

## **Modern Slavery Statement**

TopSource Worldwide Group Limited

### **Preamble**

At Topsource, we prioritize ethical trading, responsible sourcing, and the prevention of modern slavery and human trafficking throughout our organization and supply chain.

This statement outlines our activities and commitment during the financial year to combat modern slavery, including comprehensive reviews and improvements in our due diligence processes for subcontractors. We continue to ensure that all our partners meet our strict standards and maintain policies that align with our core values and ethical expectations.

Topsource adheres to the Modern Slavery Act 2015, which mandates that all UK-based businesses prepare and publish an annual slavery and human trafficking statement.

### **Organization's Structure**

Topsource Worldwide Group Limited with all of its affiliates, with the ultimate parent company - Topsource Worldwide Topco Limited with a registered office in the United Kingdom, have more than 500 direct employees worldwide across multiple jurisdictions.

Topsource is a global leader in providing Employer of Record (EOR), payroll, and entity solutions, facilitating service of business expansion of our clients to new markets.

Compliance with the local employment regulations for both our staff and the EOR employees is our utmost priority.

### **Our Business Services**

Topsource, as an Employer of Record (EOR) service provider, employs workers under our local entity and then assigns them to the end client. Our local entity acts as the formal employer, and consequently, we provide all our employees under the EOR services with all the statutory employment benefits and conditions stipulated in the applicable employment regulations.

All our EOR employees work in the white-collar sector in high-level positions on a fully remote basis. Their employment contracts are mostly indefinite; however, if requested by the client, we also accommodate fixed-term employment contracts, to the extent allowed by the applicable employment regulations.

These services are structured to empower our clients with scalable solutions that comply with local regulations and foster business growth.

### **Our Supply Chains**

Our supply chain involves partnerships with other EOR and payroll service providers in various countries to deliver comprehensive services.

We ensure that all stakeholders, whether direct or indirect, uphold the ethical standards that reflect our commitment to preventing modern slavery and human trafficking.

Our Vendors Master Service Agreement contains provisions to ensure our local partners comply with the prevention of modern slavery and human trafficking.

### **Our Policies on Slavery and Human Trafficking**

Topsource is committed to enforcing policies that align with the Modern Slavery Act 2015 and international human rights standards.

Our core Slavery & Human Trafficking Policy underscores our commitment to acting with integrity and implementing effective systems to combat modern slavery. In addition, we have a Whistleblowing Policy.

These policies are regularly reviewed and updated to maintain their effectiveness and alignment with best practices.

### **Due Diligence and Risk Management**

We recognize certain areas as high-risk for modern slavery, such as:

Risk	Challenges	Mitigation
<p>Complex Supply Chains and Subcontracting</p>	<p>Multi-tiered subcontracting can obscure oversight and create a lack of transparency in monitoring working conditions. In the EOR sector, various third-party service providers and subcontractors may be involved in sourcing and managing workers, complicating direct supervision and compliance checks.</p>	<p>TopSource has taken the following measures to ensure compliance and uphold ethical standards:</p> <ul style="list-style-type: none"> <li>• Conducting comprehensive due diligence prior to engaging subcontractors.</li> <li>• Implementing periodic audits and continuous monitoring of subcontractor activities.</li> <li>• Establishing clear contractual obligations to promote transparency and adherence to modern slavery standards.</li> </ul>
<p>Migrant Workers and Visa Dependency</p>	<p>Migrant workers, who often rely on their employer for visa sponsorship and residency, are particularly vulnerable to exploitation. This dependency may lead to coercion or restrictions on freedom if the employer threatens to withhold work permits or legal status.</p>	<p>For third-country nationals employed under our EOR solution in a foreign country who require work permit sponsorship, TopSource ensures the following:</p> <p>All migrant workers are fully informed of their rights and obligations under the work and residence permits through detailed guidelines on the process.</p> <p>All migrant workers receive a written employment contract in an eligible language, clearly outlining their rights and conditions of employment.</p> <p>All of our partners are trusted immigration and legal experts who verify compliance with relevant laws.</p>

<p>Low Wages and Long Hours</p>	<p>The EOR sector may involve managing low-skilled workers, who may be exposed to low wages and long working hours, a condition that can resemble forced labour. This risk is compounded if labour laws in the region are weak or not enforced.</p>	<p>Under the current business model, TopSource offers its EOR solution exclusively to high-level specialists within the white-collar sector. In most cases, this involves remote working arrangements from their home office.</p> <p>TopSource adheres strictly to the relevant wage legislation in the country of employment.</p> <p>When necessary, TopSource conducts or collaborates with reputable organizations and utilizes third-party audits to review working conditions and wage standards.</p>
<p>Weak Labor Laws</p>	<p>In regions where labour laws are not strictly enforced, there is a higher risk of employers exploiting workers without facing significant legal consequences. This challenge is particularly pertinent in the EOR sector, where the employer-employee relationship may span multiple jurisdictions with different regulatory standards.</p>	<p>TopSource ensures that all workers are provided with written employment contracts in the local language and receive all mandatory benefits. TopSource actively monitors regulatory changes and obtains regular updates through trusted partners in each country.</p> <p>Additionally, TopSource collaborates exclusively with suppliers and subcontractors who adhere to stringent labour standards and successfully undergo thorough compliance checks.</p>

<p>High-Risk Industries</p>	<p>Sectors such as construction, agriculture, hospitality, and other low-wage industries often employ large numbers of low-skilled workers, making them particularly susceptible to forced labour. The EOR sector may oversee employees in these industries, amplifying the risk if proper controls are not in place.</p>	<p>Under the current business policy, TopSource does not provide services within high-risk industries or partner with companies operating in such sectors.</p> <p>Nevertheless, TopSource ensures that each worker receives a copy of the Health and Safety Policy and assesses the health and safety conditions of their workplace. These requirements are also imposed on all our partners.</p>
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Our due diligence process includes:

1. **Initial and Periodic Risk Assessment:** Prior to commencing services with our partners, TopSource conducts a thorough due diligence process to evaluate the compliance level of the partner's solutions, applicable safeguards, and monitoring mechanisms.
2. **Regular Reviews of Suppliers and Service Delivery Models:** TopSource engages in active and ongoing analysis of partners' solutions and delivery models to ensure adherence to local standards and the fair treatment of employees.
3. **Mitigation Measures:** A dedicated team at TopSource actively monitors engagements with partners, addressing and resolving any raised concerns while integrating findings into our compliance frameworks.
4. **Monitoring Compliance:** TopSource conducts periodic reviews of regulations in the countries of service and maintains a database of trusted partners to provide timely updates when new policies are enacted.
5. **Whistleblower Protection:** TopSource ensures accessible reporting mechanisms by providing materials detailing the applicable whistleblower reporting processes through dedicated channels.

## Supplier Expectations and Compliance

Topsource has zero tolerance to slavery and human trafficking. We require our suppliers to align with our values and commit to no forced, bonded, or involuntary labour. Our expectations include:

- Not retaining or destroying workers' identification or immigration documents without legal justification.
- Providing written contracts in the workers' native language with clear terms and conditions.
- Prohibiting workers from paying recruitment fees, with repayment required if fees are found.

Suppliers must have a compliance plan in place to address and mitigate human trafficking and forced labour risks. Non-compliance may lead to reconsideration, eventual termination of our business relationship, and potential remedies.

We have a dedicated team who works closely to ensure compliance. This collaboration includes the following departments:

- Legal and Compliance Team
- Supply Management Team
- Human Resources team at Global Support team
- Sales and Client Success team

## **Reporting Concerns**

Topsource maintains a dedicated reporting channel for concerns related to compliance with our Anti-Slavery Policy. Employees, suppliers, and other stakeholders can report issues confidentially via [compliance@topsourceworldwide.com](mailto:compliance@topsourceworldwide.com).

## **Training and Awareness**

We promote awareness and understanding of modern slavery risks through ongoing training for our employees. This training ensures that staff are equipped to identify and address potential risks. We also encourage our business partners to provide similar training within their own organizations and supply chains to maintain shared standards.

This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and constitutes our slavery and human trafficking statement for the year 2024.

This statement was approved on behalf of the Board of Directors of Topsource Worldwide Group Limited by Bryan Davies (Chief Operations Officer, TopSource Worldwide Group).

Date: December 2024