

# Basware Pty Ltd Modern Slavery Statement 2023

This Modern Slavery Statement (**Statement**) is made pursuant to the Modern Slavery Act 2018 (Cth) ("Act") by Basware Pty Ltd, ACN 096 671 528. This Statement describes the steps taken by Basware Pty Ltd (also referred to in this Statement from time to time as "Basware" and "our") during the financial year commencing on 1 January 2022 and ending on 31 December 2022, to seek to minimise the risk of modern slavery occurring in our business and our supply chains.

This statement has been approved by the Board of Basware Pty Ltd.

At Basware we acknowledge our role and responsibility in seeking to safeguard human rights through ethical and sustainable business practices. We also recognise that recognition and respect for human rights is an area of importance to our employees, shareholders, customers and the communities where we operate.

Basware is committed to understanding potential modern slavery risks related to our business and ensuring that there is no modern slavery in our own business and supply chains. We do not condone modern slavery in any form and Basware complies with all applicable laws in the countries in which it operates. In Australia, Basware seeks to voluntarily comply with the provisions of the Act.

## 1. The organisation and business of Basware

### Corporate structure

Basware Pty Ltd is an Australian, wholly owned subsidiary of Basware Corporation, which is headquartered in Espoo, Finland. Basware Corporation has subsidiaries in several countries and was listed on Nasdaq Helsinki 2000-2022. Basware Corporation is currently owned by investment consortium comprising Accel-KKR, Long Path Partners and Briarwood Capital Partners.

Basware group has approximately 1,300 employees working across 13 countries serving customers in more than 100 geographies.

The decision-making, operations and governance of our group are led by Basware Corporation, with each subsidiary - including Basware Pty Ltd - complying with applicable local legislation and regulations.

### What we do and who we are

Basware is how finance leaders in global enterprises can finally automate their complex, labor-intensive invoice processes and stay compliant with regulatory change. Our AP automation and invoicing platform helps you achieve a new level of efficiency – in a matter of months – while reducing errors and risks. We bring a unique combination of true automation, complete coverage, and deeper expertise to make it all just happen for our customers. That's why the world's most efficient AP departments at 700+ global customers rely on Basware to handle over 170 million invoices per year.

### Basware Values

As set out in the Code of Conduct - <https://www.basware.com/en-us/footer/statements-and-policies-en/>:

*"Basware unconditionally supports and promotes human rights. Basware does not tolerate, contribute to or facilitate any activity that violates human rights."*



*People are employed based on the principle of equal opportunity and without distinction to race, sex, religion, political opinion, disability, sexual orientation, gender identity, social status, age or any other legally protected status.*

*Basware does not tolerate in any context the use of servitude, child labor, forced labor, human trafficking, or slavery in our operations in any region we operate, and will be specifically compliant with the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work and the International Bill of Human Rights.*

*Basware is committed to ensure alignment with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights and to act according to the values declared within the United Nations' Universal Declaration of Human Rights, and we commit to obey the United Nations' Global Compact principles. Basware expects its leadership, employees and contractors to enable and foster human rights in our areas of influence and to speak up when they believe there is a suspected human rights violation."*

## **Policies**

We are committed to responsible operations in our social, environmental and governance activities. This corporate responsibility is integrated into our business strategy and operations, our core values and company policies (<https://www.basware.com/en-en/about-basware/sustainability-csr/>).

Our Code of Conduct reflects our corporate responsibility by establishing a set of common principles. It states that:

- we unconditionally support and promote human rights;
- people are employed based on equal opportunity and without distinction to race, sex, religion, political opinion, disability, sexual orientation, gender identity, social status, age or any other legally protected status;
- we will not tolerate in any context the use of servitude, child labour, forced labour, human trafficking or slavery; and
- we are member of the United Nation's Global Compact and comply with the relevant standards of the OECD, International Labour Organization and values declared within the UN Universal Declaration of Human Rights.

The Code of Conduct is binding for all Basware employees. It ensures that our employees act with integrity, in accordance with applicable legislation, our core values and company policies. It also provides our customers, suppliers and other stakeholders information about the principles according to which we operate.

Our expectations towards our suppliers are described in Basware Supplier Code of Conduct that forms integral part of our Code of Conduct.

Our sourcing activities are further guided by our Global Sustainable Procurement Policy which specifies environmental, social and governance performance factors that are part of management of our suppliers.



## 2. Risks of modern slavery in operations and supply chains

### Assessment of risk in Supply Chains

Basware's supply chains are in the technology sector and include both software vendors and related consulting work.

Sourcing of suppliers is the responsibility of each stakeholder and follow our Global Sustainable Procurement Policy. Stakeholders are assisted by Basware Corporation's ESG, sourcing and legal teams, as well as corporate functions, who, together with functional stakeholders, are responsible for:

- supplier selection; and
- engaging in the contracting process which includes due diligence functions such as conducting vendor checks, and subsequently onboarding.

Basware Corporation has the prime role for sourcing and purchasing on behalf of the corporate group, with local entities such as Basware cooperating with central functions and following the requirements of Basware Corporation, as well as legal requirements in Australia.

The sourcing team works together with the legal, risk, compliance and product functions in the business to manage compliance requirements related to suppliers; each function and stakeholder shares this responsibility. Should we become aware of any policy violations or issues related to slavery or human trafficking, we will consult with our legal team to ensure that appropriate measures are taken, which may include reporting this information to authorities and terminating our relationship with the supplier.

Basware requires that suppliers agree and acknowledge our Code of Conduct, in particular Supplier Code of Conduct, or otherwise show commitment to the same level of responsibility when it comes to environmental, social and governance impacts, which includes Basware's:

- compliance with standards of the International Labor Organization;
- commitment to the United Nations' Universal Declaration of Human Rights; and
- commitment to obey the United Nations' Global Compact principles.

Basware does not operate or source from high risk countries and the majority of our third party expenses and purchases from vendors and partners are from high end technology providers with specialised skills. In such circumstances, Basware has assessed that the risk of modern slavery in its supply chains is low to none.

## 3. Actions taken

### Due Diligence process

Basware has determined there is a limited risk of slavery or human trafficking taking place in any part of our business or supply chain. The below due diligence actions are taken to help prevent modern slavery in our own business and in the supply chain.



## Our business

As stated above, all employees are required to conduct themselves in accordance with our Code of Conduct. Our management safeguard the principles of the Code of Conduct in our day to day operations and they are alert to the risks of Modern Slavery and Human Trafficking.

## Our supply chain

We have performed due diligence of value chain including our most important subcontractors by spend and evaluated risks related to human rights, labour, environment, and anti-corruption.

In addition, sustainability aspects have been taken into account in our day-to-day purchasing activities:

- a. All suppliers are subject to legal agreements with Basware.
- b. We undertake an appropriate due diligence process in the evaluation of prospective suppliers, on a proportionate basis set by our assessment of the related risks.
- c. Our Code of Conduct, including a specific Supplier Code of Conduct, serves as a guide to ethical supplier conduct. Today, our Code of Conduct is formally acknowledged by some of our suppliers. We are continuously improving this acknowledgement process, reaching out to more of our important suppliers.
- d. We review the performance of suppliers based on their relative risk to Basware. If necessary, we work closely with suppliers to develop corrective action plans and carry out our review findings.
- e. In relation to larger supplier purchases, we run requests for proposal processes that are also related to compliance.
- f. Basware utilises our own tools for vendor management, as well as using third party risk assessment tools for additional due diligence.

## Consultation process

Basware Corporation has the primary responsibility for sourcing of suppliers. All corporate functions and services to subsidiaries, such as sourcing and legal functions are primarily lead from the parent Basware Corporation.

The Australian entity, Basware Pty Ltd, does not own or control any other entities. This statement is prepared for the purpose of voluntary reporting by Basware Pty Ltd.

## 4. Effectiveness of action taken

We accept that effective action to prevent modern slavery and human trafficking in our business and supply chain requires constant monitoring and are committed to delivering an effective response should issues be identified.

Our management will continue to take a zero tolerance approach to modern slavery and human trafficking and will react accordingly, to any transgression whether by our staff or by our suppliers.

Basware Corporation annually monitors key KPIs related to sustainability, such as number of Code of Conduct breaches and number of Whistleblowing reports.



## Training

Our employee induction process includes training on our ethical stance in conducting our business and we regularly conduct mandatory Code of Conduct training for all of our employees as part of our compliance training framework.

## A progressive approach

We recognise that the risks from modern slavery and human trafficking are constantly evolving. We also recognise that efficient methods to identify and address modern slavery and human trafficking will be developed and enhanced. We will continue to monitor and evaluate such developments and our approach to preventing modern slavery will be reviewed annually so we can constantly adapt and improve our approach.

## 5. Future actions

We have assessed effectiveness of our actions taken in the past and as a result of that, Basware's areas of focus include:

- implementation of the new elements of our policy framework such as Sustainable Procurement Policy;
- continuing regular reviews of the current policy framework to ensure it meets best practice;
- delivering ongoing employee training as required in relation to the Code of Conduct and Sustainable Procurement Policy;
- engaging with suppliers to ensure they understand their requirements and assist them through the process to build modern slavery capabilities; and
- continuing to detail our own supplier requirements including supplier risks assessments and contractual requirements for suppliers.

DocuSigned by:

*Michael Pyliotis*

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Michael Pyliotis

Director and Secretary of Basware Pty Ltd

