



**WARNER BROS.
ENTERTAINMENT
AUSTRALIA
MODERN SLAVERY
STATEMENT**

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This statement is given by Warner Bros. Entertainment Australia Pty Ltd. (“WB Australia” or “Warner Bros. Australia”) pursuant to section 13 of the Modern Slavery Act 2018 (Cth) (the “Modern Slavery Act”), and covers the activities of WB Australia and the entities it owned and controlled for the financial year ending December 31, 2020 (the “Reporting Period”). References to “we”, “us”, or “our” are references to WB Australia and the entities it owns or controls, including Underdown Productions Pty Ltd. and Warner Bros. Feature Productions Pty Ltd. References to “Warner Bros.” are references to the global Warner Bros. brand under WarnerMedia LLC. References to “WarnerMedia” are references to WarnerMedia, LLC and its subsidiaries and affiliated companies.

After consultation among the entities’ shared Directors and leadership, this statement was reviewed and approved by the Board of Directors of Warner Bros. Entertainment Australia Pty Ltd. on behalf of that entity and its subsidiaries, Warner Bros. Feature Productions Pty Ltd. and Underdown Productions Pty Ltd., on the 22nd of June 2021.

1.0 INTRODUCTION

At Warner Bros. Australia, we do not tolerate modern slavery, human trafficking, unlawful child labour or forced labour. We understand that the nature of our global business may expose us to modern slavery risks and we are determined to limit these risks across our operations.

As part of Warner Bros., a family of beloved brands, and WarnerMedia, a parent company for an even bigger collection of global brands, we work within a large network bringing audiences entertainment through films, television, games, merchandise and experiences.

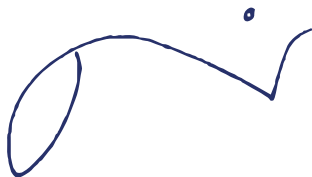
We believe that everyone has the right to dignity and respect. This means our work is underpinned by the belief that our team members and partners must have freedom and support to do their jobs helping to bring stories to life.

We at WB Australia are dedicated to upholding that belief by identifying and addressing the risk of modern slavery throughout our operations and supply chains.

WarnerMedia prides itself on being a force for good in communities around the world, inspiring conversations about culture and issues that matter, and we take that responsibility seriously. We know that our success is driven by our continued adherence to the highest ethical standards and commitment to integrity in business practices, without exception or compromise.

This statement outlines the steps we have taken to identify and mitigate modern slavery risks throughout our business and supply chains.

Signed

A handwritten signature in blue ink, consisting of a large, stylized loop on the left and a series of connected strokes on the right that end in a small upward tick.

Bryan Davis
Director, Warner Bros. Entertainment Australia Pty Ltd.

2.0 OUR STRUCTURE

WB Australia is headquartered in New South Wales and serves as the base of operations for Warner Bros. in Australia. Our registered office is located at 116 Military Road, Neutral Bay, New South Wales, 2089 Australia. During the Reporting Period, WB Australia had a permanent workforce of 26 people.

We are a subsidiary of WarnerMedia, a U.S.-based entertainment company with a powerful portfolio of iconic entertainment, news, and sports brands, including Warner Bros., CNN, HBO, and DC Comics. WarnerMedia is a wholly owned subsidiary of AT&T Inc., a U.S.-based telecommunications company, whose Australian subsidiary, AT&T Global Network Services Australia Pty Ltd., has also filed a separate Modern Slavery Statement.

3.0 OUR OPERATIONS

WB Australia's principal activities include television distribution and consumer product licensing. From time to time, WB Australia also engages in feature film production.

Our permanent workforce is mainly office-based, focused primarily on sales and marketing activities related to our licensing and distribution businesses, with support from a small number of financial and administrative personnel. Production workforces are typically engaged by project and consist largely of skilled labour covered by collective bargaining agreements.

3.1 TELEVISION DISTRIBUTION AND LICENSING

WB Australia licenses Warner Bros., HBO, HBO Max and Turner programming to free television, pay television, free video-on-demand services and subscription video-on-demand services in Australia. The content includes feature films, animated programming and made-for-television programming.

3.2 CONSUMER PRODUCT LICENSING

Our consumer product licensing business extends WarnerMedia's powerful portfolio of entertainment brands and franchises into the lives of our fans. WB Australia enters into licence agreements with licensees ("Consumer Product Licensees") that cover an array of licensed products, promotions, experiences and publishing. We partner with best-in-class licensees on a range of toys, fashion, home decor, and publishing inspired by franchises and properties that include DC Comics, Wizarding World, Looney Tunes and Cartoon Network.

3.3 FEATURE FILM PRODUCTION

From time to time, WB Australia engages in film production. During production, WB Australia typically undertakes various activities, including but not limited to: hiring a crew; finding and managing locations; developing the visual conception of the film; constructing, dressing and lighting sets; filming; and editing. Some filming takes place on soundstages while other scenes are filmed on location, typically in Australia or in other highly industrialized locations.

4.0 OUR SUPPLY CHAINS

Given the diverse nature of our business, the products and services that contribute to WB Australia's operations are sourced from a broad range of product suppliers and service providers. Similarly, each of our suppliers have their own unique supply chains.

4.1 PRODUCTS AND SERVICES PROVIDED BY OUR SUPPLIERS

WB Australia's primary operational supply base is made up largely of Australia-based suppliers in marketing, technology, professional services and facilities services industries.

Suppliers engaged on specific feature film production projects typically include equipment rentals and highly specialized services like special effects, editing and wardrobe, in addition to catering and facilities services. In most cases, production operations and finances are overseen by a centralized team in the U.S. or the U.K.

4.2 DISTRIBUTED OR LICENSED CONTENT

The content distributed or licensed through our television distribution business is typically produced by related WarnerMedia entities, usually in highly regulated locations like the U.S., Canada or Europe. The supply chains of these productions involve similar suppliers and oversight to those feature film productions described above.

4.3 PRODUCTS MANUFACTURED BY OUR CONSUMER PRODUCT

Our Consumer Product Licensees include best-in-class companies producing a range of goods, including some which are typically recognized as having a higher risk of modern slavery activities. For the Reporting Period, WB Australia contracted with Consumer Product Licensees located in Australia, New Zealand, the U.S. and the U.K. These licensees then engage with their own sub-contractors to manufacture and produce WarnerMedia themed goods and experiences. We contractually require our Consumer Product Licensees to hold their sub-contractors, suppliers, and manufacturers to the same high standards applicable to WB Australia's direct supply chains.

5.0 RISK OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS

5.1 OUR OPERATIONS

WB Australia considers that the nature and location of our business means that the risk of modern slavery practices in our operations is low.

We are committed to creating a work environment where each employee is treated fairly and with respect, and where every employee is given an opportunity to succeed.

Our permanent workforce consists of employees performing professional and skilled administrative roles, generally in an office environment. Our film production workforce is typically engaged on a project basis and covered by collective bargaining agreements as well as strict industry and company standards for pay, fair treatment, health and safety. WB Australia productions typically take place in Australia, where robust labour protections apply. Although our productions may employ child actors from time to time, we do so through talent agencies, ensuring that the correct remuneration is paid, and conditions are appropriate, given the work involved and the child's age. We are fully aware of the regulatory requirements relating to working with children and we are committed to complying with applicable requirements where it is necessary to engage children for such work.

Our employment policies and procedures are designed to ensure that staff are remunerated fairly and are working of their own free will, with the right to work in the territory in which they are employed. We maintain processes for reporting and resolution of personnel concerns.

5.2 OUR DIRECT SUPPLY CHAINS

WB Australia strives to be a responsible corporate citizen in the communities in which we, and our suppliers, do business. Accordingly, we aim to work with goods and services suppliers that share our values and high standards.

Like most large companies with complex supply chains, we recognize that there is some modern slavery risk related to our sourcing of raw materials including food, paper products and textiles, as well as goods like IT hardware.

To better understand these risks during the Reporting Period, WB Australia conducted a survey of our direct suppliers' efforts to combat modern slavery within their own supply chains. WB Australia identified a sample of vendors based on (i) year-to-date spend and (ii) risk of modern slavery based on industry and type of procured goods or services.

The sample focused primarily on suppliers in industries traditionally deemed higher risk for modern slavery, including: facilities services; hospitality and food services; and manufacturing. Vendors in the professional and creative services fields were excluded. The sample did not include film production suppliers or Consumer Product Licensees.

Selected vendors received a questionnaire covering the vendor's operations, workforce, policies, processes, suppliers and subcontractors. From the survey responses we learned that while many of the sampled suppliers have implemented controls to protect workers – including health and safety programs, human rights policies and robust background check processes for subcontractors – some have operations in, or source from, countries traditionally associated with a higher risk of modern slavery or otherwise employ workers susceptible to modern slavery, such as migrant or displaced labourers.

While we recognise that all entities are exposed to some degree of risk in their supply chains, our risk assessment did not identify specific operations and/or actions by WB Australia in our supply chains that may cause, contribute to, facilitate or incentivize modern slavery.

5.3 OUR INDIRECT SUPPLY CHAINS

We are aware that our direct suppliers, as well as our Consumer Product Licensees, have complex supply chains of their own that involve entities with whom we do not have a direct contractual relationship. Our indirect supply chain also includes the content that we source from related WarnerMedia entities for television distribution or licensing in Australia. Each licensed or distributed program has its own supply chain underlying its production, as well as its own workforce, subject to the same labour protections and conditions described in the assessment of our operations, above. These feature film and television productions typically take place in highly industrialized territories, like the U.S. or the U.K. with well-developed labour laws. Occasionally, these productions may film on location in jurisdictions with a higher risk of modern slavery, which may increase the inherent risk associated with suppliers domiciled in these jurisdictions. As such, there is a risk that WB Australia's indirect supply chains are linked to modern slavery through the activities of related WarnerMedia entities, for example through the fabric sourced in production wardrobe manufacturing. The modern slavery risk associated with sourcing related to production IT and telecommunications hardware is similar to in an office setting.

6.0 ACTIONS TO ADDRESS THE RISK OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAINS

We are committed to fostering a business environment where fair, honest and respectful dealings with each other, our customers, competitors, suppliers and communities are everyone's responsibility. Our unwavering commitment to high ethical standards of business conduct is a core value that is strongly supported at every level of management.

WarnerMedia's Standards of Business Conduct embody these commitments and serve as a guide to how we should conduct ourselves and our business. Additional policies, tools and resources support the way we work and reflect our commitment to running our business according to the highest standards of ethics and integrity.

6.1 STANDARDS OF BUSINESS CONDUCT

WarnerMedia's Standards of Business Conduct (the "SBC") apply globally throughout the enterprise and demand that all employees be treated fairly with respect and dignity.

Employees are encouraged to report any misconduct or unethical behavior. WarnerMedia and its businesses provide multiple means of reporting concerns, including a Help Line monitored 24 hours a day, seven days a week, which enables anonymous reporting where permitted by local law. Third parties can also report concerns, including through the Help Line (where permitted by local law). These various means of reporting are listed in the SBC and publicized to employees and business partners on WarnerMedia's corporate website. WarnerMedia and its businesses encourage anyone with concerns about potential ethical, legal, regulatory or human rights violations to report them. WarnerMedia will investigate allegations and take appropriate remedial actions.

WarnerMedia strictly prohibits retaliation against any employee who, in compliance with our whistleblower policy seeks advice, raises a question or reports known or suspected misconduct. We take claims of retaliation seriously. Anyone engaging in retaliation may be subject to disciplinary action, which may include termination of employment.

6.2 ETHICAL SOURCING GUIDELINES

The WarnerMedia Board of Directors has adopted Ethical Sourcing Guidelines (the "Guidelines"), which apply to vendors from whom we purchase directly and to whom we license our images, brands and characters. The Guidelines are based on the International Labor Organization's Core Labor Conventions and expressly prohibit involuntary labour, child labour and discrimination on the part of WarnerMedia's vendors and licensees.

WB Australia requires that all Consumer Product Licensees contractually agree to the Guidelines and commit to requiring that their own manufacturers, suppliers and subcontractors agree to the Guidelines or their equivalent industry standards. We reserve the right to terminate our agreement with any Consumer Product Licensee found to have failed in its commitments under the Guidelines. Similarly, we reserve the right to terminate any procurement relationship with a goods or services supplier found to have fallen short of the expectations defined in the Guidelines.

6.3 ADDITIONAL POLICIES

The enterprise-wide Human Rights Policy codifies our commitment to not employ forced, slave and illegal child labour or prison labour and to engage suppliers on sustainability issues, including human rights, through credible third-party assessment tools.

WB Australia also maintains an Equal Employment Opportunity, Anti-Discrimination, Harassment & Bullying Policy which applies to all WB Australia employees. In addition to prohibitions on discrimination, unfair labour practices and harassment within our own workforce, this policy also requires that our employees and our third parties, including contractors, customers and suppliers, refrain from subjecting third parties' employees to discriminatory conduct, harassment, bullying or improper conduct.

6.4 DUE DILIGENCE

WB Australia conducts due diligence on all new Consumer Product Licensees and television distributors and licensees, and performs continuous monitoring on these parties using a third party tool that scans global media outlets for negative press involving the licensing entity or its owners and principals; analyses civil and criminal enforcement actions or private litigation involving the licensee entity and its owners or principals; reviews the entity name and ownership structure against multiple economic sanctions regimes; and identifies connections between governments and the licensee entity, its owners or principals.

Similar diligence and continuous monitoring procedures are performed on WB Australia suppliers, both at the time of engagement and each time payment is processed from our Accounts Payable systems.

6.5 INDUSTRY COLLABORATION

WarnerMedia believes in the value of collaborating and sharing information to improve ethical sourcing efforts across the globe. WarnerMedia is a member of various international industry working groups, including the International Licensing Industry Merchandisers' Association and the Toy Industry Association, as well as global anti-corruption business association TRACE International. Additionally, WarnerMedia, through its CNN brand, has been a regular collaborator in recent years with Australian anti-trafficking organizations A21 and Walk Free.

7.0 ASSESSMENT OF THE EFFECTIVENESS OF OUR ACTIONS

Over the next reporting period, we remain committed to maturing our ability to detect and mitigate the risk of modern slavery in our operations and supply chains.

7.1 OUR PLANS

We will seek to further assess and understand modern slavery risks in our supply chains by expanding the scope of the supplier survey conducted during the Reporting Period.

We will work to continue incorporating an obligation to comply with our Ethical Sourcing Guidelines into the standard terms and conditions of new and existing WB Australia supplier agreements.

We will review our progress against our modern slavery risk mitigation plans at least annually and provide an update to the WB Australia Board on our progress in addressing inherent or actual modern slavery risks in our business.

We will also review, at least annually, our grievance mechanisms, including any whistleblower reports, to identify whether any of the reports reflect modern slavery incidents or risks.