



NZME LIMITED

Modern Slavery Statement 2021

1. Introduction

This statement is for NZME Limited ('NZME') and its related entities (together 'NZME' or 'the Group') for the year ended 31 December 2021. NZME is an integrated media company, with a portfolio of market-leading news, entertainment and real estate brands strategically positioned across a network of digital, print and audio platforms.

This Statement has been produced in accordance with Australia's Modern Slavery Act 2018 (Cth), further to NZME's foreign exempt listing on the ASX, and outlines the steps taken by NZME to identify and address the risks of modern slavery in its supply chain and business operations.

2. Business structure and operations

NZME is a New Zealand company listed on the NZX (NZX: NZM) and a foreign exempt listing on the ASX (ASX: NZM).

NZME is a leading player in all sectors of the media and entertainment industry, through audio, publishing, and real estate. NZME is an audience and customer centric, integrated multi-platform media and entertainment business. NZME has 32 print publications, 10 audio brands, 17 websites and 12 real estate publications. *The New Zealand Herald* remains New Zealand's number one daily newspaper. During the reporting period for this statement, NZME reached an agreement to sell the GrabOne business, with the sale completing on 29 October 2021.

NZME operates in a number of locations around New Zealand, with headquarters in Auckland and has an office in Melbourne, Australia. NZME employs approximately 1,300 people as at the time of publication of this statement.

To understand more about NZME's operations and strategy refer to: <https://www.nzme.co.nz/> and for our corporate governance policies refer to: <https://www.nzme.co.nz/about-nzme/corporate-governance/>.

3. Supply chains

NZME's key supplier arrangements largely relate to its print operations, and include paper suppliers, contract labour suppliers, printers and distributors. They are primarily longer-term relationships.

There are also other key services and vendors which form part of NZME's supply chain. These include digital service and cloud computing/software as a service providers, content providers, other media companies, professional services, IT infrastructure and support

services, communication and broadcast services and equipment suppliers, vehicle leasing providers, and travel and accommodation providers.

A large portion of NZME's direct key suppliers are located in New Zealand. NZME's raw materials and machinery for its print operations and certain IT support services are sourced from overseas suppliers based in Australia, Belgium, and Asia.

4. Potential risks of modern slavery

This is NZME's second modern slavery statement. In the last twelve months, NZME has continued to progress work to identify and manage modern slavery in its supply chain and operations.

NZME believes that potential exposure to modern slavery practices (through causing, contributing to, or being directly linked to modern slavery) in its supply chain and operations is most likely to be present where suppliers or contractors are operating in at-risk jurisdictions known for having a higher risk of modern slavery practices. NZME acknowledges that certain IT suppliers provide cloud-based services located in known at-risk jurisdictions.

NZME acknowledges that engagement of employees and contractors may present modern slavery risks but considers this to be a very low risk in its core operations, as NZME has implemented and follows robust employment policies which comply with all New Zealand employment regulatory requirements.

NZME assessment is that the risk of modern slavery practices in its core operations remains low. NZME recognizes that procurement of cleaning and security services pose a potentially higher risk of modern slavery practices, due to the potential for labour exploitation, however this risk is mitigated by the fact that NZME engages with reputable NZ-based suppliers.

Further analysis is required within the supply chain in respect of those suppliers based in countries outside New Zealand who when assessed against the Global Slavery Index are rated high for prevalence of modern slavery¹. NZME intends to progress this analysis over the next 12 months.

5. Actions taken to assess and address risks and priority areas for further action

a.) Risk assessment – supply chains

In the previous reporting period (01 January – 31 December 2020), NZME conducted an initial review of suppliers above a material spend threshold for its business. NZME reviewed the contracts and commercial relationships it has with those suppliers to identify the country where the supplier is based and the industry they operate in and to assess whether there was any risk of exposure in its supply chain to modern slavery practices.

Following this review, NZME identified certain suppliers where further analysis is required, largely due to the factors cited above. To assist with this analysis, NZME intends to request further information from relevant suppliers about their activities as part of a plan of supplier engagement (described below).

¹ <https://www.globallslaveryindex.org/>

b.) Further action

NZME has started drafting a Responsible Sourcing Policy, which will incorporate a set of minimum standards that suppliers must adhere to in order to do business with us. This will include human rights and labour standards that serve to reduce the risk of modern slavery practices. NZME intends to share this policy with key suppliers once drafted. In the course of engaging with key suppliers, NZME anticipates feedback from suppliers (together with the provision of further information concerning the suppliers' activities) and that this policy drafting process will continue in tandem with this supplier engagement to ensure it is fit for purpose.

NZME has started a review of its existing franchisee and distributor contracts to establish whether changes are needed to the contractual terms to further reduce the risk of modern slavery practices occurring in the context of these arrangements. NZME has also started a review of its procurement and supplier contracting processes to develop appropriate contractual clauses and supplier obligations to address and mitigate modern slavery risks.

NZME will continue to progress this work over the next 12-18 months.

c.) Governance and Policies

NZME's Audit and Risk Committee (**ARC**) reports to the NZME Board and has overall responsibility for assessing effectiveness of NZME's actions to address modern slavery risks. Once the Responsible Sourcing Policy is drafted and after consultation with key suppliers, management will ask the ARC to recommend to the NZME Board that the policy be ratified.

NZME has existing policies and protocols in place to assist NZME in managing modern slavery risk, including:

- This statement – confirming NZME's commitment to minimising modern slavery risks.
- A Procurement Policy – setting out NZME's approach to management of procurement, with a commitment to integrity and honesty.
- A Code of Conduct and Ethics – setting out the values, ethical behaviour and commitment to legislative compliance which is expected of the Group and its employees.
- A Whistleblower Policy – providing an independent avenue for employees, contractors and suppliers to raise concerns regarding actual or suspected contravention of NZME's ethical and legal standards.
- Internal audit and risk functions to monitor compliance.

NZME reviews its corporate governance policies annually to ensure that they remain consistent with corporate governance best practice and its policies are updated as required to meet New Zealand legislative changes. This includes addressing modern slavery risks where appropriate.

d.) Training

NZME is committed to creating awareness of modern slavery risks by providing tailored training where appropriate.

6. Assessing effectiveness

NZME is committed to ensuring the effectiveness of its actions to address modern slavery risks by regularly reviewing its processes and policies to consider whether it is appropriately identifying and evaluating these risks, including with external advice.

7. Process of consultation with entities NZME owns and controls

NZME has consulted with its relevant entities across the Group in the development of this statement.

8. Approval

The principal governing body for the reporting entity, namely the Board of Directors of NZME Limited, approved this statement on 7 June 2022.

A handwritten signature in blue ink, appearing to be 'Barbara Chapman', is written over a light blue horizontal line.

Signed by **Barbara Chapman, Chairman** of the Board of Directors of NZME Limited
7 June 2022