

# MODERN SLAVERY STATEMENT 2022

## Background

This Modern Slavery Statement (**Statement**) is made on behalf of Tyro Payments Limited (ABN 49 103 575 042) (**Tyro**), pursuant to the *Modern Slavery Act 2018* (Cth). This Statement is in respect of the 12-month period ending 30 June 2022 (**reporting period**).

Tyro acknowledges the risks of modern slavery globally and is committed to working to prevent modern slavery and human trafficking in our business and supply chain. We understand our key modern slavery risks have policies and processes in place to help us monitor and assess them.

The actions taken by Tyro during the reporting period to understand and address modern slavery risks are outlined in this Statement.

This Statement was approved by the Board of Directors of Tyro on 26 August 2022.



**Robbie Cooke CEO | Managing Director**

26 August 2022

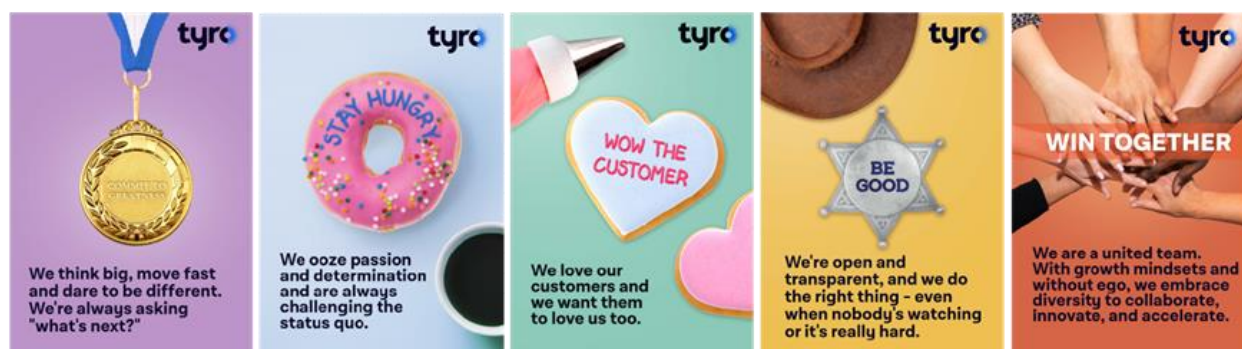
## About Tyro

Tyro is an Authorised Deposit Taking Institution and is regulated by the Australian Prudential Regulation Authority and provides payment and banking solutions to more than 63,000 (as at the end of the reporting period) Australian businesses. Beyond credit, debit and EFTPOS card acquiring, we also offer Medicare and private health fund claiming and rebating services. Tyro's purpose is simple – to set businesses free by simplifying payments and commerce.

Tyro is a public company and is listed on the Australian Securities Exchange (**ASX**). Further details on Tyro, its controlled entities, and their operations, products, services and financial position and performance are available in Tyro's financial reports, available at <https://investors.tyro.com>.

Tyro is proud of its open, inclusive, and collaborative culture which has as its foundation our guiding values. In August 2022, we introduced a new teamwork value to complement our four existing values. Our new value:

*“Win together - We are a united team. With growth mindsets and without ego, we embrace diversity to collaborate, innovate, and accelerate”.*



Tyro’s Sustainability Report is available at <https://investors.tyro.com>.

## Subsidiaries and controlled entities

As at the end of the reporting period, Tyro controlled the following entities:

Entity	Principal Place of Business	Ownership Interest
Medipass Solutions Pty Ltd	Australia	100%
Medipass Solutions Limited	United Kingdom	100%
Tyro Payments (Bendigo Alliance) Pty Ltd	Australia	100%

We consulted the relevant companies we own or control in the development of this statement.

## Business operations and supply chains

Tyro and its controlled entities employ approximately 622 staff and engage a further 102 contractors (as at the end of the reporting period). Almost all employees are based in Sydney and Melbourne, Australia, with a small number of contractors in China and India.

Tyro aims to build strong long-term relationships with suppliers and business partners, in turn ensuring that they align to our values. To protect and maintain our relationships with key suppliers, we regularly interact through meetings, tender processes and industry and product conferences.

At Tyro, we seek to incorporate sustainability into all areas of our business. Our ability to deliver our payments and banking offering is reliant on the performance and availability of our technology and communication systems and those of our suppliers.

Our supply chain is relatively simple and relates to the provision of services and products required for day-to-day operations. Covering areas including:

- **Information and Communications Technology (ITC):** includes IT applications, hardware and software (including payment terminal (hardware) supply), telecommunications and network services, infrastructure and data centres, hosting and cloud platform services, computer systems and peripheral devices.
- **Corporate services:** includes recruitment, contractors, training, events, and conferences.
- **Marketing:** includes brand, market research, agency spend, merchandise, advertising and media spend.
- **Property and facilities management:** includes asset services, cleaning, utilities, waste management, construction management, catering, insurance, and rent.
- **Professional services:** includes audit, consulting, and legal services.

Although we expect each supplier to define their own sustainability measures, including their approach to modern slavery, we evaluate the modern slavery risks associated with a supplier as part of our centralised risk assessment processes.

## Risks of modern slavery

### Modern slavery risks in our operations

Tyro's business operations primarily involve the provision of payments and banking products and services to business customers in Australia. Almost all employees are based in Sydney and Melbourne, Australia, with a small number of contractors in China and India. Our workforce is predominantly comprised of skilled workers. We have robust hiring policies and procurement processes in place to ensure that we are fully compliant with all local, national, and other applicable laws and regulations of the jurisdictions where we are working.

As such, we consider the risk of modern slavery in our direct business operations is low and appropriately managed through our frameworks and policies.

### Modern slavery risks in our supply chain

As a purchaser of goods and services, there is a risk that we could be involved in modern slavery if it is present in our supply chain.

Tyro conducts a risk assessment to understand and identify where modern slavery is most likely to arise across our supply chain. Factors we consider in our risk assessment include:

- high-risk sectors e.g. manufacturing, raw materials, and electronics;
- countries that are at a higher risk for modern slavery;
- unskilled or low skilled work e.g. labouring, cleaning services;
- labour force used e.g. temporary workers; and
- vulnerable groups e.g. migrant workers, children, and women.

Based on the risk assessment, we determine the level of supplier engagement and due diligence required.

All new suppliers onboarded have been assessed for modern slavery risks as part of the supplier selection and risk assessment process. Employees are able to make smaller purchases directly, increasing the risk related to suppliers who are not part of the formal procurement process. Therefore, mandatory modern slavery training is provided to all employees.

During the reporting period, we analysed modern slavery risks in both our operations and supply chains. We identified areas with the lower risk, such as professional and corporate services handled by staff directly employed by us or skilled consultants that have agreed to our Supplier Code of Conduct. Areas of higher risk are associated with Information and Communications Technology (ITC) supply chains that extend into high-risk countries for modern slavery e.g. the manufacture and sourcing of components for payment terminals located in Asia that have a high modern slavery risk of forced and bonded labour – See *Case Study: Forced labour*.

Tyro has not been made aware of any modern slavery allegations against our suppliers or operations during the reporting period. If we suspect modern slavery, we will ensure that appropriate action is taken including:

- investigating the alleged conduct, either internally or through the use of a third party;
- engaging with suppliers to express our concerns and work with them to address and remediate the situation.

If the supplier is unwilling or unable to remediate, we would take appropriate action, including considering:

- abstaining from entering a contractual arrangement or terminating the contract; and/or
- reporting the suspected conduct to the relevant authorities.

## Impact of COVID-19

During the reporting period, COVID-19 did not materially impact our ability to assess and address modern slavery risks. Regular governance and engagement on modern slavery issues continued throughout the period to ensure effective management of suppliers who provide critical services to our organisation.

## Modern slavery initiatives

### Framework

Tyro's Modern Slavery Framework is embedded in our procurement processes. It requires all new suppliers to be assessed for modern slavery risk and a commensurate level of due diligence completed.

### Training

All Tyro employees are required to successfully complete modern slavery awareness training and an assessment on an annual basis. The training provides guidance on Tyro's approach to modern slavery risks, how to identify signs of modern slavery in our operations and supply chains and provides information on how to raise concerns.

### Supplier risk assessment

Tyro completes a modern slavery risk assessment of all new suppliers through our procurement process. We categorise all suppliers by low, medium, or high risk according to the country of operations, industry category and total spend. This informs the engagement and modern slavery due diligence undertaken.

Our modern slavery due diligence process for new and existing suppliers may include a review of a supplier's existing modern slavery statement or completion of our modern slavery questionnaire. The questionnaire requests that suppliers provide information about their reporting structure, operations, supply chain, and any processes they have taken to assess modern slavery risk within their supply chain.

This information is reviewed and used to assess and identify any risk of modern slavery in the supplier's practices and therefore what actions, if any, are needed.

### *Case Study: Forced labour*

Tyro uses third party payments industry providers to supply a range of services including terminal hardware and software.

Modern slavery is recognised as a risk due to the:

- labour intensive nature of the work;
- manufacture of the hardware and components in countries that are at a higher risk for modern slavery;
- use of raw materials sourced from industries and/or countries that are at a higher risk for modern slavery.

The suppliers were reviewed in accordance with Tyro's Modern Slavery Framework. In assessing the suppliers' risk profiles, we identified that they operate in countries that are deemed a higher risk for modern slavery, with many of their operations occurring in manufacturing and labour intensive environments.

To mitigate the risk, we conducted an in-depth review of the suppliers' existing modern slavery statements, relevant policies and engaged with key stakeholders in the suppliers' operations. In doing so, we were able to review their reporting structure, operations, supply chain and processes taken to assess modern slavery risk. As a result, Tyro was satisfied that supply chains were managed effectively, and no modern slavery concerns were found.

### Remediation Processes

Tyro has not become aware of any instances of modern slavery in our operations or supply chain. As such, we have not been required to remediate any situations where we may cause or contribute to modern slavery.

Any modern slavery related concerns can be raised through our Whistleblower and Complaints Handling processes, or directly to our Risk or Legal teams. Both the Whistleblower Policy and Complaint Handling process are made available to employees via our internal intranet system and can be accessed by third parties through our website.

If a modern slavery concern is raised, the Risk team conducts any required investigation in accordance with regulatory requirements, policies, and procedures.

### Policies

Our work on modern slavery is supported by policies that include:

- Supplier Code of Conduct
- Whistleblower Policy
- Anti-Bribery and Corruption Policy
- Workplace Health and Safety

#### **Supplier Code of Conduct**

Tyro's Supplier Code of Conduct sets expectations for supplier conduct and supports our commitment to identify and mitigate the risk of modern slavery.

#### **Whistleblower Policy**

Tyro is committed to a whistleblowing program that provides an environment that allows for the safe reporting of any conduct that is contrary to Tyro's values and policies including its Code of Conduct.

Tyro encourages all employees to speak up if they see behaviour that does not align with Tyro's values. We proudly display our values at [www.tyro.com/about-tyro/](http://www.tyro.com/about-tyro/)

### **Anti-Bribery and Corruption Policy**

The Tyro Anti-Bribery and Corruption Policy outlines our approach to managing bribery and corruption risk and helps to prevent conduct that involves or could be perceived as involving acts of corruption.

### **Workplace Health and Safety**

Tyro communicates to staff that, as an employer, Tyro is responsible for the safety of its employees at work. In addition, it emphasises that staff also have responsibilities in relation to ensuring their own safety and that of others in the workplace.

Tyro monitors and reviews the effectiveness of relevant internal policies and how these have been implemented across our business areas.

## **Assessment of effectiveness**

Tyro continues to build capability in identifying, assessing, and mitigating modern slavery risks, which is supported by our Modern Slavery Framework.

Current effectiveness measures include:

- the number of employees who have completed annual modern slavery training. Training for FY23 has been issued but is yet to be completed for all employees;
- 100% of suppliers assessed as high-risk for modern slavery have undergone risk review. This is part of our onboarding process and enables more effective identification and remediation of modern slavery risks;
- the number of suspicious or disclosed modern slavery issues investigated and addressed. See *Case Study: Forced labour*; and
- annual review of our Modern Slavery Framework and due diligence approach.

In the upcoming reporting period (FY23), Tyro will continue to consider how it can improve measuring the effectiveness of its modern slavery risk management processes.

## **Conclusion**

Tyro recognises and understands the importance of the *Modern Slavery Act 2018* (Cth) and is committed to continually improving our approach to identify, assess, and manage modern slavery risk in our operations and supply chain.

Tyro's Modern Slavery Statement demonstrates our commitment to living by our values. We also recognise that our work to identify and manage modern slavery risks will continue to be enhanced and adapted in an ever-changing environment.

## **Enquiries**

All enquiries or feedback on this Statement and Tyro's Modern Slavery Framework should be directed to Tyro's Risk & Compliance team at [compliance-team@tyro.com](mailto:compliance-team@tyro.com).