

## Modern Slavery Statement FY 2023 Human Rights and Anti-Trafficking Statement

### Introduction

The following document outlines the actions that W.A.G Payment Solutions pic and its subsidiaries (the EUROWAG Group) have taken to prevent modern slavery and human trafficking in our operations and supply chain for the FY 2023. This statement is being made pursuant to section 54(1) of the U.K. Modern Slavery Act 2015.

This statement covers all our wholly owned and controlled subsidiaries which are covered under the Modern Slavery Act. For more information about our subsidiaries, please refer to pages 154-159 in our FY 2023 Annual Report.

The Board of Directors has approved this statement on 16.5.2024.



Signed

Martin Vohanka

Chief Executive Officer, W.A.G payments plc

## About us

### About the Eurowag Group, its operations and supply chain

The Eurowag Group is a leading pan-European integrated payments and mobility platform focused on the commercial road transport ("CRT") industry.

Founded in 1995, the Group became a publicly listed company on the London Stock Exchange in October 2021. The company has origins in central and eastern Europe, an area that represents a significant proportion of the European CRT supply and an under-served and rapidly growing part of the European market. As of FY 2023, the company employed 1859 employees and operates in 30 countries.

Our main focus is international and domestic, small and medium-sized enterprises ("SMEs") fleets.

The Group's business is divided into payment solutions and mobility solutions:

- Payment solutions represent the majority part of our business and include a secure means of energy payments through pre- or post-paid fuel cards and toll payments.
- Mobility solutions offer our customers tax refund services, fleet management products, location-based products and services, and other adjacent services.

### Our Supply Chain

The Group's business is dependent on strategic relationships with third parties globally, which mainly fall into the following categories:

- Fuel and alternative fuel suppliers - these entities also include partners in our acceptance network.
- Toll chargers and toll providers - these partners include third parties offering services where the Eurowag Group is not currently providing its own services.
- Authorisation centres - entities that support the Group's payments business.
- Technology service providers - entities that support the Group's overall business operations, including those providing key infrastructure and software services and support.
- Technology hardware - suppliers that provide hardware and components for the Group's telematics units.
- Adjacent services - these partners support the wellbeing and safety of our truck drivers, including parking, washing, repairs, freight ferry booking and roadside assistance.

## Our governance structure and Policies

### Our governance structure

The Group is committed to acting ethically and with integrity in all our business dealings and relationships and to implementing and enforcing effective systems and controls to prevent modern slavery from taking place anywhere in our operations and supply chains.

The Board of Directors of the EUROWAG Group has overall accountability for ensuring the company complies with its legal and ethical commitments to uphold and respect human rights and prevent incidents of modern slavery and human trafficking.

The ESG Executive Committee has delegated responsibility from the Board for directing and overseeing the sustainability strategy and related policies, including human rights and modern slavery.

The Sustainability function has primary responsibility for human rights; working with the business units and functions, such as procurement, to ensure that systems are in place to ensure the Group is complying with this policy. The function is also responsible for monitoring its use and effectiveness, and works with Internal Audit to assess the effectiveness of internal control systems and procedures to ensure they are effective in countering modern slavery and respecting human rights.

Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy. From 2022, the company started to deploy specific training on human rights and modern slavery which has continued to be rolled out through the business and to new joiners in 2023.

### Our policies

We maintain a comprehensive compliance framework aligned with globally recognised standards such as UN Guiding Principles on Business and Human Rights, OECD Guidelines for Multinational Enterprises and International Bill of Human Rights and with international sanctions regimes.

We have adopted a number of key policies that help address issues relating to human rights and modern slavery, including:

- Anti-harassment, Anti-Bullying
- Modern Slavery and Human Trafficking
- Personal Data Protection
- Gifts and Anti-bribery
- Anti-money laundering
- Relationship Management Guidelines for Third Parties
- Speak Up and Whistleblowing policy
- Grievance policy
- Conflicts of Interest
- Our Code of Ethics outlines our standards and guides to the way we do business across our operations. Code of Conduct for Suppliers

A few of our policies went through notable updates in 2023. We have briefly described these updates below.

### **Speaking Up and Whistleblowing**

The EUROWAG Group aims to encourage openness and will support anyone who raises genuine concerns in good faith under this policy, even if they turn out to be mistaken.

To reflect new regulatory requirements and best practice, we have reviewed and implemented a Group-wide 'Speak Up' programme. We have established an additional confidential and easily accessible digital channel for employees or suppliers who wish to raise a concern. This channel is designed to help us identify and tackle ethical concerns quickly. If an employee or a supplier observes illegal or unethical practices and/or suspects a violation of applicable laws, policies, or standards, we ask that they report their concerns through the secure reporting channel at <https://eurowag.integrityline.com>. We ensure the confidentiality of the notifier and take protective measures to prohibit any forms of retaliation against Reporters. We have an in-depth investigative procedure, that is detailed in our Speak Up Policy. 91% of our employees went through training on Whistleblowing in 2023, and we have also communicated this Policy to our suppliers.

The EUROWAG Group remains committed to ensuring no-one suffers any detrimental treatment as a result of reporting, in good faith, their suspicion that modern slavery of whatever form is or may be taking place in any part of its own business or in any of its supply chains. Detrimental treatment includes dismissal, disciplinary action, threats or other unfavourable treatment connected with raising a concern.

### **Implications for Non-Compliance**

Any Staff Member who breaches the company's policies, including the Modern Slavery and Anti-Trafficking Policy, is subject to disciplinary action, which could result in dismissal for misconduct or gross misconduct.

In business partnership and supply chain, the EUROWAG Group identifies its human rights impacts and salient issues, and tries to remediate them with its partners. In case remedy is not possible, Eurowag may terminate the relationship with other individuals and organisations working on our behalf, if they breach this policy.

### **Code of Conduct**

In 2023, we updated our Code of Conduct and continued to strengthen our procurement approach. As a result, the Group Procurement Policy was updated to incorporate sustainability considerations, including human rights, when managing and onboarding suppliers. We have also updated our contractual terms for suppliers to include a reference to our Code of Conduct and an expectation that suppliers will comply with the Code.

## Risk Assessment and Management

In 2022, we undertook a human rights risk assessment across our operations and our supply chain.

We identified five key business areas where the risk of human rights and labour impacts issues are likely to be most prevalent. These relate to employment, procurement of goods and services, the use (or misuse) of technology such as telematics, some of our operations e.g., truck parks, and the ethical and fair treatment of drivers by our customers.

We worked with an expert third-party to carry out a deep dive into these five areas, including interviews with key stakeholders within the business to review the policies and systems that are currently in place. The risk assessment was designed to identify our higher-risk areas and give us actions to improve in each.

Since the assessment, we have been working through the recommendations. In 2023, we finished a review of our Code of Conduct to reflect our new operating model. We have also implemented a new third-party grievance mechanism, as detailed earlier in this Statement.

This year we refreshed our risk assessment tool that we use to risk-map our suppliers. It utilises robust international indices that measure geographical risks for modern slavery and human rights incidents, including UN Human Development Index, Freedom House's Freedom in the World Index (Civil Liberties), UNICEF Child Rights Atlas, ITUC Global Rights Index, the US State Department Trafficking in Persons Report, the Global Slavery Vulnerability Index, and the World Bank Worldwide Governance Indicators - Regulatory Quality. The tool employs geographical risk alongside sectoral risk, developed by an expert third-party consultancy. Annual engagement with suppliers can then be prioritised according to the results of the risk assessment.

In addition to human rights and modern slavery specific risk assessments, human rights and modern slavery is identified as part of the Group-wide risk register. This will be reviewed and monitored by the Audit & Risk Committee.

## Our Due Diligence and Onboarding Processes

As part of both the customer and supplier onboarding processes, third parties are subject to due diligence screening which includes sanctions checks, sensitive countries and other financial crime blacklists, which can also be indicators of risk related to human trafficking and modern slavery red flags.

In 2023 we embarked upon a project to further develop & embed the Group's sustainable procurement approach. Working with both the Sustainability and Procurement teams, we kicked off a project to strengthen our processes, helping us to better identify and manage sustainability and human rights related risks in our supply chains. This project will continue into 2024, focusing on the development of a new engagement programme with our suppliers to improve their sustainability practices.

## Training on modern slavery and human trafficking

In 2022, the Group started to roll out human rights and modern slavery training for leadership and employees involved in key functions, notably Procurement (including fuel procurement), Operations management, Customer onboarding and Sales.

In 2023 we broadened the scope and 1537 employees (75% of all employees) took part in the training across the organisation, including our subsidiaries, and all new joiners.

## Key Performance Metrics, Tracking Progress, and Remediation

Eurowag tracks incidents of non-compliance with our policies as well as legal and regulatory requirements through the legal, compliance and risk functions as well as our whistleblowing channels.

The scope of topics tracked cover any incidents relating to any event with an adverse impact, being either a financial loss, reputational damage, or regulatory attention, due to inadequate or failed internal processes or systems, mistakes by or (mis) conduct of people, or external events - including human rights and modern slavery. In addition to the Whistleblowing line, employees are asked to report incidents through our internal reporting system where they can choose the type of and category of incident with details. Legal, compliance and risk teams then review the reported incident and investigate these cases.

The Group publicly reports on whistleblowing cases as well as participation in compliance training. This can be found in the sustainability section of the FY 2023 annual report, In 2023, 3 cases were reported through these channels. None of these were linked to human rights.

## Summary of our future plans

### In terms of next steps and priorities for 2024:

- We will continue to roll out human rights training across our organisation and specifically newly acquired subsidiaries and new joiners. We are also explore the possibility of extending training to key associates, who are not directly hired, others in our supply chain, to help promote the awareness of the issue and the need to respect human rights and prevent modern slavery.
- We will revise our salient human rights topics and review impact and financial materiality in line with the EU Corporate Sustainability Reporting Directive and the EU Corporate Sustainability Due Diligence Directive, as well as best practice in human rights risk management and due diligence.
- We will implement the updated sustainable procurement approach and continue to develop and strengthen our human rights due diligence processes. We will engage with suppliers identified as being potentially risky, to confirm that they will continue to uphold the standards required by the Company. The aim is to strengthen our sustainable procurement approach by better assessing potential risks within our supply chain.

We will work to centralise our procurement systems, to simplify and standardise our due diligence practices in relation to procurement.