

ANSYS UK LTD

MODERN SLAVERY STATEMENT FOR FINANCIAL YEAR 2019

This statement is made pursuant to s.54 of the Modern Slavery Act 2015 and sets out the steps that ANSYS UK Ltd has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain.

Our Organisation

ANSYS UK Ltd employs nearly 195 professionals and specializes in engineering simulation solutions in finite element analysis, computational fluid dynamics, electronics, semiconductors, embedded software and design optimization. ANSYS UK licenses software and provides associated services to customers from a board range of industries including automotive, aerospace, construction, energy, high-tech, telecom, consumer goods and healthcare. Our customers are essentially based in Europe but some of them are located internationally. Our suppliers are essentially based in the UK but some of them are located internationally.

Our Policies

We operate a number of internal policies and procedures to ensure that we are conducting business in an ethical and transparent manner. These include:

Procedures

ANSYS UK is working to establish procedures that contribute to ensuring modern slavery does not occur in the business or supply chain.

Employment:

- Robust recruitment processes in line with UK employment laws, including: 'right to work' document checks; contracts of employment and checks to ensure everyone employed is 16 and above.
- Market-related pay and reward, which is reviewed annually.
- Wellbeing activities and initiatives to support employees' physical and mental wellbeing and lifestyle choices.
- Our Code of Business Conduct and Ethics acknowledges and prohibits specifically practices such as human trafficking, physical abuse of workers, or any form of child labour.

Training:

ANSYS UK has a compliance training program for ANSYS UK employees and for third parties ANSYS UK has a business relationship with that is continuously maintained. This compliance training program covers a broad range of areas including business ethics.

Transparency in Supply Chain:

ANSYS UK has a compliance training program for ANSYS UK employees and for third parties ANSYS UK has a business relationship with that is continuously maintained. This compliance training program covers a broad range of areas including business ethics.

An examination of the ANSYS UK supply chain:

Over 250 suppliers were identified for 2019. Those whom ANSYS UK pays £100,000 and above (58% of total spend) have been mapped according to location, size and industry, to identify potential indicators of slavery. Of these:

- 100% are located within the UK or other low risk countries.
- 66% are companies with an annual turnover of >£36m or local authorities and are therefore covered by the Modern Slavery Act requirements.
- 0% are companies in high-risk sectors such as hospitality and leisure, service, retail, construction, and food and beverage industries.

There is an ongoing effort to establish:

- confirmation from key suppliers, of compliance to the Modern Slavery Act through their own modern slavery statements as part of the future Critical Vendor due diligence process.
- a responsible Procurement Policy, which includes commitment to and focus on suppliers' ethical supply chain(s).
- a Supplier Code of Conduct, used for all new major suppliers of goods or in re-tendering, clearly stating ANSYS UK's intention to step away (without penalty) if any occurrences of modern slavery is discovered and/or ignored.
- Both the Procurement Policy and Supplier Code of Conduct will be reviewed periodically, and updated as and when deemed appropriate by ANSYS UK, to ensure they are continually developed and remain fit for purpose.
- We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chain if no reports are received from employees, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

Employee Responsibilities

Any Employee who becomes aware of a violation of this policy is to report the situation to the Manager of Ethics and Compliance or through the ANSYS Ethics Line, which is available 24 hours per day:

- Telephone: 1-855-729-0134 (US & Canada)
- Internet: <https://secure.ethicspoint.com/domain/media/en/gui/1543/index.html>
- Mail: Manager of Ethics and Compliance, 2600 ANSYS Drive, Canonsburg, PA 15537

Alternatively, Employees can report the situation to the Director of Legal - EMEA.

Policy Coordination

The Director of Legal - EMEA will coordinate the application of this policy at ANSYS UK and with its affiliates.