

Basware Holdings Ltd Modern Slavery Statement

This Modern Slavery Statement ("**Statement**") is made pursuant to the United Kingdom Modern Slavery Act of 2015 ("Act") section 54. This Statement describes the steps taken by Basware Holdings Ltd ("**Basware**" or "**we**") during the financial year ending on 31 December 2024, to seek to minimize the risk of modern slavery occurring in our business and our supply chains.

Basware remains committed to safeguarding human rights through ethical and sustainable business practices. We do not tolerate modern slavery in any form and comply with all applicable laws in the countries in which we operate. Our approach continues to evolve in line with best practice and updated government guidance.

1. The organization and business of Basware

Corporate structure

Basware Holdings Limited is a wholly owned subsidiary of Basware Corporation, a private company headquartered in Espoo, Finland. Basware Corporation has subsidiaries in several countries and was listed on Nasdaq Helsinki 2000-2022. Basware Corporation is currently owned by investment consortium comprising Accel-KKR, Long Path Partners and Briarwood Capital Partners.

Basware group has approximately 1,300 employees working across 16 countries serving customers in more than 100 geographies, from about 42 nationalities represented in our team. The decision-making, operations and governance of our group are led by Basware Corporation, with each subsidiary - including Basware Holdings Ltd - complying with applicable local legislation and regulations.

What we do and who we are

Basware is how finance leaders in global enterprises can finally automate their complex, labor-intensive invoice processes and stay compliant with regulatory change. Basware's AP automation and invoicing platform helps customers achieve a new level of efficiency – in a matter of months – while reducing errors and risks. We bring a unique combination of true automation, complete coverage, and deeper expertise to make it all just happen for our customers. That's why the world's most efficient AP departments at thousands of companies rely on Basware to handle over 220 million invoices per year.

Policies and Governance

Basware is committed to responsible operations in our social, environmental and governance activities. This commitment is embedded in our business strategy and operations, our core values and company policies (<https://www.basware.com/en/about-basware/sustainability>).

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 and do not tolerate, contribute to, or facilitate any activity that violates them;
- Employment decisions are made based on equal opportunity and without distinction to race, sex, religion, political opinion, disability, sexual orientation, gender identity, social status, age or any other legally protected status;
- We strictly prohibit the use of servitude, child labour, forced labour, human trafficking, or slavery in any context or region where we operate;



- We are committed to the United Nations Global Compact principles and comply with the OECD Guidelines for Multinational Enterprises, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the UN Guiding Principles on Business and Human Rights, and the International Bill of Human Rights; and
- We expect our leadership, employees, and contractors to actively foster human rights in all areas of influence and to speak up if they suspect any violations.

Basware Code of Conduct is binding for all Basware employees and ensures that our employees act with integrity, in accordance with applicable legislation, our core values and company policies. It also provides transparency to our customers, suppliers and other stakeholders about the principles according to which we operate.

Our expectations towards our suppliers are described in Basware [Supplier Code of Conduct](#) which is an integral part of our Code of Conduct. This document sets clear standards for ethical behavior and human rights compliance across our supply chain.

In addition, our sourcing activities are governed by our Global Sustainable Procurement Policy which incorporates environmental, social and governance (ESG) performance criteria into supplier management. This policy ensures that our procurement decisions reflect our commitment to sustainability and ethical business practice.

2. Risks of modern slavery in operations and supply chains

Assessment of risk in Supply Chains

Basware's supply chains are primarily concentrated in the technology sector and include both software vendors and consulting services.

Sourcing of suppliers is the responsibility of each stakeholder and follow our Global Sustainable Procurement Policy. Stakeholders are supported by Basware Corporation's ESG, sourcing and legal teams, along with other corporate functions. Together with functional stakeholders, they are responsible for:

- Supplier selection; and
- Managing the contracting process which includes due diligence activities such as vendor checks and subsequent onboarding.

Basware Corporation holds primary responsibility for sourcing and purchasing on behalf of the corporate group, while local entities such as Basware Holdings Ltd, cooperate with central functions and comply with both Basware Corporation's requirements and applicable UK legal obligations.

The sourcing team collaborates with the legal, risk, compliance, and product functions to manage supplier-related compliance requirements, with each function and stakeholder sharing responsibility for this process. Should we become aware of any policy violations or issues related to slavery or human trafficking, we will consult with our legal team to determine appropriate actions, 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, in particular Supplier Code of Conduct, or otherwise show commitment to the same level of responsibility when it comes to environmental, social and governance impacts. This includes compliance with:

- International Bill of Human Rights;



- UN Guiding Principles on Business and Human Rights; and
- International Labour Organization's Declaration on Fundamental Principles and Rights at Work.

We do not operate in or source from jurisdictions classified as high-risk for modern slavery. Based on our current operations and supplier profile, we continue to assess the overall risk of modern slavery within our supply chains as low.

3. Actions taken

Due Diligence process

Basware has determined there is a limited risk of slavery or human trafficking taking place in any part of our business or supply chain. The below due diligence actions are taken to help prevent modern slavery in our own business and in the supply chain.

Our business

All Basware employees are trained on our Code of Conduct and are expected to uphold its principles in their daily work. Our management team remains vigilant to the risks of modern slavery and human trafficking and actively promotes a culture of ethical awareness and accountability.

Our supply chain

We apply proportionate due diligence measures to our suppliers, tailored to the nature and scale of the relationship. These measures include:

- Execution of legal agreements and vendor background checks;
- Risk-based performance reviews to monitor supplier compliance;
- Development and implementation of corrective action plans where necessary; and
- Use of third-party risk assessment tools to supplement our internal evaluations.

In 2024, we expanded our supplier engagement efforts, placing greater emphasis on ethical sourcing and human rights compliance. As a result, we achieved a measurable improvement in the rate of formal acknowledgements of our Supplier Code of Conduct among key suppliers.

Consultation process

Basware Corporation has the primary responsibility for sourcing of suppliers. All corporate functions and services to subsidiaries, such as sourcing and legal functions are primarily lead from the parent Basware Corporation.

4. Effectiveness of action taken

Basware continuously monitors key sustainability indicators to assess the effectiveness of our efforts in preventing modern slavery and human trafficking. These indicators include the number of Code of Conduct breaches, whistleblowing reports, and supplier compliance acknowledgements.

In 2024, we recorded:

- An increase in formal acknowledgements of our Supplier Code of Conduct, reflecting stronger supplier engagement and awareness.
- No reported breaches related to modern slavery across our operations and supply chains.



These results affirm the robustness of our current controls while highlighting areas for continued vigilance.

Training

All Basware employees are required to complete mandatory training on our Code of Conduct which includes modules on ethical behavior, human rights, and modern slavery awareness. In addition, our procurement specialists receive targeted training on ethical sourcing practices and supplier risk management, ensuring that our values are embedded throughout the sourcing process.

Continuous Improvement

We recognize that the risks associated with modern slavery and human trafficking continue to evolve, and we remain committed to adapting our approach accordingly. In 2024, Basware undertook several initiatives to enhance our response to modern slavery, demonstrating our commitment to continuous improvement:

- **Enhanced Supplier Onboarding:** We updated our onboarding materials to better communicate our expectations around ethical conduct and human rights, making it easier for suppliers to understand and comply with our standards.
- **Supplier Self-Assessment Pilot:** We introduced a pilot program for supplier self-assessment surveys, enabling us to gather direct insights into supplier practices and identify potential areas of concern more proactively.
- **Strengthened Reporting Channels:** We improved our internal reporting mechanisms to ensure that concerns related to modern slavery can be raised confidentially and addressed promptly, including clearer escalation pathways and enhanced whistleblowing support.

These actions reflect our commitment to continuous improvement and our belief that effective prevention of modern slavery requires vigilance, collaboration, and transparency.

5. Future actions

Basware remains committed to continuous improvement in our efforts to prevent modern slavery and human trafficking. In 2025, our focus areas include:

- **Expanding Supplier Training and Support:** We will continue to build supplier capability by offering targeted training and guidance on ethical sourcing, human rights, and compliance with our Supplier Code of Conduct.
- **Increasing Transparency in Supplier Disclosures:** We aim to enhance visibility into supplier practices by encouraging more detailed disclosures and integrating ESG performance indicators into our supplier review processes.
- **Enhancing Internal Audit Processes:** We will strengthen our internal audit framework to ensure that modern slavery risks are systematically assessed and addressed across our operations and supply chains.

This Statement has been reviewed and approved by the Board of Directors of Basware Holdings Ltd.

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