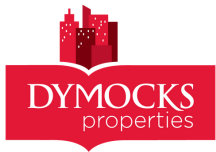


DYMOCKS GROUP

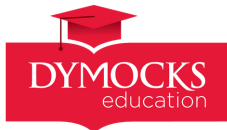
FY21

MODERN SLAVERY **STATEMENT**

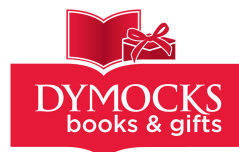


Dymocks Properties

ARAPALA Arapala Farm
MACADAMIA FARM



Dymocks Education



Dymocks Retail

T E L E
G R A M Telegram Group
— C O

Modern Slavery and Human Trafficking Statement 2021

This statement, made pursuant to the Modern Slavery Act 2018 (Cth), sets out the steps taken by Dymocks Holdings Pty Ltd and its subsidiaries (the “**Dymocks Group**”) to address modern slavery and human trafficking risks in its business and its supply chain for the financial year ended 30 June 2021.

This statement is not applicable to franchised or other non-managed businesses.

CURRENT POSITION

This is our second statement. It sets out what we have done in the past year to address modern slavery and human trafficking across our business and supply chain and to ensure that we continue to have in place appropriate measures to address these risks.

Our main focus over the past year has been to build on our relationships with suppliers to provide answers to questionnaires, collaborate in the sharing of knowledge, discuss approaches and build on lessons learned in addressing this worldwide issue. This is particularly important for the Dymocks Group given that most of its suppliers are small to mid-sized businesses who do not need to comply with the modern slavery regime and have no knowledge of the relevant laws or issues addressed by the laws.

PROGRESS AGAINST OUR SHORT-TERM PRIORITIES

PRIORITIES	ACTIVITIES
Assurance	We scoped, developed and implemented the ethiXbase 360 platform. After deployment of the system we issued modern slavery questionnaires to all suppliers across the Dymocks Group. ethiXbase have been managing this process as and when suppliers complete the questionnaire.
	Engaged with stakeholders and suppliers of the Dymocks Group to obtain their views on the role of the retail industry in promoting human rights and preventing modern slavery.
Policy & Training	Worked with suppliers to address any known or suspected instance of modern slavery or human trafficking in our combined supply chain.
	Attendance of a series of information sessions on updates to the laws and regulations around Modern Slavery in Australia and abroad.

The ethiXbase 360 platform is a third-party computer driven system which contains a series of interconnected modules to create a configurable, end-to-end third-party compliance solution. The system leverages Artificial Intelligence technology to digitise and automate our compliance programmes and support our third-party compliance lifecycle for our supply chain.

OPERATIONS, AND SUPPLY CHAINS

During 2021, we did not detect any material risk of human trafficking taking place within our supply chain. Each business in the Dymocks Group as part of the due diligence of onboarding any new supplier requests a new supplier or any existing supplier renewing their contracts to provide us with an overview of their work force and to accept provisions addressing modern slavery and forced labour into the relevant supply contract.

The Dymocks Group sources significant quantities of goods and services, including those associated with the sale of books, stationery, general merchandise, farming equipment and property related items. In FY21, the Dymocks Group worked with approximately 1,068 suppliers globally, with the majority of our annual supplier spend occurring with our first-tier suppliers primarily located in Australia, followed by the United States, the United Kingdom, New Zealand and, to a minor extent, China.

Our global supply chain is extensive with some of our second-tier suppliers located in Europe, Asia and elsewhere. As our modern slavery systems develop, we are confident that we will be able to comprehensively identify the location and nature of goods and services procured.

The diversity of the products, geographic locations, markets and regulatory systems associated with these purchases continues to potentially expose the Dymocks Group to risk. We have over the last financial year, modified our internal controls in relation to our procurement processes to assist in the eradication of modern slavery and human trafficking.

POLICIES & GOVERNANCE

General

The Dymocks Group Board continues to oversee our broader human rights program through the Dymocks Group Audit and Risk Committee. The Dymocks Group's policies, some of which are relevant to modern slavery e.g., our Modern Slavery Policy and our Whistle Blower policy, have continued to be reviewed throughout FY2021.

In FY2021, we further strengthened our management of modern slavery by embedding bilateral modern slavery compliance clauses into all our precedent contracts across each business division. Any supplier who on-boarded with the Dymocks Group now has this modern slavery compliance clause in their contract.

The General Counsel and the Group Head of Human Resources continue to look at alternative ways to develop and implement the Dymocks Group's broader human rights program which includes modern slavery and human trafficking initiatives. Accountability for addressing modern slavery and human rights risk is cross-functional and our internal business units continue to work together at Group level and across our entities, to embed our initiatives and supporting processes.

The Dymocks Group continues to bring awareness to its work force on modern slavery risk management and this continues to occur with the due diligence carried out on any current supplier when its contract is renewed and with any prospective supplier.

Supply Chain Governance Structure



CONSULTATION WITH SUBSIDIARY ENTITIES

The Dymocks Group is comprised of Dymocks Holdings Pty Ltd and its wholly owned subsidiaries.

In FY2021, we continued to update and brief the managing director of each business unit on modern slavery to raise their awareness of modern slavery risks and set expectations for compliance measures to be taken by that business unit.

There were no entities in which the Group had a minority interest.

ASSESSMENT AND MITIGATION OF MODERN SLAVERY RISK

Modern slavery risk in our operation and supply chain is managed within our general risk framework. The Dymocks Group's Audit and Risk Committee is responsible for providing oversight on behalf of the Board.

To ensure that we minimise the risk of modern slavery and the potential exposure to human rights risk more broadly, we utilise tools to strengthen our risk assessment program, including the ethiXbase 360 platform.

COVID-19 continued to impact the Dymocks Group's capacity during FY21 to assess and address modern slavery risks in its supply chain because it delayed to some extent, the collation by each business unit of every single supplier in the supply chain and that, in turn, delayed the dispatch of initial questionnaires designed to identify modern slavery risks.

We continue to assess all the products and services that we procure within the categories of paper and stationery goods, information technology supplies and people services – particularly in relation to contracted cleaners, seasonal farm labour and manufacturers who manufacture products for some of our product ranges.

We continue to adopt steps to assess and mitigate risk in our supply chain which include:

- working with our suppliers to strengthen their internal policies and procedures including, but not limited to, workers' labour and payroll conditions; and
- working with suppliers to implement solutions that meet international human rights standards.

These issues stand out because they have the potential to create the most severe negative impact through the Dymocks Group's activities or business relationships.

DUE DILIGENCE & SUPPLY CHAIN ASSURANCE

The Dymocks Group continues to take a proactive approach to eradicating modern slavery risk from our supply chain following our due diligence process.

Due Diligence

Within our own business we continued to conduct regular audits of pay and conditions in FY2021 to ensure that our own workforce are employed in accordance with Australian laws and standards and that there is no risk of modern slavery or human trafficking in our own, direct, workforce. All employees are regularly informed of the Whistleblowing Policy at the time of onboarding and encouraged to use that process if they have concerns about their pay, conditions or modern slavery compliance in general.

All new suppliers, as well as renewing suppliers, have been subject to our due diligence process prior to onboarding or award of contract. Suppliers have been asked to answer a brief prequalification questionnaire administered in accordance with the Dymocks Group's procurement contract management procedure. This enables us to identify potential areas of risk and where those risks are identified, the supplier will be subjected to further due diligence and in some cases, the non-awarding of a contract.

We have utilised the ethiXbase 360 platform which has provided an initial assessment of risk across each category, to undertake our due diligence assessment. Where a potential risk is classified as being medium or above, the supplier will be subjected to a more detailed assessment, undertaken by our compliance team. This may include requiring the supplier to furnish relevant internal policies and procedures or independent site audit reports.

We favour working with each relevant supplier to resolve or substantially mitigate risks instead of terminating the relationship with that supplier.

Suppliers that are identified as presenting a risk through the due diligence process will be subjected to continuous monitoring and additional targeted auditing. This monitoring activity provides auto-generated alerts of any publicly available potential adverse information, enabling us to review and, if necessary, undertake appropriate action in a timely manner.

We also propose to extend our due diligence program beyond our supply chain to include potential business partners, relationships, or ventures. We will continue to explore opportunities to ensure we are appropriately identifying, assessing, and mitigating the risk of perpetuating modern slavery.

Supply Chain Assurance

We procure a large range of goods from a broad range of suppliers both domestically and internationally and we acknowledge that modern slavery may occur in our global supply chain.

We propose to standardise our approach to modern slavery and human trafficking due diligence to assist us to understand how our suppliers are producing or sourcing the goods and services they provide to us.

If, when undertaking due diligence of our first-tier suppliers, we discovered potential modern slavery risks relating to second-tier or third-tier suppliers, we will endeavour to work with the first-tier supplier to support the implementation of appropriate remediation in the extended supply chain.

Measuring Effectiveness

There are currently no fundamental units of measurement or international standards for measuring human rights impact. This presents a challenge for us in measuring our effectiveness in addressing modern slavery risk. Our approach is to focus on:

- Number of suppliers sent questionnaires
- Number of completed questionnaires received
- % of suppliers in medium to high risk
- Number of completed medium to high risk assessments conducted in the period
- Number of reports of modern slavery risk in the supply chain through whistle-blower and other reporting processes

As our system matures and COVID impacts reduce we expect to be able to produce reporting on the metrics above. Further refinement of these metrics will occur as we develop experience in the implementation of the modern slavery system in our diverse group.

GRIEVANCES AND REMEDIATION PROCESSES

Where we identify impacts that we may have caused, or to which we may have contributed or be directly linked, we will seek to address this in line with the guidance provided under the UNGPs.

As noted above, we have established reporting procedures and mechanisms under which employees and third parties can report any concerns regarding unethical or illegal conduct including in relation to modern slavery and human trafficking. Employees can report to their manager, or if they wish to remain anonymous, employees and third parties can report through our Whistle-blower system, by phone or email. Our Whistle-blower system provides access to both internal reporting mechanisms and anonymous third party reporting to an independent party.

Where complaints are substantiated, we will take appropriate action including counselling, training and in extreme cases, dismissal.

DYMOCKS GROUP GOALS OUT TO 2022

- To complete our risk assessment of all suppliers who have completed their initial questionnaire from the ethiXbase 260 platform.
- To develop an interactive map of the Dymocks Group's supply chain, providing insight into where our suppliers operate.
- To finalise Supplier Code of Conduct for reference by our suppliers across the Dymocks Group.
- To prepare a 'modern slavery' training package integrated into our onboarding training for all Group team members

STAKEHOLDER ENGAGEMENT & COLLABORATION

We are committed to continue to collaborate with all stakeholders including governments and other businesses to eradicate modern slavery.

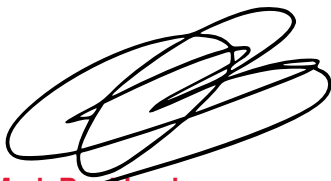
We have trained our employees to identify potential red flags of modern slavery and human trafficking in their discussions with new suppliers and current suppliers. Employees have developed awareness of modern slavery and human trafficking and have been able to identify and report incidents to the Group General Counsel and Group Head of Human Resources who in turn have advised them what actions to take in responding to any incident that arises.

LOOKING FORWARD

Modern slavery risk management requires continuous commitment and ongoing collaboration, and we will endeavour to achieve the following:

PRIORITIES	ACTIVITIES
Stakeholder Dialogue (1-2 years)	<ul style="list-style-type: none"> • Identify whether our current Whistleblowing measures are the most appropriate governance committee for oversight and escalation of modern slavery issues. • Continue to work with key industry partners to adopt a program of works for the detection and prevention of modern slavery and human trafficking.
Assurance (2-3 years)	<ul style="list-style-type: none"> • Explore mechanisms to measure the effectiveness of actions we undertake to address modern slavery and human trafficking risk. • Continue to share detail relating to non-conformances and other findings through the risk assessment and due diligence processes. • All new and re-contracted suppliers to be assessed and where appropriate, managed and monitored effectively.

This statement was approved by the Board of Dymocks Holdings Pty Limited.



Mark Buckland
Group Company Secretary & General Counsel

E: mark.buckland@dymocks.com.au