

## **Booktopia Group Limited Modern Slavery Statement 2023**

Booktopia Group Limited ('Booktopia') is pleased to deliver its Modern Slavery Statement under the Modern Slavery Act 2018 (Cth) (Modern Slavery Act Statement) for the reporting period 1 July 2022 to 30 June 2023.

### **Our reporting entities**

This Modern Slavery Act Statement is made according to sections 14 and 16 of the Modern Slavery Act 2018 (Cth) by Booktopia Group Limited. The statement applies to the following Booktopia reporting entities, each with a registered office of Level 6, 1A Homebush Bay Drive, Rhodes NSW 2138:

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|----------------------------|-----------------|
| 1. Booktopia Group Limited | ACN 612 421 388 |
| 2. Booktopia Pty Ltd       | ACN 096 845 126 |

### **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 its 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.

Booktopia's approach has been to, and remains to, work in partnership with its 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. Booktopia has been doing this by engaging with its external and internal stakeholders and suppliers through:

- Education and training
- Assessment
- Establishment of the ESG committee reporting to the Board, through which modern slavery reporting and oversight is conducted monthly.

### **Structure, Operations and Supply Chain of the reporting entity**

Booktopia Group Limited is the parent company of Booktopia Pty Ltd. Booktopia Group Limited is an online book retailer that listed on the Australian Securities Exchange in December 2020, having sold items to more than 5 million customers since establishment in 2004. Booktopia is headquartered at Rhodes in Sydney and has over 225 staff around Australia.

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

Booktopia has one operating entity – Booktopia Pty Ltd, 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 e.g., eBay in Australia and New Zealand, and Trade Me in New Zealand.

### Distribution Operations

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

### Publishing 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.

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. This operation ceased on June 30, 2023.

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

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

Booktopia has assessment tools and policies for the purpose of assessing the modern slavery risk in its operations. The assessment tools consist of a ranking system that prioritises types of suppliers and the potential risks according to several criteria, including location of operation, public or private, size, type of supply.

#### Operational Risks

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.

There may be risks that permanent, casual, contractors, outsourced or labour hire staff hired or engaged by Booktopia are at risk of, or in slavery outside of their engagement with Booktopia.

Areas of potential risk include:

- contract labour used in our Customer Fulfillment Centre – our regular labour hire company may contract staff to Booktopia that may be more vulnerable to modern slavery e.g., migrants from countries where Modern Slavery risks are higher
- outsourced labour teams provided by our offshore outsourcing partner – our outsourcing partner in the Philippines may contract staff to Booktopia that are in or at higher risk of modern slavery.

There may also be risks that employees fall into slavery while employed or engaged outside of their engagement with Booktopia.

## Supply Chain Risks

As described above, Booktopia has a variety and volume of suppliers (book publishers and distributors) who directly supply product that Booktopia resells and has suppliers who provide ancillary operational activities (IT, automation, parts, stationery etc). There may be risks that these suppliers are engaged either directly or upstream in slavery, either knowingly or unknowingly.

Areas of potential risk include:

- paper forming part of the products we sell – our main products - physical books - are formed by upstream third-party publisher and printer suppliers
- Booktopia's printing services – Booktopia engages printing companies directly in China to print and bind books for delivery into Australia
- labour services used by our transportation and courier partners – Booktopia utilises international freight forwarders to bring product from other countries into Australia
- robot and other equipment manufacturers – Booktopia operates sophisticated robotics, automation and packaging systems manufactured outside Australia
- stationery and other general office supplies – these are manufactured both locally and internationally
- administrative systems eg Google office systems and advertising, other marketing systems, accounting and administrative systems – Booktopia uses a wide variety of internet-based and locally installed system providers who may operate in higher-risk environments in other countries.

## **Actions Taken to Assess and Address Risks**

### Identifying Risks

During the reporting period, Booktopia continued the identification and assessment of its own operations and also its external supply chains both locally and internationally to ascertain their risk profile in relation to the potential contribution, link or exposure to modern slavery.

## Training

During the reporting period, the modern slavery training module was continued with all staff on induction into the company. All staff who undertook the training were required to signify that they had taken the training and understood the content.

## Assessing and Addressing Operational Risks

Booktopia continues to present a modern slavery training module to all employees engaged by Booktopia. This takes the form of an online presentation sent to all employees, as well as in printed form for employees who did not have access to online means. The training was rolled into employee induction on commencing employment with Booktopia.

Importantly, as well educating our staff about what modern slavery is, the presentation also contains useful content around how to help identify whether someone may be in, or potentially at risk of, modern slavery and who to contact both within Booktopia and externally.

As part of ongoing due diligence, Booktopia has reviewed its own recruitment policies and processes and those of its labour hire partners in light of the Australian Government's Fair Work legislation. It also considered whether those policies and processes were consistent with the principles underpinning the Modern Slavery Act and other human rights guidance, such as the UN Guiding Principles on Business and Human Rights.

Booktopia has also completed due diligence via interview and responsive documentation of its two main labour suppliers – one Australian and one domiciled in the Philippines and interviewed the principals of those organisations; in both cases we received responses and additional documentation (eg Anti-Modern Slavery Policy) which satisfied Booktopia that they had systems and protections in place for the protection of workers, including with respect to identifying and responding to potential modern slavery issues.

Booktopia continues to undertake surveying of its supply chain partners.

## Supply Chain Risk Profiling

Every new supplier that Booktopia engaged with underwent a priority ranking described above to initially assess whether the organizations were likely to be engaged in modern slavery. Booktopia confirmed the existence or not of a Modern Slavery Statement against a targeted list of its suppliers and has sent its modern slavery questionnaires to a section of these. These were generally larger suppliers, and those who operated in higher-risk countries such as China.

The results of these activities in summary are that Booktopia is confident that the majority of its suppliers have systems in place to minimise the risk of modern slavery practices.

Profiling and engaging is still a work in progress with existing suppliers and as new suppliers are engaged.

## Assessing the Effectiveness of its Actions

To assess the effectiveness of its actions, Booktopia's Human Resources department were engaged to monitor for modern slavery complaints and risks and during the reporting period. The Human Resources department was required to report all occurrences of actual or potential modern slavery, along with any employees or candidates who may be at risk of modern slavery.

The supply chain management department also reported on the compliance of their suppliers. Human Resources also ensured that every new employee during the reporting period has completed the Modern Slavery training and successfully answered the questions at the end of the training module.

The receipt of Booktopia's Modern Slavery Questionnaire responses from higher-risk companies as well as additional documentation such as Policies, Code of Ethics and other supporting material from these companies enabled Booktopia to assess that its diligence into targeted suppliers' risks to modern slavery was effective. Moreover, its methods of engagement was such that no company refused to supply the information to Booktopia, which suggests effective engagement with suppliers on the topic.

During this reporting period, our focus was to gain a better understanding of our modern slavery risks both internally and with our supply chain partners and how such risks may be present in our operations and supply chains.

## Consultation

Booktopia is committed to consultation and cooperation between the Board, its owned entities, management, staff and its partners.

During the reporting period, in order to prepare the joint statement, Booktopia Group Limited engaged and consulted with the other reporting entity covered by this statement – Booktopia Pty Ltd. The reporting entities share the same management team and their modern slavery operational and compliance obligations are overseen by the Board of Booktopia Group Limited.

This Modern Slavery Statement was prepared by the ESG Committee representatives which oversees Booktopia's modern slavery risk management program and processes. It was prepared with input from Booktopia's management team, which oversees the reporting entities and other members of the corporate group.

Following consultation and feedback with management, the statement was then provided to the Board for approval.

## Supporting Policies

Booktopia again reviewed and identified the following policies that assisted 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
- Modern Slavery Policy

## Initiatives and Commitments

Initiatives that Booktopia is committed to implementing in following reporting periods are:

- Further surveying of supply chain partners for modern slavery compliance
- Further rollout of business-wide material and training to increase awareness of modern slavery
- Broader rollout of the Modern Slavery Supplier Questionnaire to targeted suppliers based on risk profile to gather information and documentation regarding their modern slavery activities and risk management practices
- Assessment of automated tools for management of the modern slavery program at scale.

## 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 and Modern Slavery 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 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.

This Modern Slavery Statement was approved by the Board of Directors of Booktopia Group Limited in its capacity as the principal governing body of Booktopia Group Limited and on behalf of its subsidiary Booktopia Pty Ltd on 19th December 2023 and authorised the company secretary to sign and lodge the statement.

This Modern Slavery Statement was signed by Alistair Clarkson in his role as Company Secretary of Booktopia Group Limited on 20 December 2023.



Alistair Clarkson  
Company Secretary  
Booktopia Group Limited