

# Modern Slavery Statement 2021

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## 1. Introduction

Global Payments takes ethical and responsible decision-making seriously and it expects employees to take the same approach. All directors, managers and employees are trusted to act with the utmost integrity in the best interest of the organisation and its stakeholders, while striving at all times to enhance the reputation and performance of Global Payments.

This statement sets out Global Payments' approach to understand all potential modern slavery risks related to its business and to put in place steps aimed at ensuring modern slavery does not occur within our own business including our supply chain.

As a member of the financial services industry, Global Payments acknowledges its role and responsibility in seeking to safeguard human rights through ethical and sustainable business practices. We recognise the growing importance of human rights by our business partners, employees, clients and customers.

## 2. Definitions

Term	Definition
Modern Slavery	<p>The Modern Slavery Act (Cth) 2018 (the Act) defines modern slavery as a term used to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. Modern slavery is used to describe serious exploitation. It does not include practices like substandard working conditions or underpayment of workers.</p> <p>The Act defines modern slavery as including eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour services; and some instances of child labour.</p>
Vendor/Supplier	<p>An organisation or person that provides a product or service used in GP's supply chain. The supplier can have a direct or indirect relationship with your organisation.</p> <p>Examples of suppliers include, but not limited to, professional service providers, consulting or contract firms, distributors, franchisees/licensees, home workers, independent consultants or contractors, manufacturers, primary producers, sub-contractors, wholesalers, etc.</p>

## 3. Our Structure, Operations and Supply Chains

This statement covers the activities of Global Payments ("GP"). In this Statement, GP means Global Payments Australia 1 Pty Ltd and its subsidiaries – Ezidebit Pty Ltd, Web Active Corporation Pty

Ltd (collectively the “**Payments Arm**”), Sentral Pty Ltd, Storman Holdings Pty Ltd and Our Online Canteen Pty Ltd (collectively the “**Software Arm**”).

The Payments Arm is a Business-to-Business service provider and provides domestic payment-related products and services, including:

- Electronic payment processing, such as Direct Entry, BPAY, eftpos and card acquiring services;
- Facilitating the acceptance of online payments for merchants (online gateway services);
- Enabling integrations with software providers and large enterprise merchants (API services);
- Minimising fraud with the provision of fraud prevention solutions; and
- Supporting our merchants with card compliance obligations (PCI/DSS).

The Software Arm creates software products to support specific industries by providing technology, distribution and product development.

- Sentral provides schools, government and non-government departments with a comprehensive software platform for the administration, management and reporting of school and student data in Australia.
- Storman provides self-storage operators with an all-in-one solution for reservations, administration, management and collection of storer payments.
- QuickCliq is a cashless online ordering system for schools to manage canteen orders, uniforms, books and school fees.

## Vision

GP’s vision is to provide cutting-edge payments and software solutions all under one roof to help startups to enterprise businesses simplify commerce and cultivate their vision of success.

## Operations

Our preference is to develop internal capabilities in delivering payment and software solutions to our client base; however, consideration may be given to third-party external capabilities to reduce significant capital outlays or to obtain specific expertise.

We selectively use local and international specialist providers, which provide access to enterprise solutions and continuous 24-hour coverage to support our operations.

## Supply Chains

While our operations and supply chains are wide ranging, our aim is to ensure staff clearly understand and respect human rights; that staff and our supply chain uphold these rights. We expect our partners and stakeholders to adhere to ethical business conduct consistent with our own, and are committed to working with them to fulfil this common goal.

The policies and frameworks that support GP' day-to-day operations are designed to make sure relevant universally recognised human rights are safeguarded.

## Countries of Operation

GP is a subsidiary of a US company, providing financial technology services globally; however, the business is managed by geography. GP operates in the Asia Pacific region<sup>1</sup> and the United Kingdom. The nature of its business is payments processing and software delivery.

## Responsibility

Responsibility for GP's Modern Slavery initiatives are as follows:

- *Vendor Management*: Vendor Management Program Office is responsible for the on-boarding of new suppliers/vendors across the entire organisation;
- *Local Policies*: Legal and Compliance teams in Australia;
- *Risk assessments, Due diligence and investigations*: Compliance Manager together with the Vendor Managers;
- *Training*: Legal and Compliance teams together with the People and Culture team; and
- *Oversight*: The GP Board and Senior Leadership Team.

## 4. Relevant Policies

GP already operates the following policies relevant to the identification of modern slavery risks and steps to be taken to prevent slavery and human trafficking in its operations. As part of our education program, GP provides training to staff to ensure awareness of the basic principles of the Modern Slavery Act.

### Vendor & Outsourcing Policy

GP adopts the following principles in evaluating and maintaining an on-going relationship with our suppliers. They must:

1. Operate within the law and adhere to Australian legislative requirements including relevant public reporting of practices to prevent modern slavery.
2. Act in a fair, reasonable and ethical manner.
3. Be transparent in their sourcing practices and manage their third parties in line with these principles.

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<sup>1</sup> Australia, New Zealand, Hong Kong, Singapore

4. Respond fully and honestly in relation to any requests for information, providing reasonable access to relevant documentation and supplier premises, and acting promptly on issues identified by GP.
5. Proactively advise GP of any matters of concern including breach of their contractual arrangement as well as relevant laws and regulations.

## Employee Code of Conduct

GP's Code of Conduct makes clear to employees the actions and behaviour expected of them when representing the organisation. All employees are required to comply with GP's Code of Conduct. GP strives to maintain the highest standards of employee conduct and ethical behaviour when operating domestically or abroad and in managing its supply chain.

The Senior Leadership Team acknowledge that they are responsible for promoting high standards of ethics and integrity and that their language, attitudes and actions will strongly influence GP's culture.

## Remuneration Policy

GP's remuneration practices are designed to be consistent with financial services industry practices and are sufficiently attractive in order to recruit and retain top talent. Staff salaries have both a fixed component as well as a variable component, based on achievement of corporate financial objectives and individual performance.

## Recruitment and On-boarding policy

GP uses reputable recruitment agencies to source labour and always verifies the practices of any new recruitment agency it is using before accepting workers from that agency. Once on-boarded, GP ensures staff are appropriately remunerated in line with GP's remuneration practices.

## Whistleblower Policy

GP is committed to the highest standard of ethical, moral and legal business conduct. In line with this commitment, and as a reflection of our commitment to transparency, the Whistleblower Policy aims to provide an avenue for company officers, employees, third parties, past and present, and their families to raise serious concerns around misconduct with the reassurance that they will not be disadvantaged for reporting their reasonable suspicions about other persons on reasonable grounds.

GP encourages all of its workers, customers and other business partners to report any concerns related to the direct activities, or the supply chains of, the organisation. This includes any circumstances that may give rise to an enhanced risk of slavery or human trafficking. GP's Whistleblower Policy is designed to make it easy for workers to make disclosures, without fear of

retaliation. Employees, customers or others who have concerns can report either internally, or through GP's external disclosure provider.

## Office Policies

GP strives to create a work environment, which is inclusive of all people regardless of gender, age, race, disability, sexual orientation, cultural background, religion, family responsibilities or other areas of potential difference. We also provide our staff with flexible and safe workplace arrangements and an employee assistance program.

## 5. Modern Slavery Risk Assessment

Currently, GP vendors are subject to initial and ongoing due diligence reviews including:

- evaluating the risks of each new supplier as part of a more general human rights or labour rights assessment; and
- ensuring our contractual arrangements include clauses addressing the statutory risk of modern slavery.

### Initial Risk Assessment

The Vendor Management Program Office ("VMPO") analyses each vendor to determine their inherent and residual risks, focusing on the products and services provided by the vendor. Based on this analysis, vendors are allocated a risk tier.

- Vendors with an initial risk tiering of 1 or 2 are vendors deemed to have a significant risk to the company because the vendor offerings are highly integrated or heavily relied upon to maintain operations and an adverse event would likely cause a severe impact to GP as a whole. These vendors are subjected to additional due diligence, including the completion of a comprehensive vendor risk assessment questionnaire, contract review, on-site vendor assessments, financial viability review, third party audit/compliance review and sanctions screening.
- Vendors with an initial risk tiering of 3 or 4 are considered to be vendors deemed to have limited or minor impact to the company because the vendor offering may be slightly integrated into non-material operations or are not integrated/relied upon to maintain operations. These vendors are subjected to standard due diligence, including the provision of audited financial statements, vendor questionnaire, sanctions screening and vendor performance reviews.

### Phase 1 Modern Slavery review

In order to comply with the Modern Slavery Act, GP initiated a scheme of work to review modern slavery risks, commencing with existing Tier 1 and Tier 2 vendors. GP does not have any vendors falling in the Tier 1 category.

Of the fifteen Tier 2 vendors requested to complete a Modern Slavery questionnaire, fourteen vendors have provided a copy of their Modern Slavery Statement or completed the GP Modern Slavery questionnaire. Of the fifteen vendors, eight vendors have provided copies of their Modern Slavery Statements to comply with Modern Slavery laws in Australia or in the United Kingdom or completed GP's Modern Slavery questionnaire. Four vendors confirmed they are developing or commencing vendor reviews; hence, we will continue to seek updates from these vendors as part of our ongoing review. Two vendors reporting to the same overseas parent confirmed that they are not subject to the Modern Slavery Act or any equivalent legislature; hence, we continue to progress our discussions with the parent company. We are continuing our discussions with one vendor based in the USA that failed to respond to our request.

Our first modern slavery review of Tier 2 vendors indicate that these vendors are predominantly specialist providers of software, hosting, security, and network infrastructure services, all requiring highly skilled staff and posing a low risk of Modern Slavery.

## Future State Initiatives

From 1 July 2021, GP vendors will be subjected to additional due diligence reviews including:

- evaluating the modern slavery and human trafficking risks of each new supplier as part of a more general human rights or labour rights assessment;
- ensuring our contractual arrangements include clauses addressing the statutory risk of modern slavery;
- conducting more detailed risk assessments and requesting more detailed information for third parties which have a greater degree of focus on slavery and human trafficking;
- including a review of potential modern slavery practices as part of our on-going vendor governance process;
- taking steps to improve any substandard suppliers' practices, including providing advice to suppliers through GP's Vendor Manager and requiring them to implement agreed action plans; and
- taking action against suppliers that fail to improve their performance in line with an action plan or seriously violate our supplier principles, including the termination of the business relationship.

GP will continue to roll out its Modern Slavery framework with Phase 2 Modern Slavery review – a progressive review of Tier 3 vendors. The outcome of this review will be incorporated in the 2022 Modern Slavery Statement together with any further information relevant to the Tier 2 vendors.

## 6. Modern Slavery Policy Review

GP acknowledges that on-going action is required to mitigate the risk of modern slavery. GP will periodically assess its approach and actions to ensure this is consistent with industry practice.



The Modern Slavery Policy will be administered by the GP Compliance Manager, and is subject to annual review to ensure annual submissions to Australian Border Force remains consistent with legislative requirements, as well as the changing nature of the organisation.

## 7. Board Approval

The Global Payments Australia Board approved this statement on 30 Jun 2021.