



The Retail Innovators

GK Software SE

# Slavery and Human Trafficking Statement

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## Foreword

The continuing proliferation of forced labor and human trafficking is a serious global problem with millions of victims. It can be the cause of serious personal tragedies. GK Software SE is aware of its social responsibility and undertakes to adhere to the highest possible ethical standards in all its business activities. This includes zero tolerance for slavery and human trafficking in our companies and supply chains.

This Modern Slavery and Human Trafficking Statement ("Statement") was approved by our Management Board by written resolution on December 13<sup>th</sup> 2023.

## About this Statement

This Statement is issued by GK Software SE ("GKSE" or "we") in accordance with Section 54 of the UK Modern Slavery Act 2015 and relates to GKSE's current financial year, which ends on 31 March 2024.

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## 1. About GK Software SE

GK Software SE, founded in 1990, is a technology firm headquartered in Schöneck, in the Saxon Vogtland region of Germany. The company has developed into a world-leading provider of all-round store solutions since its foundation more than 30 years ago.

With more than 540,030 installations—429,256 of these in the CLOUD4RETAIL sector—in around 66,000 businesses in 59 different countries, GK Software SE is one of the key providers of store solutions in the international market. The company's business model consists of license sales, software as a service, extensive modification and customizing services, software maintenance, and a wide variety of other services. The GK Academy also generates turnover by training partners and customers, and by certifying hardware. The company operates worldwide and currently generates most of its turnover in Europe, followed by North and Central America, as well as South Africa. The business model is designed for further expansion in all the developed retail markets around the globe. A sales partnership with SAP has existed since 2009; as part of this, the bulk of the range of solutions provided by GK Software SE is sold by SAP in its own name; SAP is then responsible for those sales. Further partnerships have been added since 2021, including with Microsoft, IBM and AWS.

The GK Software Group has grown strongly both organically and inorganically after GKSE's listing on the stock exchange in 2008. For example, Solquest GmbH was taken over in 2009, AWEK GmbH in 2013, the retail division of DBS Inc. in the USA in 2015, the majority of the shares in prudsys AG in 2017, and valuephone GmbH in 2018. Along with several branches in Germany, the following wholly-owned subsidiaries are part of the Group: Eurosoftware s.r.o. in the Czech Republic, Storeweaver GmbH in Switzerland, TOV Eurosoftware-UA in Ukraine, GK Software (Pty) Ltd. in South Africa, GK Software USA Inc., GK Group IT Solutions GmbH, retail7 GmbH and DF Deutsche Fiskal GmbH. In 2022, GK Software Asia Pte. Ltd. in Singapore and GK Software Australia Pty Ltd in Melbourne were established as two further national companies. The latter two companies are still in the process of being established, and serve both to further develop sales in the respective countries and their environments, as well as to build up local project organizations. The registration of GK Eurosoftware Poland s.p. z.o.o. at the end of 2023 saw the establishment of a further company in the EU. Furthermore, Tannenhau THUG and GK Kita Pixel Kindertagesstätte gUG are wholly-owned subsidiaries of the Group, although not directly part of the core operational business.

By the end of May 9, all conditions had been met for the majority ownership of the shares in GK Software SE to be transferred to Fujitsu ND Solutions AG, which is a subsidiary of the Japanese Fujitsu Ltd. The acquisition was followed by the delisting of GK Software SE with effect from the end of 1<sup>st</sup> August 2023.

GKSE's headquarters have been situated in Schöneck in the Saxon Vogtland region since the company was founded. The Management Board, most of the administration work and many other important areas are based at the company's largest business site there. At the time of this Statement (November 2023), the GK Software Group has 1,324 own employees.

The GK Software Group has a supply chain with a large number of suppliers around the globe, although mainly in Europe (especially Eastern Europe), the USA and South Africa. Our suppliers



are typical for software companies: Information technology providers, software distributors, software development service providers, and sales and implementation partners.

## **2. Risk of exposure to modern slavery and human trafficking**

GKSE is a technology company whose business model consists of license sales, software as a service, extensive modification and customizing services, software maintenance, and a wide variety of other services. We therefore consider the risk of modern slavery and human trafficking in our own business operations to be low. Nevertheless, we are aware that our supply chain could pose such risks, and that third-party elements could use our products and services inappropriately. GKSE has identified certain areas where it could be at risk of modern slavery and human trafficking in its supply chain: Product development and software customizing by service providers; cleaning, security and maintenance services on our business premises; transportation and delivery services; and the production of corporate-branded promotional materials.

GKSE is aware that its supply chain in general is potentially exposed to the risk of modern slavery and human trafficking, although it has not yet structured its audit procedures accordingly. In future, GKSE undertakes to review the areas that may pose an increased risk of modern slavery and human trafficking.

Although GKSE operates worldwide, it does not offer a particularly wide range of products and services, which is why the likelihood of an adverse impact on human rights can be considered rather low. If, contrary to expectations, a certain risk potential can nevertheless be identified, the effects on human rights would be more indirect in nature and would therefore be beyond the direct control of GKSE. Nevertheless, GKSE is aware that it must have appropriate processes and measures in place to minimize the risk that its business could be used in this way.

## **3. Measures to assess and combat the risk of modern slavery and human trafficking**

This section describes the measures currently taken by GKSE to combat the risk of modern slavery and human trafficking.

### **3.1. Policies and practices**

At GKSE, responsible business practices are anchored in our corporate philosophy, as can be seen in our Corporate Social Responsibility (CSR) report. This is underpinned not only by the CSR, but also by our GK Code of Conduct and the GK Partner Code of Conduct (hereinafter the "Codes"):



These GK Software Group Codes regulate the principles of our corporate awareness and how we want to shape our corporate culture. We want to foster an open and diverse environment that values our employees and encourages them to speak their minds. We want the success of GKSE and our employees to be based on respect, collaboration and teamwork. The principles of the Codes are reflected in our management structures, policies, processes and control systems.

The Codes reaffirm GKSE's commitment to respect human rights, including the prevention of child labor, modern slavery and human trafficking. For the coming financial year, the plan is for GKSE employees, freelancers and temporary workers—insofar as they provide services for the company—to complete an e-learning course that deals specifically with GKSE's Codes and values.

The Codes also make it clear that employees and external workers have a responsibility to address and challenge inappropriate practices and behaviors, especially those that are inconsistent with the law, the Codes, and other internal regulations. In accordance with GKSE's Codes and other policies and procedures, employees and external workers are actively encouraged to report potential misconduct, inappropriate behavior, or serious potential behavioral risks, to their supervisors, the HR department or the internal whistleblower reporting office. Failure to comply with GKSE's Codes, policies and procedures may lead to disciplinary action.

### 3.2. Due diligence

**Due-diligence check of suppliers:** As part of the preliminary screening of key suppliers, GKSE uses questionnaires according to a risk-based method, which include questions on human rights, labor, environmental and anti-corruption issues. These methods are to be systematically extended from 2024. In the future, GKSE will evaluate suppliers in these areas to ensure that our suppliers reflect our values in relation to these issues. GKSE understands that smaller companies may not have devised any policies on human rights and working conditions, but they are still an important part of our supply chain. Currently, GKSE is still working on standardizing this due diligence to demonstrate our commitment to preventing modern slavery on a global scale. With the future extension of our methods, we will then ask all new suppliers to sign our Supplier Code of Conduct.

**Terms and conditions:** GKSE's (Supplier) Partner Code of Conduct contains a section that addresses the ethical performance of our suppliers and expressly prohibits the use or toleration of child and forced labor. This ensures that all commitments made in the due-diligence phase are underpinned by a contractual requirement and are legally enforceable. The Partner Code of Conduct also contains other contractual provisions, such as the right to audits and the monitoring of corrective measures. If GKSE receives a verifiable indication that a supplier has violated human rights requirements or that there could be a case of slavery or human trafficking, GKSE will immediately terminate that supplier relationship.

**Internal due diligence:** As part of GKSE's internal due-diligence practices and the audit by an accounting firm, we have taken steps to ensure that there is no slavery within GKSE's workforce.



### 3.3. Training and awareness

**We want to promote awareness of modern slavery** and human trafficking within our company and among our employees, so that all employees are able to identify and report the signs of slavery and human trafficking. To ensure this, we plan to provide training and training materials for the 2024 financial year.

### 3.4. Whistleblower reporting office

GKSE provides a number of options for reporting suspected misconduct, including violations of laws, rules and regulations or company policies. These include compliance departments and the company's whistleblower reporting office, which can also be used anonymously if desired.

Our GK Whistleblower Code sets out the framework within which individuals can report concerns and suspicions regarding potential violations of laws, rules or regulations or company policies and procedures. Reports of suspected misconduct will be reviewed to determine the appropriate next steps, which may include an internal investigation of the incident. Such investigations can lead to a number of outcomes, such as disciplinary action or a change in company policies and procedures. If a problem of modern slavery or human trafficking is identified in connection with GKSE or its supply chain, employees (including permanent and temporary workers) and, to the extent permitted by law, employees of suppliers are encouraged to use the above mechanisms and procedures.

Retaliation of any kind against employees who report concerns or cooperate in investigations—whether they do so through company channels or through any regulatory, investigative, law enforcement or other agency or self-regulatory body—is expressly prohibited.

### 3.5. GKSE's sustainability policy

GKSE's CSR report shows how we deal with sustainability, including information from stakeholders in connection with human rights.

In 2023, GKSE also created a position for Sustainability Management and will prepare the sustainability report for the GK Software Group in 2024 as part of a materiality analysis. This will be tiered according to materiality criteria and take into account the requirements of the EU CSRD and EU Regulation 2019/2088.

GKSE encourages all its stakeholders to contact us if they have a reasonable suspicion that GKSE has violated human rights or is directly or indirectly involved in human-rights issues, including modern slavery or human trafficking. Customers, the public, employees, and suppliers

may contact us by email, online, through our whistleblower reporting system, or through authorized third parties, to complain or raise concerns.

### **3.6. Personnel policy**

Our hiring policy dictates that all external recruiting must be done through the HR department. Search firms, recruitment agencies and other providers may only be used once they have been included in our provider systems and a temporary-work agreement has been signed. The details of job offers and remuneration packages require various internal approvals before an employment contract is concluded.

In addition, GKSE has procedures in place relating to performance management, disciplinary action, dismissal proceedings, complaints, harassment and bullying.

The HR team always ensures that GKSE's HR policy is in line with the human-rights-related aspects expressed in existing and/or future laws, rules and regulations. Our goal is continuously to improve transparency in our approach to respecting human rights.

## **4. Next steps**

The fight against modern slavery and human trafficking is of immeasurable value to GKSE, which is why we want to ensure that our business activities do not infringe the human rights of others.

We therefore plan to ensure the following measures for the 2024 financial year and to continuously review and improve the processes described in accordance with the best practices of the industry.

### **4.1. Improving due diligence in the supply chain**

GKSE intends to further improve its supplier management in 2024, taking compliance aspects into account more strategically. An essential element is the acknowledgment of our legal and ethical principles by all our suppliers. Compliance with human-rights regulations, the outlawing and prevention of slavery and human trafficking, and the communication of our requirements for occupational health and safety will play an essential role in this.

### **4.2. Key performance indicators**

We are aware that—unless carefully managed—certain performance indicators can influence and create the risks of modern slavery within an organization. Our key performance indicators (KPIs) for all business units in vendor management are designed to align with the value of the



product or service procured. The value includes ability to deliver, quality, indirect costs and additional added value. Any anomalies then identified in the procurement of products or services, such as a significantly lower price or faster delivery, should be excluded by default in order to avoid all the associated risks of modern slavery.

### **4.3. Implementation of an annual risk assessment**

We plan to expand the monitoring and evaluation of our supply chain by conducting a comprehensive annual inventory to identify suppliers in countries with a higher risk of forced labor. Depending on the measure mentioned under 4.1, we will do this for the first time in 2024 or 2025.

Where risks have been identified or reported, we would like to counter this with a systematic audit of the relevant supplier. If problematic issues have been identified, an action plan should be jointly formulated and agreed. If the resulting efforts do not yield positive results and we believe that there is little scope for improving the companies' risk profiles, we will consider terminating the business relationships.

### **4.4. Extension of key processes**

GKSE plans to develop and optimize its own practices and processes that ensure that slavery and human trafficking do not occur at any stage of our business, whether in our supply chains, our production or our offices worldwide.

### **4.5. Rollout of relevant training**

For the 2024 financial year, GKSE plans to train its employees and business partners on issues of human-rights violations so that they can better identify modern slavery and practices that violate human rights, act preventively, and take action against them.

### **4.6. Adapting the Codes**

In order to fully comply with our duty of care with regard to the subject of human rights, GKSE plans to expand or adapt the content of its Codes to include this subject area.

### **4.7. Evaluation of the effectiveness of measures taken**

We plan to establish procedures and channels to assess the effectiveness of our management approach to human rights, including modern slavery and human trafficking. In doing so, we

rely, among other things, on the findings of the whistleblower reporting office to assess whether our management approach to employees is effective or needs to be further refined.

#### 4.8. Transparency and reporting

We are committed to reporting transparently on our efforts to fight slavery and human trafficking. This includes publication in annual reports that document our progress and actions.

### 5. Communication and implementation

This Modern Slavery and Human Trafficking Statement will be published on our website and is available to the public. It will be regularly reviewed and updated to ensure that it complies with the current requirements of the UK Modern Slavery Act 2015, the Australian Commonwealth Modern Slavery Act 2018 and other relevant laws and regulations.

If you have any questions about this Statement, please contact Corporate Affairs ([corpo@gk-software.com](mailto:corpo@gk-software.com)).

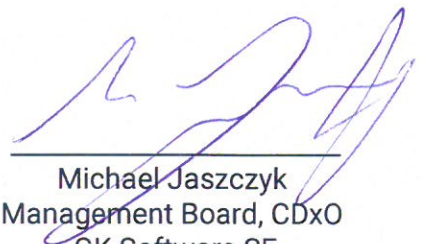
Schöneck, 2023/12/13



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