

# Modern Slavery Statement

**New Zealand Post**  
Financial year ended 30 June 2022

# 1. Purpose of this Statement and Reporting Entity

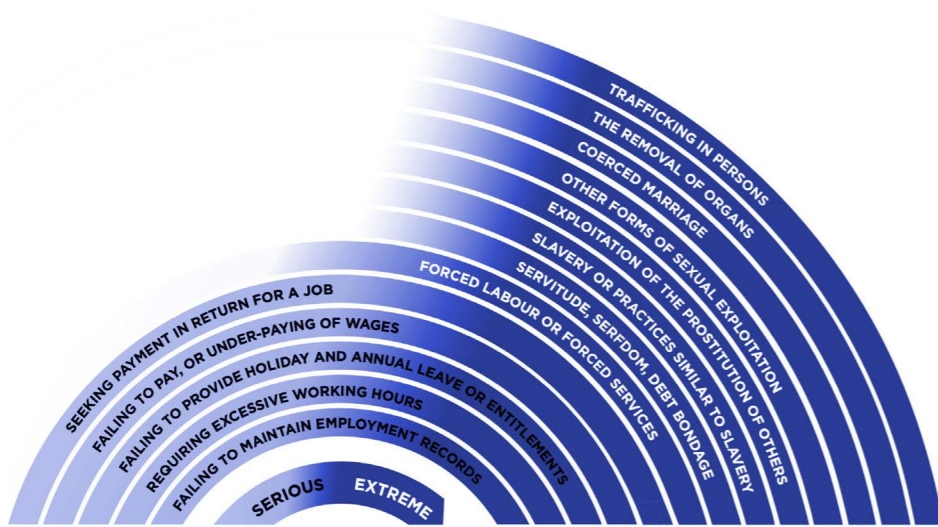


**Purpose**  
Our 2021-22 modern slavery statement sets out the steps we have taken to assess and address the risk of modern slavery within our operations and supply chains. It also describes how we assess the effectiveness of our actions and the future steps that we aim to put in place.

This statement has been prepared by New Zealand Post Limited for the reporting year ending 30 June 2022 and applies to New Zealand Post Limited and its wholly owned operating subsidiaries, including its extended workforce. For the purpose of this statement NZ Post refers to NZ Post and its wholly owned subsidiaries. It does not extend to NZ Post's shareholding in Kiwi Group Holdings Ltd and its subsidiaries.

**Modern Slavery**  
The Australian Modern Slavery Act 2018 defines modern slavery as "situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom. Practices that constitute modern slavery include human trafficking, slavery, forced labour, debt bondage, forced marriage and the worst forms of child labour."

The New Zealand Ministry of Business Innovation and Employment (MBIE) has stated that Modern slavery occurs on a 'continuum of exploitation'. Labour related exploitation includes a variety of practices that range from serious to extreme. Modern slavery focuses on exploitation at the extreme end of the spectrum. However, by putting in controls to mitigate the risk of modern slavery, other forms of labour exploitation may also be addressed.

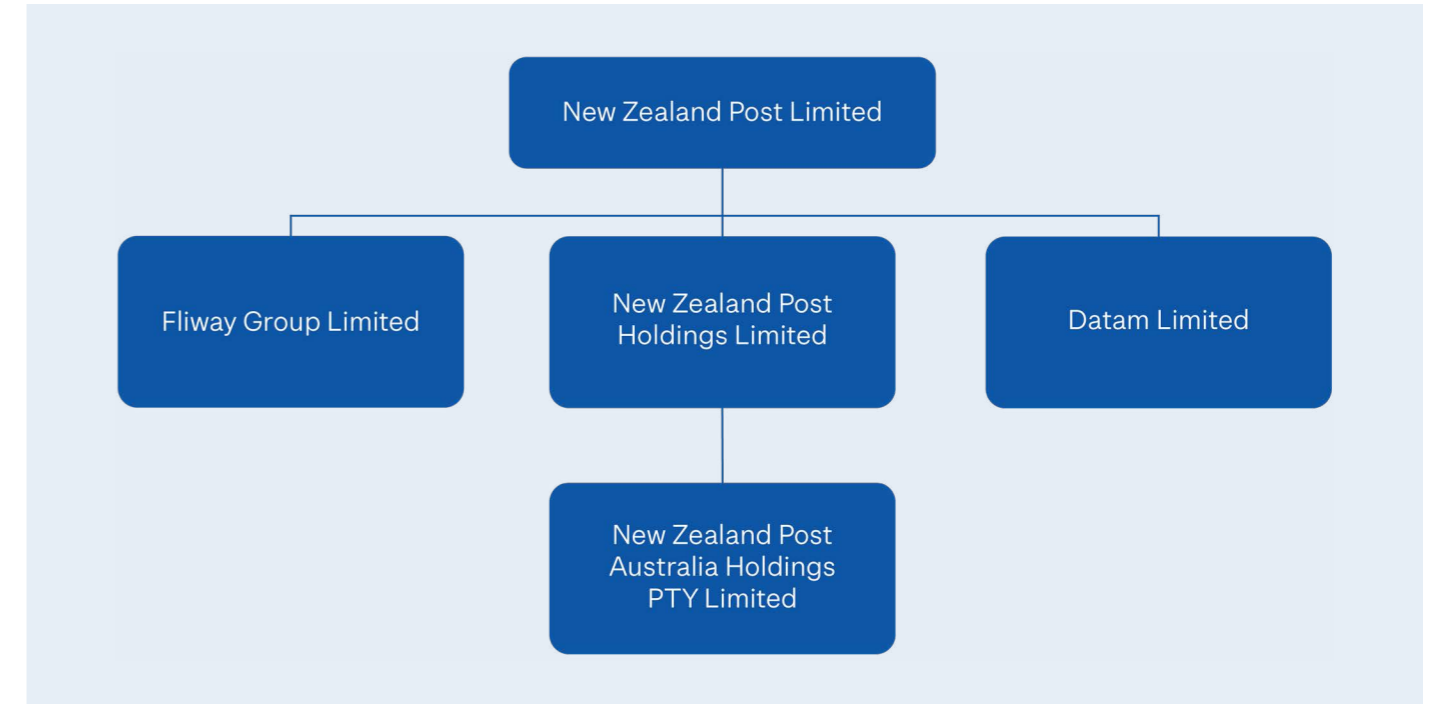


A range of practices referenced in the diagram above are criminalised in New Zealand's legislation, including the *Immigration Act 2009* and *Crimes Act 1961*. [MBIE 'Continuum of Exploitation'](https://www.mbie.govt.nz/dmsdocument/13568-combatting-modern-forms-of-slavery-plan-of-action-against-forced-labour-people-trafficking-slavery)

\*4,896 is our number of people, not full time employees, and includes Fliway

[1 Combatting Modern Forms of Slavery: https://www.mbie.govt.nz/dmsdocument/13568-combatting-modern-forms-of-slavery-plan-of-action-against-forced-labour-people-trafficking-slavery](https://www.mbie.govt.nz/dmsdocument/13568-combatting-modern-forms-of-slavery-plan-of-action-against-forced-labour-people-trafficking-slavery)

# 2. Description of our Structure, Operations, Material Issues and Supply Chains



For the purposes of this modern slavery statement, the reporting entity is New Zealand Post Limited (NZ Post). NZ Post is primarily a logistics and delivery business operating across New Zealand, Australia and internationally. In this section we provide a description of our entity structure, operations, and supply chains.

NZ Post is an incorporated company under the Companies Act 1993, and a State-Owned Enterprise (SOE) under the State-Owned Enterprises Act 1986, which means that it is required to be a good employer and to exhibit a sense of social responsibility. As an SOE, NZ Post is responsible to the shareholding Ministers (Minister of Finance and Minister for State-Owned Enterprises). The Minister for Digital Economy and Communications is the Minister responsible for postal services.

## Overview of our Entity Structure

- **New Zealand Post Limited:** is a registered company in the New Zealand Companies Office NZBN 9429039700766, and is a State-Owned Enterprise.
- As at the date of this Modern Slavery Statement, there are approximately 4,896 employees that work for NZ Post (including permanent, fixed term, and on-call delivery staff). NZ Post services are also delivered by over 1,700 delivery contractors.
- Headquartered in Wellington, NZ Post operates across the whole of New Zealand.
- **New Zealand Post Holdings Limited:** Registered in New Zealand, (NZBN: 9429037213435), New Zealand Post Holdings Limited is the holding company for New Zealand Post Australia Holdings PTY Limited.
- **New Zealand Post Australia Holdings PTY Limited:** located in New South Wales, New Zealand Post Australia Holdings PTY Limited (NZPAH) (ABN: 97 086 383 904) has a team of full-time employees who are located at the NSW office. NZPAH is responsible for developing, and championing New Zealand Post's inbound and offshore customer service offerings. This encompasses the matrix of managing wholesale, direct entry, direct marketing, courier, freight and Universal Postal Union (UPU), coordination and market-flow.
- **Datam Limited:** Registered in New Zealand (NZBN: 942 9039585677) employs some of the staff who work in NZ Posts integrated customer communications solutions, which is NZ Post trading as Datam.
- **Fliway Group Limited:** In March 2022 NZ Post acquired Fliway, a company specialising in large item delivery. Fliway is a registered New Zealand Limited company 1870504. We will extend our modern slavery work to include Fliway in 2023.



## Our Operations

### Courier and Parcel Post:

We offer a tiered range of courier solutions – Courier and Express – through our networks, depending on the speed and the customer experience required. We engage small businesses and independent contractors using vans to provide Courier and Express delivery services to our customers. ParcelPost is our standard parcel delivery service for consumers that is delivered through the Mail network.

### Mail:

Mail has been the historical backbone of the NZ Post business, dating back to the 1840s. This includes residential “postie” delivery, rural delivery and connections with international postal operators. Delivery mode in higher density urban areas is primarily mid-range electric delivery vehicles, complemented by some walking, cycling and motorbike runs, while in rural areas vans are generally the delivery mode. NZ Post engages independent contractors to provide rural delivery services. NZ Post is New Zealand’s designated Universal Postal Union (UPU) postal operator which means it accepts and delivers mail sent from other overseas UPU members.

### Transport:

Our transport team is responsible for the national road and air bulk transport operations that connect all major towns and cities throughout New Zealand; many of these functions are provided by outsource partners providing services under contract. A core team of employees work alongside aviation suppliers, road transport contractors, and third-party support partners, to coordinate and manage the Transport functions.

### Contract Logistics:

Contract Logistics was NZ Post’s third-party logistics business unit, providing warehousing, order and fulfillment services to NZ Post and a select group of external customers. The business unit has now ceased trading.

### Datam:

Datam is NZ Post’s print and mail house which provides services to a range of business customers.

### Fliway:

Fliway provides transport, warehousing and international freight services and operates New Zealand’s premier national dedicated supply chain for large and oversized items. It is headquartered in Auckland and employs over 400 people.

### Retail Operations:

The Retail team primarily supports the agents that comprise the vast majority of NZ Post’s retail network, providing onboarding, training and operational functions to deliver services consistently nationwide. The team also operate a small number of company-owned outlets including staffing and related end-to-end management. As at 30 June 2022, NZ Post had 22 company-operated outlets and 806 agency operated (licensed) outlets.

### Box Lobby Services:

The supply of postal storage facilities by means of Private Bags and Post Boxes across our box lobby network.

### Stamps & Coins:

The supply of collectable Stamps and Coins which are sold via NZ Post’s store network and website.

### Our Operations in Australia and Overseas:

The NZPAH team working with our New Zealand and Singapore Teams manages our off-shore customer-base, customer returns, sales opportunities, and directs activities over inbound and offshore products. The Team provides a solutions suite that reflects global markets delivery trends and delivers seamless cross-border eCommerce by facilitating end-to-end supply chain solutions for our customers.

### International Freight and Warehousing:

International freight forwarding and warehousing. This includes our redelivery service, YouShop.



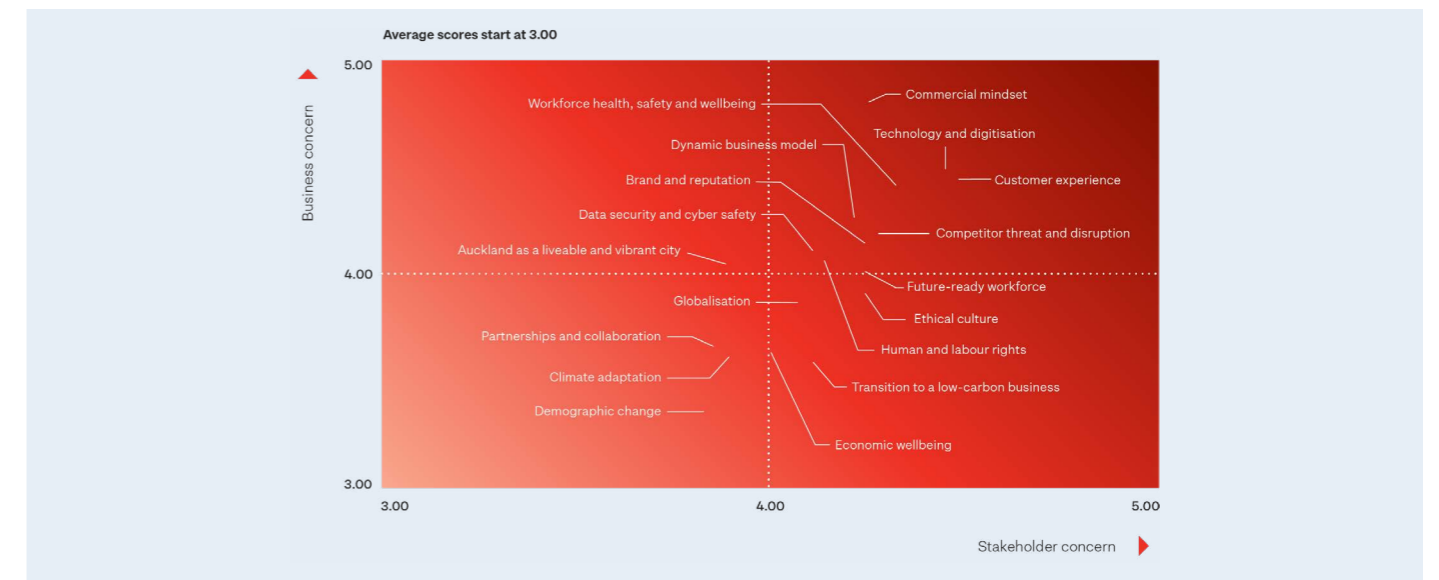
## Our Material Issues

In 2020, we conducted research on materiality through a desk review of trends, surveys, and interviews with internal and external stakeholders. The research findings included 18 material issues and the definitions are defined by our stakeholders and they assess them according to how it could impact our business. They were each considered and integrated into our strategic business plan.

Since then, we have conducted shorter materiality check-ins twice a year. These enable us to gauge how well we are managing issues and perception, and to adjust our actions as necessary. We conducted our first check-in in June 2021, and our second one in March 2022. We are aiming to conduct a full-fledged materiality research with stakeholders in 2023.

## Materiality Matrix

We have mapped and ranked each material issue based on its potential to impact NZ Post’s ability to deliver value.



We have activities happening around all 18 issues but have prioritised effort based on their ranking by stakeholders. The material issues that are relevant to the risks of modern slavery and worker exploitation in our business are:

<b>Workforce health, safety and wellbeing</b>	Build a safe working environment and culture for our workforce, including contractors. Ensure conditions always promote physical and mental wellbeing. Tackle all forms of workplace bullying and harassment.
<b>Human and labour rights</b>	Ensure the human and labour rights (pay equity, living wage, fair working conditions, fair labour practices and representation) of all of our workforce, including contractors. Ensure that our total supply chain is free of all human and labour rights abuses.
<b>Ethical culture</b>	Build and maintain a value-based culture based on strong corporate governance, transparency and disclosure that is led from the top.



## Sustainability and Supply Chains

### Sustainability

We are not shying away from the tough conversations, or changes, that are needed to secure a successful and sustainable future.

"Sustainability is a big deal to all of us at NZ Post. We're committed to our people and New Zealand communities and our sustainability goals are just another way of showing this." David Walsh NZ Post Chief Executive.

We have an approved science-based target that commits us to reduce our carbon emissions by 32% against our 2018 baseline (including allowing for growth), and to be carbon neutral from 2030. We plan to purchase carbon credits to offset any remaining unavoidable emissions.

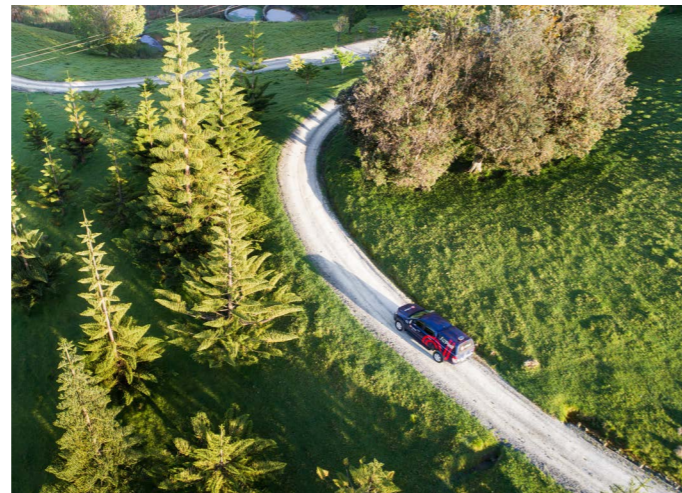
We are continuing to support people in the local communities where we live and work through:

- Our long-term partnership with the New Zealand Red Cross to help build strong, resilient and connected communities;
- Providing our 'Delivering for Good programme' which gives free domestic courier services to community organisations who are connecting with their communities and working to improve belonging and inclusion. This year our partners used 30,000 free courier deliveries, saving them \$213,000 that they were able to reinvest into their organisations;

### Our partners used 30,000 free courier deliveries

- Our diversity & inclusion policy and supporting programmes;
- Offering each employee a day off every year as part of our staff volunteering policy;
- Our social procurement strategy which this year diverted \$319,169 of spend to 15 organisations that deliver social impact; and
- Engaging with social enterprise businesses to support meaningful employment for marginalised New Zealanders

We continue to be active members of The Sustainable Business Council, Sustainable Business Network, The Climate Leaders Coalition, Business for Societal Impact, The Packaging Forum-Soft Plastics Programme. We are also participating in the Science Based Targets initiative and The Race to Zero.



### Our Supply Chains

COVID-19 continued to create uncertainty and challenges for NZ Post, with some supply chains still under strain.

NZ Post works with around 350 vendors\*. When we engage with new suppliers, we require them to enter into supplier agreements, adhere to the laws of New Zealand and our Supplier Code of Conduct. And this year any new supplier agreements have included a modern slavery clause.

NZ Post buys products and services needed to operate its business. This includes, but is not limited to, transportation and fuel, uniforms, machinery and equipment, recruitment services, air cargo services, marketing services, IT (hardware, software and services and infrastructure), property services, and finance systems.

\*vendors that NZ Post works directly with, not including delivery or transport contractors

## 3. Modern Slavery Risks

Following our organisation wide workshop in 2020 to identify NZ Post's modern slavery areas of risk, this year we carried out an enterprise-wide assessment using an adapted version of the UK Government Modern Slavery assessment tool. This assessment considered both the issues of modern slavery and worker exploitation in conjunction with Australian legislation, and in anticipation of the New Zealand Government proposed modern slavery and worker exploitation framework.

More work is required to complete this assessment, including a focus on developing a 3 year strategy which will address NZ Post identified higher risk supplier categories:

- Contractors and subcontractors that provide services to NZ Post
- Cleaning office commodities and security
- Uniform suppliers
- Offshore product and manufacturing
- Technology and IT providers
- Retail agencies

### 3 year strategy to be developed

We have been working with other New Zealand and Australian organisations, who share the same challenges, as part of a Collaborative Advantage collective. Organisations are sharing experiences, resources and materials to allow for greater awareness of modern slavery, and to help prioritise the work and resources in this area.

We also still have more work to do around our Tier 2 and 3 suppliers to ensure we continue to develop a best practice approach to our work.

We also reinforce key policies for our people and suppliers:

### Our Operations

- **Whistleblower Policy**  
This policy and whistleblower hotline provides people working for NZ Post with a mechanism to whistle blow on behaviour that falls below the ethical standards expected of a person working at NZ Post, is contrary to legislation or regulation, or other serious misconduct or non-compliance.
- **Code of Conduct ('Post Code')**  
The NZ Post Code of Conduct and Ethics 'Our Post Code' is for all our team and is a personal guide with tips and hints to make it easy to do the right thing at work.



### Our Suppliers

- **Supplier Code of Conduct**  
The Supplier Code of Conduct sets out NZ Post's minimum expectations that suppliers provide services with integrity and in compliance with all applicable law, regulations and ethical standards of the country where they are doing business. The supplier code of conduct has been updated to include compliance with anti-slavery laws and practices.
- **Procurement Policy and Principles**  
NZ Post procurement is guided by the New Zealand Government Procurement Charter and Principles of Procurement, to ensure that we get the right value-for-money outcome following fair and transparent processes while also considering social, sustainable and environmental outcomes.



## 4. Actions taken to assess and address Modern Slavery

This year we've had good engagement across our business, however part way through the year we experienced major staff changes in three key areas. After a long tenure our entire procurement team has changed. Although a whole new procurement team needs to be recruited it will bring a fresh perspective to reviewing and managing supplier tiers.

In addition, our experienced Community Investment Manager that leads our modern slavery and worker exploitation work also left our organisation. We were fortunate however to appoint a highly experienced legal compliance and risk specialist with modern slavery and worker exploitation experience. These people changes have meant that some of the planned work has not yet started or been completed.



### Suppliers

Action 2021	Status 2022	Next steps or actions 2023
Continue to ensure all new and at-risk suppliers are provided with the updated supplier code of conduct requirements	Complete	
Undertake a supplier workshop with most at-risk suppliers indicating what modern slavery is and the relevant legislation they need to be aware of. At this workshop we will inform them that in FY23 we will be developing a strategy to collaborate with our suppliers to address exploitation and modern slavery	Waiting on NZ legislation so we can align to NZ material Instead we sent suppliers draft NZ legislation and a global slavery matrix, so they could start determining internally where the risks are	Continue working with key suppliers
Determine resources required to manage the auditing process from FY23	Proposal drafted along with a business case	Put new team structure in place

## Last Mile Delivery Contractors

Courier, Express, Rural and Provincial Delivery

Action 2021	Status 2022	Next steps or actions 2023
<p>Recruit a Last Mile Delivery Contract compliance assurance role. Relevant responsibilities to modern slavery work include:</p> <ul style="list-style-type: none"> <li>Ensuring Delivery Contractors' are compliant with all legal requirements, including modern slavery and corruption</li> <li>Overseeing a schedule of field visits to build constructive relationships with contractors, assess compliance, provide ongoing training, review and evaluate business performance, appraise and reinforce standards, provide support to advance/develop the contractor's business</li> <li>Developing and maintaining a positive NZ Post contract relationship and culture</li> </ul>	<p>Funding for role approved in this financial year budget</p> <p>Internal processes complete, recruitment of Compliance Assurance and Compliance Manager Role will begin</p> <p>The primary purpose of this role is to deliver improved contract assurance and compliance in the 'last mile' contract delivery space:</p> <ul style="list-style-type: none"> <li>Supporting contract relationship managers and business owners on legislative, regulatory, operational and compliance</li> <li>Designing, implementing (into business as usual) and overseeing an assurance and compliance regime that provides required governance and management assurance for NZ Post</li> <li>Ensuring the process and approach complement NZ Post compliance requirements and contribute towards constructive contractual relationships through providing contracted partners with relevant business support</li> <li>Ensuring best use of technology/ data to make compliance and assurance processes simpler and more efficient – enabling a 'light touch' approach for both NZ Post and contract partners</li> </ul>	<p>Plan is to launch and refine contractor training modules and compliance framework as part of 6 x 6 month Multi Run Business (MRB) pilots.</p>
Develop robust contractor management systems and capabilities. This will include training for contractors on key compliance requirements, including modern slavery and worker exploitation	As above	Develop and roll out internal training for Service Delivery Managers





**Retail**

Action 2021	Status 2022	Next steps or actions 2023
Explore a roll out of a compliance module with retail partners	Not yet started	To be reviewed in conjunction with Modern Slavery Strategy Development
Determine if agreements with retail partners for providing postal and payment services should be updated to include modern slavery and exploitation clauses	Complete	



**Other Activities**

Action 2021	Status 2022	Next steps or actions 2023
Establish a Modern Slavery Working Group	Informal group established	Consider formalising an enterprise wide Modern Slavery Working Group and terms of reference
Develop an E-module on modern slavery and exploitation compliance for relevant parties across the business	Review carried out across broader business and determined not needed as more meaningful to address business requirements in each area as needed	Lessons learned - Communications needed for front line staff, and policies and procedures for delivery and transport contractors are secure for FY23
Keep up to date on modern slavery legislation and best practice approaches	New role appointed within the business that includes regulatory and legal compliance	Continue working with external Modern Slavery Groups to share knowledge, be aware of best practice approaches, and be informed of any NZ legalisation changes
Provide updates to the NZ Post Board and Executive Team and others, as required	Raised when draft NZ legislation tabled April 2022	Modern Slavery Working Group and strategy will deliver communications and updates with key groups





## Our plan for 2023

### Action

Roll-out an assessment approach for our most at-risk suppliers to collaborate and test our supplier mapping if internal resources in place

Plan a remediation/correction action plan if risks are identified

Build NZ Post Board and Executive Team understanding of modern slavery, worker exploitation, and labour rights issues

Develop a 3-year strategy

Develop and roll out internal training in key areas of the business

Monitor Whistleblower Integrity Line for any modern slavery or worker exploitation issues

Complete legal compliance risk assessment and use the outputs to inform modern slavery strategy

Evaluate policies and procedures in new areas of the business

Formalise regular reporting and include as part of sustainability reporting

Undertake a review of Fliway modern slavery and worker exploitation processes

## 5. Measurement of Modern Slavery risk

We are currently considering the best way to deploy effective on-going measurements to assess potential exposures to risks of human slavery in our supply-chain and operations. The Modern Slavery Working Group will be responsible for ensuring the Modern Slavery Strategy is creating meaningful action.

Each relevant business unit will be responsible for the effective implementation of the actions outlined above, with support from the wider business.

## 6. Modern Slavery Consultation

In preparing this Modern Slavery Statement, NZ Post has consulted with NZPAH. This consultation has included NZPAH reviewing and providing comments on this Modern Slavery Statement prior to publication; and engagement through our internal working groups and teams across NZ Post. NZ Post has engaged with several Australian and New Zealand based entities that must comply with the Modern Slavery Act 2018 (Cth) in the preparation of this Modern Slavery Statement.

NZ Post has also joined two external Modern Slavery Working Groups to share knowledge and best practice approaches. As stated earlier, NZ Post intends to continue engaging with its suppliers and contractors on the risks of Modern Slavery.

This statement was approved by the board of NZ Post, signed on behalf of NZ Post by

 **Dave Walsh**  
CEO, NZ Post,  
December 2022

