



## **Booktopia Group Limited Modern Slavery Statement 2020**

Booktopia Group Limited is pleased to deliver its first Modern Slavery Statement under the Modern Slavery Act, 2018 (Cth) (**Modern Slavery Act Statement**) for the reporting period 1<sup>st</sup> July, 2019 to 30<sup>th</sup> June, 2020.

This Modern Slavery Act Statement is made on behalf of Booktopia Group Limited (ACN 612 421 388), the reporting entity, and its controlled entities (Booktopia Group or "Booktopia"). The structure, operations and supply chain and approach Booktopia has taken to identify, address and mitigate the risks of modern slavery is outlined here.

### **Our reporting entity**

Booktopia Group is the largest Australian-grown online book retailer by market share. It is a home-grown business and listed on the Australian Stock Exchange in December 2020, having sold items to more than 5 million customers since establishment in 2004. Booktopia is headquartered in Lidcombe in Western Sydney and has over 250 staff.

Booktopia also sells eBooks, DVDs, audiobooks, magazines, maps, calendars, puzzles, stationery and cards.

### **Our Approach**

The term 'modern slavery' refers to a range of serious forms of exploitation including forced labour, debt bondage, servitude, forced marriage, the worst forms of child labour, human trafficking and slavery.

Booktopia understands and acknowledges that modern slavery may be present without our knowledge in Booktopia's operations and supply chain. Booktopia is committed to developing its understanding of the modern slavery risks in its operations and supply chain.

We intend to constantly work in partnership with our suppliers, customers, business partners and other stakeholders to promote ethical practices which minimise the risks of modern slavery in Booktopia's operations and supply chains.

### **Structure, Operations and Supply Chain**

Booktopia Group has one operating entity – Booktopia Pty Ltd (ACN 096 845 126), which conducts its business in four main areas:

- Online Retail, through its flagship online stores [www.booktopia.com.au](http://www.booktopia.com.au) and [www.angusrobertson.com.au](http://www.angusrobertson.com.au) and other online marketplaces and channels in Australia and New Zealand
- Distribution, through its brand Booktopia Publisher Services
- Publishing, through its Booktopia Publishing Services operation and main imprint Booktopia Editions
- Administration and other services provided for the above

It is governed by a Board of Directors, supported by an Executive team and other managers, supervisors and team leaders.

The following is a summary of the above operations and supply chains that were analysed as being in scope for consideration of the Modern Slavery Act.



## Online Retail Operations

Individuals, businesses and government departments purchase products from Booktopia's websites and other third-party sales channels such as affiliate websites and marketplaces eg eBay and TradeMe NZ, in Australia and New Zealand.

## Distribution Operations

Booktopia Publisher Services has a business development team employed by Booktopia and based around Australia, offering its products to a large number of retailers throughout Australia, who sell to the public.

All products are distributed to retailers by Booktopia from its Sydney Distribution Centre by Australia Post and other courier services.

## Publishing Operations

Booktopia publishes books in Australia under its own imprint, Booktopia Editions. This involves Booktopia engaging with authors and literary agents to source the rights to publish both local and international titles into the Australian market and producing the books for sale; from editing and designing to printing and distributing. Booktopia Publishing has relationships with local editors and designers and both local and international printers.

## Administration and Other Operations

Booktopia has a large number of business functions performed by internal staff, as well as a large number of online and offline goods and services providers who form the backbone of the Booktopia business. Areas of administrative operations include: marketing, sales, accounts, R&D and technical services, commercials and logistics.

## Booktopia's Supply Chain

Booktopia sources the products it both distributes and sells from a large number of book publishers and distributors located in Australia, the United States of America and United Kingdom.

All products are received into, stored and shipped from its Sydney-based distribution centre. Local and international parcel and logistics companies move product as freight into and out of Booktopia from its suppliers and to its customers.

Booktopia employs its own staff with very little use of long-term contractors and also utilises an Australian-owned and operated local labour hire company to provide additional staffing for functions in its Distribution Centre.

Customer service and administration is primarily conducted in Australia, with additional assistance from an offshoring company based in the Philippines, which is founded, majority-owned and managed by an Australian executive team.

Booktopia has a large number of product and service suppliers across its business to enable it to operate; including of significance:

- Automation and other machinery providers and consultants
- Packaging consumables providers
- Website hosting, SaaS and IT-related service providers

- Marketing and advertising platforms and services
- Accounting, legal and other consulting service providers

## **Potential Modern Slavery Risks in Operations and Supply Chains**

Booktopia has developed and implemented during the reporting period, risk assessment tools and drafted policies for the purpose of assessing the modern slavery risk in its operations.

Booktopia's employment policies, management and operational practices operate within Australia's Fair Work legislative framework and the principles enunciated in the Modern Slavery Act and for it to not be a cause of slavery nor to contribute to it, and to do whatever it can to not be directly linked to slavery of any kind.

### Identifying Risks

Booktopia undertook an initial identification and assessment of its own Operations and Supply Chains both locally and internationally to ascertain their risk profile in relation to the potential contribution, link or exposure to modern slavery. Factors such as spend, industry, location, size, type of goods / service and corporate structure were considered.

Booktopia also confirmed the existence or not of a Modern Slavery Statement against a targeted list of its largest suppliers.

The results of this activity are that Booktopia is confident that the majority of its suppliers are at low risk to the Modern Slavery practices above. There is a very small number of offshore suppliers to Booktopia in countries that have at-risk modern slavery practices in place, and these will be further assessed and engaged with in the coming year.

We are confident that Booktopia's operations in relation to and directly provided by its management and employees are at no or low risk of contributing, being directly linked or being exposed to modern slavery.

### Recruitment processes and labour hire

Booktopia reviewed its own recruitment policies and processes and those of its labour hire partners in light of the Modern Slavery Act, Australian Government Fair Work legislation, the UN Guiding Principles on Business and Human Rights and other government sources and guides and was satisfied that Booktopia and its labour suppliers operate within these Acts and principles. No remediation activities were required.

### Supply Chain Risk Profiling

As described above, Booktopia commenced identifying and developing a risk assessment of entities that work with Booktopia and on its behalf.

Booktopia found that there is low risk of these entities contributing, being directly linked or being exposed to modern slavery, other than those noted above in certain at-risk countries. As a remediation, these entities are being further investigated as to their suitability as partners.

Profiling and engaging is a work in progress with existing suppliers and as new suppliers are engaged, with more extensive profiling to be conducting in FY20 and FY21.

## Modern Slavery Policy drafting

During the reporting period drafting of the Modern Slavery Policy was commenced, with rollout to be conducted in FY20.

## Consultation

Booktopia is committed to consultation and cooperation between the Board, management, staff and its partners. New suppliers to Booktopia are subject to a selection process across departments, and all aspects of a supplier's profile are considered.

To further enhance the focus on Modern slavery in the selection and operations with its partners, a Modern Slavery working group is being established in FY20 to more closely manage and monitor the implementation of the same.

In implementing its Modern Slavery program and the preparation of this statement, several legislative works, published opinions and guidelines issued by various legal and consulting firms have been utilised.

## Supporting Policies

Booktopia has reviewed and identified the following Policies that assist it to drive culture, management and processes towards reducing Modern Slavery risks across its business:

- Whistleblower Policy
- Anti-Bribery and Corruption Policy
- Employee Code of Conduct
- Diversity Policy
- Discipline and Termination Policy
- Procurement policy and framework

## Initiatives and Commitments

Booktopia recognises that as this is its first reporting period, it is at the beginning of its Modern Slavery action and reporting journey and there is much more to do.

Initiatives that Booktopia is implementing in the coming Reporting Period are:

- Implementation of a cross-functional Modern Slavery working group to implement policy and review and monitor activities
- Incorporating principles of Modern Slavery reduction in Employee Induction training
- Rollout of business-wide material and training to increase awareness of Modern Slavery
- Modern Slavery Policy completion
- Rollout of a Modern Slavery Supplier Questionnaire to targeted suppliers based on risk profile to gather information and documentation regarding their Modern Slavery activities and principles.

## Grievance and Remediation Processes

The Directors and Management of Booktopia are committed to high standards of conduct in all business activities and facilitating a culture where staff feel comfortable reporting or raising concerns about illegal, unacceptable, unethical or undesirable conduct. Booktopia's Whistleblower Policy outlines comprehensive reporting procedures and mechanisms which enable employees or third parties to

report concerns regarding misconduct including in relation to modern slavery. Should a reporting party wish to remain anonymous, they can report online, by phone or by email through our independently operated whistle blowing system. Investigations of alleged misconduct is conducted in a manner that is confidential fair and objective. Where issues are investigated and substantial substantiated, Booktopia is committed to taking appropriate action.

## **Assessment and Reporting**

The newly-formed Modern Slavery working group is being charged to monitor and report on Booktopia's Modern Slavery program, to meet regularly and to report via the Audit & Risk Committee to the Board.

It is also charged with promoting throughout all levels of Booktopia and its supply chain, the principles of the elimination of Modern Slavery and supporting processes.

Through the submission of its first Modern Slavery report and ongoing programs, Booktopia is committed as a 'citizen of Australia and the world' to do what it can to eliminate the risks of any participation in Modern Slavery across its operations and that of its partners.

This Modern Slavery Statement was endorsed by the Booktopia Board on 29<sup>th</sup> March 2021.



Tony Nash, CEO