



Annual Report on Forced and Child Labour in Supply Chain

For the year ended December 31, 2023

May 29, 2024.



Our Structure and Business

UKG Inc. was incorporated in Delaware as the Ultimate Software Group on April 15, 1996. A certificate of amendment was filed on October 1, 2020 changing the name from the Ultimate Software Group Inc. to UKG Inc.

UKG Inc. and its subsidiaries and affiliates (collectively, “UKG”) is a leading global provider of human capital management (“HCM”) solutions that power businesses to build great places to work. UKG’s solutions offer a differentiated combination of comprehensive HCM Software-as-a-Service suites, modern scalable technology, distinct expertise in complex workforce management and dedicated customer focus that together address the complete human resource (“HR”), payroll, time and scheduling needs of large enterprises, mid-market companies and small and midsize businesses.

This report is prepared pursuant to Section 11 of Bill S-211, an Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains (the “Act”), and outlines the actions UKG has taken during the year ended December 31, 2023 to prevent and reduce the risk of forced labour and child labour occurring in its business.

This report applies to UKG and all of its subsidiaries including Kronos Canadian Systems Inc, and the Ultimate Software Group of Canada. The use of the words “we”, “us” and “our” refers to UKG and the other reporting entities included in this Report.

Our Supply Chain

Our hardware products are manufactured by JABIL, who is a full member of the Responsible Business Alliance. <https://www.responsiblebusiness.org/>. JABIL procures components and parts from China, Taiwan, Mexico, USA, Malaysia, Japan, Philippines and Germany. JABIL integrates those components and parts into our hardware products in Mexico and ships them to our customers from there.

Our Policies and Due Diligence Processes

UKG is committed to following the law and maintaining high ethical standards and we expect the same from the suppliers, vendors, partners and other third parties (collectively, “Third Parties”) with which we do business. The UKG [Third-Party Code of Conduct](#) describes the minimum standards that Third Parties, their employees and contractors, and any fourth parties that they use to provide services in support of UKG are expected to comply with when conducting UKG-related business. All Third Parties must comply with our Third Party Code and the laws and regulations applicable to their work in support of UKG.

In addition to the Act, UKG Third Parties must comply with applicable modern slavery and human rights-related laws, including the Modern Slavery Act 2015 (UK) and the Modern Slavery Act 2018 (Australia). Third Parties who provide services in support of UKG:

- Are prohibited from using child labour in the performance of any work. The term “child” refers to any person under the minimum legal age for employment where the work is performed. Workers below the age of 18 must not be employed in jobs that are likely to jeopardize their health and safety. Must only use voluntary labour and personnel with proper work-related documentation.
- Must take steps to ensure that modern slavery and child labour is not taking place in their organization or supply chain.
- Must educate their personnel on prohibited trafficking activities, discipline employees found to have violated the law or rules and notify UKG of violations and actions taken against employee.
- Must treat all its personnel fairly and respectfully and ensure that they are not complicit in human rights abuses.
- Must not subject their personnel to inhumane treatment, including abusive, violent, threatening, disruptive, physical, and other improper behaviour.

Where appropriate, UKG conducts risk-based due diligence on Third Parties as part of assessing whether to enter or remain in a business relationship with them. UKG expects Third Parties to provide complete and accurate information in connection with that due diligence .

If UKG determines that a Third Party has violated our Third Party Code of Conduct with respect to UKG-related business, UKG may, in its sole discretion, require that Third Party to implement a remediation plan or, in appropriate circumstances, suspend or terminate its relationship with the Third Party.

Other UKG policies that address forced labour and child labour include:

Third Party Code of Conduct

Australia Whistleblower Policy

Modern Slavery Statement

Human Rights Policy

Code of Business Conduct and Ethics

All the above referenced policies can be accessed on our [UKG ESG – Governance and Business Ethics](#) page on UKG.com

Risk of Forced Labour and Child Labour in our Business and Supply Chains

UKG is committed to preventing and addressing the use of forced labour and child labour in our supply chains and protecting the rights of vulnerable individuals. We undertake credible due diligence on our suppliers, and we expect them to do the same and monitor their operations to ensure that their sites and supply chains are free from forced labour and child labour.

Reports of forced labour and child labour can be made via the UKG [ReportingLINE](#). To date, no such reports about UKG or a Third Party conducting business in support of UKG have been received. If UKG receives a credible report of forced labour or child labour at a Third Party site, our first priority is protection of the victim(s). In a circumstance where UKG determines it does not need to suspend or otherwise terminate its relationship with the Third Party, UKG's remediation process requires that the Third Party:

- Immediately rescue and rehabilitate the vulnerable person(s).
- Provide counseling and other support to the vulnerable person(s) and their families.
- Take immediate steps to correct the situation of the vulnerable person(s) including providing educational opportunities for the child and providing adequate support and assistance.
- Relocating young workers engaged in hazardous work to an age-appropriate, safer alternative role without penalty.

UKG has resources who would be responsible for providing ongoing support and monitoring to evaluate the effectiveness of our remediation in such a circumstance.

Employee Training

UKG maintains a [Code of Business Conduct and Ethics](#). All new hires are required to acknowledge and agree to comply with the Code as a condition of employment upon hire. In addition, all new hires and all employees are required to take the annual Code training. That training includes content on UKG's modern slavery commitment and policy and is reviewed and updated on an annual basis.

Board Approval

The Report was approved pursuant to subparagraph 11(4)(b)(ii) of the Act by the Board of Directors of UKG.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the Report. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the Report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.



Christopher Todd
CEO
5-29-2024

I have authority to bind UKG Inc.