

**HUMM GROUP LIMITED'S**

**MODERN  
SLAVERY  
STATEMENT**

**// 2020**

**WE WILL NOT  
CONDUCT  
BUSINESS WITH  
ORGANISATIONS  
THAT ARE  
EXPLOITING  
PEOPLE FOR  
PROFIT.**

## STATEMENT FROM THE CHAIRMAN AND CEO.

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**hummgrou (previously flexigroup) creates innovative payment products that make life easier and more affordable for our customers, helps businesses to grow and accelerates the development of innovative payment solutions.**

**This statement for hummgrou was approved by the board of hummgrou limited as the parent entity on 18 December 2020.**

We employ more than 750 people across three countries and their wellbeing remains our primary concern, along with providing world-class service to everyone who uses our products.

As an employer and responsible lender, we take our obligations regarding human rights very seriously. Our Code of Conduct outlines our expectations of everyone we employ and those with whom we do business. We also have strict onboarding and vetting process in place for both employees and suppliers.

Our Whistleblower Protection Policy ensures that employees and anyone who works with us can speak freely about any concerns they have, including those related to our external partnerships, without fear of reprisal.

hummgrou has a large merchant network and we take our obligations regarding modern slavery seriously: unless companies like ours refuse to support those businesses that are exploiting people, innocent and vulnerable populations will continue to suffer.

We will continue to play our part in protecting human rights and we will not conduct business with organisations that are exploiting people for profit.

As part of our commitment, we have allocated significant resources to the assessment, monitoring and reporting of modern slavery throughout our operations and supply chains.

While we have not identified any instances of modern slavery, we will remain vigilant and continuously assess the effectiveness of systems we have put in place to identify any risks.



Andrew Abercrombie  
hummgrou Chairman  
18 December 2020



Rebecca James  
hummgrou CEO  
18 December 2020

# HUMMGROUP.

## STRUCTURE, OPERATIONS AND SUPPLY CHAIN.

### OVERVIEW

**hum**m group limited (ASX: HUM) is an ASX-listed company. This statement is made on behalf of **hum**mgroup and its associated subsidiaries, specifically Flexicards (now known as humm cards pty ltd), FlexiRent Capital and humm group limited.

### OUR COMMITMENT

**hum**mgroup whole-heartedly supports the *Modern Slavery Act 2018* (Cth) (“Act”) and will continue to do everything within our power to minimise the risk of modern slavery within our operations or supply chain.

This is our first Modern Slavery Statement in fulfilment of the requirements of the Act.

This statement outlines our approach to identifying and addressing any risks of modern slavery, ensuring that our suppliers are compliant and that our people understand the important role they can play in identifying and reporting risks related to modern slavery.

We hope that our transparency will inspire and help other businesses that are beginning this journey.

### ABOUT US

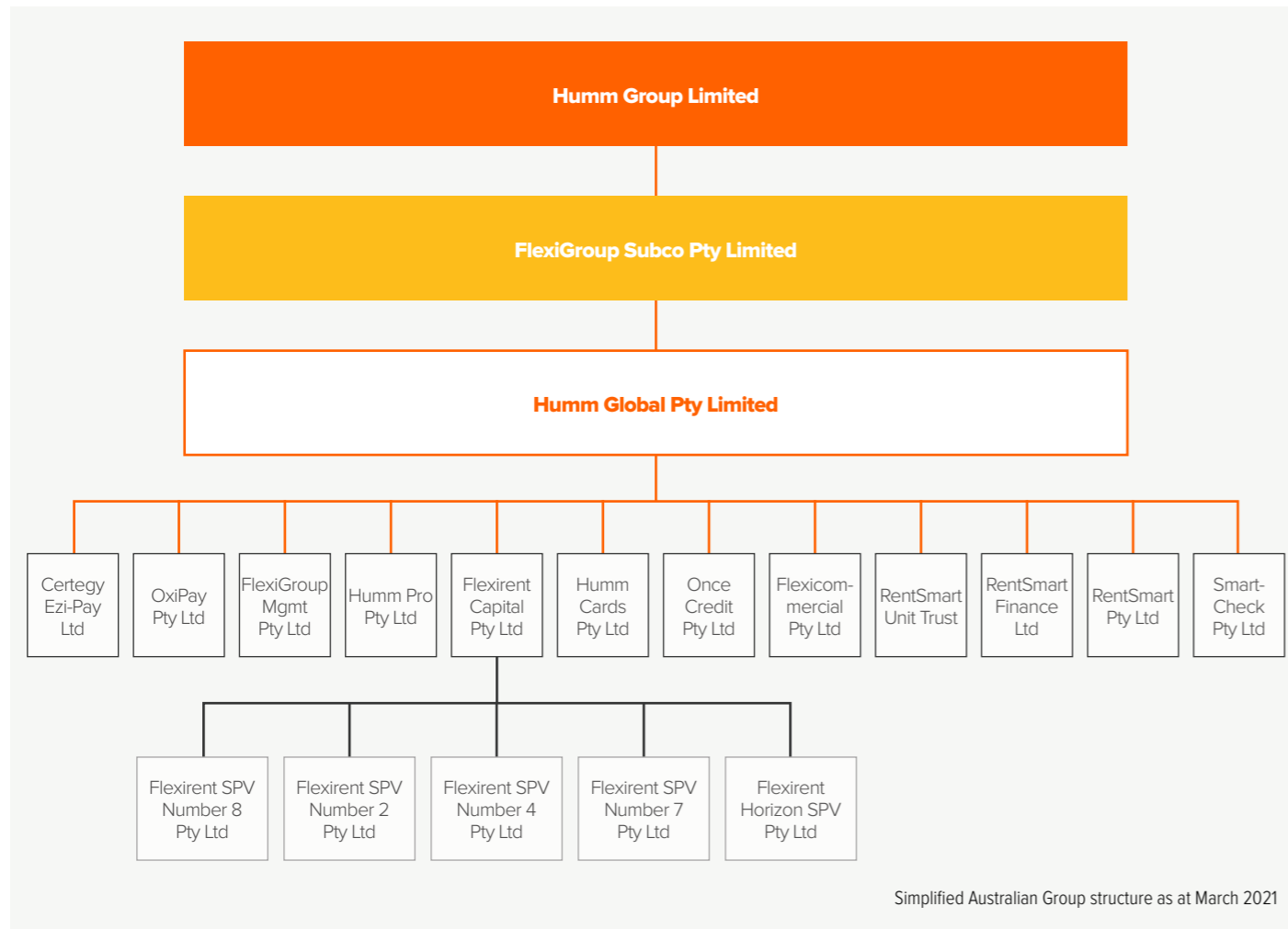
**hum**mgroup (previously flexigroup) is a diversified full-service payments company with leading offerings in Buy Now Pay Later (BNPL), revolving credit and small and medium enterprises (SME) finance. Serving a broad footprint of millennial spenders, through to young families and small and medium businesses, **hum**mgroup facilitates purchases for over 2.3 million customers in Australia, New Zealand and Ireland.



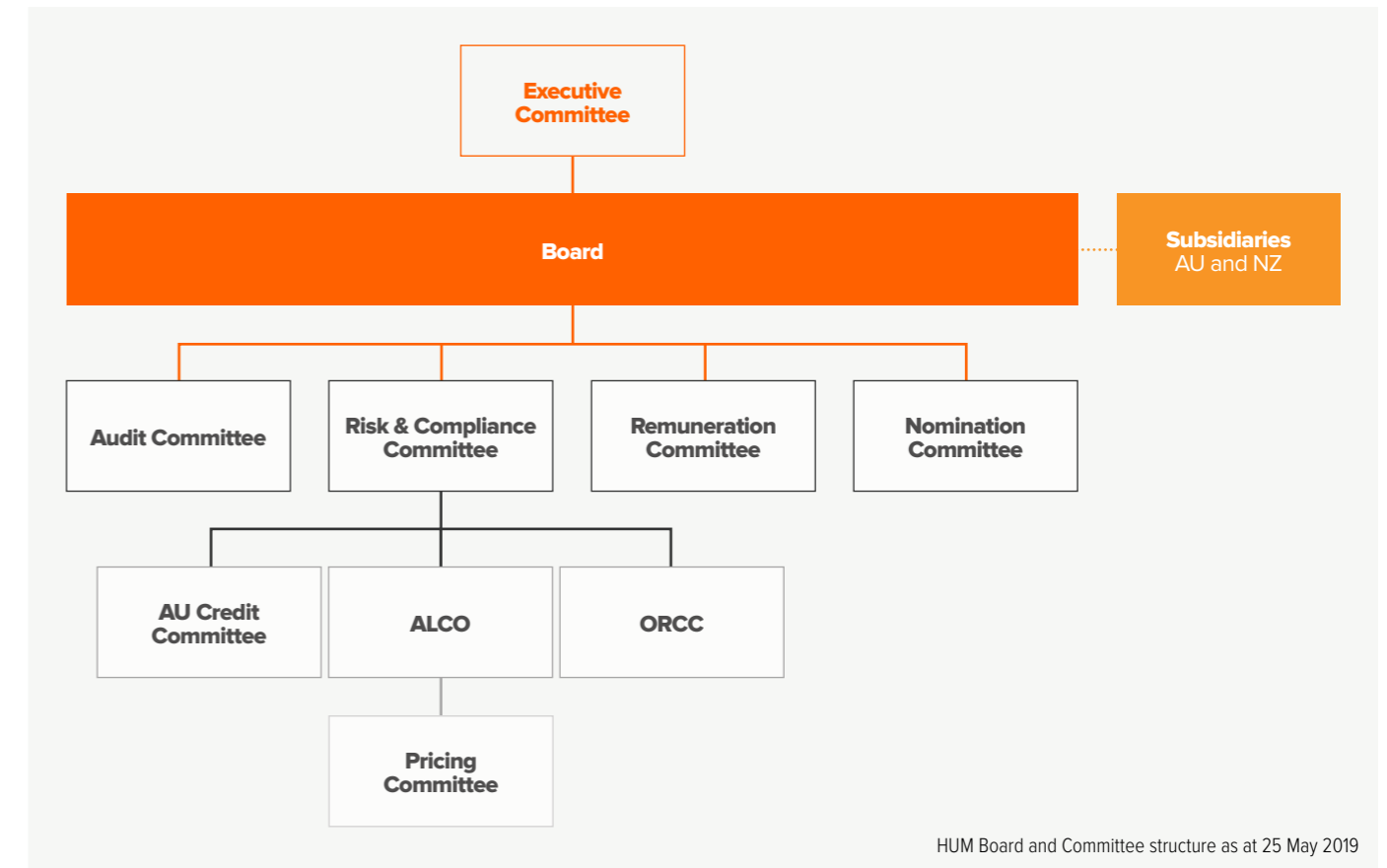
\*FY20 Annual Report.

# STRUCTURE, OPERATIONS AND SUPPLY CHAIN.

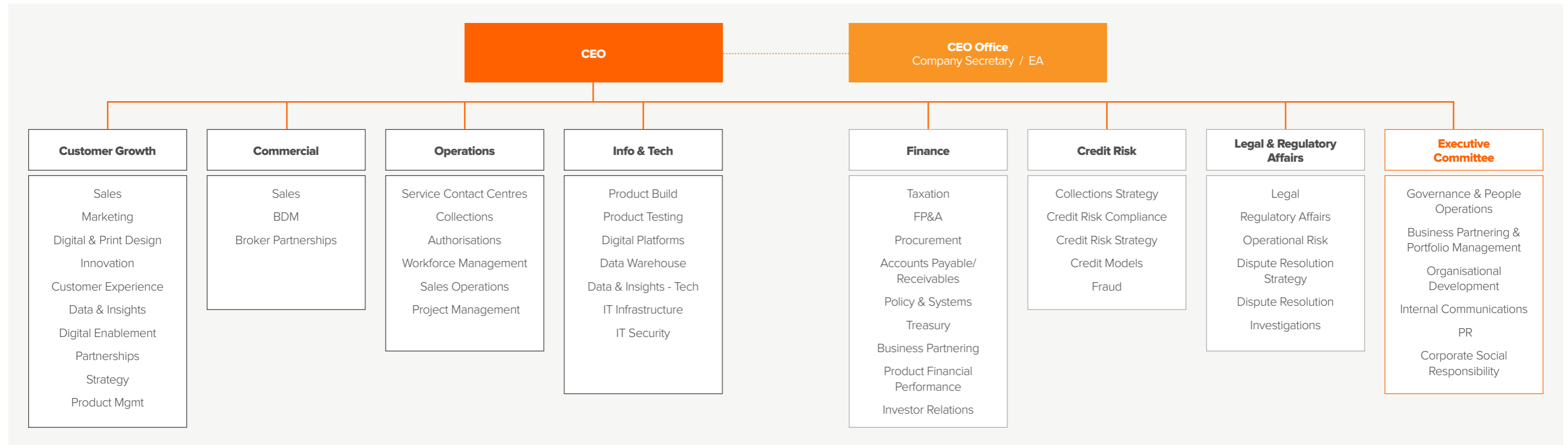
## COMPANIES STRUCTURE



## HUMMGROUP GOVERNANCE STRUCTURE



## OPERATIONAL STRUCTURE



## WHERE WE OPERATE

humgroup operates across Australia, New Zealand and Ireland. Our head office is in Sydney and we have offices in Adelaide, Melbourne, Auckland and Dublin.

We contract call centre services from an Australian-based company with operations in Manila. This team is carefully managed by a full-time humgroup employee on-location. Any risks have been carefully assessed and we are confident that this thorough and careful management has eliminated the risk of modern slavery and ensured the wellbeing of all contractors is prioritised, including throughout the recent COVID-19 restrictions.

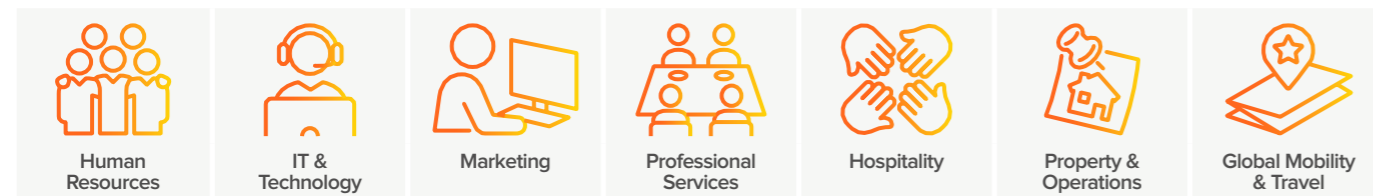
## HOW WE OPERATE

humgroup operates onshore within three countries. Our products and services are designed, built, developed and delivered by employees of humgroup who work within our offices. We have senior management in place within every location.

## WHERE WE SOURCE

Most goods and services that we procure come from suppliers and contractors based in the countries in which we operate.

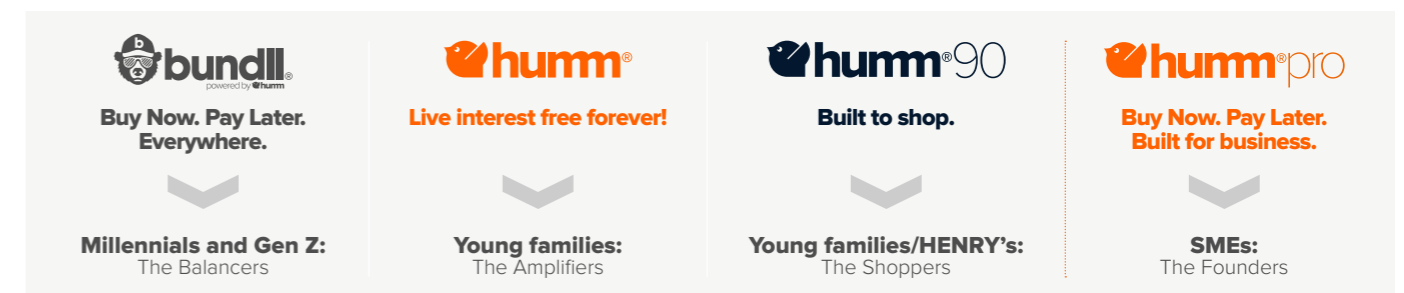
### MAJOR CATEGORIES OF PROCUREMENT INCLUDE:



Our supply chain includes offshore vendors in the USA, India, Morocco, Republic of Philippines and countries in Europe.

## PRODUCT ECOSYSTEM

For the last 30 years, humgroup has been at the forefront of consumer payments both in-store through a growing network of 73,000 sellers and online, and we continue to innovate to meet changing consumer preferences.

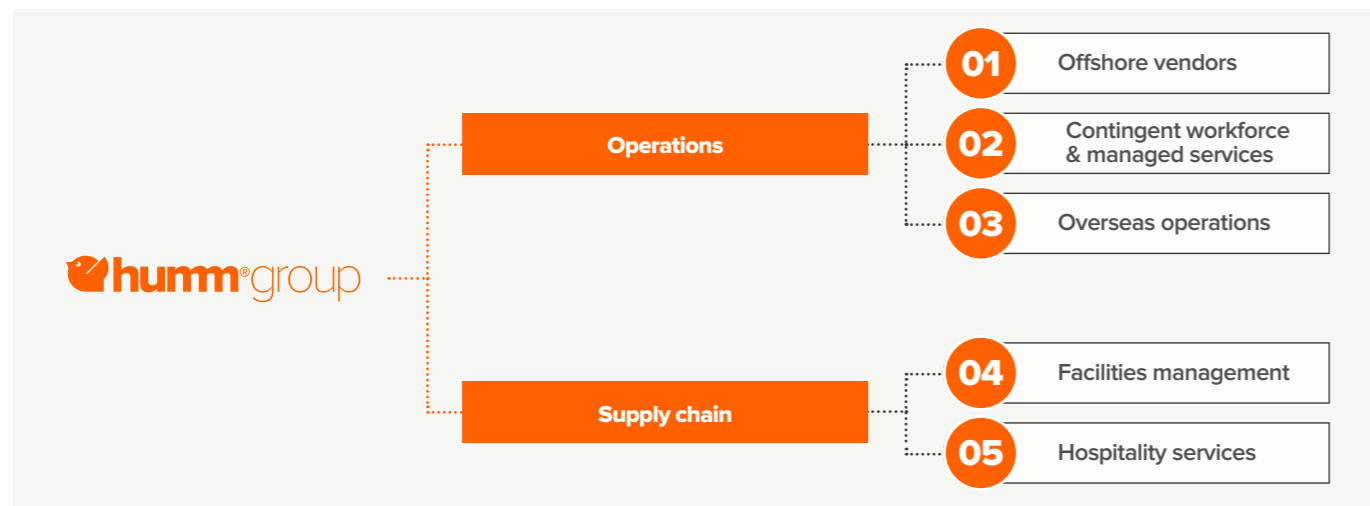


# OUR MODERN SLAVERY RISK AREAS.

Modern slavery includes 8 types of serious exploitation: trafficking, slavery, servitude, forced marriage, forced labour, debt bondage, deceptive recruiting for labour or services, and child labour.

We have not yet identified any specific instances of modern slavery within our operations or supply chain. However, we have identified risk areas where there is a potential risk of modern slavery existing. These areas are migrant workers; third part contracting arrangements; high-risk geographies and goods and services. We are especially vigilant of areas where multiple risk factors exist.

We also recognise the over-arching impact of COVID-19 on our communities and the potential to create vulnerabilities.



**01 Offshore vendors:** hummgroup has dozens of offshore vendors, which are located in USA, India, Morocco, Republic of Philippines and Europe. These vendors provide products and services related to our specific activities (call centre, credit cards, IT hardware and software). A number of these vendors operate within high-risk geographic areas and we have prioritised the modern slavery risk assessment and monitoring of these vendors.

**02 Contingent workforce and managed services:** hummgroup contracts a number of highly skilled specialists to provide professional and consultancy services. With the exception of those contractors providing call centre services in Manila, the remainder of these services are within Australia, NZ and Ireland.

**03 Overseas operations:** hummgroup does not currently operate in any high-risk locations and has senior management in place within all locations.

**04 Facilities management:** hummgroup procures various categories of services including cleaning, mechanical, electrical, information technology, hygiene specialists, caterers, commercial kitchen appliances, signage and maintenance services. The workers within these supply chains can be from vulnerable populations, including migrant workers and workers from low socioeconomic backgrounds. This escalates the risk of modern slavery when it is not managed carefully.

**05 Hospitality services:** As with facilities management, there is a heightened risk associated with third party labour hire within the hospitality sector if not managed appropriately.

# OUR ACTIONS.



**ASSIGNED EXECUTIVE ACCOUNTABILITY AND FORMED A CROSS-FUNCTIONAL WORKING GROUP**



**DEVELOPED A MODERN SLAVERY ASSESSMENT FRAMEWORK AND APPROACH**



**UPDATED EXISTING CONTRACTS, POLICIES AND PROCEDURES, INCLUDING EMPLOYEE AND SUPPLIER ONBOARDING PROCESSES**



**COMMUNICATED WITH OUR STAKEHOLDERS AND PEOPLE**



**CONDUCTED SPECIFIC MODERN SLAVERY RISK ASSESSMENTS**



**DEVELOPED TRAINING MODULES**



**ESTABLISHED PROCESSES FOR REPORTING RISKS**



**We took a risk-based approach to assessing our operations and suppliers that prioritised our top 30 suppliers and those deemed high risk. We will continue to expand our assessment process to capture all suppliers.**

Simultaneously, we added additional modern slavery clauses into our template contracts and updated our supplier onboarding processes to ensure that everyone with whom we do business is managing their own modern slavery risk, and we have confidence they are not involved in modern slavery.

We also updated our learning modules, HR policies and employment offer letters to underline this obligation for our people and ensure it remains front of mind for everyone.

# OUR PROCESS.

## RISK ASSESSMENT

- >> All business operations and supply chains where there is a risk of modern slavery were identified and assessed.
- >> We used a questionnaire to quickly identify and prioritise high risk suppliers based around the nature of the business/service and the country that it operated within.

## ACCOUNTABILITIES

- >> Modern Slavery Working Group formed to identify, assess, monitor and report on modern slavery risks.

## POLICY INTEGRATION

- >> Existing company policies and procedures were reviewed to ensure that modern slavery is referenced, and that our employees, suppliers and partners are clear that the exploitation of workers is not tolerated. This included but was not limited to the employee handbook, procurement policies, supplier contracts and service level agreements, anti-bribery and corruption policies, labour provider contracts and service level agreements.

## SUPPLIER ENGAGEMENT

- >> Modern Slavery risk assessments were completed for top 30 suppliers .

## MONITORING

- >> Supplier Risk Assessment Form was created for use by any hummgroup employees who are completing due diligence on a new supplier.
- >> A database was created to monitor any companies identified as a high risk for modern slavery.

## REPORTING

- >> Formal written processes created for supervisors and workers to report and record suspected cases of modern slavery.
- >> Whistle-blower policy in place for employees to report any issues without fear of reprisal.

## EDUCATION

- >> Communication plan developed to ensure that employees are aware of and can identify modern slavery risks.
- >> Training module included within the mandatory code of conduct training.

## ENSURING COMPLIANCE

- ✓ Supplier onboarding process includes contractual provisions to mitigate any current or future risks of modern slavery.
- ✓ Rigorous due diligence checks in place for companies providing contract labour.
- ✓ Training for employees, suppliers and partners.
- ✓ Operational practice and indicators of forced labour.
- ✓ Regular audits conducted to check good practice in identifying, deterring and tackling hidden labour.

# ASSESSING EFFECTIVENESS.

hummgroup has been focused on building a robust assessment and Group-wide understanding of modern slavery and our monitoring programme is currently being developed.

The Working Group have identified several key areas to focus our efforts that will ensure a Group-wide programme of continuous review and assessment is implemented. These include:

- >> Development of KPIs
- >> Regular audits
- >> Due diligence checks

# THE FUTURE.

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**hummgroup acknowledges that we are only at the beginning of this journey and we must continue to refine our approach and influence change within the regions that we operate.**

We will never be complacent.

As of 30 June 2020, hummgroup has 73,000 sellers or retail partners using our finance products. We will actively look for ways that we can encourage a proactive commitment from everyone that we partner with to help stamp out modern slavery.

## >> QUESTIONS

For questions relating to this statement:

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## >> WEBSITE

[shophumm.com/humm-group/](http://shophumm.com/humm-group/)

