Modern Slavery Act Transparency Statement

Introduction

This statement has been published in accordance with the Modern Slavery Act 2015. It sets out the steps taken by relevant companies within the Paysafe Group during the year ended 31 December 2022 to prevent modern slavery and human trafficking in its business and supply chains.

Paysafe is committed to ensuring that our business has no involvement in modern slavery or human trafficking. Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced or compulsory labour and human trafficking, all of which have in common the deprivation of a person’s liberty by another in order to exploit them for personal or commercial gain.

Paysafe will not support or deal with any business knowingly involved in modern slavery or human trafficking.

Our business and structure

Paysafe is a leading payments platform. Its core purpose is to enable businesses and consumers to connect and transact seamlessly through industry-leading capabilities in payment processing, digital wallet, and online cash solutions. With over 20 years of online payment experience, an annualised transactional volume of US $120 billion in 2021, and approximately 3,500 employees located in 10+ global locations, Paysafe connects businesses and consumers across 100 payment types in over 40 currencies around the world. Delivered through an integrated platform, Paysafe solutions are geared toward mobile-initiated transactions, real-time analytics and the convergence between brick-and-mortar and online payments.

Our supply chains

Our supply chains include suppliers of:

- IT hardware and software, including software licences and open source software;
- data storage services;
- professional services from our advisers including our lawyers, accountants, auditors and public relations advisers;
- office equipment; and
- office cleaning and other office facilities services.
The vast majority of our suppliers are based in Europe and North America. They are required to take steps to prevent modern slavery and human trafficking in their own businesses and supply chains, whether under the Modern Slavery Act 2015 or equivalent legislation in other jurisdictions.

Where we use temporary or agency staff, we only use specified, reputable recruitment agencies and professional services firms. We maintain a list of approved agencies which is reviewed annually.

**Our policies on slavery and human trafficking**

We are committed to ensuring that there is no modern slavery or human trafficking in any part of our business or in our supply chains.

We have a Global Conduct Policy in place signed off at director level, which applies to all staff across the Paysafe Group, to reflect and enforce our commitment to conduct all our business in an honest and ethical manner. This is supplemented by a specific Modern Slavery and Human Trafficking Policy, to implement and enforce systems and controls to ensure slavery and human trafficking is not taking place anywhere in our business or in our supply chains.

**Supplier adherence to our values**

We have zero tolerance to slavery and human trafficking. We have a dedicated Procurement Services team which works closely with our Legal, Compliance and Internal Audit teams.

We have a Global Procurement Policy in place to ensure a controlled, transparent, auditable and compliant procurement service. Our staff are required to complete appropriate due diligence analysis to ensure that prospective suppliers are qualified to conduct business with Paysafe.

Our Group Procurement team take supplier management and performance seriously. Decisions on potential suppliers are taken based not only on price and delivery times, but other factors including the supplier’s ability to deliver while maintaining compliance with applicable laws and, where the supplier has previously been engaged by us, past compliance with Paysafe’s standards. Group Procurement monitor contractual performance by our suppliers and implement Continued Improvement Programmes (CIPs) with our suppliers where applicable.

Wherever possible we seek to procure goods and services from an existing supplier already known to Paysafe Group, which allows us to better understand our suppliers’ operations and policies and to build strategic, long-term relationships with those suppliers.

To ensure all those in our supply chain and contractors comply with our values, we have a rigorous supply chain compliance programme in place. This currently consists of the following measures:
• Purchases from suppliers are made using either standardised contracting forms or a standard set of purchase order terms and conditions, which include:
  
  o a representation and warranty from the supplier that neither it nor any employee has been convicted of any slavery or human trafficking offence, nor been the subject of any investigation into any alleged slavery or human trafficking offence;
  
  o an obligation on the supplier to comply with all applicable laws, and specifically the Modern Slavery Act 2015;
  
  o audit rights for Paysafe (or an independent third party representative) to verify the supplier's compliance with the terms; and
  
  o the right for Paysafe to immediately terminate the supply agreement if the supplier breaches its compliance obligations.

• In addition, when conducting due diligence on potential suppliers, we require them to complete: (1) a detailed due diligence questionnaire, which covers topics such as supplier profile, size and history, and requires suppliers to provide references from previous business partners; and (2) since May 2022, a mandatory Environmental Social and Governance survey, which covers, *inter alia*, Modern Slavery Act compliance, Community,, Diversity and Inclusion management, corporate governance and gender equality assessments. Specifically, this survey includes the requirement for the supplier to identify and document Modern Slavery prevention practices in place throughout its businesses and wider supply chain. This assists in identifying what systems and controls the supplier has in place to ensure slavery and trafficking are not taking place in any part of their business.

• Any supply agreements made on the supplier’s terms are duly reviewed by our Procurement and Legal teams to ensure that the supplier is obliged to comply with all applicable laws.

• By working with Paysafe, suppliers accept the terms of our Partner Code which sets out Paysafe’s expectation that our partners including suppliers and anyone that they in turn work with to deliver products and/or services to Paysafe will comply with the principles in the Code and will share Paysafe’s commitment to conducting our respective businesses with integrity and in an honest and ethical manner. This Partner Code includes our requirements with regards to zero-tolerance for slavery and human trafficking.

**Risk assessment**

During 2022 we have continued to assess our business and supply chains to identify any particular sectors or geographies where a greater risk of modern slavery or human trafficking may occur and have sought to identify what measures are in place to mitigate those risks. For example:
our contracts with suppliers for the provision of cleaning services to our UK offices require the suppliers to comply with all applicable legislation and to meet all regulatory and industry standards in providing the services, and to ensure that sufficient resources are allocated to properly provide the services;

when we procure Paysafe-branded promotional merchandise, this is sourced from a supplier which is a member of Sedex (the Supplier Ethical Data Exchange) who is accredited as an EcoVadis platinum standard supplier; and

where we provide services to merchants who operate in sectors which carry a higher risk of modern slavery or human trafficking, we implement additional compliance controls, such as enhanced due diligence and validation of the merchant’s controls prior to onboarding, additional Paysafe senior management approval for onboarding, and additional ongoing monitoring.

Training and compliance

All Paysafe staff are required to read, understand and commit to follow our Global Conduct Policy. Members of senior management receive specific face-to-face or virtual training on the topic Conduct and Ethics, referring to our Global Conduct Policy in order to promote proper Conduct and Ethics practices throughout our organisation.

All Paysafe staff involved in the procurement of global goods and services are required to comply with our Procurement Policy.

Whistleblowing

Paysafe has in place a global Whistleblowing Policy, which includes detailed whistleblowing guidance to enable and encourage all staff to express concerns regarding any misconduct or wrongdoing related to our business. This may be done either by raising a concern internally, anonymously through our external whistleblowing channel, or by raising a concern directly to our designated Whistleblowing Champion if that member of staff prefers to speak to someone outside the operational business. All reports will be investigated and appropriate remedial actions taken. Paysafe has a zero-tolerance policy to retaliation and will always maintain the whistleblower's confidentiality, to the extent permitted by law. All staff are required to periodically complete an online training module which highlights these procedures.

Our effectiveness in combating slavery and human trafficking

In order to assess the effectiveness of the measures taken by Paysafe in combating modern slavery and human trafficking during 2022, we used the following key performance indicators (“KPIs”). The table below sets out the results of our monitoring of these KPIs and the actions taken to address any issues raised.
The proportion of Paysafe Group staff who have completed relevant training or have otherwise confirmed in writing their agreement to the relevant policies and procedures.

New joiners are required to complete the relevant training and confirm their agreement to the relevant policies and procedures within 30 days of joining Paysafe.

As at 31 December 2022, 100% of new joiners had successfully completed the relevant training in such 30 day window. Any cases of non-compliance were escalated to management and pursued until the training had been successfully completed.

Existing staff are also required to complete refresher training annually. Any cases of non-compliance in 2022 were escalated to management and pursued until the refresher training had been successfully completed.

The percentage of whistleblowing reports made which related to slavery or human trafficking incidents.

No whistleblowing reports relating to slavery or human trafficking incidents were received.

The remedial actions taken in response to any investigations into reports of modern slavery or human trafficking.

No such reports were received.

We continue to assess these KPIs each year to consider whether alternative or additional KPIs would be most appropriate in order to measure the effectiveness of our actions.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes Paysafe Group’s slavery and human trafficking statement for the financial year ended 31 December 2022.

This statement has been approved by the boards of directors of Paysafe Financial Services Limited, Prepaid Services Company Limited and Skrill Limited.
Signed by

Elliott Wiseman  
Chief Legal & People Officer  
Paysafe Group  

March 2024