



MODERN SLAVERY STATEMENT

INTRODUCTION

This statement is made pursuant to the Commonwealth *Modern Slavery Act 2018* and constitutes Macmillan's slavery statement for the financial year ending 30 June 2023. For the purposes of this statement, Macmillan refers to reporting entities Pan Macmillan Australia Pty Ltd and Macmillan Publishers Australia Pty Ltd.

Pan Macmillan Australia Pty Ltd carries on business publishing books, in which the services of typesetting, printing, distribution, freight, shipping, IT and other office equipment suppliers, professional services and office facility services are utilised in the operations and supply chains. At present, Macmillan Publishers Australia Pty Ltd has no operational supply chain risks in Australia.

ADDRESSING RISKS OF MODERN SLAVERY PRACTICES

The Macmillan Code of Conduct reflects our commitment to acting ethically and with integrity in all our business relationships.

During the assessment process we analysed our risks of modern slavery and identified the following. Our lowest risk is local operations of typesetting and distribution, as this is handled by staff directly engaged by us in Australia. We have developed close working relationships with these companies over many years and we have a large degree of oversight. Macmillan staff periodically visit these suppliers and conduct onsite reviews of working conditions, supplier workflow and staff interactions.

Our highest risk is offshore printing in South East Asia. We have reviewed the Modern Slavery policies of these offshore companies and confirm they are compliant with Modern Slavery legislation.

Our opposition to Modern Slavery is reaffirmed in the Macmillan Code of Ethics for Business Partners. It provides that our vendors, suppliers, agents and other business partners must conduct business ethically, honestly and with integrity. The Code requires that all workers are treated with dignity and respect and prohibits using any form of slavery, servitude, forced or compulsory labour, bonded labour or human trafficking or violence or coercion against labourers. Compliance with applicable minimum age and child labour laws is also specifically required.

Macmillan participates in professional and other organisations that require detailed commitments from suppliers with respect to health and safety, labour standards, wages, discrimination and the environment. Such organisations include The Book Chain Project in the UK, a collaboration of leading publishers who have worked together since 2003 to drive social and environmental responsibility in product supply chains.

We are also members of SEDEX, a data platform for supply chain assessment and management. SEDEX regularly conducts audits of Macmillan's suppliers using the Sedex Members Ethical Trade Audit (SMETA) Measurement Criteria. These audits report on the processes used to manage labour standards at supplier sites, examining what controls are in place to ensure employment is freely chosen and safe workplace conditions.

In 2022 we conducted a contract review process and amended certain contracts to bolster modern slavery clauses. Going forward, these provisions will be included in all relevant contracts.

Additionally, we expect all our product suppliers to commit to working towards the standards set out in the Book Chain Project Supplier Code of Conduct and the Ethical Trading Initiative base code, integrated in the SMETA Measurement Criteria.

DUE DILIGENCE PROCESSES

As part of our commitment to identifying and mitigating the risk of Modern Slavery in our supply chains, Macmillan have a group-wide Supplier Information Management tool to enable us to assess our supply partners in respect of Modern Slavery and other risks. In implementing this review process, Macmillan has informed various staff in finance and procurement areas about the risks that Macmillan seeks to identify and mitigate. This new due diligence process also provides us an opportunity to remind suppliers of our values and ethical standards. Once the tool is fully implemented, new suppliers will only be appointed after a risk assessment has been performed. Separately, we have developed and implemented an observation checklist for business staff to use on supplier visits to review onsite conditions periodically. The reviews of onsite conditions are supplementary to the audits conducted by SEDEX.

SUPPLIER ADHERENCE TO OUR VALUES AND ETHICS

Our Code of Ethics for Business Partners forms part of our contract with all suppliers and they are required to confirm that no part of their business operations contradicts this policy. As we on board suppliers to our Supplier Information Management tool, each is provided a link to the Code of Ethics and required to affirm compliance to the Code or an equivalent set of principles.

TRAINING

Macmillan has implemented enterprise-wide induction and refresher ethics and compliance training across our group that covers aligned our code of conduct, and issues such as fraud and ethical behaviour, health and safety, discrimination, anti-bribery and anti-corruption and privacy. As part of our training governance framework we monitor, and report on our mandatory training completion rates. In 2019, we had training on preventing human trafficking available for our procurement staff and others who work with vendors. In the UK, those suppliers who have joined The Book Chain are urged to take the training that organisation makes available for members.

WHISTLEBLOWING

Macmillan has in place whistleblowing procedures in order for violations of our Code of Conduct or Code of Ethics for Business Partners to be reported. Issues can be raised internally or the online facility "Speak Up" can be used with the reporter's name or anonymously to report issues. Retaliation against those raising a good-faith concern is strictly prohibited.


PERFORMANCE INDICATORS

We recognise that our review and assessment of our actions to identify and address our modern slavery risks in our operations and across our supply chain will be an ongoing and evolving process. Through conducting our contractual review, we have committed to including relevant anti-slavery provisions in contracting with suppliers. We will continue to monitor Modern Slavery risks, including

by considering information received through our new due diligence processes, Sedex audit processes, our Speak Up reports and our training program.

We consulted the relevant companies we own or control in the development of this statement.

This statement was approved by the Board of Pan Macmillan Australia Pty Ltd and Macmillan Publishers Australia Pty Ltd on 22 February 2023.



Praveen Naidoo
Managing Director

Pan Macmillan Australia Pty Ltd
Macmillan Publishers Australia Pty Ltd

Dated..... 22/02/23