



**WARNER BROS.
DISCOVERY**

**AUSTRALIA
MODERN SLAVERY STATEMENT
2022**

1.0 REPORTING ENTITIES

This statement is given by Warner Bros. Entertainment Australia Pty Ltd. (“WB Entertainment Australia”) and Warner Bros. Feature Productions Pty Ltd. (“WB Feature Productions”) (together, the “Reporting Entities”) pursuant to section 13 of the Modern Slavery Act 2018 (Cth) (the “Modern Slavery Act”) and covers the activities of WB Entertainment Australia and the entities it owned or controlled, including WB Feature Productions, for the financial year ended December 31, 2022 (the “Reporting Period”).

References to the “WB Australia group of companies” and to “we,” “us” and “our” are references to WB Entertainment Australia and the entities it owned or controlled during the Reporting Period, including WB Feature Productions.

References to “Warner Bros.” are references to the global Warner Bros. brand, which in April 2022, came under the ownership of Warner Bros. Discovery, Inc. References to “WarnerMedia” are references to WarnerMedia, LLC. References to “Warner Bros. Discovery” and the “Company” are references to Warner Bros. Discovery, Inc. and its subsidiaries and affiliated companies during the Reporting Period. Unless otherwise noted, all references to the Reporting Entities and Warner Bros. Discovery are to their status, activities and structure after April 2022.

2.0 OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

The WB Australia group of companies is part of a global operation that brings audiences the beloved Warner Bros. brand through films, television, games, merchandise and experiences.

Our work is underpinned by our mission to bring great stories to life. We aim to create a space where our team members and partners are free, supported and celebrated in pursuit of that mission. We pride ourselves on being a force for good in the communities where we work, and we push ourselves to inspire conversations about culture and issues that matter.

We believe that everyone has the right to dignity and respect. We oppose modern slavery, human trafficking, unlawful child labour and forced labour. We seek to enhance and mature our ability to identify and mitigate the risk of illegal and inhumane practices in our businesses and supply chains.

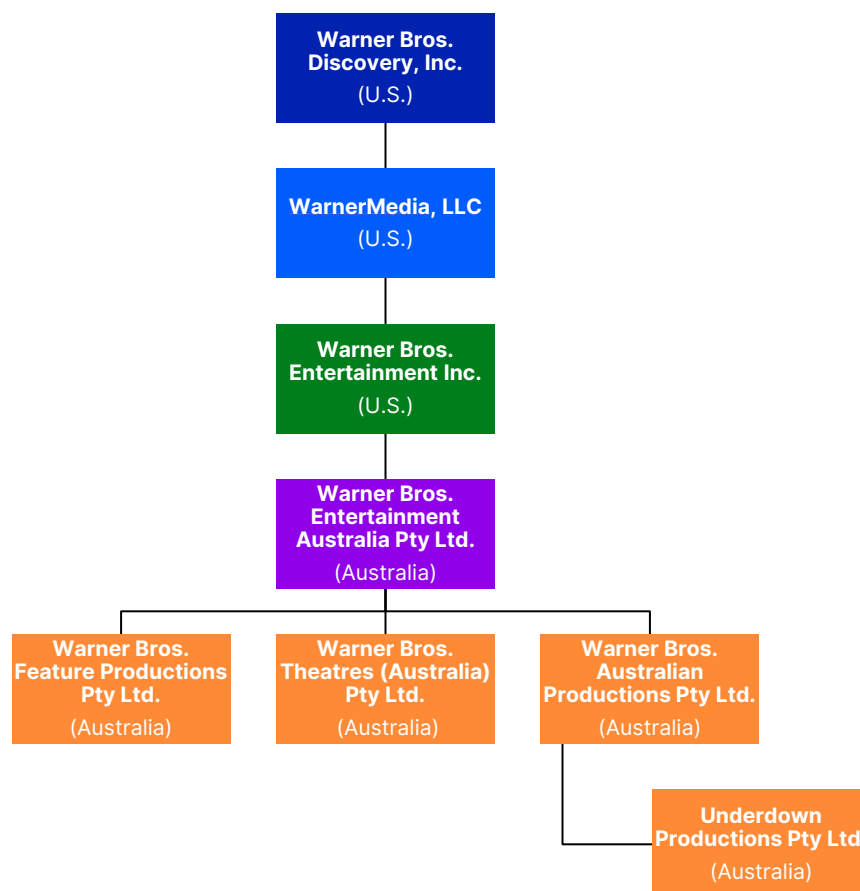
Since our 2021 statement, we have acted to further understand how our operations and those of our business partners may be linked to risks of modern slavery. This statement outlines those actions and defines our plans to continue evolving our efforts in this critical area.

2.1 OUR STRUCTURE

Prior to April 2022, WB Entertainment Australia was a wholly owned subsidiary of WarnerMedia, LLC, with ultimate ownership by AT&T Inc., a U.S.-based telecommunications company with a presence in Australia. In April 2022, WarnerMedia, LLC was spun off from AT&T Inc. and combined with U.S.-based media company Discovery Inc. to form Warner Bros. Discovery, Inc., a U.S.-based entertainment company with a powerful portfolio of iconic entertainment, news and sports brands, including Warner Bros., CNN, HBO, and Discovery. From April 2022 through the remainder of the Reporting Period, WB Entertainment Australia and the entities it owns or controls, including WB Feature Productions, were part of the Warner Bros. Discovery, Inc. corporate structure.¹

The WB Australia group of companies consists of Warner Bros. Entertainment Australia Pty Ltd. and its wholly owned and controlled subsidiaries: Warner Bros. Feature Productions Pty Ltd., Warner Bros. Theatres (Australia) Pty Ltd., Warner Bros. Australian Productions Pty Ltd. and Underdown Productions Pty Ltd. Regional and global Legal, Ethics & Compliance, Finance, Security, and Procurement teams provide cross-functional support for the operations and strategies of the WB Australia group of companies.

During the Reporting Period, WB Entertainment Australia, WB Feature Productions and Underdown Productions Pty Ltd. (“Underdown Productions”) were active in Australia. Warner Bros. Australian Productions Pty Ltd. and Warner Bros. Theatres (Australia) Pty Ltd. undertook virtually no commercial activity and did not generate revenue.



¹ This organisational chart is simplified for purposes of demonstrating the control relationship between Warner Bros. Discovery, Inc. and the WB Australia group of companies since April 2022.

2.2 OUR OPERATIONS AND SUPPLY CHAINS

WB Entertainment Australia and its subsidiaries operate in Australia and are headquartered in New South Wales.

WB Entertainment Australia is primarily engaged in television licensing and distribution and consumer product licensing. As of the end of the Reporting Period, WB Entertainment Australia had a permanent workforce of 29 people, consisting of 21 employees identifying as female and eight identifying as male. This population was mainly office-based, performing sales and marketing activities, with support from a small number of corporate and administrative personnel. Of WB Entertainment Australia’s permanent workforce, 27 employees were full-time and two were part-time. WB Entertainment Australia did not engage third party workers during the Reporting Period.

During the Reporting Period, WB Entertainment Australia sourced from approximately 135 goods and services vendors, the majority of which were based in Australia. WB Entertainment Australia’s operational supply chain was made up largely of office consumables, technology (hardware and software), marketing materials, event services, professional services and facilities services providers.

KEY BUSINESS	MAIN OPERATIONS	SUPPLY CHAINS
<p>CONTENT DISTRIBUTION AND LICENSING</p>	<p>WB Entertainment Australia distributes and licenses Warner Bros. Discovery programming to various outlets, including free television, pay television, free video-on-demand and subscription video-on-demand services in Australia. Distributed or licensed content includes feature films, scripted and unscripted series, animated programming and made-for-television programming.</p>	<p>The programming distributed or licensed through WB Entertainment Australia’s content distribution business is typically produced by related Warner Bros. Discovery entities, usually in highly regulated locations, like the U.S., Canada or Europe, with materials and services supply chains subject to Warner Bros. Discovery corporate policies and sourcing standards. Alternatively, this content may be acquired from other studios, typically located in Australia, the U.S. or the U.K.</p>
<p>CONSUMER PRODUCT LICENSING</p>	<p>WB Entertainment Australia licenses the Company’s intellectual property to best-in-class licensees (“Consumer Product Licensees”) that produce an array of products, promotions, experiences and publishing based on beloved characters from the DC Universe, Wizarding World, Looney Tunes, Cartoon Network and more.</p>	<p>WB Entertainment Australia’s Consumer Product Licensees produce a range of goods, including some, like toys and apparel, that are typically recognized as having a higher risk of modern slavery activities. For the Reporting Period, WB Entertainment Australia dealt with approximately 40 Consumer Product Licensees. Of these, all but one – a Licensee based in Hong Kong – were Australian businesses. These Licensees in-turn engaged with their sub-contractors around the world to leverage Warner Bros. Discovery intellectual property in the manufacture and production of goods and experiences.</p>

WB Feature Productions and Underdown Productions engage in feature film production activity, which results in a supply chain distinct from that of WB Entertainment Australia. These companies are typically engaged for production services by a U.S.-based Warner Bros. Discovery entity, and the revenue they generate is derived primarily through intercompany transactions and production incentives. During the Reporting Period, Underdown Productions undertook one feature film production in Australia and WB Feature Productions provided visual effects and other post-production services on a number of feature film projects.

WB Feature Productions and Underdown Productions do not maintain a permanent workforce. Instead, production workforces are typically engaged by project and consist of trained labour and skilled craftspeople covered by awards and/or collective bargaining agreements. The feature film project undertaken by Underdown Productions during the Reporting Period required a workforce of approximately 2,800 crew members, performers, and extras, all of whom were protected under the Broadcasting and Recorded Entertainment Award (or equivalent), which establishes minimum terms and conditions of employment.

KEY BUSINESS

MAIN OPERATIONS

SUPPLY CHAINS

FEATURE FILM PRODUCTION

WB Feature Productions and Underdown Productions engage in feature film production. A typical production involves a variety of activities, including but not limited to: hiring cast and crew; renting film equipment; finding and managing locations; developing the visual conception of the film; wardrobe rental, design and alterations; hair and makeup services; constructing, dressing and lighting sets; filming; special and visual effects creation; and sound and video editing. Some filming takes place on soundstages, while other scenes are filmed on location, typically in Australia or in other highly industrialized locations. In most cases, production operations and finances are overseen by a centralized Warner Bros. Discovery team in the U.S. or the U.K.

Suppliers active on feature film production projects typically include, for example: equipment rentals, catering, transportation and facilities services, as well as highly specialized services like special effects, editing and wardrobe. On the feature film project undertaken by Underdown Productions during the Reporting Period, approximately 1,400 suppliers – most of which were based in Australia – provided goods and services to the production. In addition to the categories of suppliers mentioned above, vendors engaged on this project included travel management, set construction, sound and music mixing, storage and logistics, and COVID-related service providers.

3.0 MODERN SLAVERY RISK IN OUR OPERATIONS AND SUPPLY CHAINS

3.1 RISK IN OUR OPERATIONS

As described in this statement, the location and nature of WB Entertainment Australia's business and that of its subsidiaries mean that the risk of modern slavery practices in our operations is low.

Our most valuable asset is our talented and dedicated employees. We remain committed to ensuring each employee is treated fairly and with respect, and given an opportunity to succeed. Our employment policies and procedures are designed to ensure that all staff are remunerated fairly and are working of their own free will, with the right to work in the territory in which they are employed. We maintain processes for reporting and resolving personnel concerns.

Our permanent workforce consists of employees performing professional and skilled commercial and administrative roles, generally in an office environment. Our film production workforce is engaged on a project basis and covered by awards and/or collective bargaining agreements, as well as strict industry and Company standards for pay, fair treatment, health, privacy and safety. Our productions typically take place in Australia, where robust labour protections apply.

Our productions may employ child actors from time to time. We only do so with parental/guardian consent and through talent agencies, management companies or other applicable industry representatives, ensuring that the correct remuneration is paid and conditions are appropriate to the work involved and the child's age. We are fully aware of the regulatory requirements for working with children and we are committed to complying with these requirements where it is necessary to engage children for such work.

3.2 RISK IN OUR SUPPLY CHAINS AND THE SUPPLY CHAINS OF OUR CONSUMER PRODUCT LICENSEES

We strive to be a responsible member of the communities in which we do business, and we aim to work with goods and services suppliers that share our values and high standards. Still, like most large companies with complex supply chains, we understand there is a risk that our sourcing activities may be linked to modern slavery – for example, when directly sourcing goods like paper products, textiles and technology hardware, or when engaging services that are known to have a higher inherent modern slavery risk, like transport and shipping, food and hospitality, and cleaning and security services.

We are aware of inherent risks in other areas of our business, as well. Our suppliers and Consumer Product Licensees have complex supply chains of their own that involve entities with which we do not have a direct contractual relationship. We rely in part on our suppliers' and Consumer Product Licensees' ability to identify and mitigate the risk of modern slavery in their supply chains. From time to time, we may film feature productions on location in jurisdictions with a higher risk of modern slavery, which may increase the inherent risk associated with suppliers domiciled in these jurisdictions. This risk is similarly present within the supply chain of our content licensing and distribution business.

To better understand these risks, we supplemented the supplier assessment we have performed annually since 2020 regarding our suppliers' efforts to identify and combat modern slavery within their own supply chains. We selected a sample of goods and services suppliers and Consumer Product Licensees active during the Reporting Period, using the following risk criteria, which were drawn from, among other sources, Walk Free's 2018 Global Slavery Index:



GEOGRAPHIC LOCATION

Supplier based or operating in a country identified as being at higher risk for modern slavery practices



DIRECT SPEND

Supplier market reach and our annual direct spend with supplier



KNOWN INDUSTRY RISKS

Supplier providing products or services known to have a higher inherent modern slavery risk

Selected vendors and Consumer Product Licensees received a questionnaire regarding their operations, workforce, policies, controls, suppliers and subcontractors. Through this process, we identified that there is some risk inherent in our direct supply chains arising from suppliers' origin and industry. In particular, while many of the surveyed suppliers reported that they manufactured goods supplied to WB Entertainment Australia in highly industrialized locations, like Australia, New Zealand, the U.S. and the U.K., others source or produce goods in some locations typically considered higher risk, like Vietnam, India and Bangladesh.

This exercise also confirmed that, with respect to our Consumer Product Licensees' global manufacturing systems, there is some risk intrinsic to our second through fifth tier supply chains. The dominant manufacturing categories among surveyed Licensees were apparel, personal accessories, and toys – products generally considered higher risk for modern slavery when imported for sale in Australia. We were encouraged, however, to find that an increasing portion of those surveyed reported having human rights policies and commitments in place, along with controls, like audits, supplier due diligence programs, and other resources dedicated to the issue of modern slavery.

While we recognise that all entities are exposed to some degree of risk in their supply chains, neither our risk assessment nor a review of our whistleblowing and grievance mechanisms identified allegations, concerns, instances, specific operations or actions by the WB Australia group of companies and its supply chains that may cause, contribute to, facilitate or incentivise modern slavery in our operations and supply chains during the Reporting Period. We are committed to continually monitoring these risk factors and reporting channels for indications of heightened risk.

4.0 ACTIONS TO ADDRESS MODERN SLAVERY RISK IN OUR OPERATIONS AND SUPPLY CHAINS

Warner Bros. Discovery and the WB Australia group of companies are continually evolving our approach to identifying and mitigating the risk of modern slavery in our supply chains.

We aim to foster a business environment where fair, honest and respectful dealings with each other, our customers, competitors, suppliers and communities are everyone's responsibility. Our commitment to ethical standards of business conduct is a core value that is strongly supported at every level of management.

4.1 ACTIONS TAKEN DURING THE REPORTING PERIOD

As shared in our 2021 statement and discussed in more detail below, certain policies, tools and resources in place during the Reporting Period supported the way we worked and reflected our commitment to promoting integrity, tolerance, honesty and respect in our workplace.

Throughout the Reporting Period, we continued to monitor our Company-provided reporting channels for allegations and indicators of modern slavery within our operations and supply chains. Additionally, as discussed above, our annual supplier assessment served to enhance our understanding of modern slavery risk associated with our tier one business partners and beyond.

The WarnerMedia Standards of Business Conduct remained in effect during the Reporting Period for the WB Australia group of companies and served as a guide to how we conducted ourselves and our business. We also leveraged tools, like the WarnerMedia Ethical Sourcing Guidelines and Summary Standards of Business Conduct for Business Partners, to educate our Consumer Product Licensees and certain higher risk suppliers² on our ethical sourcing expectations.

4.2 STANDARDS OF BUSINESS CONDUCT

During the Reporting Period, WarnerMedia's Standards of Business Conduct (the "SBC") applied to WB Entertainment Australia and its owned and controlled entities. The SBC strictly requires that all employees be treated fairly, with respect and dignity, and encourages employees to report concerns about misconduct or unethical behaviour.

We urge anyone with concerns about potential ethical, legal, regulatory or human rights violations to report them. We review all allegations and make every reasonable attempt to ensure that concerns are addressed appropriately.

² In this context, 'higher risk suppliers' include suppliers that pose elevated legal or reputational risk to Warner Bros. Discovery, not only those that present modern slavery risk.

We do not tolerate retaliation against any employee who, pursuant to our SBC, seeks guidance, raises concerns or assists in an investigation of suspected wrongdoing. Anyone engaging in retaliation may be subject to disciplinary action, which may include termination of employment.

Throughout the Reporting Period, WarnerMedia and Warner Bros. Discovery provided multiple means of reporting concerns, including a global Ethics & Compliance Hotline monitored 24 hours a day, seven days a week, which enabled anonymous reporting and reporting by third parties, where permitted by local law. These reporting channels were described in the SBC and the Summary Standards of Business Conduct for Business Partners (the "Summary SBC"), and the Hotline was publicly accessible through WarnerMedia's and Warner Bros. Discovery's corporate websites.

The WarnerMedia and Warner Bros. Discovery employee onboarding program required that all new employees hired by the WB Australia group of companies during the Reporting Period received training and communications concerning the SBC and its requirements regarding workplace behaviour and reporting concerns.

4.3 ETHICAL SOURCING GUIDELINES

During the Reporting Period, WarnerMedia's Ethical Sourcing Guidelines (the "Guidelines") applied to vendors from whom we purchased directly and to whom we licensed our images, brands and characters. The Guidelines are based on the International Labour Organization's Core Labour Conventions and expressly prohibit involuntary labour, child labour and discrimination on the part of the WB Australia group of companies' vendors and Consumer Product Licensees.

Throughout the Reporting Period, WB Entertainment Australia required that certain higher risk suppliers and all Consumer Product Licensees contractually agree to the Guidelines and commit to requiring that their own manufacturers, suppliers and subcontractors agree to the Guidelines or their equivalent industry standards. Under the Guidelines, we reserved the right to terminate our relationship with any Consumer Product Licensee or supplier found to have failed in its ethical sourcing commitments.

4.4 ADDITIONAL POLICIES

During the Reporting Period, we maintained an Equal Employment Opportunity, Anti-Discrimination, Harassment & Bullying Policy applicable to all employees of the WB Australia group of companies, including those engaged on a project basis through WB Feature Productions or Underdown Productions. In addition to prohibitions on discrimination, unfair labour practices and harassment within our own workforce, this policy also requires that our employees, contractors, customers, and suppliers refrain from subjecting third parties' employees to improper or discriminatory conduct, harassment or bullying.

4.5 DUE DILIGENCE

During the Reporting Period, WB Entertainment Australia, with the support of WarnerMedia and Warner Bros. Discovery's corporate Legal, Ethics & Compliance and Finance functions, conducted due diligence and continuous monitoring on new Consumer Product Licensees using a third-party tool that (i) scans global media outlets for negative press involving the entity or its owners and principals, including those related to human rights and labour issues; (ii) analyses civil and criminal enforcement actions or litigation involving the entity and its owners or principals; (iii) reviews the entity name and ownership structure against multiple economic sanctions regimes; and (iv) identifies connections between governments and the entity, its owners or principals.

Similar diligence and continuous monitoring procedures were performed on WB Entertainment Australia goods and services suppliers, both at the time of engagement and again upon processing payment from Warner Bros. Discovery's accounts payable systems.

4.6 INDUSTRY COLLABORATION

We believe in the value of collaborating and sharing information to improve ethical business practices across the globe. During the Reporting Period, WarnerMedia and Warner Bros. Discovery were members of various international industry working groups, including the International Licensing Industry Merchandisers Association and the global anti-corruption business association TRACE International.

In recent years, WarnerMedia and Warner Bros. Discovery, through the CNN brand, have regularly collaborated with Australian anti-trafficking organizations A21 and Walk Free. CNN also hosts the annual global #MyFreedomDay youth engagement initiative, part of the CNN Freedom Project, established in 2011 and dedicated to raising awareness of modern slavery and promoting the work of anti-trafficking organizations around the world.

5.0 ASSESSMENT OF OUR ACTIONS

WB Entertainment Australia and its subsidiaries remain dedicated to identifying and addressing the risk of modern slavery in our operations and supply chains. This statement outlines the steps we took to that end during the Reporting Period. We will continue to develop our approach as we mature and improve our ethical sourcing capabilities.

5.1 ASSESSMENT OF OUR 2022 ACTIONS

In our 2021 statement, we outlined the below actions for enhancing our ability to detect and mitigate the risk of modern slavery in our operations and supply chains. We completed each of these activities during the Reporting Period and have incorporated them on an ongoing basis into our 2023 plans.

- ✓ We sought to further assess and understand modern slavery risks in our supply chains by expanding the scope of the supplier survey conducted during the Reporting Period.
- ✓ We continued working to incorporate an express obligation to comply with our Ethical Sourcing Guidelines into the standard terms and conditions of new and existing WB Entertainment Australia supplier agreements.
- ✓ We reviewed our progress against our modern slavery risk mitigation plans at least annually and provided an update to the WB Entertainment Australia Board and the WB Feature Productions Board on our progress in addressing modern slavery risks in our business.
- ✓ We also reviewed our reporting channels, including any allegations and concerns, at least annually to identify whether any of the reports reflect modern slavery incidents or risks.

5.2 OUR PLANS FOR 2023

We will seek to further assess and understand modern slavery risks in our supply chains by conducting an annual supplier assessment, incorporating new data and expanding the scope of the exercise, as appropriate.

We will pursue a harmonized Warner Bros. Discovery approach to ethical sourcing, including through the creation of policies and other tools to educate our employees and suppliers of our high ethical standards and encouraging them to report concerns without fear of retaliation.

We will review our progress against the risk mitigation plans defined in this statement at least annually and provide an update to the WB Entertainment Australia Board and the WB Feature Productions Board on our progress in addressing modern slavery risks in our business.

We will also review our reporting channels, including any allegations, concerns and supplier feedback, at least annually to identify whether any of the reports reflect modern slavery incidents or risks. We will incorporate these findings into our effectiveness assessments in the future.

6.0 CONSULTATION AND APPROVAL

After consultation among the Boards of Directors and leadership of the Reporting Entities and each of their owned and controlled entities, this statement was reviewed and approved by each of the Board of Directors of Warner Bros. Entertainment Australia Pty Ltd. and Warner Bros. Feature Productions Pty Ltd. on the 5th of June 2023.

Signed,



Noni Sukhmani Ahluwalia
Warner Bros. Discovery, Inc.

In her capacity as Director of both Warner Bros. Entertainment Australia Pty Ltd. and Warner Bros. Feature Productions Pty Ltd.

ANNEXURE

MANDATORY REPORTING CRITERIA

The Reporting Entity	Page 02
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