

# Message from the Board Chair and CEO

Redbubble Limited's mission is to "create the world's largest marketplace for independent artists bringing more creativity into the world".

This is achieved through a community of creative artists using the Redbubble and TeePublic marketplaces to sell their designs on over 120 high-quality products.

As a global marketplace, we place great importance on our contribution and impact in the wider community. In pursuing our mission, we are conscious of the need to recognise the risk of Modern Slavery in our supply chains and take steps to protect vulnerable members of the global community.

Redbubble supports the objectives of the Modern Slavery Act and condemns all instances of slavery and human trafficking. We recognise the reality that people all over the world remain victims of Modern Slavery and understand the responsibility of Australian organisations to be leaders in taking steps towards its eradication. This starts with not knowingly conducting business with any organisation involved in Modern Slavery.

Accordingly, Redbubble is committed to assessing and addressing risks of Modern Slavery within the Group and throughout the supply chains in accordance with our corporate values, stakeholder and community expectations and the law.

Redbubble's business model has always emphasised a small environmental footprint with a focus on social good and our commitment to action addressing Modern Slavery risk sits within a broader Social Responsibility Program launched in early 2018. This program comprises a framework and initiatives around fair labour practices within Redbubble and the supply chain that uses our marketplaces. In 2019, Redbubble commenced development of a focussed framework for identifying Modern Slavery risk within the supply chains and committed to taking steps within our power to address such risks.

In FY2021, Redbubble commenced work to identify and prioritise the environmental, social and governance areas (ESG) where we have the greatest impact across our value chain. This work identified three overarching areas of ambition - People, Planet and Prosperity - reflecting our ESG vision to build an enduring marketplace that connects people through creativity and empowers our community without compromising the planet.

An overview of our ESG strategy is set out in our 2021 Annual Report and we encourage readers to also read that report. A key goal under the strategy is to empower and protect people who design, sell, make and use products from our marketplace. Addressing Modern Slavery risk is central to achievement of this goal and we look forward to reporting against progress in coming years.

Given the location and nature of the supply chains, some actions to further assess and mitigate Modern Slavery risk were not possible in FY2021 due to restrictions imposed by the pandemic. As parts of the world move to the post-COVID era during the current year, we are implementing initiatives necessarily put on hold in FY2021 and describe these in this Modern Slavery Statement.

This statement was approved by the Redbubble Limited Board of Directors on 15 December 2021.

Anne Ward

Chair

15 December 2021

**Michael Ilczynski** Chief Executive Officer

15 December 2021

### A. About Redbubble

Founded in 2006, the Redbubble Group owns and operates two online marketplaces for independent artists and designers: Redbubble and TeePublic.

Redbubble's headquarters are in Melbourne, Australia. Redbubble also has offices in San Francisco, New York and Berlin. The operating entities within the Redbubble Group are as follows:

- The parent company of the group is Redbubble Limited (ACN 119 200 592). Redbubble Limited is listed on the Australian Securities Exchange (ASX:RBL).
- Redbubble Inc is a wholly-owned subsidiary of Redbubble Limited, registered in Delaware USA, and operates business from an office in San Francisco. Redbubble Inc facilitates sales, marketing and supply chain functions for the Redbubble marketplace.
- Redbubble Europe GmbH is also a wholly-owned subsidiary of Redbubble Limited, registered in Berlin, Germany.
  Redbubble Europe GmbH carries out administrative functions in relation to the German, French and Spanish language versions of the Redbubble website.
- TP Apparel LLC is a wholly-owned subsidiary of Redbubble Inc, registered in New York USA and operates business from an office in New York. TP Apparel LLC is the operating company for the TeePublic marketplace.

As at the end of FY2021, Redbubble's global workforce consisted of 293 employees. At all times during the year, all employees within the Redbubble corporate group were engaged under written employment agreements that comply with applicable local laws.

The Supply Chain and Operations Team for the Redbubble marketplace is headquartered in San Francisco and managed by Redbubble's Chief Supply Chain Officer, who reports to the Redbubble Chief Executive Officer.

The Supply Chain and Operations Team for the TeePublic marketplace is located in New York and managed by TeePublic's Chief Operating Officer, who reports to the TeePublic Chief Executive Officer, who in turn reports to Redbubble's Chief Executive Officer.

Redbubble Limited (ACN 119 200 592) is the reporting entity under the Modern Slavery Act and this statement is made by Redbubble Limited for itself and on behalf of the subsidiaries referred to above. These subsidiaries are consulted in the development of our response to Modern Slavery risk and the content of this statement.

# B. What is Modern Slavery?

Modern Slavery is a severe violation of human rights. It occurs when a person is coerced into work and exploited for personal or commercial gain. Under Australian law, it includes the following types of serious exploitation:

- I. Trafficking in persons
- II. Slavery
- III. Servitude
- IV. Forced labor
- V. Forced marriage
- VI. Debt labour
- **VII.** Deceptive recruiting for labour or services
- **VIII.** The worst forms of child labour extreme forms of child labour that involve the serious exploitation of children, including through enslavement or exposure to dangerous work.

# C. The Supply Chains

The supply chain that uses our marketplaces supports the provision by independent artists of high quality products bearing their designs to their customers (Marketplace Supply Chain). The Marketplace Supply Chain is diverse and includes the manufacture of blank products, creation of designs, print on demand processes, fulfillment centres and delivery services.

Other supply chains supporting the operations of the Group include information technology and software; professional services; marketing and office supplies.

The Marketplace Supply Chain includes over 50 fulfillment centres in more than 20 countries. The fulfillment centres source blank products from a range of countries including Bangladesh, India, Pakistan, El Salvador, Haiti, Honduras, Nicaragua and Vietnam.

# D. Redbubble's Modern Slavery Risk

Redbubble recognises that Modern Slavery risks can arise internally within Redbubble Limited and its subsidiaries, in the Marketplace Supply Chain and in other supply chains.

With respect to the Group's internal operations, we have in place a robust suite of policies and procedures, as well as grievance and whistleblowing channels to assist in identification and mitigation of potential risks of Modern Slavery before they occur. Based on these management processes, including working rights checks (both initial and ongoing) and onboarding procedures, we have assessed the residual risk of Modern Slavery in our own operations as very low.

In 2020, Redbubble completed due diligence investigations to understand the Modern Slavery risk in the Marketplace Supply Chain through completion of a comprehensive questionnaire by fulfillers regarding issues including workforce data, supply chain management, forced, bonded and child labour, employment conditions and redress mechanisms. The purpose of the questionnaire was to:

- support the identification of Modern Slavery risks;
- foster collaborative efforts between Redbubble Group and suppliers to address these risks;
- improve transparency; and
- identify areas for further due diligence.

The due diligence investigations indicate that the greatest risk of Modern Slavery is in the supply chain that uses the marketplaces.

**Modern Slavery Statement** 

To further assess this risk, it is important to recognise that different sectors and geographic regions carry different Modern Slavery risk profiles. Sectors that are recognised as higher risk globally include textiles, apparel and electronics. Some products, such as cotton, are a higher risk because of the way they are produced. Some countries or regions have heightened Modern Slavery risks due to ineffective governance, weak rule of law, migration flows and poverty.

The fulfilment centres that complete customer orders are operated by businesses based in North America, Europe and the UK and Australia and New Zealand where the risk of Modern Slavery is relatively low compared to other countries.

However, the risk of Modern Slavery is higher earlier in the supply chain due to:

- the diverse geographical locations from which blank products are sourced and fulfilled;
- the location of some blank product manufacturers in regions where it is believed some goods are produced by child labor or forced labor <sup>1</sup> and/or goverment action in response to Modern Slavery is considered to be weak or ineffective <sup>2</sup>;
- the lesser degree of visibility that Redbubble has into the employment conditions of the supply chain participants upstream of the fulfilment centres; and
- the absence of control that Redbubble has over the upstream supply chain.

Further work is required to better understand this supply chain, the level of risk within the supply chain and the most appropriate approach to risk mitigation.

# E. Redbubble's response to Modern Slavery Risk

Modern Slavery risks are likely to exist in the supply chain and it is important we take practical steps to mitigate these risks.

To this end, Redbubble has continued its efforts to detect the risk of Modern Slavery across our business and the supply chain that uses our marketplaces and ensure we have in place the most appropriate responses to that risk.

Our risk is best mitigated by ensuring we only allow fulfillers who share our ethics and approach to business practice, are aligned with our position on Modern Slavery and take steps to ensure their suppliers have controls in place to monitor for Modern Slavery risk to utilise the marketplace.

<sup>(1)</sup> US Bureau of International Labor Affairs

<sup>(2)</sup> Global Slavery Index

The key current mitigation of Modern Slavery risk for Redbubble is our Social Responsibility Program that has the following elements.

#### **Due Diligence**

Redbubble takes a proactive approach to eradicating Modern Slavery risk from our operations and in the supply chain. Our risk-based due diligence process is part of our broader Social Responsibility Program and is designed to identify and assess a range of potential risks in the supply chain. There were no confirmed cases of Modern Slavery in the supply chain disclosed in the questionnaire responses and none were otherwise apparent from the responses.

#### Fair Labor Association (FLA) Code of Conduct

Redbubble requires that all fulfillers ensure safe working conditions, minimise environmental impact, and treat their employees with respect and dignity. To make sure these requirements are met, they must adhere to the FLA Code of Conduct and its benchmark standards. Whilst the Fair Labor Association is based in the US, its Code of Conduct for supply chains is a recognised global benchmark - based on International Labour Organization standards. The FLA seeks to protect workers in the apparel and agricultural sectors around the world.

When possible, Redbubble and third party audit firms conduct site visits to fulfillment centres to ensure FLA Code Standards are being met. Participants in the marketplace must commit to continually making improvements where Code Standards are not met and assure ongoing compliance in a reasonable and timely manner. In addition, Redbubble supports the California Transparency in Supply Chains Act, under which members of the supply chain certify compliance, agree to Social Responsibility audits, undergo Social Responsibility training and remain accountable for their actions.

#### Internal awareness

Redbubble team members who interact with the third party suppliers in the supply chain are well-positioned to identify indicators of Modern Slavery risks if they understand and are alert to potential red flags.

#### Whistleblower process

Redbubble has established a whistleblower process for the reporting of any suspected unethical, illegal or fraudulent conduct, including suspected adverse impacts on people within Redbubble or the supply chain The whistleblower process allows for concerns and complaints in relation to Modern Slavery to be raised confidentially and/or anonymously.

Individuals wishing to make a complaint under the Redbubble Whistleblower Policy may report the matter to either the internal Redbubble Whistleblower Reports Officer, a designated external Whistleblower Reports Agency or to any executive, senior manager or auditor of Redbubble.

#### Remediation

Redbubble is committed to the protection and respect of human rights across our business and in the supply chain. Where a legitimate concern or issue is raised or identified by a Redbubble employee, a supplier or a third party, Redbubble will seek to work with the relevant supplier to investigate and ensure an appropriate remedy is implemented. In all instances, Redbubble will seek to place the affected individual's needs first and the appropriate remedy will be determined on a case-by-case basis.

We will continue to evolve our approach to deal with such issues (see section H - Future Developments below).

# F. Impact of COVID-19

In FY2021, the global pandemic severely restricted Redbubble's ability to implement enhancements in the way we assess and address risks in the supply chain. In particular, the restriction of movement imposed by the relevant governments in the areas that our fulfillment centres operate in resulted in Redbubble being unable to arrange site audits. It is planned to carry out audits in the next reporting period (see section H - Future Developments below).

### G. How Redbubble Assesses the Effectiveness of our Actions

Our management of Modern Slavery risk in our operations and in the supply chain falls within our broader approach to Social Responsibility and is assessed and managed consistently with our established Redbubble enterprise-wide risk framework. Our enterprise-wide risk framework defines the escalation threshold for reporting of supply chain risks to the Audit and Risk Committee. The Audit and Risk Committee is responsible for providing oversight of that risk framework on behalf of the Board.

As Social Responsibility has been identified as a material risk to Redbubble, the Committee is responsible for evaluating Redbubble' Social Responsibility performance and the effectiveness of our Social Responsibility risk management systems and processes.

The Redbubble Board is ultimately responsible for the oversight of the Redbubble Social Responsibility Program. The Redbubble Executives who hold responsibility for the day-to-day execution of our Social Responsibility Program are regularly invited to present to the Board on the content of the report and to answer questions.

## H. Future Developments

Continuous improvement is integral to an effective response to Modern Slavery risks. Accordingly, it is planned to implement a range of further initiatives to strengthen our response in the next reporting period.

These include:

- **A.** Enhancing Modern Slavery governance at Redbubble through regular reporting to our Board Audit and Risk Committee regarding implementation of our response to Modern Slavery risk.
- **B.** Initiating targeted engagement with fulfillment centre partners to understand better the actions taken by them to identify and mitigate risk in the upstream supply chain.
- **C.** Resuming third party audits of fulfillment centre partners (these audits are in person and were not possible during FY2021 due to restrictions on movement imposed in response to the pandemic).
- **D.** Updating our Social Responsibility Manual to set our clearer expectations for fulfillment centre partners and other outsourced services in relation to identification, reporting, managing and remedying Modern Slavery issues.

An update on these initiatives and other relevant future areas of focus will be provided in our Modern Slavery Statement for the next reporting period.