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## **Block, Inc. | Modern Slavery Statement**

(Fiscal year ended December 31, 2021)

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### **1. INTRODUCTION**

This Modern Slavery Statement applies to Block, Inc. (“Block”) and all its subsidiaries (the “Block Group”). Acts of modern slavery will not be tolerated by the Block Group in any of its business dealings. Block believes all companies have a responsibility to ensure that people are not exploited at any level of our supply chain. We are fully committed to preventing modern slavery practices in relation to the use of our products and services, through our business operations, and across our supply chain.

This Modern Slavery Statement was drafted in accordance with Australia’s Modern Slavery Act 2018 (Cth), pursuant to section 54(1) of the U.K. Modern Slavery Act 2015 and constitutes the Block Group slavery and human trafficking statement for the financial year ending 2021. This statement applies to the Block Group operations in 2021 and has been approved by the board of directors of Block’s Australian and U.K. subsidiaries.

### **2. OUR STRUCTURE, BUSINESS AND SUPPLY CHAINS**

We started Block in February 2009 to enable businesses (“sellers”) to accept card payments, an important capability that was previously inaccessible to many businesses (the “Seller” business). As our company grew, we recognized that sellers need a variety of solutions to thrive and saw how we could apply our strength in technology and innovation to help sellers. We have since expanded to provide more than 30 distinct products and services to sellers that help them manage and grow their business. With Cash App, we have built a parallel ecosystem of financial services to help individuals manage their money. Similarly, with our recent acquisition of TIDAL, Block sees an opportunity to leverage the learnings from Seller and Cash App to help musicians find new ways to support their work and make better decisions through TIDAL. Block launched TBD, a bitcoin-focused business established to build an open developer platform with the goal of making it easy to create non-custodial, permissionless, and decentralized financial services. Our purpose of economic empowerment drives the development of all our products and services. Block has its head office in San Francisco, CA, United States.

The Block Group has over [5000] employees worldwide and operates in over [50] countries, managing a global supply chain of over [2,100] suppliers. Our supply chain consists of the provision of direct and indirect goods and services, corporate partnerships, and manufacturing services for hardware products.

### **3. RESPONSIBILITY**

Responsibility for our anti-slavery and human trafficking initiatives lies with the following individuals/functions:

- Our policies supporting the prevention of modern slavery practices are managed by the General Counsel, with appropriate board-level oversight.
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- Block's Compliance team monitors all Seller and Cash App transactions on a transaction-by-transaction basis to flag potential illicit transactions, which may include funds used for human trafficking or money laundering to conceal human trafficking.
- Block's Internal Audit team runs annual risk assessments for the Block Group, and, in particular, partners with Block's local management teams for independent quarterly risk assessments of Square AU Pty Ltd., Block's Australian subsidiary that is a licensed Australian Financial Services provider for non-cash payments ("Square AU"), Squareup Europe Limited, Square's U.K. subsidiary that is a U.K. Financial Conduct Authority licensed electronic money institution ("Square UK"), and Squareup International Limited, Block's Irish subsidiary that is a Central Bank of Ireland licensed electronic money institution.
- Any concerns that are raised related to the Block Group's modern slavery practices will be reviewed pursuant to Block's Code of Business Conduct and Ethics or Block's Supplier Code of Business Conduct and Ethics and reported to Block's Board and the relevant subsidiary's board of directors, as applicable.
- All Block employees are required to review and accept the Code of Business Conduct and Ethics on an annual basis, which sets forth Block's expectations concerning its zero-tolerance policy on forced labor and child labor.

#### **4. RELEVANT POLICIES**

Block operates the following policies that describe its approach to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations:

- Code of Business Conduct and Ethics: This policy requires all Block employees, officers and directors to identify and prevent modern slavery practices from being incorporated in Block's supply chain. Employees, officers and directors are expected to report any potential violations, and they are provided with the opportunity to do so anonymously.
- Supplier Code of Conduct and Business Ethics: This policy requires all suppliers of products and services to Block, including consulting firms, independent contractors, staffing agencies and licensees ("Block Suppliers"), to identify and prevent modern slavery practices from being incorporated in Block's supply chain. Block Suppliers are expected to report any potential violations, and they are provided with the opportunity to do so anonymously.
- Anti-Human Trafficking Policy and Procedure: Sets forth Block's specific compliance procedures for identifying and eliminating human trafficking on our platform.
- Bank Secrecy Act / Anti-Money Laundering Policy: Block's global policy for monitoring the transactions of its Sellers and Cash App customers on a transaction-by-transaction basis to reduce the potential for money laundering which could be financing human trafficking or other modern slavery practices.
- Anti-Money Laundering and Counter Terrorist Financing Program: Square UK's program for monitoring the transactions of its Sellers and Cash App customers on a transaction-by-transaction basis to reduce the potential for money laundering which could be financing human trafficking or other modern slavery practices.

- Vendor Management Policy: This policy sets forth a risk based approach for reviewing and assessing risks from third party vendors to Block, including our manufacturing vendors and contingent workers.

## **5. RISK ASSESSMENT AND DUE DILIGENCE PROCESSES FOR SLAVERY AND HUMAN TRAFFICKING**

We have a multi-tiered vendor risk management program to review and assess risks to Block and its customers. We also have annual enterprise risk assessments performed by our Internal Audit team, which further supports the quarterly risk assessments of our regulated subsidiaries in Australia and the U.K., in particular.

Block expects that our suppliers will not tolerate any form of exploitation in their business or any part of their supply chain. Block Supplier evaluation and selection may include an assessment of each Block Supplier's business practices and corporate values.

The following activities are considered to be at high risk of slavery or human trafficking:

- Misuse of Block's financial products and services: Block's business is subject to a wide range of laws and regulations throughout the EEA including Anti Money Laundering and Counter Terrorist Financing ("AML/CTF") legislation as well as U.S. Treasury Department's Office of Foreign Assets Control and applicable sanctions requirements. In turn, Block follows the international framework proposed by the Financial Action Task Force and refers to guidance produced by the Joint Money Laundering Steering Group in the United Kingdom. As a UK regulated entity, Square UK must also comply with the Financial Conduct Authority handbook for firms, and as an Australian licensed entity, Square AU is subject to oversight by the Australian Securities and Investments Commission and reporting to the Australian Transaction Reports and Analysis Centre. Block is committed to developing, implementing and maintaining an effective, risk based AML/CTF Program, which is reasonably designed to prevent Block from being used to facilitate money laundering, which could be used to finance human trafficking or other modern slavery practices. Block implements a risk-based approach to be most effective in countering the risks posed to Block and the ecosystem in which Block operates, including modern slavery practices. Risk assessment and management is an ongoing process conducted both at the subsidiary and group levels and is continuously evaluated so that the greatest resources are assigned appropriately to those areas that pose the greatest risk.
- Labor practices of our contingent workforce: Block utilizes contingent workers to support its business operations in Block's physical offices, remotely, and through business process outsourcing arrangements. All Block Suppliers are expected to conduct business in accordance with this Block Supplier Code of Business Conduct and Ethics ("Block Ethics Code"), including instituting appropriate policies and practices, and communicating and enforcing the provisions of the Block Ethics Code throughout their organization and across their supply chains and subcontractors. The Block Ethics Code includes specific requirements for fair working practices, lawful wages, and requirements that Block Suppliers not engage in forced or child labor.

- Supply chain risk: Block Suppliers are global and diverse. In addition to the Block Ethics Code, Block requires its hardware suppliers to comply with the Hardware Supplier Code of Conduct, which includes more specific and rigorous requirements for all manufacturing Block Suppliers.

Block further employs a multi-tiered vendor management risk process for evaluating indirect vendor risk, that includes:

- Risk assessment and ratings to facilitate efficient risk-based oversight and monitoring;
- Initial due diligence prior to the start of the vendor relationship and contracting;
- Contract structuring and review;
- Ongoing oversight and monitoring of vendors; and
- Offboarding processes to ensure appropriate activities are completed when terminating a vendor relationship.


We have a cross-functional Third Party Risk Management team, which comprise of representatives from:

- Legal;
- Third Party Risk Management (Procurement);
- Third Party Relationship Owners;
- Risk subject matter experts (business continuity and disaster recovery, compliance, finance, information security); and
- Local management teams and board of director oversight in Australia and the U.K.

## 6. MEASURING OUR EFFECTIVENESS IN COMBATING SLAVERY AND HUMAN TRAFFICKING

Block understands that reducing the risk of modern slavery and human trafficking in its business and supply chains is an important goal that requires the development of targeted policies and procedures, and ongoing iterations of existing policies and procedures, to continually renew its commitment to this noble goal. Currently, Block conducts annual audits of its two main hardware manufacturers, and these audits evaluate them in part based on their labor practices, including their non-use of forced labor. We may request that other Block Suppliers provide us with a self-assessment as to their adherence to the standards and principles of the Supplier Code of Conduct.

We are continuing to develop appropriate policies to review, measure and mitigate the risks of modern slavery practices in our business and across our supply chain.

DocuSigned by:  
  
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Samina Hussain-Letch

Director  
5/30/2022