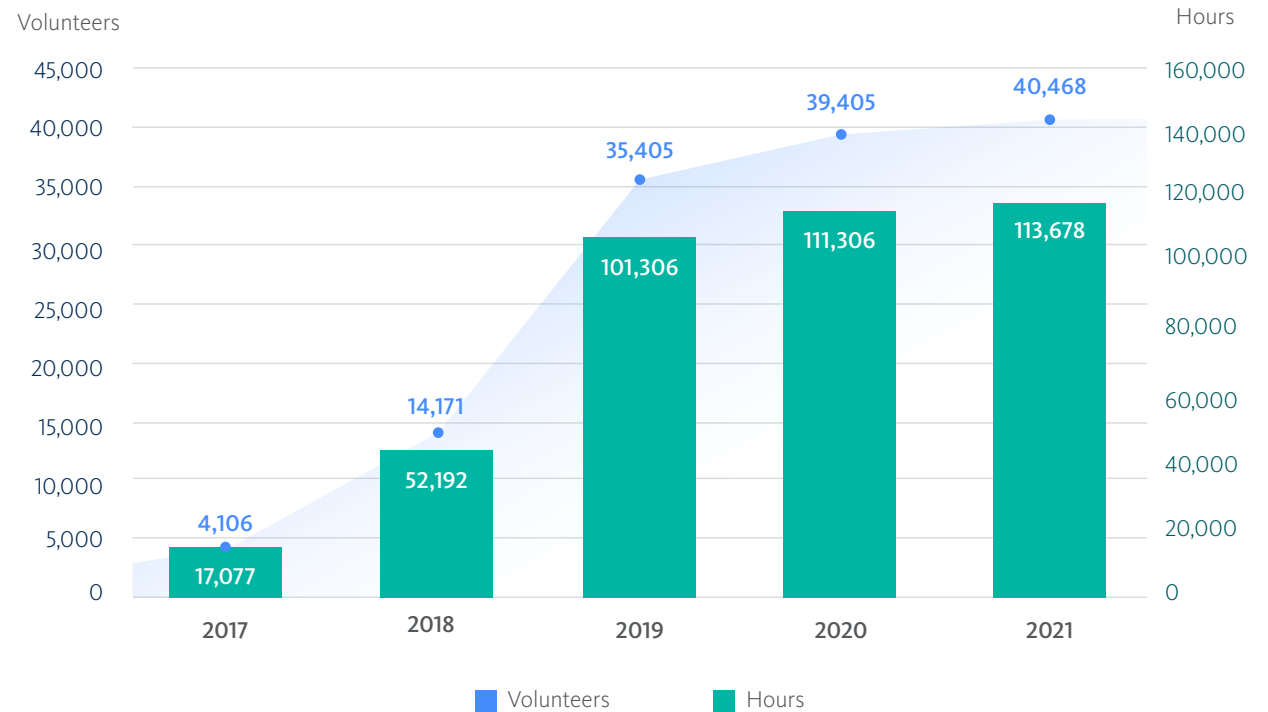


In the UK, through Future Frontiers, Conduent volunteers worked with Year 10 pupils from Eastbrook School in the London Borough of Barking and Dagenham for over 84 hours to broaden their world view and understanding of career possibilities. 86% of participants agreed their coach helped them find an inspirational career, and 100% of volunteer associates agreed that the program was rewarding and had a positive impact on their well-being.



In India, associates continued to support The Naz Foundation, specifically spending time with orphaned children ages 10-19 in a home for those with HIV. Volunteers participated on site and virtually to support the children's development through workshops and extracurricular activities and help them feel integrated into society.

Cumulative volunteerism by the numbers



Privacy and data security

As a leading provider of technology-enabled services and solutions, Conduent is committed to protecting personal data through industry-leading practices and policies. Backed by a comprehensive data privacy and security program, our associates, suppliers and clients trust us with a range of sensitive information, and we take this responsibility very seriously.

Delivering with quality and personal accountability is one of our core values. The trust and respect of our stakeholders is crucial to everything we do, and we strive to consistently deliver best-in-class services and solutions.

To support this mission, our dedicated data privacy team:

- Monitors and responds to privacy questions, inquiries, data subject requests, incidents and complaints
- Supports business operations and risk management activities
- Analyzes new and developing privacy regulations and associated risks
- Provides quarterly reports to the board of directors and Audit Committee

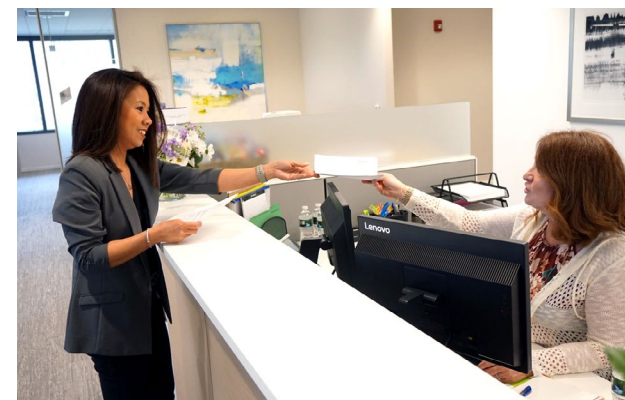
We are proud to be **ISO27001 certified** with global coverage of information security. Certified companies have demonstrated that they have a sound process for managing, identifying and remediating risks, as well as implementing security controls.

Privacy program

[Conduent's Online Privacy Policy](#) and privacy program include principles of leadership, accountability, transparency, lawful use, safeguards, individual rights, training, monitoring and response. Conduent's organizational, technical and administrative measures are designed to protect personal data and meet industry standards and global data privacy regulations.

Information privacy training

Conduent associates and contractors complete mandatory annual training on our data privacy practices and policies, including the EU's General Data Protection Regulation (GDPR) and the Health Insurance Portability and Accountability Act (HIPAA). In 2021, 98% of associates completed annual Information Privacy training on how to appropriately collect, use, disclose, transfer, retain, store and destroy personal data. Associates are also educated on individual data rights and how to recognize and report any suspicious activities or potential incidents.



Social key performance indicators (KPIs)

Conduent associate experience

76%	Engagement Index score in Associate Experience Survey	95%	associate participation in mandatory training	75%	associate participation in developmental training
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Diversity and inclusion (D&I)

123%	increase in EIG members	6	awards for diversity and inclusion	73%	Inclusion Index score in Associate Experience Survey
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Giving back in our local communities

2,372 hours	\$52,141	1,063	34
volunteered	in resources contributed	volunteers	organizations impacted

Privacy and data security

98%	completion of mandatory annual information privacy training by associates globally	100%	annual review of privacy policies for updates to regulations, security and best practices	96%	of environments with personal health information (PHI) completed annual HIPAA risk assessments
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Governance



Responsibly governing our business

Governance starts at the highest level of our company. We strive to be a role model in ethical behavior and business practices, managing risk and nurturing a culture of integrity, accountability and transparency. Conduent's **Code of Business Conduct** applies to all directors, officers and associates worldwide. Conduent associates complete mandatory annual training and affirm their commitment to uphold it. Resources such as the **Conduent Ethics Helpline** offer associates an opportunity to seek guidance and a confidential outlet to raise issues concerning business standards and ethics.



Governance practices

As set forth in our Environmental Policy, Conduent has assigned day-to-day management of ESG risks and opportunities, including those related to climate matters, to the ESG Steering Committee. The committee is composed of senior leadership team members responsible for different functions, including Legal (Co-Chair), Marketing (Co-Chair), Investor Relations, D&I, Human Resources, Accounting, Real Estate, Strategy, Procurement and Risk Management.

The ESG Steering Committee meets monthly to discuss our ESG strategy and KPIs to monitor our progress. The committee also provides guidance to subject matter experts responsible for the tactical execution of our overall strategy. Committee members prepare materials for and present to the board of directors' CSR and Public Policy Committee on a quarterly basis.



Business ethics and professional integrity

Conduent has implemented a global associate ethics program to promote and instill a culture of integrity and honesty — and create a work environment in which everyone understands ethical values are critical to our success as an organization.

The Conduent Business Ethics and Compliance Office oversees our ethics processes and activities and reports to the Audit Committee of our board of directors. The Ethics Office ensures that our associates and anyone working on behalf of Conduent understand their obligation to uphold our core values and abide by our corporate policies, applicable laws and regulations in all business dealings.

The Code of Conduct is the principal component of our Ethics Program, covering expectations for compliance with policies, laws, rules and regulations related to all aspects of our business. Some of the key topics addressed in our Code of Conduct include regulatory compliance, conflicts of interest, promoting an inclusive and respectful work environment, employment-related gifts, and accounting and financial integrity.

Our associates are required to complete training upon hire and annually, and they must acknowledge their understanding of and agreement to abide by the Code of Conduct. In 2021, 99% of our associates, including 100% of our senior leaders, completed this training. Additionally, our senior leaders are required to annually certify their commitment to communicating ethics and compliance expectations within their respective organizations.

The Ethics Office maintains a global 24/7 Ethics Helpline for associates and others to report ethics concerns and ask questions. All matters involving potential violations of the Code of Conduct are required to be reported to the Ethics Office.



Foreign Corrupt Practices Act (FCPA) and Anti-Bribery Compliance Program

As a global company, Conduent is subject to both the Foreign Corrupt Practices Act (FCPA) and the anti-bribery and anti-corruption laws of all countries where we operate. All Conduent associates are required to refrain from actions and behaviors prohibited under anti-bribery laws and have a responsibility to participate in compliance programs and training to understand our policies and available remediation resources. These include a dedicated anti-bribery policy, site-level programs, training and an anti-bribery coordinator network to provide local support.

Enterprise risk management

Conduent has adopted the Institute of Internal Auditors Three Lines of Defense Governance Model to ensure that roles and responsibilities for effective risk management practices are clearly defined and understood across the company.

- 1** The first line of defense owns and manages risk within the business.
- 2** The second line of defense oversees risks.
- 3** The third line of defense provides independent evaluation and assurance.

Our board of directors has ultimate oversight for our Enterprise Risk Management (ERM) program. This oversight is facilitated primarily through the Audit Committee of the board, which previews the ERM program, related assessments and remediation activities for subsequent review by the board.

Our ERM program is designed to strengthen our risk-management capability by developing and implementing a governance structure, policy and processes, as well as standards for identifying, assessing, monitoring and managing any strategic, financial, operational, technology, cybersecurity or legal and compliance business risks.

The ERM program creates organizational value through effective control management and integration of risk practices into strategic planning and organizational decision making. ERM is administered within our Global Risk organization under the direction of our Chief Risk Officer. Global Risk works with management throughout Conduent to identify and address emerging risks, review and establish risk tolerances, prioritize risk remediation and review and report on plans and progress.

Business continuity

Business continuity is a critical component of Conduent's Global Risk organization, under the direction of the Chief Risk Officer. This role ensures the program is consistent with industry standards, incorporated into Conduent's operating model and practices, and designed to support the continuation of critical business activities.

Business continuity planning is critical for Conduent and its clients. The company's Business Continuity and Incident Management Policy outlines the mandates and minimum requirements business units must follow to plan for and respond to disruptive events.



Board of Directors' governance framework

The Conduent Board of Directors is committed to sound and effective corporate governance practices on behalf of our associates, shareholders, clients and society.

The board regularly monitors the effectiveness of management policies and decisions, including the creation and execution of its strategies. The board is also responsible for monitoring the establishment and enforcement of procedures to ensure the company operates in a legal and ethically responsible manner — including oversight of all ESG initiatives and programs.

While the company does not have a formal policy on board diversity, our Corporate Governance Principles and Practices place emphasis on diversity, and the board's current composition reflects the importance of diversity within our organization.

[Conduent's Corporate Governance Guidelines](#)

outline our commitment to monitoring policy and decision-making effectiveness at the board and management level, with a focus on enhancing long-term shareholder value.

Board structure

- Independent chairperson
- Annual director elections
- Annual director evaluation process
- Majority voting for directors
- All independent committees
- No director-related party transactions

Shareholder rights

- No cumulative voting rights
- No poison pill
- No supermajority voting requirements

Compensation

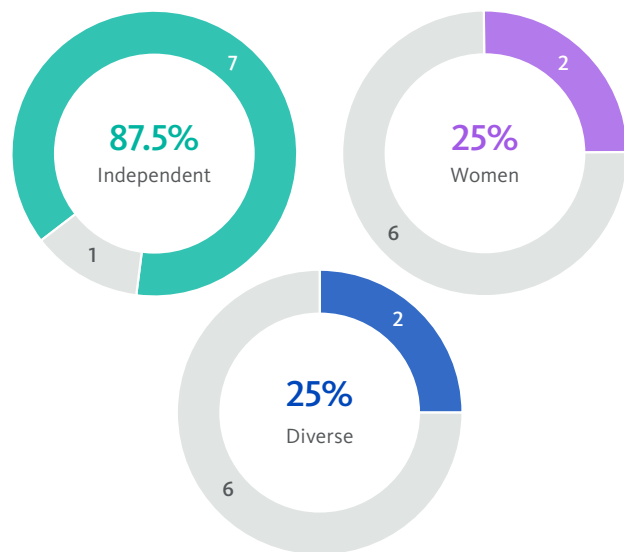
- Pay for performance compensation programs
- Annual "Say-on-Pay" vote
- Anti-hedging and anti-pledging policies
- Clawback policy for both cash and equity awards
- Stock ownership guidelines for directors and executives

Committee assignments

	Audit	Compensation	Corporate Governance	Finance	Corporate Social Responsibility and Public Policy
Hunter Gary		●	●		
Kathy Higgins Victor	●				●
Scott Letier		●		●	
Jesse Lynn			●		●
Steven Miller	●			●	
Michael Montelongo	●			●	●
Margarita Paláu-Hernández		●	●		
Cliff Skelton					

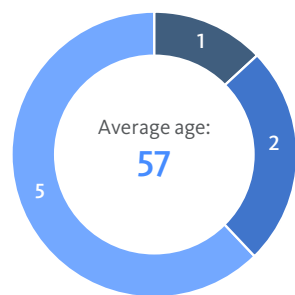
● Committee Chair

Board overview

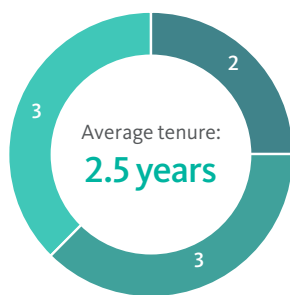


5 Board committees composed solely of independent directors

3 Board committees led by diverse or women directors



■ Under 40 y/o
■ 40 to 50 y/o
■ 55 y/o and older



■ 0 to 2 years
■ 2 to 3 years
■ 3+ years

Audit Committee

The Audit Committee oversees the company's accounting and financial reporting processes and the audit of the company's financial statements and other matters as directed by the board.

Compensation Committee

The Compensation Committee reviews and approves the compensation of the company's executive officers and acts as the administering committee for equity compensation plans as designated by the board.

Corporate Social Responsibility and Public Policy Committee

The CSR and Public Policy Committee assists the board in oversight of the company's material ESG strategies, initiatives, investments and policies, with priorities including ESG focus areas found throughout this report.

Corporate Governance Committee

The Corporate Governance Committee oversees matters relating to:

- 1 Identification and qualification of current and potential board members
- 2 Director compensation
- 3 Membership for each board committee
- 4 Other corporate governance matters, including those required by federal securities laws

Finance Committee

The Finance Committee reviews Conduent's cash position, capital structure and strategies, financing strategies and insurance coverage, as well as the dividend policy.

Governance key performance indicators (KPIs)

Board of Directors' governance framework	98.5%	average shareholder vote in favor of our eight directors	
Business ethics and professional integrity	99%	of associates completed annual training on Conduent's Code of Conduct	100% of senior leadership completed annual training on Conduent's Code of Conduct
Supplier practices	25%	of sourceable U.S. spend with certified diverse suppliers	

SASB index



2021 SASB disclosure table

The Sustainability Accounting Standards Board (SASB) is an independent standards-setting organization dedicated to enhancing the efficiency of capital markets by fostering high-quality disclosure of financially material sustainability information that meets investor needs. The following table references the Standard for the Software and IT Services industry, as defined by SASB's Sustainable Industry Classification System™ (SICS™), and Conduent's SASB-aligned responses. The data contained herein is as of 12/31/2021.

Environmental footprint of hardware infrastructure

Accounting metric	SASB code	2021 disclosure			Additional comment
(1) Total energy consumed (2) Percentage grid electricity (3) Percentage renewable	TC-SI-130a.1	(1) 443,068 GJ energy consumed (2) 92% grid electricity (3) 22% renewable energy			This data captures both domestic and international properties Scope 1 and 2 emissions within Conduent's operational control. The company gathered U.S. data using Capturis, a utility administration service and international data from facility managers located outside of the U.S. Renewable energy estimates are based on Our World in Data's electricity production from renewables methodology. The data provided pertains to all of the leased, owned and occupied properties larger than 15,000 square feet within Conduent's real estate portfolio.
(1) Total water withdrawn (2) Total water consumed, percentage of each in regions with high or extremely high baseline water stress	TC-SI-130a.2	Water risk	Properties	Thousand m³ of water	In the United States, Conduent pays water providers directly for 17.5% of its sites, while water costs are absorbed as part of lease agreements that do not have billing data at this time. Of those 25 U.S. sites, six are located in high or extremely high water stress areas. These six sites consumed 22.1 thousand cubic meters of water.
		Extremely high	2	6.8	
		High	4	15.2	
		Total	6	22.1	
		Overall water usage		55.4	Of our 206 sites globally, 52 are located in extremely high or high baseline water stress areas as noted by the Water Risk Atlas Tool, Aqueduct.
		U.S. billed percentage		39.8%	
		Water risk	Properties	Percentage	
		Extremely high	23	11.2%	
		High	29	14.1%	
Discussion of the integration of environmental considerations into strategic planning for data center needs	TC-SI-130a.3	See additional comment			

Environmental footprint of hardware infrastructure

Additional comment

Conduent is committed to taking the appropriate actions to better control its environmental impact. As a result, the company has integrated environmental considerations into strategic planning for data center needs, which include:

1. Putting a monitoring system in place to manage equipment status, history reports, loads, volume on equipment, etc.
2. Upgrading existing BMS systems in place of having energy management software/modules
3. Automating power metering at the device level
4. Leveraging variable speed drives to match energy usage to workload
5. Using alternative cooling methods such as free cooling and direct liquid cooling
6. Matching infrastructure power use to IT workload after virtualization
7. Eliminating “zombie” servers (unused, but powered servers)
8. Increased virtualization to reduce physical device deployments and thereby reduce energy consumption
9. Migrating legacy workloads to data centers fed with renewable energy as well as to highly energy efficient IT equipment
10. Developing disaster recovery plans and security awareness curriculums to protect physical and virtual assets
11. Consolidating mainframe and server computing capacity and deploying orchestration tools to seamlessly migrate workloads between various landing zones

Data privacy privacy and freedom of expression

Accounting metric	SASB code	2021 disclosure	Additional comment
Description of policies and practices relating to behavioral advertising and user privacy	TC-SI-220a.1	Conduent's Privacy and Behavioral Advertising Policy	Conduent's commitment to data privacy goes beyond the minimum legal and regulatory requirements and strives for best-in-class data protection and privacy management. This commitment is overseen at the executive level by the Chief Privacy Officer who reports to the General Counsel and the Chief Information Security Officer who reports to the Chief Information Officer (with the General Counsel and CIO both reporting directly to the Chief Executive Officer of the company). The board receives quarterly reports or a read-only report. The Audit Committee agenda includes coverage of data privacy at every board meeting. Conduent ensures its employees and contractors are educated and trained on the company's data privacy policies throughout their tenure, including new-hire instructions and annual training.
Number of users whose information is used for secondary purposes	TC-SI-220a.2	0	
Total amount of monetary losses as a result of legal proceedings associated with user privacy	TC-SI-220a.3	The company's total amount of monetary losses as a result of legal proceedings associated with user privacy is zero (0).	Additional information on legal proceedings is disclosed in our Annual Report on Form 10-K.
(1) Number of law enforcement requests for user information (2) Number of users whose information was requested (3) Percentage resulting in disclosure	TC-SI-220a.4	See additional comment	As a “Business-to-Business” provider supporting its clients' end customers, Conduent does not receive requests for user information except in its capacity as a service provider for its clients' customers.
List of countries where core products or services are subject to government-required monitoring, blocking, content filtering or censoring	TC-SI-220a.5	0	

Data security

Accounting metric	SASB code	2021 disclosure	Additional comment
(1) Number of data breaches (2) Percentage involving personally identifiable information (PII) (3) Number of users affected	TC-SI-230a.1	See additional comment	<p>Conduent routinely processes significant volumes of data (including PII and PHI) for a broad, diversified global customer base. Accordingly, we are periodically subjected to unauthorized attempts to compromise or acquire data.</p> <p>To protect Conduent and its customers, we do not broadly disclose specifics regarding these attempts other than in instances where we are legally required to do so. We maintain an information security program that is aligned with the NIST framework and standards as well as applicable industry regulatory requirements. The program is continuously reviewed and strengthened as necessary to ensure responsiveness to and protection against actual and emerging threats.</p>
Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-SI-230a.2	<p>Conduent's security program is aligned with the NIST framework and standards as well as applicable industry regulatory requirements, including but not limited to GDPR, HIPAA, ISO, and PCI. The program encompasses information security and cyber operations capabilities that protect Conduent and its clients. It is continuously reviewed and strengthened as necessary to ensure responsiveness to and protection against emerging threats.</p> <p>Conduent maintains a highly qualified workforce and uses external experts to support the program. We administer internal education, training and communication programs to ensure ongoing awareness and vigilance. We maintain and communicate formal documented policies and standards. We monitor and assess the overall operating effectiveness of our program through risk assessments that include identification and remediation of vulnerabilities and threats. We maintain and test our cyber incident response plan and undertake various independent reviews in conjunction with PCI DSS, external audits, internal audits and client assurance efforts.</p> <p>Various additional operational protections, controls and processes exist, including but not limited to malware protection, intrusion prevention and detection protocols, user access reviews, network segmentation, implementation and maintenance of network and application firewalls, vulnerability scanning, data encryption and penetration testing and patching.</p>	<p>You can find our privacy policy here: https://www.conduent.com/privacy-policy/</p>

Recruiting and managing a global, diverse and skilled workforce

Accounting metric	SASB code	2021 disclosure	Additional comment
Percentage of employees who are (1) Foreign nationals and (2) Located offshore	TC-SI-330a.1	(1) 1.26% of U.S. employees on Visa (2) 56.73% of total Conduent employees located offshore	<p>Conduent considers human resources risk in its enterprise risk assessment process and incorporates appropriate controls within its global operating model to manage that risk, as well as other related risks, to an acceptable level in all operating locations. We maintain appropriate oversight and governance mechanisms to ensure and enable sufficient control and consistent policies and practices at an enterprise level. Our Legal department oversees the protection of our intellectual property, and our Code of Conduct specifies behavioral expectations related to maintaining an open and inclusive work environment.</p> <p>Conduent maintains a global HR function, including an enterprise talent acquisition team, to enable and support our ability to attract, develop and retain exceptional talent. We also maintain and support local and industry partnerships, as deemed necessary and appropriate, in the countries where we operate. Conduent assesses information and cyber security risks as part of its enterprise risk assessment process and philosophy. We use a three-lines-of-defense governance framework which helps ensure that roles and responsibilities are clearly defined to manage risk across the company. The first line of defense owns and manages risk within the business, the second line of defense oversees risks and the third line of defense provides independent evaluation and assurance.</p>
Employee engagement as a percentage	TC-SI-330a.2	Conduent conducted an enterprise-wide employee engagement survey in 2021 via a third party, Perceptyx. Employee engagement was measured at 76.1%. Our Engagement Index, which measures the overall level of engagement, had a 76.1% favorability score. This means 76.1% of our participating associates either agreed or strongly agreed with statements related to pride in the company, feeling recognized for their accomplishments, and other indicators of engagement.	In very challenging circumstances, Conduent's key indicators held steady. Clarity of Direction and Continuous Improvement improved in favorability. The survey also highlighted that satisfaction with Clarity of Direction, Performance Management and Teamwork and Collaboration were well above the benchmark as well.

Recruiting and managing a global, diverse and skilled workforce (cont'd)

Accounting metric	SASB code	2021 disclosure			Additional comment	
Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff and (3) all other employees	TC-SI-330a.3		Management	Technical staff	All other employees	U.S. data based on definitions defined by SASB. In 2021 we published a Statement of Equal Employment Opportunity signed by our CEO which reads as follows: At Conduent, we are committed to providing an environment of mutual respect where equal employment opportunities are available to all applicants and associates without regard to race, color, religion, sex, pregnancy (including childbirth, lactation and related medical conditions), national origin, age, physical and mental disability, use of a guide dog or service animal, marital status, sexual orientation, gender identity, gender expression, genetic information (including characteristics and testing), military and veteran status, and any other characteristic protected by applicable law. Therefore, all employment decisions at Conduent are based on business needs, job requirements and individual qualifications. Conduent believes that diversity and inclusion among its associates is critical to its success as a global company, and we seek to recruit, develop and retain the most talented people from a diverse candidate pool. More on our commitment to diversity can be found here: https://www.conduent.com/diversity-and-inclusion/
		Female	51%	25%	74%	
		Male	49%	75%	26%	
		Not Disclosed	0%	0%	0%	
		Total	100%	100%	100%	
			Management	Technical staff	All other employees	
		Asian	9%	26%	4%	
		Black or African American	14%	8%	33%	
		Hispanic or Latino	11%	6%	17%	
		White	50%	44%	21%	
		Other	3%	2%	4%	
		Not Disclosed	13%	14%	21%	
		Total	100%	100%	100%	

Intellectual property protection and competitive behavior

Accounting metric	SASB code	2021 disclosure	Additional comment
Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-SI-520a.1	The company's total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations is zero (0).	Additional information on legal proceedings is disclosed in our 2021 Annual Report on Form 10-K.

Managing systemic risks from technology disruptions

Accounting metric	SASB code	2021 disclosure	Additional comment
Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	TC-SI-550a.1	For competitive and security reasons, we chose not to disclose this information at this time. Conduent continuously improves the quality of its solutions and services to maximize uptime and performance.	
Description of business continuity risks related to disruptions of operations	TC-SI-550a.2	<p>Conduent is committed to maintaining an appropriate resilience posture that meets client, regulatory and stakeholder requirements and expectations, including in instances when business disruption occurs. Accordingly, Conduent maintains Business Continuity, Disaster Recovery and Information/Cyber Security programs with frameworks and methodologies designed to effectively manage business continuity risk. These frameworks include but are not limited to ISO 22301, NIST 800-53 and Information Technology Infrastructure Library (ITIL) processes.</p> <p>The Business Continuity Management Policy and Standards specify the mandates and requirements that business units must follow to plan for and respond to disruptive events. Business continuity is underpinned by processes and procedures to help ensure the stability of our technology environments. The Disaster Recovery Policy and procedures enable compliance with client contracts and internal standards. Cyber security policies, protocols and assessments are designed to protect sensitive information and enable effective response to cyber or security threats.</p> <p>Our programs are designed to create a resilient operating environment with preestablished response and recovery strategies in the event of business disruption. These strategies focus on safeguarding our people, assets, information and clients.</p>	

TCFD disclosures



TCFD disclosures

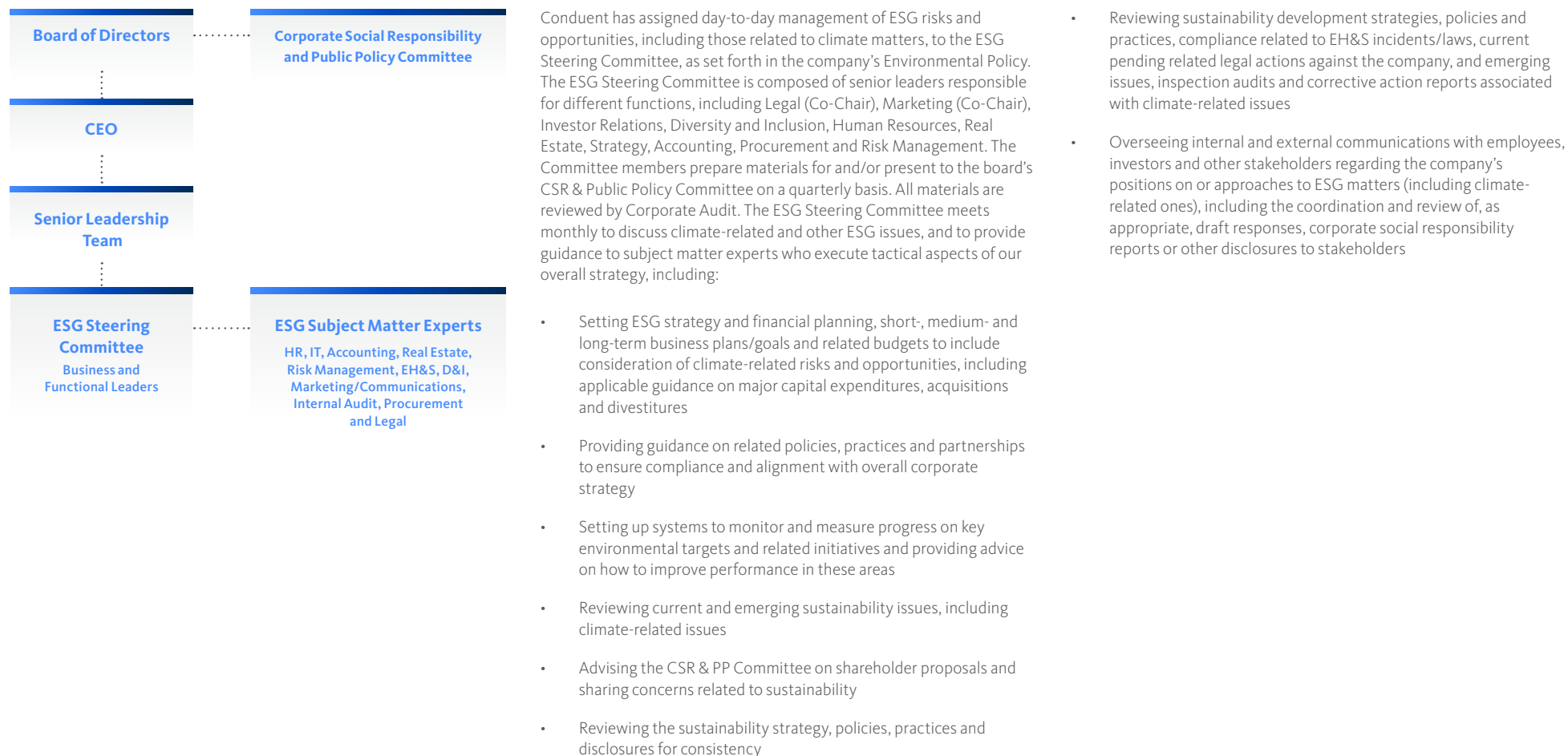
The following is our first Task Force on Climate Related Financial Disclosures Report. In this report, we provide disclosures on governance and strategy that build on our responses to CDP's Climate Change Questionnaire. In the future, we look to expand our TCFD disclosures, further aligning with the TCFD recommended topics.

Governance

A) Describe the board's oversight of climate-related risks and opportunities.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Additional detail
Climate-related issues are incorporated into the discussions and updates at quarterly board and Corporate Social Responsibility and Public Policy (CSR & PP) Committee meetings	<ul style="list-style-type: none"> Climate-related issues are incorporated into governance mechanisms associated with reviewing, developing and guiding strategy, business plans and related budgets, as appropriate Reviewing and guiding risk management practices 	Each member of the board of directors receives CSR & PP Committee materials, is invited to and may attend the CSR & PP Committee meetings and receives a report from the Committee chair during each board meeting	Pursuant to its charter, the board's CSR & PP Committee assists the board in providing oversight of Conduent's key ESG focus areas, while management is responsible for execution of these areas, which include climate-related issues such as energy and greenhouse gas emissions management and reductions; opportunities in clean technology; electronic waste and other recycling; business continuity in response to climate change and other environmental matters; supplier practices impacted by climate-related issues; and Conduent associate health/safety/well-being.

B) Describe management's role in assessing and managing risks and opportunities.



Strategy

- A) Describe the climate-related risks and opportunities the organization has identified over the short-, medium- and long-term.
- B) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy and financial planning.

As an organization, we have defined short-, medium- and long-term time horizons in the following chart.

	From (years)	To (years)		
Short-term	0	1	Conduent was formed in 2017 as a standalone business process services and solutions company, as a spinoff from Xerox. Conduent delivers mission-critical services and solutions on behalf of businesses and governments — creating exceptional outcomes for its clients and the millions of people who count on them. Through our dedicated people, processes, and technologies, Conduent solutions and services enhance customer experience, increase efficiencies, reduce costs and improve performance for most Fortune 100 companies and more than 500 government entities. Our overall strategy is guided by three goals of growth, efficiency, and quality. Our vision is to become the leading business services partner for companies and governments worldwide.	Conduent organizes its operations in three segments, each of which support key ESG outcomes:
Medium-term	1	3		
Long-term	3	4+		
			Conduent has taken a holistic approach to managing its ESG strategy, risks and opportunities, including climate-related ones, that have the potential to have a material financial or strategic impact on our businesses.	<p>Commercial Solutions, our largest segment by revenue, provides a range of global business process services and solutions, including customer experience management; business operations solutions (e.g. document management, payments, accounts payable); commercial healthcare and claims management; human capital and learning services. This segment contributes to the good health and well-being of our clients’ employees, their customers and communities.</p> <p>Government Solutions includes government healthcare solutions including Medicaid program management and pharmacy benefit management; payment solutions; child support services; and eligibility and enrollment support for social benefit programs. This segment enables governments to help alleviate poverty and hunger and enhance well-being.</p> <p>Transportation Solutions provides systems, solutions and services to transportation departments and agencies globally. Primary offerings include electronic tolling, transit, parking and public safety solutions to enable agencies to capture revenue while improving traveler experiences, increasing public safety and accessibility, reducing congestion and emissions and modernizing multi-modal travel. Our solutions promote positive environmental impact and more sustainable cities and communities.</p>

Risk

The following are examples of climate-related risks and opportunities that management, under board oversight, has identified as potentially arising in each time horizon that may have a financially material impact on Conduent:

Policy and Legal: Enhanced emissions-reporting and -reduction obligations

Risk rating	Time period	Description	Impacts	Financial implications and response
High	Short-term	Our results of operations and financial condition could be materially adversely affected by legal and regulatory matters in the U.S. and outside the U.S., including those arising from changes in securities and environmental laws, particularly those that would require enhanced greenhouse gas (GHG) emission disclosures and reductions by Conduent, our suppliers and our clients.	Low-Medium	<p>Such laws and regulations could result in devoting increased funding and resourcing to ensure compliance therewith. The terms of our indebtedness may also restrict our ability to incur debt that we may need to fund initiatives necessary to respond to changes in government regulations.</p> <p>We will monitor global regulations and set up internal systems to measure emissions across the company, including Conduent's supply chain. We will continue to respond to voluntary emission-reporting disclosures, such as the CDP Climate Change Questionnaire which requires quantifying Scope 1 and 2 emissions globally.</p>

Acute and Chronic Physical Risks: Natural disasters or effects of climate change

Risk rating	Time period	Description	Impacts	Financial implications and response
High	Short, Medium, Long-term	Conduent occupies a sizeable global real estate footprint, with a global workforce and global clients. Our employees and clients in a particular country or region in the world may be impacted as a result of a variety of disruptions, including natural disasters or the effects of climate change (such as drought, flooding, wildfires, increased storm severity, and sea level rise, power shortages or outages, major public health issues). These disruptions could impact the ability of our personnel to travel to their workplaces, have uninterrupted telephone and data services, and deliver services to our clients. There may also be financial impacts due to associated penalties for missing contractually obligated service level agreements.	Low-Medium	<p>In the event of a disruption in a country or region where we have a significant workforce (such as the U.S., India or the Philippines), clients (such as those in the U.S. or Europe), or vendors (such as telephone or data service providers), our business and associated revenues could be materially adversely affected. This financial impact could be lost revenue from not being able to maintain business continuity, or service level agreement penalties as well as costs associated with repairing damage to our sites.</p> <p>Our sites have tailored emergency response/business continuity plans to protect our operations in the event of natural disasters and climate change events. These plans are designed to protect the safety and security of our associates while also minimizing the risk of client service disruptions — including mitigating risk by shifting work to other geographies or time shifts. In addition, our data centers are geographically dispersed and have automated fail-over protocols to prevent disruptions. The plans are periodically exercised via test scenarios and updated as appropriate.</p>

Reputation: Shifts in client preferences, resulting in demand for more sustainable operations

Risk rating	Time period	Description	Impacts	Financial implications and response
Medium	Medium-term	To attract and retain large outsourcing contracts, Conduent sometimes makes significant capital and other investments to enable us to perform our services under those contracts — such as servicing those clients from more sustainable facilities and providing those clients with data about emissions or recycling from those operations. To the extent that we rely on third-party providers, such as subcontractors and utility and network providers, our client contracts increasingly expect these providers to also have more sustainable facilities and to provide emissions data to Conduent. Requests for such emissions data are increasing in frequency.	Medium	<p>With increased demand for more sustainable operations and facilities, our costs (capital and operating) to meet those requirements are likely to increase. This could result in margin compression unless we are able to include those costs in the contracts we have with clients. The competitive environment may throttle how much of the costs may be passed on to clients. We may also incur additional liabilities if our third-party providers do not meet our or our clients' expectations for more sustainable business practices.</p> <p>We will continue to monitor new developments in sustainable technology as input to our capital allocation strategy as well as changing client preferences for doing business with service providers that have more sustainable operations.</p>

Technology: Lack of investment in new technologies

Risk rating	Time period	Description	Impacts	Financial implications and response
Moderate	Medium-term	Our results of operations and financial condition could be materially adversely affected by failing to develop new service offerings — including new technology components that address climate change issues, which would impact our ability to retain current clients, attract new clients and risk revenue decline.	Medium	<p>Lack of technologies that address climate change issues could result in lost business with existing clients or lack of ability to attract new clients who have certain climate-related technology requirements, resulting in reduced revenue. The terms of our indebtedness may also restrict our ability to incur debt that we may need to fund initiatives necessary to develop such new service offerings to respond to changes in our business and the industries in which we operate.</p> <p>To respond to demand for new service offerings that address climate change issues, Conduent will continue to monitor client needs and market changes, as well as maintain a disciplined approach to investing in new technologies.</p>

Opportunities

The following are short-, medium- and long-term opportunities:

Markets: Access to public sector infrastructure investments

Opportunity rating	Description	Impacts	Financial implications and response
High	As governments are setting mandates to address climate-related problems, we have the opportunity to be a partner to provide services and solutions that help to solve these problems and capture a portion of the infrastructure investments.	High	We have the opportunity to increase revenue through access to new and emerging markets in both our Government and Transportation businesses, such as fraud prevention and smart city infrastructure. Conduent's Government and Transportation Solutions segments are working to make a difference for constituents, citizens and travelers. With public-sector initiatives such as U.S. President Biden's executive order for clean energy and enhanced sustainability solutions, we are poised to capture new opportunities for revenue growth.

Products and services: Digital solutions

Opportunity rating	Description	Impacts	Financial implications and response
High	Increasingly, our clients are demanding lower-emission digital services and solutions. For some of our solutions, we can offer our clients digital solutions that help them reduce their environmental footprint.	High	<p>We have the opportunity to expand our revenues through greater penetration of existing digital solutions and continued development of new digital solutions. As a result, we continue to develop digital solutions that meet client requirements and could therefore increase company revenues. Some examples include:</p> <p>Transportation: Reducing congestion, emissions and paper-consumption through all-electronic toll collection (AET) for traffic tolling; cashless fare collection for public transit buses; dynamic pricing in curbside management; and analytics-based public safety and congestion management solutions. Indirectly, Conduent solutions include distance-based tolling which enables government agencies to maintain sustainable funding for their highways and other infrastructure projects across the respective government's scope of operation.</p> <p>Government Payments: The use of digitally reloadable electronic payment cards for a variety of government benefit programs, which reduces both the paper used for checks as well as the carbon footprint associated with the periodic delivery of paper checks. This also results in more timely receipt of funds for our clients' end users.</p> <p>Commercial: Digitizing document management services (digital scanning and digital mailroom services). This reduces the need or desire for paper and automates processes to reduce manual effort, improve efficiency and lower client costs. Indirectly, we employ omnichannel solutions to shift end users to more digital types of interactions rather than paper-based.</p>

Resilience: Global organizational footprint

Opportunity rating	Description	Impacts	Financial implications and response
Medium	Conduent has a global footprint with geographically dispersed sites, data centers and workforces to mitigate risk of extreme weather events in a specific geography.	Low	<p>We are positioned to maintain or increase client revenues and company market valuation through resiliency/ business continuity planning that enables us to maintain service, insulating us from geographic climate-related events, and making us a partner of choice.</p> <p>Our sites have tailored emergency response / business continuity plans to protect our operations in the event of natural disasters and climate change events. These plans are designed to protect the safety and security of our associates while also minimizing the risk of client service disruptions — including mitigating risk by shifting work to other geographies or time shifts. In addition, our data centers are geographically dispersed and have automated fail-over protocols to prevent disruptions. The plans are periodically exercised via test scenarios and updated as appropriate.</p>

Energy source: Purchasing or generating renewable energy

Opportunity rating	Description	Impacts	Financial implications and response
Medium	We plan to pursue a renewable energy procurement strategy in the higher-density countries (people or sites) in which we operate.	Low-Medium	By increasing our use of renewable energy, we lower our carbon footprint, making our company a more desirable business partner for our clients, which should positively impact revenue retention and growth. Over time, we expect that renewable energy sources will also be less expensive options for our company, further reducing our costs and our sensitivity to changes in the cost of carbon-based fuel sources.

Products and services: Shifts in client preferences for more sustainable business practices and offerings

Opportunity rating	Description	Impacts	Financial implications and response
Low	Our commitment to reducing greenhouse gas emissions and optimizing energy usage is increasingly becoming an integrated part of our value proposition to existing and potentially new clients. We anticipate demand will continue to grow for companies who place an emphasis on reducing greenhouse gas emissions and using lower and no-carbon energy solutions — not only in their operations but also through their suppliers. We have an opportunity to expand our revenue by promoting our ESG initiatives to gain greater consideration and new business from environmentally conscious companies.	High	As we continue to adopt more sustainable practices and disclosures, we expect to win more business as more clients require sustainability-focused business partners who can provide environmentally-focused disclosures.

Resource efficiency: Ability to work from home

Opportunity rating	Description	Impacts	Financial implications and response
Low	We have demonstrated that when required, we can maintain service delivery with 75% of our associates working from home. This enables us to maintain service delivery in the event of on-site disruptions such as inclement weather or pandemic mandates. In addition, we have shifted our hybrid work model to have a greater percentage of work-from-home associates.	Medium	<p>This results in benefits to workforce management and planning (e.g., enhanced satisfaction by Conduent associates who appreciate the flexibility to work remotely), resulting in lower operational costs if sites are unoccupied (e.g., lower energy use) and the ability to optimize our real estate portfolio.</p> <p>We continue to optimize remote-only or hybrid work models for associates, including the benefits of associate retention/satisfaction, recruitment of more skilled associates from more locations in a highly competitive job market and reduced real estate footprint.</p>

Resource efficiency: Upgrade facility equipment to reduce operating costs

Opportunity rating	Description	Impacts	Financial implications and response
Low	Conduent is focusing on high Seasonal Energy Efficiency Ratio (SEER) Heating Ventilation Air Conditioning (HVAC) equipment and converting lighting to LEDs in our offices and data centers. We have also made investments in building management systems (BMS) to ensure we are not using excess power when space is empty.	Low-Medium	<p>Capital investment in facility improvements and high efficiency equipment should decrease operating expenses and lower utility bills. These investments should be paid back in energy savings. We also anticipate increased revenues from clients that value resource efficiency and disclosure by their service providers.</p> <p>We continue to explore more high-efficiency equipment that should decrease operating expenses, including lowering utility bills. We are conducting energy and lighting audits of our sites on a rolling basis to identify conservation opportunities. This also helps us be responsive to increasing client requests for lower greenhouse gas emissions by their services providers, thereby expanding our revenue opportunity.</p>

Supplier diversity definitions

8(A) Designation: Given to small companies owned by socially and economically disadvantaged people so they may bid and obtain federal government contracts and other assistance to develop their business.

Disadvantaged Business Enterprise (DBE): For-profit small businesses where socially and economically disadvantaged individuals own at least a 51% interest and control management and daily business operations. Assumed categories include Black, Hispanic, Native and Indigenous and Asian-Pacific and Subcontinent Asian American people, as well as people who identify as female. Other individuals may qualify as socially and economically disadvantaged on a case-by-case basis.

HUBZone Certified: A business operating in a certified historically underutilized business zone.

Minority Business Enterprise (MBE): A designation for businesses that are at least 51% owned, operated and controlled by one or more people who are Black, Hispanic, Asian American or Native American. MBEs can be certified by local, state or federal agencies. National certification is also offered through the National Minority Supplier Development Council (NMSDC).

LGBTQ+ Enterprise: A designation for businesses that are at least 51% owned, operated, managed, and controlled by LGBTQ+ person(s) who are either U.S. citizens or lawful permanent residents. Exercises independence from any non-LGBTQ+ business enterprise.

Service Disabled Veteran (SDV): A business that a veteran with a disability that is service connected. The term "service connected" means, with respect to disability or death, that such disability was incurred or aggravated, in the line of duty in the active military, naval or air service.

Small Business Enterprise (SBE): Indicates whether a business concern is eligible for assistance from the SBA, usually certified by a federal, state or local government agency or organization as having met all of the government standards that award eligibility.

Veteran Business Enterprise (VBE): A designation for small business concerns that are at least 51% owned and controlled by one or more veterans. In the case of a publicly owned business, at least 51% of the stock is owned by one or more veterans.

Women's Business Enterprise (WBE): A national certification for women-owned businesses managed by the Women's Business Enterprise National Council (WBENC). Widely accepted by corporate and nonprofit organizations, as well as local, state and federal agencies.

This report contains environmental, social, governance and other information about Conduent, Incorporated and certain of its business segments. Statements regarding our future direction and intent represent goals and objectives only and are subject to change or withdrawal without notice.

This report may contain “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. The words “anticipate,” “believe,” “expect,” “plan,” “intend,” “will,” “aim,” “should,” “could,” “target,” “may,” “continue to,” “if,” “potential,” “likely,” and similar expressions, as they relate to us, are intended to identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Readers should not place undue reliance on forward-looking statements, which speak only as of the date such statements were first made. Except to the extent required by law, we undertake no obligation to update or revise our forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those projected, anticipated, or implied. Although it is not possible to predict or identify all such risks and uncertainties, they include, but are not limited to, factors described under “Forward-Looking Statements” and “Risk Factors” in Conduent’s most recent Form 10-K and Form 10-Qs filed with the United States Securities and Exchange Commission (SEC).

Except where noted, the information covered in this report highlights our environmental, social, governance and other performance and initiatives in fiscal year 2021. All calculations and statistics are in part dependent on the use of estimates and assumptions based on historical levels and projections and are therefore subject to change. This report has not been externally assured or verified by an independent third party.

The inclusion of information or absence of information in this report should not be construed to represent Conduent’s belief regarding the materiality or financial impact of that information. For context on information that is material to Conduent, please see our filings with the SEC, including our Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q.

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