



## 2023 Modern Slavery Statement of TikTok Australia Pty Ltd

21 June 2023

TikTok Australia Pty Ltd ("**TikTok Australia**") is committed to assessing and addressing the risks of modern slavery occurring in its operations and supply chains and is proud to make and lodge this first Modern Slavery Statement ("**Statement**") under the *Modern Slavery Act 2018* (Cth).

The term "modern slavery" describes situations in which coercion, threats or deception are used to exploit victims and undermine their freedom. Modern slavery takes many forms including slavery, servitude, forced labour, debt bondage, deceptive recruiting for labour or services, the worst forms of child labour (where children are exploited through slavery like practices or exposed to hazardous work), human trafficking and forced marriage.

TikTok Australia prohibits all forms of modern slavery and is committed to working to mitigate risks of modern slavery taking place anywhere within our operations or in our supply chains.

Our philosophy is informed by several international human rights frameworks including: the International Bill of Human Rights (which includes (i) the Universal Declaration of Human Rights; (ii) the International Covenant on Civil and Political Rights; and (iii) the International Covenant on Economic, Social and Cultural Rights); the International Labour Organisation Declaration on Fundamental Principles and Rights at Work; the Convention on the Rights of the Child; and the United Nations Guiding Principles on Business and Human Rights.

TikTok Australia has a responsibility to [respect human rights](#). We believe respecting human rights is essential for TikTok Australia to build and sustain trust among our employees, users, creators, advertisers, other stakeholders, and others who engage with our company. As part of our commitment, we strive to protect and respect human rights throughout our business and our supply chains.



## 1. Reporting Period

This Statement covers TikTok Australia's reporting period of January 1st, 2022, to December 31st, 2022.

## 2. Reporting Entity

For the purposes of this Statement, the reporting entity is TikTok Australia Pty Ltd.

## 3. TikTok Australia's organisational structure, operations and supply chains

### **Organisational Structure**

TikTok Australia is a private company (ACN 637 464 638), with its registered office at Level 10, 68 Pitt Street, Sydney, New South Wales. It was incorporated in November 2019. TikTok Australia's head office is located in Sydney, Australia.

TikTok Australia's leadership team is diverse, with the executive team being based in the United States and Singapore. During the reporting period covered by this Statement, TikTok Australia had three directors on its board.

TikTok Australia is part of the TikTok global group of companies ("**TikTok**"), which is owned by TikTok Ltd. The CEO of TikTok is based in Singapore. TikTok Australia is owned directly by TikTok Ltd. and does not own or control any other entities. TikTok Ltd. is owned by ByteDance Ltd (incorporated in the Cayman Islands).

The TikTok group includes a number of entities that provide the TikTok platform service to users, including:

- TikTok Inc. (for users in the United States).
- TikTok Information Technologies UK Ltd (for users in the United Kingdom).
- TikTok Technology Limited (for users in the European Economic Area and Switzerland).
- TikTok Pte. Ltd (for users located outside the US, the UK, EEA or Switzerland).

### **Operations and Supply Chains**

As outlined in TikTok's [Terms of Service](#), TikTok Pte. Ltd (a Singaporean entity) is the service provider of the TikTok platform in Australia. TikTok Australia is the entity through which the Australian business operates. TikTok Australia:

- Sells advertising inventories, services and products on the TikTok platforms in the Australian market.
- Books TikTok advertising revenue contracts in Australia.
- Employs all employees based in Australia.
- Contracts with creators and influencers who are based in Australia.



- Contracts with service providers who provide services to businesses in Australia.
- Contracts with service providers who provide services to TikTok Australia.

TikTok Australia purchases many different types of goods and services from a wide range of suppliers and service providers. These include the purchase of IT hardware and software and telephony; building and facilities services in relation to our offices; various consultancy services including in relation to our branding, marketing, and communications; and professional advice services (including legal and financial).

Many of TikTok Australia's suppliers with whom it has a direct contractual relationship are based in Australia and supply goods and services to TikTok Australia from within the country. Additionally, many of those suppliers do not trade in raw materials (noting that trade of such materials may carry a higher risk of instances of modern slavery) but provide consulting, creator and production services.

## **4. Assessment of Modern Slavery Risks**

In line with our philosophy and values and informed by our pledge to respect human rights throughout our business, we are committed to:

- Conducting independent risk assessments to assess our human rights approach as a platform.
- Meaningfully engaging with our suppliers to address modern slavery risks.
- Addressing modern slavery issues which may occur in our operations or supply chains.
- Complying with all applicable laws and regulations.

We have assessed the risk of modern slavery practices occurring in our operations as low - we retain a high level of visibility over these operations and our workforce is largely comprised of highly educated, highly skilled and well remunerated individuals. However, we acknowledge the risk profile is different in our supply chains as we source goods like IT, telecommunications and office equipment/supplies, and services like waste management, cleaning, security, hospitality and transportation. We also acknowledge these risks grow as our supply chains reach into geographies with a known higher risk of modern slavery practices, including forced labour.

## **5. Actions taken by TikTok Australia to Assess and Address Modern Slavery Risks**

### **Supply Chains**

Our global [Business Partner Code of Conduct](#) confirms that TikTok is committed to conducting business in accordance with the highest ethical standards. The Business Partner Code of Conduct sets standards and responsibilities for each business partner (which includes all third parties, including but not limited to suppliers, service providers, agents, vendors and consultants who provide any kind of products or services or undertake any activity for or on behalf of TikTok) in the areas of ethics, integrity, human rights, labour, environment, health and safety and fair business practices.



We aim to develop and maintain business relationships with business partners who are committed to upholding the principles of integrity and compliance within their own business operations.

We require assurances from our suppliers that they have not committed any modern slavery offences, and that they aren't aware of any investigations or prosecutions within their own supply chains.

During the reporting period covered by this Statement, TikTok Australia undertook a significant review of our template supplier agreements. This review resulted in the inclusion of a suite of modern slavery related provisions into many of our contract templates, including but not limited to our general services supplier agreement template. Those provisions include:

- warranties from suppliers to prevent or minimise adverse human rights impacts caused by the provision of their services or by their business relationships;
- warranties from suppliers to treat all personnel with dignity and respect and in a manner consistent with internationally recognised human rights;
- warranties from suppliers that they do not and will not knowingly engage in any form of modern slavery;
- the power to require modern slavery compliance statements from suppliers;
- rights of audit for TikTok Australia to verify suppliers' compliance with modern slavery related warranties and indemnities; and
- express suspension/termination rights in the event of breaches of contractual promises regarding modern slavery.

These agreements also include a contractual requirement for suppliers to comply with the Business Partner Code of Conduct.

Concerns or violations relating to the Business Partner Code of Conduct can be raised confidentially via TikTok's 'Speak Up' hotline (further information on this below), without fear of retaliation. We ensure that the reported concerns and violations are addressed in a timely manner and in an appropriate way.

We may seek appropriate legal remedies from and against business partners who are found to be in violation of the Business Partner Code of Conduct.

## **People**

The prevention, detection and reporting of modern slavery in any part of our organisation or supply chain is the responsibility of all those working for us or on our behalf.

Our recruitment processes are reviewed regularly. Our Global Recruitment Procedure sets out the key steps of our recruitment and selection process and the standards of conduct which all staff must follow. We recognise that we will only be able to achieve our mission statement by recruiting a skillful, dedicated, and inclusive workforce. We are committed to acquiring our talent in a compliant, equitable, efficient, and consistent manner.

We ask all our employees to be respectful, to act with integrity and to ensure our workplace is a safe place to work.

## **Policies**



### TikTok Australia's Modern Slavery Policy

During the reporting period covered by this Statement (in early 2022), TikTok Australia published its [Modern Slavery Policy](#) in Australia, which applies to all persons working for or on behalf of TikTok Australia in any capacity, including but not limited to employees, directors, officers, agency workers, contractors, consultants and any third-party representatives. The Policy was published in TikTok Australia's [Transparency Centre](#), [Safety Centre](#) and [Legal page](#).

### Business Partner Code of Conduct

Specifically in relation to modern slavery and human trafficking, the Business Partner Code of Conduct states that our business partners must:

- Treat employees with utmost dignity and respect, and in accordance with applicable labour and employment laws, regulations and the standards in the Business Partner Code of Conduct.
- Not use child labour.
- Only use voluntary labour.
- Recognise and respect the right of employees to freely and voluntarily establish and join unions or associations of their choice (or refrain from doing so), without any restrictions or consequences subject to compliance with local laws and allow their employees to collectively discuss and negotiate with management their grievances in relation to terms and conditions of work.
- Ensure their employee's working hours don't exceed legally mandated maximums; and
- Ensure that their employees are paid at least a minimum wage, be paid overtime, and receive benefits, each as required by local laws.

### Speak Up Policy and Culture

As part of our ongoing efforts to combat unethical practices, including modern slavery, we are deeply dedicated to establishing a robust culture that encourages voicing concerns or observations regarding unethical (or potentially unethical) behavior.

To ensure this, we have a 'Speak Up' Hotline, which is available to employees and suppliers 24/7. It provides a secure platform for all employees and suppliers to make reports, including in multiple languages and anonymously.

To promote employee and supplier trust and awareness of the reporting channels, we have rolled out a comprehensive training program:

- When onboarding, all employees are required to complete mandatory compliance training courses on the [Employee Code of Conduct](#), including the following modules: Speak Up; Non-Discrimination and Anti-Harassment; and Anti-Bribery and Anti-Corruption. The Speak Up module provides clear guidance on the reporting process, emphasising confidentiality and protection against retaliation. We are committed to achieving full coverage of these mandatory modules by sending regular reminders to employees and their direct managers.



- We continually engage employees throughout their tenure and remind them of these reporting channels through regular quiz campaigns, tailored virtual/hybrid workshops, and physical awareness events like our annual 'Ethics and Compliance Week'.
- Through the Business Partner Code of Conduct and sessions that we conduct with our suppliers, we actively communicate the importance of reporting any unethical (or suspected unethical) behavior (including with respect to modern slavery) within our business or supply chains.

### Whistleblowing Policy

TikTok Australia is committed to detecting and addressing misconduct and ensuring that those who become aware of misconduct can report it without being concerned that it will negatively affect them or their position. Accordingly, TikTok Australia has an Australian Whistleblowing Policy, that applies to the employees and officers of TikTok Australia.

### **Remediation Processes**

TikTok Australia is committed to investigating any report of potential incidences of modern slavery occurring anywhere in our operations or supply chains.

In line with our values and commitments, we confirm that we would take all appropriate steps to rectify any confirmed incidences of modern slavery in our operations or supply chains. TikTok Australia would work collaboratively with its suppliers and, if necessary, their suppliers, to achieve these goals. If, for any reason, progress in this regard was not possible, TikTok Australia would take steps to sever its connections to the offending supplier or sub-supplier.

### **Modern Slavery Training**

In the reporting period covered by this Statement, TikTok Australia conducted specific modern slavery related training for staff working in connection with the Australian business. The training was developed in consultation with external legal counsel and covered:

- An explanation of the types of conduct and practices encompassed by the term "modern slavery".
- Industry specific examples of how and where modern slavery could occur in TikTok Australia's operations and supply chains.
- How to detect instances of modern slavery.
- What to do when an instance of modern slavery (or a risk of modern slavery) is detected.
- A detailed explanation of the key provisions of TikTok Australia's Modern Slavery Policy.
- Advice and guidance on how TikTok Australia staff can further TikTok Australia's efforts to assess and address the risks of modern slavery occurring in its operations and supply chains.

### **Community**

TikTok seeks to advance cross-industry efforts to combat modern slavery by working with members and organisations in its global community. This includes:

- Joining the [BSR's](#) human rights working group. This group works to implement the United Nation's Guiding Principles on Business and Human Rights across all industries. We regularly



participate in all working group meetings, and we consult with the BSR on a number of important topics (including modern slavery and responsible innovation).

- Partnering with the National Center for Missing & Exploited Children (NCMEC) and supporting capacity building programs of the International Centre for Missing & Exploited Children (ICMEC). Community safety is our top priority, and we place utmost care on the safety of our younger users in particular.
- At a global level, donating advertising credits to NGOs that prevent and address human trafficking, such as the International Justice Mission. At TikTok, advertising credits (often referred to as "ad credits" or "ad coupons") are a form of added-value credit offered on a discretionary basis to TikTok's advertising clients and added to their TikTok commercial account to use in connection with their advertising campaigns on the TikTok Platform.

In March 2023, TikTok updated its [Community Guidelines](#), which apply to all users of the TikTok services. The update included a prohibition on content or behaviour that facilitates or promotes human exploitation, including human trafficking and smuggling.

### **Further Steps**

We are committed to reviewing our policies and practices to tackle modern slavery and human trafficking. Whilst we have already set specific controls to manage risk in our supply chains, we intend to further enhance these risk-based controls.

## **6. Effectiveness of action taken to address modern slavery**

We recognise the importance of assessing the effectiveness of our assessment of potential modern slavery risks and the actions we take to address such risks.

This includes an independent human rights impact assessment ("**HRIA**"), conducted in 2022 with respect to our global Trust and Safety operations, undertaken to further TikTok's human rights commitment. The HRIA identified limitations of and provided recommendations to enhance TikTok's human rights related policies and practices.

Further, to demonstrate the effectiveness of our internal policies and training, we monitor completion rates of mandatory training by TikTok Australia employees. For example, the mandatory training relating to the 'Speak Up' hotline (referred to in Section 5 above), has a current completion rate of 81.8%. We are committed to achieving full coverage of these mandatory modules by sending regular reminders to our employees and their direct managers.

Going forward, TikTok Australia aims to set up additional processes to ensure discussion, engagement and feedback between key areas of its business in relation to modern slavery risks with a view to improving the effectiveness of its efforts to eradicate modern slavery within its operations or supply chains.

## **7. Approval**

This Statement is made in accordance with section 13 of the *Modern Slavery Act 2018* (Cth).



This Statement was approved by TikTok Australia's Board of Directors on 21 June 2023 and is signed by a Director of TikTok Australia.

A handwritten signature in blue ink, appearing to read "Brett Armstrong".

Brett Armstrong

Director

TikTok Australia Pty Ltd

