

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(1) Total water withdrawn (2) Total water consumed, percentage of each in regions with high or extremely high baseline water stress	TC-SI-130a.2	Water risk	Properties	Thousand m³ of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. 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.
		Extremely high	2	6.8	
		High	4	15.2	
		Total	6	22.1	
		Overall water usage		55.4	
		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	
		Management	Technical staff	All other employees		
Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff and (3) all other employees	TC-SI-330a.3				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%

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>	

Cautionary Statements

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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