

## **Basware Pty Ltd Modern Slavery Statement 2022**

This Modern Slavery Statement (**Statement**) is made pursuant to the *Modern Slavery Act 2018* (Cth) ("**Act**") by Basware Pty Ltd, ACN 096 671 528 ("**Basware**"). This Statement describes the steps taken by Basware during the financial year commencing on 1 January 2021 and ending on 31 December 2021, to seek to minimise the risk of modern slavery occurring in our business or 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 is an Australian, wholly owned subsidiary of Basware Corporation, which is headquartered in Espoo, Finland. It has subsidiaries in several countries and has been listed on Nasdaq Helsinki since 2000.

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 the only procure-to-pay and e-Invoicing solution provider that empowers businesses with 100% spend visibility through 100% supplier connectivity and 100% data capture. Our cloud-based technology enables organizations to fully manage their spend, mitigate financial risk and reduce the cost of operations via automation. With the world's largest open business network and an open technology ecosystem, we are uniquely positioned to deliver the solution required for Visible Commerce, which provides customers with complete transparency into all the flows of money, goods, and services around the world. A global company, Basware has offices in 14 countries and is traded on the Helsinki exchange (BAS1V:HE). The Basware group of companies has approximately 1,400 employees working across 14 countries serving customers in more than 100 geographies.

#### ***Basware Values***

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

*"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, color, gender, religion, affiliation or origin.*

*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 relevant standards of the International Labor Organization.*

*Basware is committed 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."*

## **Policies**

We are committed to responsible operations in our economic, social and environmental activities. This corporate responsibility <https://investors.basware.com/en/responsibility> is integrated into our business strategy and operations, our core values and company policies.

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, colour, gender, religion, affiliation or origin;
- we will not tolerate child, forced or bonded labour; and
- we comply with the relevant standards of the International Labour Organization and values declared within the UN Universal Declaration of Human Rights.

As our employees must abide by our Code of Conduct, it ensures that they too act with integrity, in accordance with applicable legislation, our core values and company policies. It also provides our investors, customers and suppliers with information about these principles according to which we operate and expect our suppliers to operate.

## **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, assisted by Basware Corporation's 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 on boarding.

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, 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 no actual risk of slavery or human trafficking taking place in any part of our business or supply chain. The following 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 that 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

- 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 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. The sourcing committee is based in Finland. 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.

#### ***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.

#### ***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**

Basware's areas of focus include:

- review of the current policy framework to ensure it meets best practice;
- delivering ongoing employee training as required in relation to the Code of Conduct;
- 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.

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*Michael Pylotis*  
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Michael Pylotis

Director and Secretary of Basware Pty Ltd