



# Modern Slavery Statement 2022-23

## Preamble

ReadyTech (ASX:RDY) exists to help communities thrive. We recognise modern slavery as a significant worldwide problem. We are fully committed to identifying and addressing acts of modern slavery and human trafficking from occurring within our business or supply chains. We expect the same high standards and commitment from all our contractors, suppliers and business partners.

This Modern Slavery statement ("Statement") covers the reporting entity, ReadyTech Holdings Limited, and each of its wholly owned or controlled entities (see below on page 2 of this Statement) for the reporting period 1 July 2022 to 30 June 2023 ("Reporting Period"). This is the first Statement made by ReadyTech under the Modern Slavery Act 2018 (Cth) ("Act"), as the company experienced significant growth to reach a revenue of \$103 million during the Reporting Period. During this period of rapid growth, ReadyTech has escalated its efforts to identify and mitigate risks of modern slavery within its supply chains. This Statement contains ReadyTech's risk assessment of its operations and supply chains, actions it has already implemented to mitigate risks across its business, and details ReadyTech's commitments to ongoing action including over the next reporting period.

The Statement has been reviewed and approved by the Board of ReadyTech Holdings Limited.

## Who We Are (our structure, operations and supply chain)

### Structure

ReadyTech (ASX:RDY) was incorporated in Australia. ReadyTech has been listed on the Australian Stock Exchange since 2019. This Statement represents our Modern Slavery Statement as a Group to assess and address the risks of modern slavery in our business operations and supply chain.

Reporting entity	: ReadyTech Holdings Limited
ABN	: 25 632 137 216
Registered Office	: Level 2, 77 King Street, Sydney, NSW 2000
Industry	: Information Technology and telecommunications.



## RDY controlled the following entities during the Reporting Period:

Name	Principle place of business/Country of incorporation
ReadyTech HoldCo Pty Ltd	Australia
JobReady Tech Pty Ltd	Australia
Esher House Pty Ltd	Australia
Thymos Pty Ltd	Australia
VETtrak Pty Ltd	Australia
Lirac HoldCo Pty Ltd	Australia
Lirac Bidco Pty Ltd	Australia
Ready Pay Services Pty Ltd	Australia
ReadyTech Workforce Solutions Pty Ltd	Australia
eLearning Australia Pty Ltd	Australia
Wagelink Australia Pty Ltd	Australia
Readytech Limited	New Zealand
Zambion Pty Ltd	Australia
Pentagon HoldCo Pty Ltd	Australia
Pentagon BidCo Pty Ltd	Australia
Open Office Holdings Pty Ltd	Australia
McGirr Holdings Pty Ltd	Australia
McGirr Information Technology Pty Ltd	Australia
McGirr Technologies, Inc	Australia
Open Windows Software Pty Ltd*	Australia
Avaxa Pty Ltd	Australia
Capital Software Limited	New Zealand
PhoenixATS Australia Pty Ltd	Australia
IT Vision Australia Pty Ltd	Australia
IT Vision Software Pty Ltd	Australia
Readytech Pty Ltd	Australia



## Operations

The principal activities of ReadyTech are to provide technology-based solutions to its customers in the education, government, justice and workforce management sectors. These solutions are organised into the following three main segments:

<b>Segment</b>	<b>Main Product</b>	<b>Description</b>
Education and Work Pathways	JR Plus and AVAXA Ready LMS	JR Plus, AVAXA and Ready LMS are ReadyTech's student management system empowering enterprise tertiary educators to create digital student experiences while adhering to strict compliance standards.
	VETtrak, including VETtrak Cloud	VETtrak is a student management system for Registered Training Organisations (RTOs).
	Ready Skills	Ready Skills provides vocational skills tracking, recognition, planning and assessment technology.
	Job Ready, Ready Recruit and Job Apprentice	Job Ready, Ready Recruit and Job Apprentice help employment services providers, Group Training Organisations (GTOs) and Australian Apprenticeship Support Network (AASN) support the completion of apprenticeship lifecycle and deliver work opportunities for jobseekers and customers.
	Esher House	Esher House delivers behavioural assessment technology and intervention programs for Back to Work, apprentices and more.
Workforce Solutions	Ready Workforce	Ready Workforce is an all-in-one cloud payroll, HR, rostering, time & attendance and leave management software platform.
	Ready Employ	Ready Employ by Phoenix is a cloud-based talent management system to manage online processes.



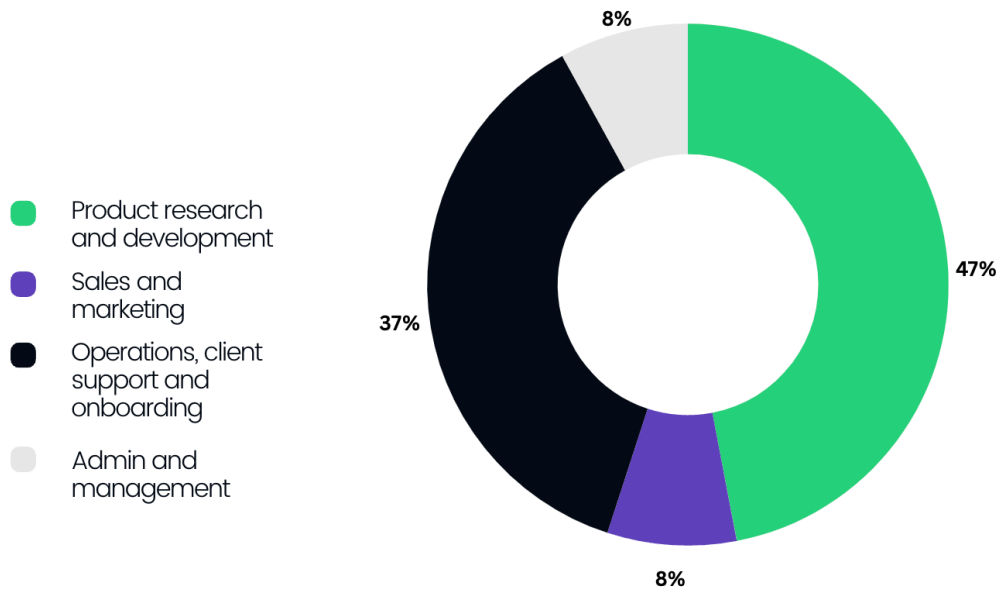
<b>Segment</b>	<b>Main Product</b>	<b>Description</b>
	Ready Pay	Ready Pay provides people management software, combined with an end-to-end payroll outsourcing service, with local payroll experts providing customers with payroll, HR administration and workplace health & safety software and services.
Government and Justice	Ready Community (powered by Open Office)	Ready Community (powered by Open Office) provides high function, integrated, statutory and compliance management systems for local government.
	Ready Case	Ready Case (formerly case HQ, part of McGirr Technologies) is the market leader in case management systems for courts, tribunals and related justice sector agencies.
	Ready Contracts and Ready Buy	Ready Contracts and Ready Buy are designed as procurement software suites to support distributed goods and services procurement and commercial operations efficiently, cost effectively, and at reduced risk, while reducing workload on centralised procurement.
	Altus (powered by IT Vision)	Altus is a comprehensive enterprise resource planning (ERP) platform designed specifically for local governments.
	Synergysoft (powered by IT Vision)	SynergySoft is a legacy product suite used by local governments, which can be fully integrated with Altus solutions.

During the Reporting Period, our operations were conducted through various locations with offices in Australia (Sydney, Melbourne, Perth, Adelaide), New Zealand and the United Kingdom. We engaged 450+ people globally, which included employees and contractors engaged through third-



party or outsourcing arrangements. The proportion of employees which perform our business functions is depicted below.

### % of people roles by function



During the Reporting Period, 83.5% of our workforce was contracted directly by ReadyTech in Australia and New Zealand. The remaining portion of our workforce was engaged either directly or through third-party recruitment to perform contracting roles overseas in jurisdictions including India, Indonesia, the Philippines, Vietnam and Romania.

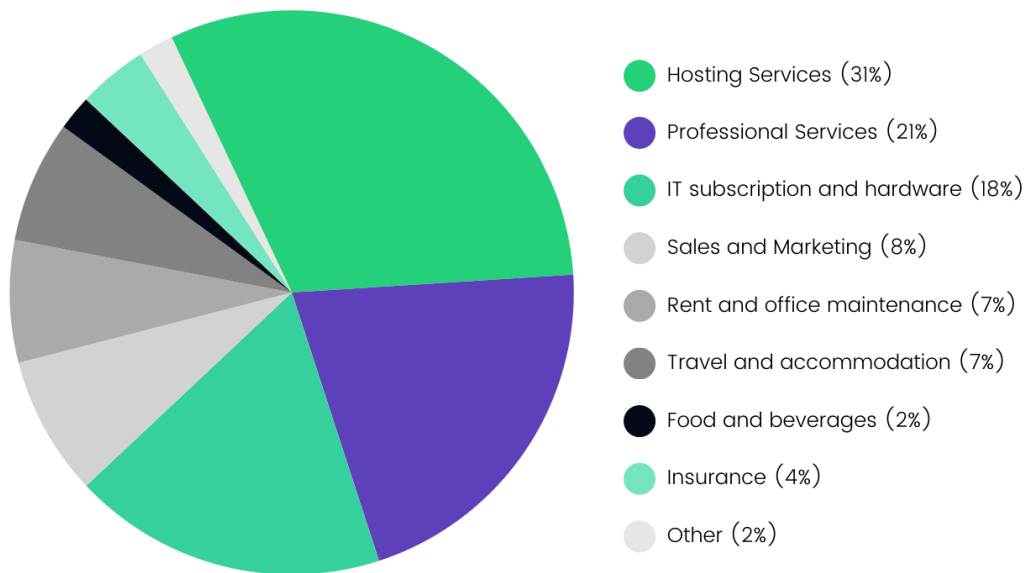
### Supply Chain

As this is ReadyTech's first reporting period, we have commenced formally mapping our supply chain with the initial focus on our main procurement categories by spend. This mapping will be expanded across the full supply chain in the next reporting period (see our further actions below within this Statement).



ReadyTech directly engaged around 700 suppliers during the Reporting Period. Most of our suppliers were located in countries with a low prevalence of modern slavery (Australia, New Zealand and United Kingdom). Our main supplier spend categories during the Reporting Period are depicted below:

### % of procurement by nature



Our largest category of supplier spend was hosting services which along with the purchase of IT subscriptions and hardware, represents about 50% of our total procurement. These categories include the provision of software, hardware, hosting and cloud platform services, computer systems and peripheral devices, telecommunications and network technology services. The second largest category is professional services providing audit, accounting, legal, consultancy, insurance and company secretarial services. These professionals are mainly located in Australia and New Zealand. We have a mix of short- and long-term relationships with our suppliers.



## Risk Assessment of Modern Slavery Practices

We have conducted an initial assessment of the risks of modern slavery which may be present in our operations and supply chain. Our analysis considered several risk factors including:

- sectors and industries in which we operate;
- nature of the products and services procured by RDY; and
- geographical location of our subsidiaries, suppliers and contractors.

### Risks within our operations

We operate primarily across the professional services industry and predominantly in Australia and New Zealand, which are countries with a low prevalence of modern slavery.

As a technology business, our largest and most crucial resource is our workforce, which includes employees and contractors. Given the robust Australian and New Zealand workplace regulations with which ReadyTech fully complies, including the Fair Work Act 2009, Work Health and Safety Act 2011, the Australia Superannuation Guarantee Act and laws against discrimination, bullying, and harassment, NZ Employment Relations Act 2000, NZ Health and Safety at Work Act 2015 and NZ Human Rights Act 1993, and ReadyTech's systems for ensuring compliance, we consider that the risk of modern slavery occurring in our Australian and New Zealand operations is low. Further, the level of skills and expertise of our workforce is high to meet the business requirements. The vast majority of our employees and contractors are highly skilled professionals with qualifications, knowledge, and competencies related to their role. Given the educational and skills-based thresholds required for employment in these roles, we consider there is a lower potential for exploitation of these workers and therefore lower risks of modern slavery. Within ReadyTech there are also clear avenues (internal and external) to raise any concerns employees might have about the terms and conditions of their employment or contract.

Although we consider there is a low risk of modern slavery in the majority of our workforce, we acknowledge that arrangements with contractors located in the Asia Pacific region (e.g., Vietnam, India, Indonesia, Philippines) and Romania may pose higher risks of modern slavery given the geopolitical and other circumstances prevalent within these markets. A number of these jurisdictions have experienced poor governance and labour protections and as a result, higher rates of modern slavery. These jurisdictions also experience lower levels of transparency and accountability by various governments on employment standards and contracting arrangements. Workers and contractors in Australia and New Zealand have clearly enjoyed higher levels of protection.



## Risks within our supply chain

As this is ReadyTech's first reporting period, we focused on suppliers with a contract value above \$1 million and assessed the modern slavery risks arising from these suppliers as high, medium and low risk based on the following criteria:

- the types of products and services they provided to ReadyTech;
- where they were located or (where it was known) the locations from which they sourced goods and services for ReadyTech; and
- whether they had an anti-modern slavery policy or other modern slavery risk management processes.

We defined high risk suppliers as suppliers that procure raw materials or services from high-risk locations and do not have anti-modern slavery measures. During the Reporting Period, we did not identify any suppliers as being high-risk for modern slavery.

Due to the nature of our business, we do not procure products from raw materials. However, we understand that our highest exposure to modern slavery risks in our supply chain arises through our procurement of IT hardware. This is because of the use of components such as tin, tantalum, tungsten and gold within electronic devices. These components are linked to regions and industries that have higher risks of modern slavery. Our IT hardware procurement is centrally managed by our IT support division. Most of our hardware is purchased from large companies (e.g., Apple and Hewlett Packard) who are required to comply with various conflict and forced labour mineral regulations. A small proportion of IT hardware and peripherals is sourced from local retailers (e.g., JB Hi-Fi). We have limited visibility over where this hardware is coming from and the origins of high-risk components used in such hardware, however we ultimately consider these risks to be medium to low given that we source from large companies with robust modern slavery processes and policies in place.

With regards to our engagements with professional services, we consider the risks of modern slavery continue to be low. We acknowledge that any businesses that rely on human resources and their talent carry the inherent risks of modern slavery. Given the geographical areas of the professional services that we engage are located in Australia and New Zealand regions (countries with a low prevalence of modern slavery), we believe the risk is low. Further, we only select highly reputable and credit worthy professional services that adopt modern slavery policies.





## Actions to Assess and Address the Risks

This Statement is the first reporting on modern slavery risks made by ReadyTech. We are committed to further enhancing our processes and controls to address any perceived risks of directly or indirectly engaging in modern slavery practices. During the Reporting Period, we had the following controls in place to address modern slavery risks:

### Operations

#### Australia and New Zealand

##### Compliance with employment laws

ReadyTech benchmarks and market tests salaries and ensures all contractual arrangements for employees are tested against relevant employment laws and that salaries are above the minimum wage legislated in Australia or New Zealand.

Our People and Culture Team routinely assess whether an employee is subject to any industrial awards and conducts a comprehensive review of award-covered employee salaries and conditions to ensure compliance with minimum award conditions. Approximately 22.74% of our employees are covered by the Clerks Private Sector Award 2020, the Professional Employees Award 2020 and the Miscellaneous Award 2020. Any employee at risk of not meeting minimum award conditions is flagged so prompts action can be taken increased salary increase and/or review working conditions.

For non-award employees, we conduct bi-annual salary benchmarking using industry data provided by an external party. Any significant disparities between our employees' pay and the market triggers a review, with findings communicated to the respective Chief Executive of the business unit to action. These are also monitored closely by ReadyTech's Chief Executive and reported to the Board Nomination and Remuneration Committee.

#### Other markets outside Australia and New Zealand

ReadyTech employs a small team in United Kingdom where we engage an outsourced payroll service to provide advice on employment requirements (e.g., minimum wage, standard working conditions) to ensure our compliance with local regulations.



For our contractors located outside Australia and New Zealand, we verify the minimum wage in the respective country of engagement. Independent contractors do not receive employee entitlements however we are reviewing contractors entitlements against the minimum wages relevant in the local market to ensure we pay them fairly. Over the next reporting period, this will also include testing any new compliance or employment conditions required in market.

ReadyTech executive staff and representatives have previously visited the offices of some of these overseas contractors and conducted personal interviews with individual contractors. This assisted ReadyTech in gaining in market and situational information about potential modern slavery risks. ReadyTech will conduct further in market visits by relevant product teams leaders during the next reporting period.

## **Policies**

### **Modern Slavery policy**

Prior to the Reporting Period, RDY developed a Modern Slavery Policy to reflect our commitment to respect and promote human rights and effectively manage issues relating to modern slavery and human rights. The policy applies to people in our business, including directors, all employees and officers of RDY and its controlled entities and contractors and consultants to ReadyTech.

The policy is published on the ReadyTech website -

[https://www.readytech.com.au/assets/RDY\\_Modern-Slavery-Policy\\_12-May-2022.pdf](https://www.readytech.com.au/assets/RDY_Modern-Slavery-Policy_12-May-2022.pdf)

ReadyTech also has complementary internal policies that support our modern slavery and human rights initiatives:

- Risk management policy
- Health and safety policies
- Corporate social responsibility policies



## **Effectiveness of measures to address modern slavery risks**

ReadyTech is commencing a review of the effectiveness of our actions and controls. We recognise that continuous monitoring and improvement is required to meet our commitment to addressing modern slavery risks in our business. We have committed to several actions below to better address potential modern slavery risks and ensure the effectiveness of measures on ongoing basis.

## **Future actions to identify, assess and address modern slavery risks**

ReadyTech has identified and where appropriate, commenced implementation of the following measures to further enhance its response to modern slavery risks:

### **Supplier due diligence**

We will implement a supplier questionnaire and statement of business ethics requirement or partner code of conduct for all suppliers to ReadyTech and will further refine supplier risk assessment processes with our direct suppliers which have a contract value above \$1 million. As part of this due diligence process, we will request suppliers to provide us with current documentation which details how they assess and address their modern slavery risks through their supply chain. This will help us assess suppliers' practices and identify potential modern slavery risks and red flags within their operations and supply chains. Over the next reporting period, will prioritise actions to address any emerging modern slavery risks based on this information provided.

### **Independent audit**

ReadyTech is also assessing tools for tracking compliance with modern slavery requirements and options for conducting independent and external audits of our processes and controls with the initial focus being on suppliers with medium to high risks and contractors located outside Australia and New Zealand. Any identified breaches will be addressed immediately with consideration given to how to further reduce potential risks of modern slavery in our operations and supply chain.



## Consultation and Approval

All entities controlled by ReadyTech operate under a common governance framework. Controlled entities have a standardised way of working and the same processes for identifying, assessing and responding to modern slavery risks in ReadyTech operations and supply chains. ReadyTech executive management oversees all controlled entities allowing for consistent application across ReadyTech's modern slavery framework and in reporting against key outcomes in this Statement, in accordance with the Act.

The Board of Directors of ReadyTech Holdings Limited approved this Statement, on behalf of the reporting entity and its controlled entities, as the principal governing body of the reporting entity.

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Marc Washbourne

CEO, ReadyTech