

MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

Principal Governing Body Approval

This modern slavery statement was approved by the *principal governing body* of

as defined by the *Modern Slavery Act 2018* (Cth)¹ (“the Act”) on

Signature of Responsible Member

This modern slavery statement is signed by a *responsible member* of

as defined by the Act²:



Mandatory criteria

Please indicate the page number/s of your statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory criteria	Page number/s
a) Identify the reporting entity.	
b) Describe the reporting entity’s structure, operations and supply chains.	
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	
e) Describe how the reporting entity assesses the effectiveness of these actions.	
f) Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).*	
g) Any other information that the reporting entity, or the entity giving the statement, considers relevant.**	

* If your entity does not own or control any other entities and you are not submitting a joint statement, please include the statement ‘Do not own or control any other entities’ instead of a page number.

** You are not required to include information for this criterion if you consider your responses to the other six criteria are sufficient.

1. Section 4 of the Act defines a principal governing body as: (a) the body, or group of members of the entity, with primary responsibility for the governance of the entity; or (b) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed body within the entity, or a prescribed member or members of the entity.

2. Section 4 of the Act defines a responsible member as: (a) an individual member of the entity’s principal governing body who is authorised to sign modern slavery statements for the purposes of this Act; or (b) if the entity is a trust administered by a sole trustee—that trustee; or (c) if the entity is a corporation sole—the individual constituting the corporation; or (d) if the entity is under administration within the meaning of the *Corporations Act 2001*—the administrator; or (e) if the entity is of a kind prescribed by rules made for the purposes of this paragraph—a prescribed member of the entity.

Booktopia Group Limited Modern Slavery Statement 2022

Booktopia Group Limited ACN 612 421 388 ("Booktopia") is pleased to deliver its second Modern Slavery Statement under the Modern Slavery Act 2018 (Cth) (**Modern Slavery Act Statement**) for the reporting period 1st July, 2021 to 30th June, 2022.

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 ACN 612 421 388. The statement applies to the following Booktopia reporting entities, each with a registered office of Level 6, 1A Homebush Bay Drive, Rhodes NSW 2138:

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 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.

Our approach has been to, and remains 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. We have been doing this by engaging with our 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 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 in Lidcombe in Western Sydney and has over 270 staff around Australia.

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

Booktopia Group Limited 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 and 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 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.

Areas of potential higher risk include:

- *contract labour used in our Distribution Centre* – our regular labour hire company may contract staff to Booktopia that may be more vulnerable to modern slavery eg 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.

Supply Chain Risks

As described above, Booktopia has a variety and volume of suppliers directly in the supply of product

that it resells (book publishers and distributors) and in 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 higher 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. These are described below.

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

During the reporting period, Booktopia continued to present a Modern Slavery Training module to all employees engaged by Booktopia. This took 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.

Below is a page showing the outline of the content presented in the module.

■ Contents

	What is Modern Slavery	4
	How is it relevant to us?	8
	What we're doing to address modern slavery	13
	Our responsibilities	15

As part of ongoing due diligence, Booktopia 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.

We 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 continued to undertake extensive surveying of its supply chain partners and received dozens of responses and also modern slavery statements where available. These were collected and assessed for risk.

Supply Chain Risk Profiling

Every new supplier that Booktopia engaged with underwent a priority ranking described above to

initially assess whether the organisations 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 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 Booktopia Publishing division engaged the services of two printing companies with operations or partners in China. Due diligence was specifically conducted that included Booktopia's Head of Publishing communicating with the principals of those companies about their offshore operations and relationships and further, Booktopia's Modern Slavery Supplier Questionnaire was subsequently sent to the principals of the company for response. In both cases, Booktopia received the questionnaire responses, as well as various supporting documentation such as Modern Slavery Policies, Ethics and Conduct Policies and a Whistleblower policy. Booktopia became satisfied that these companies had systems and protections in place for the protection of workers, including with respect to identifying and responding to potential modern slavery issues].

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. There is a very small number of offshore suppliers to Booktopia in countries that are considered higher-risk for modern slavery practices, and these will be continuously assessed and engaged with.

Profiling and engaging is still a work in progress with existing suppliers and as new suppliers are engaged, with more extensive profiling to be conducted in FY24. Booktopia is also investigating various automated tools that may be able to assist it with Modern Slavery assessment and due diligence processes in its supply chains.

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 it 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 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's 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 each of the reporting entities covered by this statement – being 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 Period are:

- Further implementation of the cross-functional Modern Slavery working group to implement policy and review and monitor activities
- 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 together 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 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 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 15th December, 2022.



Steven Traurig
Director