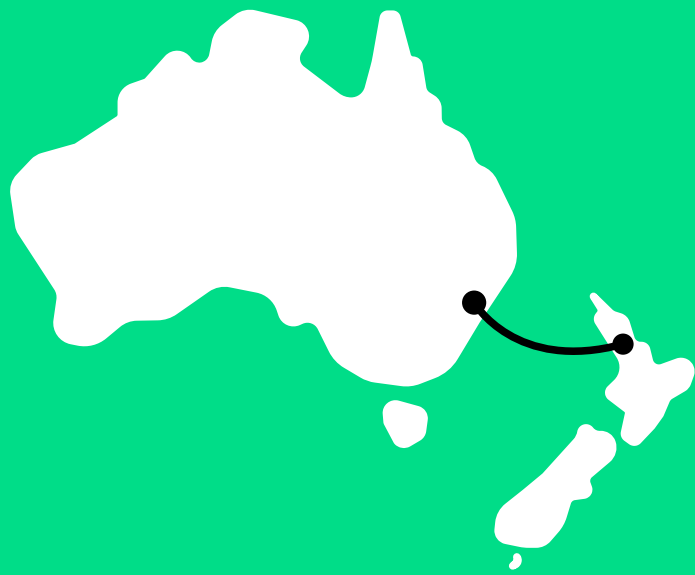




MODERN SLAVERY STATEMENT

FOR THE REPORTING PERIOD ENDED
31 MARCH 2025

SMARTPAY HOLDINGS LIMITED



Approval

This Statement was approved by the Board of Smartpay in their capacity as principle governing body of Smartpay Holding Limited on 31 July 2025.

The Statement is signed by Gregor Barclay in his capacity as Chair of Smartpay Holdings Limited on 31 July 2025.



Gregor Barclay
Chairman

● NOTE 1

The Reporting Entity

This document is a Modern Slavery Statement (Statement) issued by Smartpay Holdings Limited (Smartpay) ARBN 160 712 210 in accordance with Section 16 of the Modern Slavery Act 2018 (the Act).

Whilst New Zealand does not currently have modern slavery legislation, this report is based on being a joint reporting entity working in both New Zealand and Australia. The reporting entity for the purposes of this Statement includes Smartpay and its subsidiaries, Smartpay Limited (SPY NZ), Smartpay New Zealand Limited (Smartpay New Zealand), (Smartpay Australia Pty Limited (SPY Australia) and Cadmus Payment Solutions Pty Limited (Cadmus).

This Modern Slavery Statement covers the reporting period 1 April 2024 to 31 March 2025.

● NOTE 2

Structure, Operation and Supply Chains

2.1 Structure

Smartpay is listed on the New Zealand Stock Exchange (NZX) and has a foreign exempt listing on the Australian Securities Exchange (ASX). Smartpay operates in both New Zealand and Australia.

Smartpay designs, develops and implements innovative payment solutions for customers in New Zealand and Australia.

In New Zealand, SPY NZ's primary business is to rent customers an EFTPOS terminal with an in-house developed payment application that allows the terminal to connect to a payments switch to facilitate card payments for merchants. For this service, the customer pays SPY NZ a monthly service fee.

In Australia, SPY Aus is a payment facilitator. A customer is provided with an EFTPOS terminal with an in-house developed payment application to facilitate card payments for merchants. As a payment facilitator, SPY Aus settles the merchants' transactions to them on a daily basis. SPY Aus earns a percentage of the merchants' transaction value and pays the costs of facilitating the merchants' transactions.

SPY NZ is in the early stages of evolving the New Zealand business to also be a payment facilitator providing the same service as that provided by SPY AUS.

Smartpay controls the following entities:

Subsidiaries	Principal Place of Business	Equity Interest	Activities
Smartpay Limited	New Zealand	100%	Products and services
Smartpay New Zealand Limited	New Zealand	100%	Non-trading
Smartpay Australia Pty Limited	Australia	100%	Products and services
Cadmus Payment Solutions Pty Limited	Australia	100%	Non-trading

Smartpay is governed by a Board of Directors, the majority of which are independent directors. The Board is responsible for overseeing the business of the group including risk management.

2.2 Operations

Smartpays' registered office is at 205-209 Wairau Road, Wairau Valley, Auckland, New Zealand 0627. This is also the location of Smartpays' New Zealand operations.

SPY Aus is located at Level 9, 151 Castlereagh Street, Sydney, Australia 2000.

Smartpay has ~230 employees, operating in Auckland and Sydney. Employees work in sales, service, product development and engineering, and shared service functions including finance, marketing, people and performance, and distribution.

Smartpay operates a 'One-team, one-organisation' approach to running the operations of the business, which sees team members working and supporting both customers and the business activities trans-Tasman.

In providing the services to customers, Smartpay operates a partnership model, whereby it builds long-term partnerships with key suppliers.

2.3 Supply Chains

The supply chains used by Smartpay include suppliers of EFTPOS terminals, payment processing services, telecommunications services, infrastructure as a service (IaaS) service, software as a service (SaaS), transportation and distribution services, paper supplies, professional services such as lawyers and external auditor and taxation services, office and warehouse leasing services, cleaning and office supplies.

● NOTE 3

Risks of Modern Slavery in Supply Chains

Smartpay has zero tolerance for slavery, forced labour, child labour or human trafficking in any form, and will not knowingly collaborate with companies who engage in these practices. To this end, Smartpay has considered the risk of modern slavery in two categories – internal risk and external risk. These are discussed below.

3.1 Internal Risk of Modern Slavery

All Smartpay team members have contractual agreements to protect their legal rights, and benefit from established policies and procedures that govern how Smartpay operates. The following policies and procedures are considered relevant in this regard:

- Ethics and Code of Conduct Policy
- Diversity and Inclusion Policy
- Protected Disclosures (Protection of Whistleblowers) Policy
- Health and Safety Policy

Additionally, all team members are subject to training in respect to:

- Work Health and Safety
- Whistleblower Rights and Protections
- Health and Wellbeing
- Privacy
- Cyber Security
- Anti Money Laundering and Counter Terrorism Financing
- Bribery, Corruption and Fraud
- Modern Slavery

These courses are part of protecting our team members.

Smartpay staff cover a variety of roles and responsibilities. To this end, Smartpay is a living wage employer ensuring all staff are paid above the minimum wage.

In New Zealand, Smartpay is an Accredited Employer with Immigration New Zealand. This allows Smartpay to employ engineering professionals who are regularly in short supply in New Zealand, and are critical to Smartpay's ability to develop, maintain and innovate software which is at the core of the service provided to customers. To become and retain accreditation, Smartpay has been through an accreditation process to allow Smartpay to employ workers on an Accredited Employer Work Visa for a period of three to five years, in which period of time, the employee can obtain further rights to work in New Zealand. As part of recruiting team members through this process, Smartpay educates potential employees on their employment rights and expectations whilst living in New Zealand. Aims Global Immigration & Education Services supports Smartpay with all aspects of employing team members on this basis.

Smartpay does not:

- withhold worker identity or immigration documents,
- use employment recruiters who do not comply with Australian and New Zealand labour Laws;
- employ team members without appropriate employment contracts; and
- restrict employees rights to terminate contracts

On this basis, it is therefore considered that Smartpay as an employer poses a very low risk of Modern Slavery.

3.2 External Risk of Modern Slavery

As a Provider of Services

Smartpay is committed to combatting and preventing financial crime and the misuse of its products and services.

When Smartpay provides acquiring services to a merchant, the merchant is subject to AML/CTF requirements which includes conducting customer due diligence, including identification verification, adverse media checks amongst other things at the time of the merchant being onboarded. Additionally Smartpay has in place a Black/Grey List which represents merchants businesses that Smartpay will not provide acquiring services to (black) or where Smartpay will undertake additional onboarding checks (grey).

Transaction monitoring is undertaken across all transactions with suspicious transactions reported to Austrac in Australia or The Department of Internal Affairs in New Zealand.

Where a merchant rents a terminal only which is the primary New Zealand business, Smartpay does not complete AML/CTF Steps. Rather this process will be completed by the merchants bank.

Supply Chain

Smartpay has considered the risk of Modern Slavery in its supply chain using a number of lenses. Firstly, location of supplier, and secondly the size of supplier, and finally the supply chain outside of Australia and New Zealand.

Smartpay's operations and majority of major service providers are located in New Zealand and Australia which is considered to be lower risk of modern slavery in principle.

As noted, Smartpay operates a partnership model, and this results in material expenditure to key suppliers. In assessing the external risk to Modern Slavery, Smartpay has assessed the payments made to third parties and considered the top ten suppliers by spend. The top ten suppliers include communication and processing services, insurance and terminal providers. Modern Slavery statements have been sourced and reviewed for all of these suppliers who complete this reporting. Two privately owned suppliers do not complete this reporting. By the Nature of the services they provide and the location, the risk of modern slavery is considered low.

Smartpay sources terminals from a terminal provider that is listed on the Hong Kong Stock Exchange, headquartered in Hong Kong and has an operations centre based in Shenzhen, Peoples Republic of China (PRC). The terminal provider is a leading supplier of electronic payment terminal hardware and transactional software services in the world with approximately 70 million E-payment Terminal products deployed worldwide since commencing business in 2000. Whilst Smartpay has no control over their chosen business practices, as part of our due diligence in respect to modern slavery in their operations and their own supply chains, a review of the terminal providers externally available ESG Report has been completed.

● NOTE 3

Risks of Modern Slavery in Supply Chains

continued

This document notes that the terminal provider is focused on their own practices and that of their suppliers. Their own suppliers are required to sign a Quality Agreement, which not only demands that they meet the product quality and delivery standards imposed, but also includes guidelines related to ethical standards, employment rights, occupational health and safety, as well as promotion of harmonious social development. The terminal provider itself employs ~1,000 employees (Source: 2024 ESG Report) with the majority of these in PRC, and the remainder in Hong Kong. ~850 of these are research and development engineers. The terminal provider notes their compliance with the Labour Contract Law of PRC and Employment Ordinance of Hong Kong, amongst other laws.

It is noted that Smartpay has not visited the terminal providers manufacturing facilities.

The EFTPOS terminals are shipped to Australia and New Zealand. Smartpay acknowledges that it is more difficult to monitor modern slavery and the treatment of people working on ships due to the environment of uncertainty as to international waters and the application of law. Smartpay's shipping partner completes comprehensive modern slavery reporting.

Smartpay is currently unable to validate the existence of modern slavery on the ships that transport the terminals on Smartpays' behalf.

Smartpay acknowledges the risk of modern slavery is heightened in the area of shipping and terminal manufacturing, particularly in component providers to the terminal provider.

● NOTE 4

Actions Taken to Assess and Address Modern Slavery Risks

Smartpay does not have a procurement department. As noted the majority of suppliers are resident in New Zealand and Australia and by the nature of the services provided, will not be subject to a high risk of modern slavery. When bringing on material new suppliers, the requirement to provide reporting to support their modern slavery principles is now incorporated into the contracts.

Smartpay has mandatory training for staff covering a range of topics as noted in Section 3.1. Modern Slavery training has been provided to all staff in the current year so that they can understand what it is and their responsibilities.

Smartpay is committed to maintaining high standards of ethical behaviour, social and environmental responsibility throughout the organisation; it expects to earn the respect of its customers and shareholders through consistently applying the principles of integrity, transparency and honesty. To this end, Smartpay has a Values, Ethics and Code of Conduct Policy that applies to all members of the Smartpay Team including Directors, employees, consultants, and all other parties when they represent Smartpay. The Values, Ethics and Code of Conduct Policy has been reviewed to include reference to modern slavery and Smartpay's appetite not to have modern slavery in Smartpay's supply chain and business operations.

● NOTE 5

Assessment of Effectiveness

During the reporting period, Smartpay's focus has been to ensure all directors' and staff including contractors have an understanding of modern slavery and can therefore identify its existence if required.

Additionally new suppliers to Smartpay have had specific clauses put in their contracts as to Smartpay's expectations in respect of modern slavery.

● NOTE 6

Consultation Process with Owned or Joint Reporting Entities

Smartpay is the listed company, and as noted in Section 2.1, owns SPY NZ, SPY Aus and Cadmus. Whilst business activities are conducted in SPY NZ and SPY Aus, one Chief Executive Officer and Executive team centrally manage all operations, with team members in each country supporting the activities of the combined business. We note this as a 'One-team, one-organisation' model. Accordingly as there is no separation in management and infrastructure supports the combined operations, there has not been a requirement to undertake a separate consultation process.

● NOTE 7

Any Further Relevant Information

No other relevant information has been identified for this period.