

2024 Modern Slavery Statement of TikTok Australia Pty Ltd

20 June 2024

Introduction

TikTok Australia Pty Ltd ("**TikTok Australia**") strives to make positive social impact in its community and understands the crucial need of assessing and addressing risks of modern slavery in its operations and supply chains. TikTok Australia greatly values the opportunity to provide its annual Modern Slavery Statement ("**Statement**") pursuant to the *Modern Slavery Act 2018* (Cth).

TikTok Australia takes its responsibility to <u>respect human rights</u> seriously and will continue to review our efforts with respect to this. We understand the importance of respecting human rights and the vital role it plays to ensure we continue to build and sustain trust among not only our employees, users, creators, advertisers, other stakeholders, but also for others who may engage with our company. As part of our continued commitment, we strive to understand how we can better protect and respect human rights throughout our business and our supply chains.

Our philosophy is informed by several international human rights frameworks including: the International Bill of Human Rights (which includes (i) the Universal Declaration of Human Rights; (ii) the International Covenant on Civil and Political Rights; and (iii) the International Covenant on Economic, Social and Cultural Rights); the International Labour Organisation Declaration on Fundamental Principles and Rights at Work; the Convention on the Rights of the Child; and the United Nations Guiding Principles on Business and Human Rights.

About TikTok

TikTok is the world's leading destination for short-form mobile video, and is home to a community of over 8.5 million Australian users and more than 350,000 Australian businesses. Our mission is to inspire creativity and bring joy.

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1. Reporting Period and Reporting Entity

This Statement covers TikTok Australia's reporting period of January 1st, 2023 to December 31st, 2023. For the purposes of this Statement, the reporting entity is TikTok Australia Pty Ltd.

2. TikTok Australia's organisational structure, operations and supply chains

Organisational Structure

TikTok Australia is a private company (ACN 637 464 638), with its registered office at Level 10, 68 Pitt Street, Sydney, New South Wales. It was incorporated in November 2019. TikTok Australia's head office is located in Sydney, Australia.

TikTok Australia's executive team and board are based in Australia. By the end of the reporting period covered by this Statement, TikTok Australia had two local directors on its board.

TikTok Australia is part of the TikTok global group of companies ("**TikTok**"), which is owned by TikTok Ltd. The CEO of TikTok is based in Singapore. TikTok Australia is owned directly by TikTok Ltd. and does not own or control any other entities. TikTok Ltd. is owned by ByteDance Ltd (incorporated in the Cayman Islands).

The TikTok group includes a number of entities that provide the TikTok platform service to users, including:

- TikTok Inc. (for users in the United States).
- TikTok Information Technologies UK Ltd (for users in the United Kingdom).
- TikTok Technology Limited (for users in the European Economic Area and Switzerland).
- TikTok Pte. Ltd (for users located outside the US, the UK, EEA or Switzerland).

Operations and Supply Chains

As outlined in TikTok's <u>Terms of Service</u>, TikTok Pte. Ltd (a Singaporean entity) is the service provider of the TikTok platform in Australia. TikTok Australia is the entity through which the Australian business operates. TikTok Australia:

- Sells advertising inventories, services and products on the TikTok platform in the Australian market.
- Books TikTok advertising revenue contracts in Australia.
- Employs all employees based in Australia.
- Contracts with creators and influencers who are based in Australia.
- Contracts with service providers who provide services to businesses in Australia.
- Contracts with service providers who provide services to TikTok Australia.
- Provides software engineering services to TikTok Pte. Ltd, including software for developing and maintaining video transmission features, multimedia processing platforms, the global content safety ecosystem, and information security capabilities.

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TikTok Australia purchases goods and services from a wide range of suppliers and service providers. Where possible, TikTok Australia's suppliers are usually based in Australia and supply goods and services to TikTok Australia from within the country. These suppliers usually do not trade in raw materials (noting that trade of such materials may carry a higher risk of instances of modern slavery) but provide consulting, creator and production services.

3. Assessment of Modern Slavery Risks

Further to our pledge to respect human rights throughout our business, we remain committed to:

- Continued assessment and improvement of our human rights approach as a platform and by striving to address any modern slavery issues which may occur in our operations or supply chains.
- Meaningfully engaging with our suppliers to address modern slavery risks.
- Complying with all applicable laws and regulations.

TikTok Australia retains a high level of visibility over its operations and given the nature of the services we provide and procure, we believe the risks of modern slavery practices occurring in our operations is low. We also acknowledge the risk profile may be different in supply chains used as we source goods like IT, telecommunications and office equipment/supplies, and services like waste management, cleaning, security, hospitality and transportation. We acknowledge the need to continually seek improvement and understanding of our supply chains through active engagement, particularly as we grow as our supply chains and reach into geographies with potentially higher risks of modern slavery practices.

4. Actions taken by TikTok Australia to Assess and Address Modern Slavery Risks

Supply Chains

We affirm our commitment to conduct business with suppliers in line with the highest standards of ethics and integrity through our global <u>Business Partner Code of Conduct</u>. The Business Partner Code of Conduct sets standards and responsibilities for any business partner (which includes all third parties, including but not limited to suppliers, service providers, agents, vendors and consultants who provide any kind of products or services or undertake any activity for or on behalf of TikTok) in the areas of ethics, integrity, human rights, labour, environment, health and safety and fair business practices.

Our aim is to continue to develop and maintain relationships with our business partners who share the goal of sustained commitment to upholding the principles of ethical integrity and compliance within their own business operations.

We therefore require assurances from our suppliers that they have not committed any modern slavery offences, and that they aren't aware of any investigations or prosecutions within their own supply chains. Further to this, we also include provisions in our template supplier agreements which are aimed to ensure our high standards are met by the suppliers we work with. The provisions include:



- warranties from suppliers to prevent or minimise adverse human rights impacts caused by the provision of their services or by their business relationships;
- warranties from suppliers to treat all personnel with dignity and respect and in a manner consistent with internationally recognised human rights;
- warranties from suppliers that they do not and will not knowingly engage in any form of modern slavery;
- the power to require modern slavery compliance statements from suppliers;
- rights of audit for TikTok Australia to verify suppliers' compliance with modern slavery related warranties and indemnities; and
- express suspension/termination rights in the event of breaches of contractual promises regarding modern slavery.

These agreements also include a contractual requirement for suppliers to comply with the Business Partner Code of Conduct and we may seek appropriate legal remedies from and against business partners who are found to be in violation of the Business Partner Code of Conduct.

Policies

TikTok Australia's Modern Slavery Policy

TikTok Australia published its <u>Modern Slavery Policy</u> in Australia in 2022. The policy applies to all persons working for or on behalf of TikTok Australia in any capacity, including but not limited to employees, directors, officers, agency workers, contractors, consultants and any third-party representatives. The Policy can be found on TikTok Australia's Transparency Centre, Safety Centre and Legal page.

Business Partner Code of Conduct

As introduced above but more specifically in relation to modern slavery and human trafficking, the Business Partner Code of Conduct states that our business partners must:

- Treat employees with utmost dignity and respect, and in accordance with applicable labour and employment laws, regulations and the standards in the Business Partner Code of Conduct.
- Not use child labour.
- Only use voluntary labour.
- Recognise and respect the right of employees to freely and voluntarily establish and join unions or associations of their choice (or refrain from doing so), without any restrictions or consequences subject to compliance with local laws and allow their employees to collectively discuss and negotiate with management their grievances in relation to terms and conditions of work.
- Ensure their employee's working hours don't exceed legally mandated maximums; and
- Ensure that their employees are paid at least a minimum wage, be paid overtime, and receive benefits, each as required by local laws.



TikTok Australia is committed to detecting and addressing misconduct and ensuring that those who become aware of misconduct can report it without being concerned that it will negatively affect them or their position. Accordingly, TikTok Australia has an Australian Whistleblowing Policy, that applies to the employees and officers of TikTok Australia.

Our People and Culture

The prevention, detection and reporting of modern slavery in every part of our organisation or supply chain is the responsibility of all those working for us or on our behalf.

Our <u>Code of Conduct</u> must be observed by all regular employees, senior management and directors. We also require our extended workforce (such as independent contractors and third party associates) to comply with the Code of Conduct. This Code:

- prohibits child labour, forced or involuntary labour and human trafficking in persons within our organisation or supply chain.
- commits to providing a workplace free from unlawful discrimination or harassment.
- refers to our Environment, Health and Safety (EHS) Management programme and states we take appropriate measures to provide a safe and healthy workplace.

Our Code of Conduct addresses a number of additional areas, including equal employment opportunities, anti-corruption, anti-bribery and corporate social responsibility, which support our commitment to the prevention of modern slavery.

Our Code of Conduct lays strong emphasis on creating a Speak Up culture. Our Global Speak Up Policy and Speak Up hotline together provide a platform for employees and business partners, who suspect or become aware of modern slavery in our business or supply chains, to report it to our Ethics and Compliance teams. The Policy prohibits retaliation against anyone that reports an issue or participates in an investigation, and our Speak Up hotline is regularly reviewed for enhancements.

Our Speak Up culture is communicated to our employees in various ways. For example, mandatory training on the Speak Up hotline occurs at employee onboarding. Further training and awareness campaigns, such as Speak Up Awareness Sessions, occur on a continuing basis for employees to refresh their knowledge about the Speak Up hotline.

We ask all our employees to be respectful, to act with integrity and to ensure our workplace is a safe place to work. We also have a Non-Discrimination and Anti-Harassment Policy that outlines our expectations for how employees should engage with and treat one another. In addition, our recruitment processes are reviewed regularly. Our Global Recruitment Procedure sets out the key steps of our recruitment and selection process and the standards of conduct which all staff must follow. We recognise that we will only be able to achieve TikTok's mission to inspire creativity and bring joy by recruiting a skilled, dedicated and inclusive workforce.



We are committed to acquiring our talent in an equitable, efficient and consistent manner.

Our commitment to providing employees with a healthy, safe and environmentally friendly workplace is further realised through the implementation of our EHS Management programme. This programme includes risk assessments, regular audits and inspections. The EHS team regularly monitors legal requirements and industry best practices, providing all of our operations with continuous advice and guidance on health and safety aspects.

Remediation Processes

TikTok Australia remains committed to investigating any report of potential incidences of modern slavery occurring anywhere in our operations or supply chains.

In line with our values and commitments, we are dedicated to taking all appropriate steps to rectify any confirmed incidences of modern slavery in our operations or supply chains. TikTok Australia would work collaboratively with its suppliers and, if necessary, their suppliers, to achieve these goals. If, for any reason, progress in this regard was not possible, TikTok Australia would take steps to sever its connections to the offending supplier or sub-supplier.

Modern Slavery Training

We have previously conducted modern slavery-related training for staff working in connection with the Australian business and intend to run this specific training again in 2024. The topics covered include:

- An explanation of the types of conduct and practices encompassed by the term "modern slavery".
- Industry specific examples of how and where modern slavery could occur in TikTok Australia's operations and supply chains.
- How to detect instances of modern slavery.
- What to do when an instance of modern slavery (or a risk of modern slavery) is detected.
- A detailed explanation of the key provisions of TikTok Australia's Modern Slavery Policy.
- Advice and guidance on how TikTok Australia staff can further TikTok Australia's efforts to assess and address the risks of modern slavery occurring in its operations and supply chains.

Community

TikTok strives to progress cross-industry collaborations with the aim to combat modern slavery, by working with members and organisations in its global community.

This includes:

• Continuing our membership in BSR's human rights and ESG reporting working groups. The human rights working group aims to implement the United Nation's Guiding Principles on Business and Human Rights across all industries. We regularly participate in all working group meetings and we have engaged with BSR on modern slavery-related topics.

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- We also partner with the International Center for Missing and Exploited Children (ICMEC). As of 2024, the organisation has been included in our in-app safety center as a resource for more information for our users.
- TikTok's Community Guidelines, which apply to all users of the TikTok services includes a prohibition on content or behaviour that facilitates or promotes human exploitation, including human trafficking and smuggling.

5. Effectiveness of action taken to address modern slavery

Its critical to ensure we monitor the effectiveness of our assessment of potential modern slavery risks and actions we take to address such risks.

To illustrate the effectiveness of the internal policies and training we stated above, we monitor completion rates of mandatory training by TikTok Australia employees. For example, the mandatory training relating to the 'Speak Up' hotline (referred to in Section 4 above), has a completion rate of 93.5% for the reporting period covered by this Statement. We remain committed to achieving full coverage of these mandatory modules by sending regular reminders to our employees and their direct managers.

TikTok Australia understands the importance of a continuing discussion and active engagement within all areas of its business in relation to identifying potential modern slavery risks, the goal being to continually review and improve its efforts to ensure no modern slavery is occurring within its operations or supply chains.

6. Approval

This Statement is made in accordance with section 13 of the *Modern Slavery Act 2018* (Cth).

This Statement was approved by TikTok Australia's Board of Directors on 19 June 2024 and is signed by a Director of TikTok Australia.

Brett Armstrong Director TikTok Australia Pty Ltd