Canva

Anti-Slavery Statement 2020

In the spirit of reconciliation Canva acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.



"We've long had a two-step plan at Canva – step one: to build one of the world's most valuable companies, and most importantly, step two: to do the most good we can. The larger the opportunity that we have, the greater the responsibility that we feel to live up to this."



Melanie Perkins
Canva Co-Founder and CEO

Canva

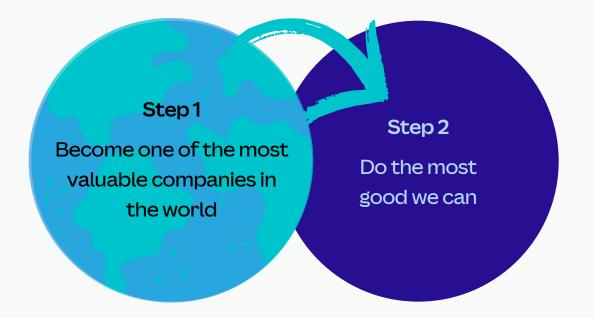
About this statement

This Anti-Slavery Statement ("Statement") covers the activities of Canva Pty Ltd (ACN 158 929 938) for the financial year ending 30 June 2020 ("Reporting Period"). This is the first statement provided by Canva under the Australian modern slavery reporting regime. In this statement, the collective expressions "we", "us", "our", "ourselves", "the group", and "Canva" are used when we refer to Canva Pty Ltd and any entities which it owns or over which it has control. This is because we operate using groupwide policies and procedures to assess and manage modern slavery risks. It is not intended to convey how we are structured, managed or controlled.

The Statement outlines the actions of Canva to address modern slavery risks in our operations and supply chain. It applies to and describes the steps taken by Canva to seek to minimise the risk of modern slavery occurring in Canva's operations or supply chains.

Our purpose and culture

At Canva, we have a simple two-step plan:



Canva takes corporate social responsibility and human rights seriously. Canva is opposed to all forms of modern slavery, including human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage, and child labour. Canva is committed to ensuring transparency in its operations and approach to preventing modern slavery from occurring in its business or supply chains. Canva is committed to legal compliance and ethical business practices with all of its operations worldwide, which includes compliance with applicable standards, laws, rules and regulations governing modern slavery, and mitigating the risks of modern slavery occurring in Canva's operations or supply chains.

Canva acknowledges the responsibility it has to use its resources, voice and platform to do good in the world. This includes making decisions that benefit the earth and humanity. At Canva, we believe that good for business should be good for humanity. Our employees, customers and the general public expects Canva to operate in an ethical manner, and Canva takes this expectation and responsibility extremely seriously. We expand on Canva's specific values below.

Canva's structure, operations and supply chain

Structure

Canva Pty Ltd is an Australian private company headquartered in Sydney. Canva Pty Ltd is a wholly owned subsidiary of Canva, Inc., a company incorporated in Delaware, United States, which in addition to Canva Pty Ltd, has wholly owned subsidiaries in the United Kingdom, and the US. Canva Inc. and its subsidiaries are not reporting entities under the Modern Slavery Act 2018 (Cth) ("Act") and are not owned or controlled by Canva Pty Ltd, as such, their operations and supply chain are not addressed in this statement.

Canva Pty Ltd operates in Australia and is the primary trading entity of the Canva group. Canva Pty Ltd owns and controls subsidiaries in the Philippines (Canva Solutions Inc.), Hong Kong (Canva HK Limited), and China (Beijing Canva Information Technology Co., Ltd, via Canva HK Limited), which have the same governance structure as Canva Pty Ltd. Each of these entities is used as the employing entity in the relevant jurisdiction. In 2018, Canva Pty Ltd acquired 100% of German entities Pexels GmbH ("Pexels") and Pixabay GmbH ("Pixabay"), which are free stock content providers used to enhance Canva's free service offering. Pexels and Pixabay have separate governance structures to Canva under which modern slavery risks are separately managed that are broadly consistent with those discussed below.

Canva had approximately 987 team members worldwide (as at the end of the Reporting Period), which predominantly includes a combination of permanent employees and contractors, plus a small number of casual employees. The majority of Canva's workforce reside and work, and are engaged by Canva's entities, in Australia and the Philippines.

At Canva, our procurement and human resources functions are largely centralised in Australia, which provides visibility over the majority of our supply chain and workforce (including Canva's workforce engaged by Canva's subsidiary in the Philippines).

Operations

Canva is an online design platform. It provides design tools and access to a vast library of design assets for its users to create and publish content. Since launching in August 2013, Canva has acquired more than 34 million active users.



Headquartered in Sydney, NSW



987 team members worldwide



C 34M active users.

Operations cont.

Canva provides a free mobile and web-based design platform as its main offering, including a comprehensive library containing hundreds of millions of free and pay-per-use design assets. This main offering is complemented by a paid subscription service targeted at avid users and small-to-medium businesses (Canva Pro), which provides access to premium functionality and over 100 million design assets. In addition, Canva has launched a subscription product targeted at larger teams and organisations (Canva for Enterprise) with additional features and functionality. Canva also provides a print service internationally, allowing users to seamlessly bring their designs to life.

Canva has launched the Canva for Education and Canva for Nonprofits programs, whereby eligible K-12 educators and nonprofit organisations have free access to a version similar to the Canva Pro offering (and in the case of Canva for Education, additional features designed specifically for use in the educational setting).

Canva's structure, operations and supply chain cont.

Workforce

Canva's global workforce is structured in groups of employees and contractors, which each consist of multiple subgroups and teams working towards Canva's overarching goals of empowering the world to design and doing the most good we can. Canva's workforce is broadly structured under the two key groups of Operations (including Marketing & Engagement, People, and Infrastructure), and Product & Engineering.

Product Lines and Revenue Streams

Canva's product lines and revenue streams can be grouped into four main categories:

1 Marketplace

Marketplace revenue relates to revenue generated from the purchase of paid design assets such as photos, illustrations, videos and music. These premium design assets operate on a 'marketplace' model whereby they are sourced from either external contributors or via partnerships with stock photography providers who in turn receive a percentage of revenue generated by sales of that asset through Canva's platform.

2 Software as a Service (SaaS)

(i) 'Canva Pro' is a SaaS product which allows individuals or teams to access premium features including free access to all of the 'premium' pay-per-use design assets in the Canva Marketplace and the ability to save their brand colours, fonts and logos. The service is aimed primarily at small-to-medium businesses and is available to be purchased on a monthly or annual basis, whereby a discount applies.

(ii) 'Canva for Enterprise' was launched in October 2019 and is a SaaS product targeted at larger teams and organisations. The offering provides enhanced security, administrative and brand controls and dedicated customer success and support services. 'Canva for Enterprise' customers are generally billed annually for a fixed number of users.

















3 Print

'Canva Print' is a print service allowing users to print their designs that have been created as part of Canva's main service offering. Users can choose from a number of different print sizes, finish options and print media. Users can elect to have the prints delivered for a fee directly to the user by the partner's delivery partner, or to pick up the prints at a local print partner location. Canva Print is available internationally, including in the US, Australia and various countries in Europe. Canva also generates revenue from certain print partners who integrate into Canva's application programming interface to offer a version of Canva's free offering on their own site. In these circumstances, the partner's users order products through the anonymous Canva editor, and Canva and the print partner share in any revenue generated by the print partner's customers.

4 Affiliate Revenue

Outside of the core Canva design platform, Canva also generates advertising and referral revenues from its subsidiaries, Pexels and Pixabay.

Canva's structure, operations and supply chain cont.

Supply chains

Canva's suppliers are primarily located in Australia and the US. Procurement of goods and services are considered to be part of Canva's supply chain. The majority of Canva's total procurement spend was spent on goods and services in the following countries and categories.















In the Reporting Period, Canva's top 5 countries of procurement by spend, in order, were:

- Australia;
- United States;
- Ireland;
- Singapore; and
- Norway.

In the Reporting Period, Canva's top 5 categories of procurement, in order, were:

- brand marketing;
- print suppliers;
- software;
- website hosting fees; and
- localisation costs (costs associated with localising Canva's business globally, for example, translation services).















Modern slavery risks

We consider the risk of modern slavery in our operations and supply chain to be low based on the nature of the services we provide, highly technical nature of our operations and Canva's comprehensive labour management systems.

Business Operations

As an online graphic design business, Canva's direct workforce predominantly consists of professionally qualified and/or highly skilled employees and independent contractors, whose engagements with Canva are governed by formal written contracts and overseen by experienced human resources professionals in countries including Australia, the US, and the Philippines.

While we acknowledge that some of the countries in which we have operations are higher risk from a modern slavery perspective, for example the Philippines, given the nature of the workforce in all locations, the high degree of control Canva has over its business operations, and the centralised human resources and procurement functions headquartered in Australia, we consider the risk of modern slavery in our operations to be low.

Modern slavery risks cont.

Supply Chain

Canva acknowledges that the risk of modern slavery in our supply chain is one that requires constant vigilance. The potential risks in Canva's supply chains depend on factors including the labour sourcing practices of its suppliers and the industries and geographies in which its suppliers operate.

As an online design business with a professionally qualified and highly skilled workforce, Canva's supply chain largely consists of products and services that support the delivery of Canva's products to its users.

While Canva does not believe that it has any material exposure to modern slavery in its supply chains and did not identify any actual or suspected cases of modern slavery in its supply chains in the Reporting Period, the risk to Canva of modern slavery occurring in its supply chains is likely to be higher in geographical locations and industries categorised as high risk, and through the use by Canva's suppliers of sub-contractors and third party labour arrangements.

While the majority of Canva's suppliers operate in low risk industries and jurisdictions, by classifying our suppliers into specific industries and geographies, and analysing the risks of modern slavery within those industries and geographies, Canva was able to identify potential high risk areas of its supply chains.















Modern slavery risks cont.

Supply Chain cont.

The following areas of Canva's supply chains have been identified as higher risk from a modern slavery perspective:

Industry/ product category

Labour arrangements 3
Geography
/source
country

1 Industry/product category

Canva has identified some products and services it procures that carry a higher level of modern slavery risk.* For example, electronics and IT equipment, manufactured supplies (such as garments and accessories), shipping and transport, and services provided by potentially vulnerable workers (for example, cleaning and security contractors).

2 Labour arrangements

Canva has identified that the risk of modern slavery is likely to be higher where workers of its suppliers are engaged through third party labour arrangements (for example, cleaning and security contractors).

*Industries considered at high risk of modern slavery include electronics and electronic manufacturing, cleaning, security, shipping and distribution, and textiles manufacturing.

**The 2018 GSI Index provides that the 10 countries with the highest prevalence of modern slavery are North Korea, Eritrea, Burundi, the Central African Republic, Afghanistan, Mauritania, South Sudan, Pakistan, Cambodia and Iran. Countries in Asia & the Pacific such as India, Nepal, the Philippines, Malaysia, Brunei, Lao PDR, Papua New Guinea, Mongolia, Timor-Leste, Thailand, and Vietnam have also been deemed medium to high risk by the 2018 GSI Index.

3 Geography/source country

Canva has identified that the risk of modern slavery is likely to be higher in geographies where there is a higher risk of modern slavery occurring* (for example, Canva has identified that, in the Reporting Period, it procured independent contractor services, marketing services, images and templates (from individual contributors), and software development services from some high risk geographies, including Indonesia, the Philippines, Russia, India, Nigeria, Thailand, Vietnam, China, and Nepal).

Controls and Actions to Address Risks of Modern Slavery

Canva uses processes to identify risks of modern slavery in its business operations and supply chains such as research into high risk sectors and geographies, identification of procurement in high risk geographies and of high risk products/services, stakeholder engagement, and supplier engagement. We have detailed the specific processes which we use below.

Training and awareness

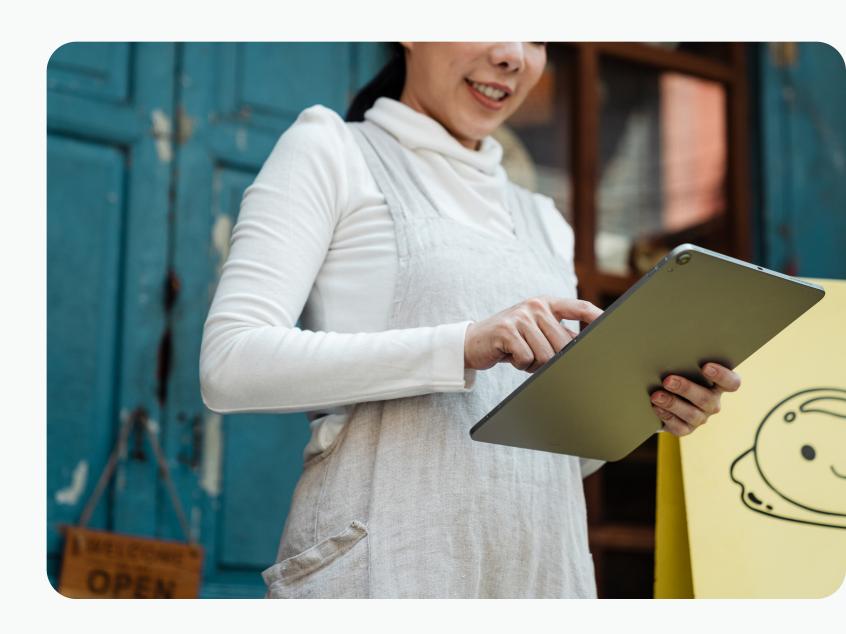
To manage the risk of modern slavery in Canva's operations and supply chains and to monitor and identify any emerging issues, Canva plans to arrange training to relevant team members to help them identify and manage risks of modern slavery.

Canva is committed to developing further robust training and policies that ensure the continual development of our working practices, and intend to work on implementing training to our procurement teams and internal stakeholders who deal with suppliers in relation to modern slavery risks.

Canva employees and contractors will also receive training on complaints and grievance procedures, and are encouraged to report any issues through our complaints handling processes as outlined above.

Governance and risk ownership

Canva operates under a governance framework of a Board. Canva's Procurement team is responsible for leading supplier engagement and ensuring ethical sourcing of goods and services to mitigate modern slavery risks.



Controls and Actions to Address Risks of Modern Slavery cont.

Policies and processes

Canva is committed to acting ethically and with integrity in its business operations and engagement of suppliers, and expects its suppliers to share this commitment. Canva's Code of Ethics ("Code") applies to its employees and contractors (among others) globally. Under the Code, it is mandatory for Canva's employees and contractors to assess the quality and integrity of any service or supplier prior to engagement or partnership. Canva also expects that its suppliers, vendors, and consultants comply with the Code, which mandates compliance with all applicable laws, to be honest and fair in dealings, to act with integrity, to work in a safe and compliant manner and to observe all workplace health and safety rules and responsibilities, to uphold Canva's values, and to report any conduct that may be in breach of the Code.

At Canva, we also promote an open culture. All employees are encouraged to report any concerns related to the business' activities through a number of different reporting channels available to employees. For example, Canva has a "Fix It" form reporting mechanism, where employees can anonymously raise any complaints, concerns or issues.

Canva intends to develop and implement a formal whistleblowing procedure, which will be governed by a Whistleblower Policy, and will be designed to make it easy to make disclosures, without fear of retaliation. This will include any circumstances that may give rise to an enhanced risk of slavery or human trafficking.

These policies will be regularly reviewed and communicated to ensure that all Canva team members are fully aware of their obligations.

Living out Step 2 in our two-step plan

Canva is just beginning its journey. Following are some of the first initiatives Canva is working on:



Print One, Plant One

For every print order placed with Canva, we'll plant a tree to offset our carbon. So far, we've planted over 2 million trees.



Pledge 1%

We've committed 1% of our profits, our product, our team's time, and a further 1% of our equity towards doing the most good we can.

Canva for Nonprofits

We give nonprofits access to our premium design tools (Canva Pro) for free to help them amplify their impact.

Controls and Actions to Address Risks of Modern Slavery cont.

Values

We impose the highest professional standards on all our employees and comply with all local laws and regulations applicable to our business. Canva's commitment to deliver a high standard of corporate governance in a socially responsible manner is documented in our policies and procedures referred to below.

Canva has always had a deeper mission surrounding its success, which is embodied in Canva's two-step plan, and has become a core part of Canva's DNA.

Everyone at Canva is encouraged to help achieve step 2 in our two-step plan, and do as much good as they can at work, and to actively create the type of company we all want to work in.

Every employee at Canva has intentionally been hired to work at Canva because, in addition to being exceptionally talented at what they do, they are a great addition to Canva's culture and values. At Canva, we encourage everyone to think about how day-to-day decisions at work can contribute to Canva's journey of making a positive impact.

Canva's values include (among others) the following, which are embedded in to our culture, our operations and the way we do business:



Be a good human

Canva values good communication, and being open, honest and constructive individually, within our teams and the business at Canva, and externally.



Be a force for good

Canva aims to make the world a better place through positive actions, inclusion and diversity.





Empower others

Canva strives to empower others to achieve their goals, both globally and within the Canva team.



Pursue excellence

At Canva, we maintain a high bar for ourselves and the people we work with.

Controls and Actions to Address Risks of Modern Slavery

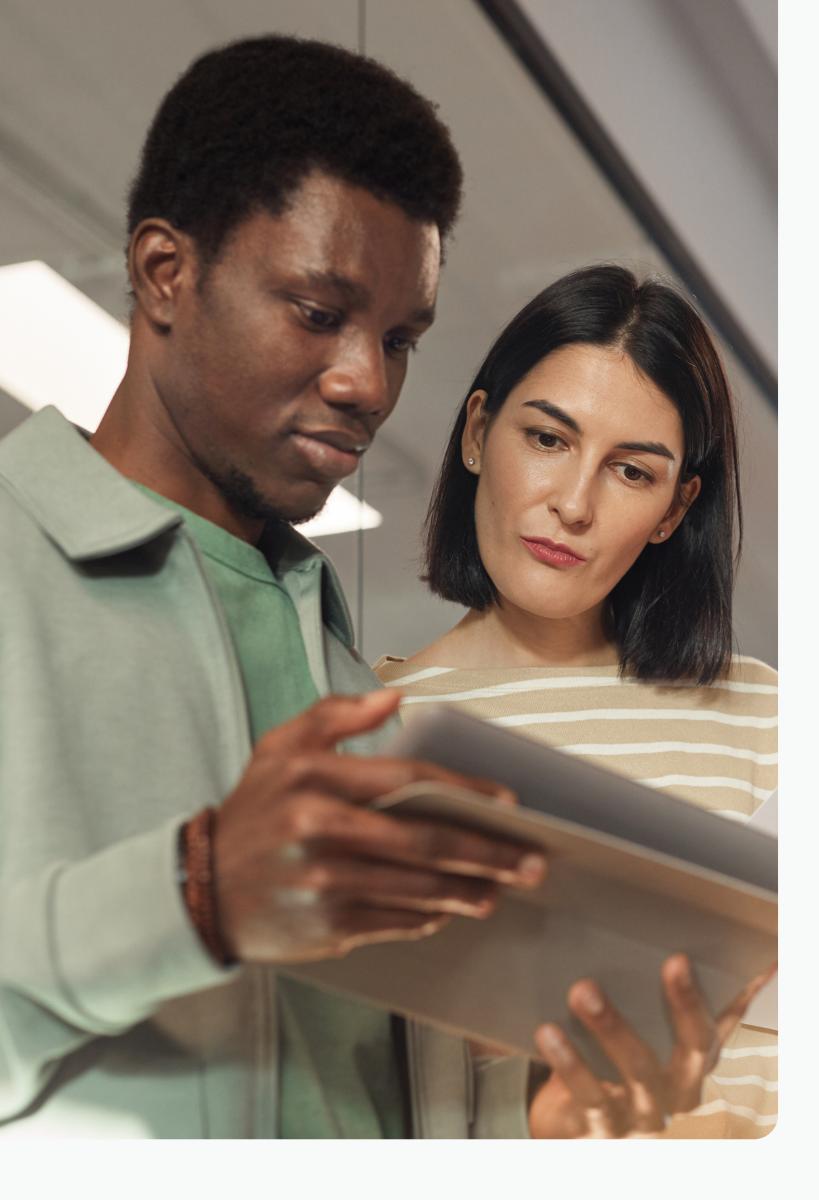
Relationships with Third Parties

Canva has controls in place to manage modern slavery risks and ensure, so far as it can control, ethical practices in its supply chains. For example, Canva looks into three key areas when considering who to partner with as part of its Print product:

- state of the art processes (ensuring print partners are equipped with state of the art machinery, which typically equates to better quality, fewer production setups, and has been optimised for less wastage in the print process);
- conservation of raw materials and resources (partnering with suppliers who have existing relationships with their supply chain. When it comes to how and where Canva's raw materials are sourced, transparency is key, as Canva has a responsibility to ensure our suppliers have the right sustainability certifications and fair labour practices); and
- adoption of lean manufacturing principles (minimising waste and ensuring the best experience for Canva's partners and customers).

Each team at Canva is empowered to select suppliers that provide the goods and/ or services required to meet their goals, in accordance with Canva's company values and the Code.





Effectiveness of actions and controls

During our first reporting period, we have been focused on gaining an understanding of the modern slavery risks in our operations and supply chain and assessing the controls we have in place. At this stage we are unable to assess the effectiveness of measures we have undertaken.

However, in order to assess the ongoing effectiveness of the actions described above, our procurement, operations, legal, and leadership teams will work together to review the policies and processes to consider whether we are appropriately identifying and evaluating our modern slavery risks. Canva plans to undertake a gap analysis of Canva's current policies and procedures to identify where those policies and procedures can be added to or strengthened.

To the extent that potential improvements to our policies and procedures are identified, appropriate updates will be made.

We have developed a plan (outlined below), which outlines Canva's strategy to review, assess and mitigate risks of modern slavery in our supply chains, and the effectiveness of our actions. We will review our plan each reporting period.

Canva's Action Plan

Set out below are measures that Canva plans to take in subsequent reporting periods to further identify and mitigate risks of modern slavery in its operations and supply chains, and assess the effectiveness of the actions we have taken to mitigate the modern slavery risks in our operations and supply chains:





Contractual obligations

Create contractual obligations on our suppliers to commit to mitigating the risk of modern slavery (by implementing contractual clauses for inclusion in contracts with third parties that address management of modern slavery risks).



Whistleblower Policy

Develop and implement a formal Whistleblower Policy.



Training

Provide training to the procurement team and internal stakeholders who work with suppliers to ensure they are aware of how to recognise modern slavery risks and understand the process for reporting suspicious behaviour.



Procedures for action

Implement procedures for taking appropriate action where modern slavery is suspected or identified.



Gap analysis

Undertake a gap analysis, and refine our policies and procedures to ensure all suspected or identified incidents are escalated on a timely basis.

The above plan will be reviewed and updated each reporting period.

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Consultation and approval

This Statement is made pursuant to the Act and constitutes Canva's Anti-Slavery Statement in respect of the Reporting Period. In order to prepare this Statement, Canva consulted with the entities which it owns and controls, and a consultation process with internal departments within Canva's business was undertaken to develop this Statement.

This Statement was approved by the Board of Directors of Canva Pty Ltd and is signed by the Chief Executive Officer and Chief Operating Officer of Canva Pty Ltd.

DocuSigned by:

Melanic Perkins

Melanic Perkins

Cliff Obrecht

Canva Co-Founder and CEO Canva Co-Founder and COO





Respecting Human Rights

Canva