



Modern Slavery Statement 2023 - NF Digital Land Pty Ltd

This is a Modern Slavery Statement (**Statement**) made by NF Digital Land Pty Ltd (ABN 36 643 491 052) (**NF Digital**) as a “reporting entity” under the *Modern Slavery Act 2018 (Cth)* (**Act**) for the period commencing 1 January 2023 and ending on 31 December 2023 (**Reporting Period**). References to the “**NF Digital Group**” should be taken to refer to NF Digital and all entities owned by NF Digital during the Reporting Period.

1. Our commitment

Netflix, Inc. and its subsidiaries around the world (**Netflix**) do not tolerate or condone slavery, the use of forced or compulsory labour, human trafficking, the deprivation of liberty or any other similar forms of exploitation of individuals. We are committed to minimising the risks of modern slavery arising within our operations and supply chains and appropriately addressing any exploitation upon becoming aware of it. At Netflix, we strive to create an employee culture where acting ethically and with integrity is part of our fundamental corporate values.

2. Our structure, operations and supply chains

2.1 Our structure

NF Digital is a wholly-owned subsidiary of Netflix Worldwide Productions, LLC, being a US entity whose ultimate parent is Netflix, Inc., a US company incorporated in the State of Delaware and headquartered in Los Gatos, California.

In October 2022, NF Digital acquired the entities listed in Annexure A (**Animal Logic Entities**). Animal Logic is one of the world’s leading animation production studios, producing award winning animated feature films.

2.2 Our operations and supply chains

2.2.1 Netflix

Netflix is one of the world's leading streaming entertainment services with 270 million paid memberships in over 190 countries, enjoying TV series, films and games across a wide variety of genres and languages. Members can play, pause and resume watching as much as they want, anytime, anywhere, and can change their plans at any time.

2.2.2 NF Digital

NF Digital is an Australian private company with its registered address located at Level 19, 181 William Street, Melbourne VIC 3000, Australia. During the Reporting Period, NF Digital had 1 full-time employee located in Australia and owned (either directly or indirectly) the Animal Logic Entities.¹

NF Digital engages in animation and visual effects production activities. During the Reporting Period, NF Digital engaged various vendors, commercial partners and third parties based across Australia to conduct its business. NF Digital's suppliers range from large blue-chip companies (such as global consulting firms) to smaller vendors (such as visual effects companies).

NF Digital's principal types of suppliers include:

- service providers that provide animation and visual effects services in connection with productions; and
- suppliers of services for routine business operations, such as payroll and tax services.

Contractual arrangements between NF Digital and these suppliers are varied given the different size of the relevant suppliers and nature of services involved.

2.2.3 Animal Logic Entities

Animal Logic is an animation production studio, producing animated feature films, with operations in Sydney, Vancouver and California. During the Reporting Period, the Animal Logic Entities had a total of approximately 550 full-time employees.

During the Reporting Period, the Animal Logic Entities engaged suppliers based in Australia, New Zealand, Poland, the United Kingdom, Finland, Switzerland, Netherlands, Belgium, Singapore, Canada, Dominican Republic, and the United States. These suppliers range from large blue-chip companies to smaller vendors and freelancers (such as visual effects animators).

The Animal Logic Entities' principal types of suppliers are set out below:

Animal Logic Studios (Vancouver) Limited	<ul style="list-style-type: none"> • suppliers of goods and services for routine business operations - this includes providers of IT and hardware goods and services (many of
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¹ In December 2023, Animal Logic Animation, LLC became a direct subsidiary of Netflix Worldwide Productions, LLC. Accordingly, it is no longer owned or controlled by NF Digital.

	<p>which are globally established suppliers of “off the shelf” equipment), office supplies and equipment, professional services (such as employee benefits, tax and legal services), and facilities-related services (such as cleaning, security, maintenance, storage and catering services)</p> <ul style="list-style-type: none"> • agencies and freelancers that provide services in connection with productions (such as animation and technology services)
Animal Logic Pty Limited	<ul style="list-style-type: none"> • suppliers of goods and services for routine business operations - this includes providers of IT and hardware goods and services (many of which are globally established suppliers of “off the shelf” equipment), office supplies and equipment, professional services (such as employee benefits, tax and legal services), and facilities-related services (such as cleaning, security, maintenance, transportation, storage and catering services) • agencies and freelancers that provide services in connection with productions (such as animation and technology services)
Animal Logic Animation, LLC	<ul style="list-style-type: none"> • suppliers of goods and services for routine business operations - this includes providers of IT and hardware goods and services, professional services (such as tax services), and facilities-related services (such as storage services)

Contractual arrangements between the relevant Animal Logic Entities and these suppliers are varied given the different size of the relevant suppliers and nature of services involved.

Two of the Animal Logic Entities (Optix Pty Limited and Animal Logic Studios Holdings Pty Limited) did not conduct any commercial activity during the Reporting Period and therefore did not engage suppliers.

3. Risks of modern slavery in our operations and supply chains

In preparation for this Statement, we undertook a global, enterprise-wide, high-level review of Netflix's business to identify areas of modern slavery risk across Netflix's operations and supply chains.

This included an assessment of NF Digital Group's operations and supply chains during the Reporting Period, focusing on (1) areas of business that presented higher modern slavery risks due to the nature of their operations, and (2) suppliers that are large entities and/or on which we expended a high percentage of our supplier spend, meaning that they are suppliers over which the NF Digital Group has greater leverage and influence.

As part of this assessment, we gathered relevant information using an internal questionnaire designed to help provide a framework for assessing modern slavery risks across the business and consulted with relevant internal business teams to evaluate the modern slavery risks associated with the operations and global and domestic supply chains of Netflix, including the NF Digital Group.

Netflix's global risk assessment also included interviews and consultation with relevant personnel from acquired companies, including the Animal Logic Entities. Additionally, Netflix reviewed and assessed the supplier list of the entities in the NF Digital Group.

We also educated key internal stakeholders about modern slavery, potential areas of risk and assessed whether any additional risk mitigation measures should be implemented (for example, through additional meetings with relevant stakeholders, training sessions, refining our policies and procedures and/or modification of contractual provisions with our suppliers).

Our risk assessment for the Reporting Period did not identify any suppliers or specific operations of the NF Digital Group that caused, contributed, or are directly linked to modern slavery. Further, we consider the risk of modern slavery practices in connection with the operations and supply chains of the NF Digital Group to be low due to the following considerations:

- the nature and location of their operations and supply chains, which consist of highly skilled vendors (the majority of which are based in either Australia and Canada (being countries with robust labour laws));
- the workforce of these entities consists primarily of highly skilled employees in professional and administrative roles who work in Sydney, Vancouver and California;

- we endeavour to always work with reputable suppliers that are committed to conducting their business operations in a responsible, safe, honest, ethical, and respectful manner – acknowledging that there may be modern slavery risks in *all* supply chains; and
- during the Reporting Period, NF Digital and the Animal Logic Entities were subject to relevant employment policies and procedures designed to ensure their respective employees are paid and treated fairly in accordance with local labour laws (as further detailed in section 4 below).

Our assessment identified some areas of the operations and supply chains of some of the NF Digital Group that may be more susceptible to modern slavery risks, such as the following categories of goods and services: office supplies, cleaning, catering, pantry supplies, delivery services, maintenance services and IT hardware. This increased level of risk arises due to a number of factors, including:

- inherent sector and industry specific risks related to electronics manufacturing, cleaning and catering, which are globally recognised as higher risk sectors for modern slavery;
- the increased risk of forced labour and other labour practices that exploit vulnerable, low skilled or low wage workers, such as migrant workers who commonly work in these industries; and
- transparency risks related to operations involving raw materials (for example, trees for paper, flour for bread, metal for tools or hardware) which tend to have long, complex supply chains of which the NF Digital Group has no oversight or leverage.

This assessment will continue to be reviewed and updated on an annual basis.

4. Actions taken to assess and address modern slavery risks

4.1 NF Digital

Policies and practices: Netflix's global policies and practices apply to NF Digital. During the Reporting Period, Netflix continued to make clear that it is committed to ensuring that personnel are treated with dignity and respect. Exploitation relating to the use of forced, indentured or compulsory labour, deprivation of liberty, including any form of human trafficking, or other forms of physical, mental or economic exploitation of individuals is not tolerated or condoned. Netflix codifies this position in its global policies and practices, which include our Human Rights Policy and Code of Ethics.

Netflix's Human Rights Policy explicitly states that Netflix will not tolerate or condone modern forms of slavery, either in our own business or in our supply chains. In addition, our Code of Ethics sets out expectations applicable to Netflix directors, officers and employees designed to deter wrongdoing (for example, through a requirement to comply with all applicable laws, rules and regulations) and promote honest and ethical conduct. Any known misconduct that violates this Code of Ethics must be reported and may result in disciplinary action such as termination of employment.

Netflix's Human Rights Policy and Code of Ethics form part of our practices and policies that employees receive and acknowledge during their Netflix onboarding. Our policies and practices are also available to all NF Digital employees on the Netflix intranet, and they receive annual reminders about Netflix's practices and policies from our Chief Legal Officer.

Additionally, Netflix's Supplier Code of Conduct (**Supplier Code**), which was published in June 2023 (i.e. during the Reporting Period), establishes expectations for our suppliers to conduct their business operations ethically and in compliance with all applicable labour laws. The Supplier Code expressly states that Netflix will not tolerate or condone the use of forced, indentured or compulsory labour, or deprivation of liberty, including any form of human trafficking or other forms of physical, mental or economic exploitation of individuals by our suppliers. If Netflix becomes aware of any instances of modern slavery, we will work with the relevant supplier to remedy the issue. If the issue is not appropriately ameliorated by the supplier, Netflix may terminate its relationship with the supplier on the basis of non-compliance with the Supplier Code.

Internal reporting: During the Reporting Period, Netflix's internal confidential reporting policy offered a number of channels for NF Digital employees to report concerns, including a confidential and anonymous ethics hotline. Under this framework, NF Digital employees may submit reports, including concerns relating to modern slavery risks, to this hotline. Netflix prohibits retaliation against reports made in good faith.

Screening and due diligence: During the Reporting Period, Netflix used due diligence tools to identify relevant information about third parties that NF Digital considered contracting with (including suppliers). Available data from this process typically includes red flags such as reports of associated modern slavery risks, sanctions, criminal cases, regulatory inquiries and penalties, litigation, bankruptcy, liens and judgments, potential conflicts of interest, political exposure, and adverse media. Information on other operational and reputational risk factors can also be obtained as required based on the risk associated with the scope of the proposed arrangement and locations involved. We continuously monitor for new alerts relating to any key third parties engaged.

4.2. Animal Logic Entities

Policies and practices: Since the acquisition and during the Reporting Period, the Animal Logic Entities have adopted Netflix's Code of Ethics which sets out expectations applicable to the Animal Logic Entities' directors, officers and employees. This Code of Ethics is designed to deter wrongdoing (for example, through a requirement to comply with all applicable laws, rules and regulations) and promote honest and ethical conduct. Any known misconduct that violates this Code of Ethics must be reported and may result in disciplinary action such as termination of employment.

Internal reporting: During the Reporting Period, employees of the Animal Logic Entities were able to report any concerns related to their employment to a designated email address and/or to Netflix's Chief Legal Counsel. Retaliation against reports made in good faith is prohibited under the Code of Ethics.

Due diligence: During the Reporting Period, the Animal Logic Entities verified relevant business information and registration details of third parties and suppliers that it considered contracting with. The Animal Logic Entities are currently being integrated into Netflix's supplier screening and due diligence processes (detailed in section 4.1 above).

4.3 NF Digital Group

Ongoing education: During the Reporting Period and in preparing for this Statement, we educated key stakeholders in relevant parts of the NF Digital Group about modern slavery issues and risks. This education process occurs as part of our annual assessment of modern slavery risks where we conduct interviews and training with relevant executives as part of a review of their operations and supplier policies and practices.

Remediation: If any of the NF Digital Group become aware of any of their suppliers being involved in prohibited activities relating to modern slavery, we will consider taking appropriate remedial action. Such action could likely include seeking to understand the cause of the issue and working with the relevant supplier to mitigate any harm and avoid similar issues in the future. Similarly, if we identify any issues within our own business, we will work quickly to identify and remedy the cause. No such remedial action was required to be taken during the Reporting Period.

Human Rights Statement: Netflix has developed, and following the end of the Reporting Period adopted, a Human Rights Statement applicable to all Netflix entities that sets out our commitment to respect internationally recognised human rights (as defined in the International Bill of Human Rights). This Human Rights Statement explicitly states that Netflix respects

labour, health, and safety rights throughout our supply chains (including production, consumer products and indirect suppliers).

Annual assessment: We conduct an annual review of our business to assess and address areas of modern slavery risk across the operations and supply chains of the NF Digital Group. A review was conducted for the Reporting Period (as further set out in section 3 above). The purpose of this review is to gain a better understanding of the modern slavery risks in the operations and supply chains of Netflix, including the NF Digital Group. Following the conclusion of this annual assessment, we take steps to assess the effectiveness of the actions being taken by Netflix to assess and address the risks of modern slavery practices in its operations and supply chains (as further detailed in section 5 below).

5. Assessment of effectiveness

Netflix assesses the effectiveness of actions taken to identify and address modern slavery risks in the business operations and supply chains of the NF Digital Group, primarily by conducting its annual modern slavery assessment. This assessment was last completed in the quarter following the end of the Reporting Period. Following this assessment, we prepare a report on our findings which is shared with and reviewed by the leadership teams, and/or executives (i.e. where there is no leadership team in place), of the relevant NF Digital Group entities.

This assessment includes the following:

- reviewing reports (including from the confidential hotline, where available) to identify and address any incidents concerning modern slavery issues or risks;
- reviewing the need for targeted modern slavery training of business functions and staff members that frequently engage with suppliers;
- reviewing our contract templates to identify which agreements include specific modern slavery clauses and those that do not;
- reviewing the need for input from external experts or advisors to assist with assessing and addressing modern slavery risks in our operations and supply chains; and
- reviewing whether our screening and due diligence procedures continue to meet our expectations for identifying potential modern slavery risks in our existing and prospective supply chains.

We acknowledge that assessment of the effectiveness of the identification and management of modern slavery risks associated with our business is an ongoing process which requires the continual review, adjustment and strengthening of our actions. Netflix is committed to reviewing our approach to minimising the risk of modern slavery occurring in our operations

and supply chains, and expects to build upon our practices as appropriate over time to mitigate modern slavery risks.

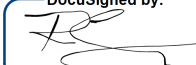
6. Consultation

NF Digital actively engaged and consulted with all operating entities it owned during the Reporting Period (i.e. those outlined in Annexure A) in the development of this Statement, including discussing details of the Act's reporting requirements, sharing information regarding the actions we intend to take to address these requirements and providing relevant materials and updates including a copy of this final Statement.

7. Approval and signatures

This Statement has been approved by the board of NF Digital on June 13, 2024.

Dated: June 13, 2024

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Reg Thompson
Company Director of
NF Digital Land Pty Ltd

Annexure A**Animal Logic Entities**

Name	ABN	Place of Operation
Optix Pty Limited	86 060 227 232	Australia
Animal Logic Studios (Vancouver) Limited	N/A	Canada
Animal Logic Studios Holdings Pty Limited	72 612 133 267	Australia
Animal Logic Pty Limited	65 006 440 777	Australia
Animal Logic Animation, LLC	N/A	USA