



Modern Slavery Statement of MNF Group Limited

Reporting Year: 1 July 2019 to 30 June 2020
(FY20)

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A foreword from our CEO

MNF Group Limited (ACN 118 699 853) (MNF Group Limited) is a leading provider of software and services for cloud communications. Our platform enables some of the world's leading innovation companies launch and scale communication services without constraints. We are headquartered in Sydney, Australia. MNF Group Limited joined the Australian Stock Exchange in 2006.

MNF Group Limited is committed to doing our part as an organisation to help combat modern slavery. Modern slavery is a term that describes serious exploitation. It includes human trafficking; slavery; servitude; forced labour; debt bondage; forced marriage; and the worst forms of child labour.

At MNF Group Limited, we believe we have a responsibility to respect the human rights of our people and other individuals with whom we interact or who are impacted by our business. This responsibility means MNF Group Limited:

- strives to avoid causing or contributing to adverse human rights impacts through our own activities and addresses such impacts if they occur;
- seeks to mitigate adverse human rights impacts in relation to our operations and supply chains; and
- supports the International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights.

We expect our suppliers to respect the human rights of their employees and those who are impacted by their business.

We support the aims of the Modern Slavery Act 2018 (Cth) (**Modern Slavery Act**) and the Australian Government's objective to create more openness and transparency when it comes to the issue of modern slavery.

We are a values led company and the objectives of the Modern Slavery Act align with our core values, which include to be Honest & Fair, Collaborate, Deliver Excellence, Be Brave and Care.

MNF Group is submitting its first modern slavery statement (**Modern Slavery Statement**) under the Modern Slavery Act for the reporting period of 1 July 2019 – 30 June 2020 (**FY20**).

The preparation of this Modern Slavery Statement has been a valuable exercise to understand what measures we already have in place to identify and address modern slavery risks, as well as to plan our next steps.

We recognise the importance of assisting in combating modern slavery around the world and protecting human rights and freedoms. We look forward to reporting on our progress.



Approval and signing

In accordance with section 13 of the Modern Slavery Act 2018 (Cth), this Modern Slavery Statement has been approved by the Board of MNF Group Limited on 18 March 2021.

A handwritten signature in black ink, appearing to read 'Rene Sugo', written in a cursive style.

Signature

Rene Sugo
CEO and director of the Board of MNF Group Limited



1. Who are we

The MNF Group is a leading provider of software and services for cloud communications. The Modern Slavery Act requires a modern slavery statement to identify the reporting entity (section 16(1)(a)).

This Modern Slavery Statement is made by MNF Group Limited (ACN 118 699 853) (MNF Group Limited) for the financial year ending 30 June 2020.

2. Our structure, operations and supply chains

This section addresses the requirement in the Modern Slavery Act for a description of MNF Group Limited's structure, operations and supply chains (section 16(1)(b)).

Our Structure

MNF Group Limited is an Australian public company, limited by shares. We are listed on the Australian Stock Exchange.

MNF Group Limited is part of a global group of companies known as the "MNF Group". MNF Group Limited has 12 subsidiaries but none of these subsidiaries met the threshold to be a reporting entity during FY20.

In this Modern Slavery Statement, we refer collectively to the global group of companies (including MNF Group Limited and its 12 subsidiaries) as the "MNF Group". We refer to the reporting entity itself as "MNF Group Limited", "we", "our" and "us".

Our Operations

The MNF Group has 5 offices located in Sydney, Melbourne, Auckland, Singapore and the UK.

We have approximately 400 employees, with the majority based in Sydney and Melbourne where the core group functions are predominately performed.

The core group functions are the Executive, Finance, Legal and Compliance, Engineering and IT Systems, Product and Operations, Customer and Supply Chain Management.

Our operational call centres are directly managed and located in Sydney and Melbourne. There is a specialised team in Auckland, New Zealand and Singapore who are primarily channel sales and operational staff directly hired by the MNF Group. The MNF Group staff in the UK perform customer facing functions to maintain a global 24/7 presence for the MNF Group's customers.

MNF Group Limited is a leading provider of software and services for cloud communications headquartered in Sydney, Australia. We offer virtualised digital services and telephony-related services.

Our goods and services comprise of the following:

- **Software** - MNF Group Limited works with global software vendors to help them offer an equivalent experience to in-country carriers and win customers away from incumbent telecoms. We help global software vendors provide localised services in Australia and New Zealand. We handle the complexity of the telecom world - like E911/000 compliance, toll fraud monitoring, calling line identification (CLID) pass-through and high definition (HD) Voice support - so our customers can focus on building software.
- **Apps and digital** - We manage the complexities of carrier interconnect, infrastructure scaling, call termination, fraud mitigation and local compliance. Our customers include online classifieds connecting buyers and sellers, ride-sharing apps linking drivers and passengers and marketing platforms that track calls from online ads. Apps and digital service providers can integrate with us directly or through a communications platform as a service (CPaaS) vendor who leverages our underlying platform. Our white-labelled software platforms are mainly developed and housed in Australia.
- **Global carriers** - By working with us, global carriers can deliver long-distance calls and messages without the need for worldwide infrastructure or complex carrier agreements. The New Zealand subsidiary of MNF Group Limited, TNZI International, procures interconnection services from carriage providers around the world so that we can route traffic. We take care of international call and SMS routing, quality and cost optimisation, and actively monitor for toll fraud and spam. We offer a fraud management service and a managed international voice service.
- **Resellers and MVNOs** - We aggregate a suite of ready-to-sell products, including mobile (MVNO), internet (NBN), hosted phone services and number porting. Service providers can then resell these products using their own branding and their preferred go-to-market model. Our solution also includes software and application programming interfaces (APIs) for billing, customer support and service management. We are the trusted partner for over 750 service providers in Australia.

MNF Group Limited has several subsidiaries and operates some subsidiary brands. We operate two business units, which are “wholesale” and “direct”.

- **Wholesale Business Unit:** This business unit is managed as two segments, Domestic Wholesale and Global Wholesale. Our key customers are software vendors, apps and digital service providers, global carriers, resellers and MVNOs. The Domestic Wholesale segment provides voice and communications capabilities, including phone numbers, voice carriage services and telecommunications cloud services and its key brands are Symbio Networks and Telco in a Box (TIAB).

The Global Wholesale segment provides phone numbers, inbound and outbound voice, international voice and toll fraud mitigation and its key brands include Symbio and TNZI.



- **Direct Business Unit:** This business unit serves the customer segments of Enterprise and Government, small business and residential. These customers must be based in Australia and hold a registered ABN in order to be eligible for our services. This business unit provides cloud phone, mobile, conferencing and collaboration services. Key brands include MNF Enterprise, Express Virtual Meetings and Connexus.

Our core offering excludes on-selling hardware, such as telephony handsets or equipment, to our customers.

We own and operate an Internet Protocol Voice network with points of presence in major Australian data centres across the capital cities in all major states. We also own and operate points of presence in New Zealand and Singapore, which interconnect with major global partners to carry telephony traffic worldwide.

Our Supply Chains

We procure goods and services in the following key categories:

- voice termination services and NBN services;
- interconnection services;
- mobile and MVNO products;
- hardware (e.g. switches, routers) for data centres;
- colocation services;
- ethernet access;
- backhaul;
- dark fibre and transmission services;
- office supplies;
- professional services;
- marketing merchandising;
- hand sanitiser and cleaning products for our office, as well as fabric face masks sent to our staff during COVID-19 (please see Section 7 for more details).

The majority of goods and services that we procure come from suppliers based in Australia. This includes 96% of our procurement spend in Australia is on our top 5 telecommunications providers. We do have a supplier in the Philippines who provides minimal remote assistance however all arrangements in place comply with the local standards for workforce employment.



3. Risks of modern slavery practices in our operations and supply chains and the operations and supply chains of any entities we own or control

In this section, we address the requirement in the Modern Slavery Act to describe the risks of modern slavery practices in the operations and supply chains of MNF Group Limited, and any entities that MNF Group Limited owns or controls (section 16(1)(c)).

In this reporting period, MNF Group Limited has identified potential modern slavery risks in our operations and supply chain by:

- commencing a high level review of our supply chains to identify modern slavery risks based on the Commonwealth Guidance;
- preparing and sending a supplier survey to our suppliers who participated in our request for proposal process during the reporting period. Some of these suppliers were new suppliers while others were existing suppliers who went through the request for proposal process during the reporting period. Our preparation of the supplier survey included having our Legal team review the questions. The responses to the surveys allowed us to check whether our major suppliers presented any modern slavery risks; and
- grouping our suppliers based on whether they are subject to reporting obligations under the UK Modern Slavery Act 2015.

During FY20, we have considered the following categories of risks:

Geographic risks	Product and services risks
<p>Some countries may have higher risks of modern slavery. The Global Slavery Index 2018 published by the Minderoo Foundation (Global Slavery Index) ranks countries based on the government response to modern slavery. The majority of our procurement spend is on suppliers based in Australia. However, our suppliers may procure goods and services (which are then on-supplied to us) from overseas. For example, some of our hardware for our data centres, dark fibre and office supplies may come from China which the Global Slavery Index lists as a country with a higher modern slavery risk rating. We have interconnection service providers based in numerous countries outside Australia. We also have suppliers based in the Philippines, which the Global Slavery Index ranks in the middle range in terms of modern slavery risks.</p>	<p>We procure cleaning services for our offices, which is globally recognised as a higher risk service (for example, it often involves lower wages and manual labour). We do procure a limited amount of office supplies such as paper, which is recognised as a higher risk product.</p>

Sector and industry risks	Entity risks
<p>We procure hardware such as routers and switches and fibre and ethernet for data centres and we appreciate that such telecommunications equipment may carry higher modern slavery risks because of the way in which and where they are manufactured i.e. there are geographic and industry risks associated with telecommunications equipment. As part of our risk assessment, we have considered what our key suppliers of hardware, fibre and ethernet for our data centres have done in relation to modern slavery risks. We have found that these key suppliers have previously published modern slavery statements so they have an awareness of modern slavery risks.</p> <p>We understand that textiles is a high risk industry but our procurement of marketing merchandising (including textiles) only forms a small part of our procurement activities.</p>	<p>We understand that modern slavery risks can be entity based. We use networking equipment from large vendors and transmission services from major carriage providers in Australia who we understand to have confirmed their support for the Modern Slavery Act.</p> <p>Moreover, we reviewed the responses of our major suppliers (by spend, vendor market share and operational role in our network) who completed the supplier surveys and/or have provided detailed modern slavery statements. From their responses and/or modern slavery statements, the entities surveyed did not raise issues of concern regarding modern slavery and had procedures in place to identify modern slavery risks.</p>

MNF Group Limited has focussed on sending our supplier survey to our suppliers who participated in our request for proposal process during the reporting period.

Now that we have identified modern slavery risks, we plan to take a more targeted approach in future years. We intend to send the supplier survey to our suppliers in the Philippines due to the Philippines being a country in the middle range in terms of modern slavery risks and our overseas interconnection services providers given the commercial leverage we have in our direct relationships with these suppliers. Going forward, we will use the Global Slavery Index as a tool to assist us in conducting risk assessments of suppliers.



4. What we have done to assess and address modern slavery risks, including due diligence and remediation processes

This section covers the requirement under the Modern Slavery Act for a modern slavery statement to describe the actions taken by MNF Group Limited and any entity that MNF Group Limited owns or controls, to assess and address modern slavery risks, including due diligence and remediation processes (section 16(1)(d)).

MNF Group takes an enterprise-wide approach to assessing and addressing modern slavery risks. We have processes in place to identify modern slavery risks and their impacts and report on outcomes across all levels of the organisation.

During FY20, we commenced surveying our suppliers who participated in our request for proposal process, building awareness of modern slavery risks amongst key stakeholders and reviewing our existing policies and procedures. Set out below in this section is an overview of the steps we have taken during this reporting period to assess and address the risks in our operations and supply chains, and the existing policies and processes we have in place that can be used to facilitate further risk assessment, prevention and mitigation.

Assessing Risks

- **Supplier Surveys**

As mentioned in Section 3, we designed and conducted a supplier survey to help identify modern slavery risks in our supply chains and had our Legal team review the questions. The questions covered:

- **Due Diligence** in terms of whether the supplier:

- had policies and processes to identify and investigate modern slavery risks and incidents within its organisation;
- provided training to its employees on modern slavery risks;
- conducted due diligence for modern slavery risks in its own supply chains;
- required its own suppliers to conduct due diligence for modern slavery risks on their suppliers; and
- has engaged in conduct such as withholding pay or retaining workers' identification documents; and

Remediation in terms of whether the supplier had policies and processes to remedy modern slavery risks and incidents within its organisation and actions the supplier takes if an incident of modern slavery is suspected.

The supplier survey was also aimed at improving our suppliers' awareness of modern slavery risks and how they may contribute to modern slavery.

- **Commencing a high level review of our supply chains to identify modern slavery risks based on the Commonwealth Guidance:**

As mentioned in Section 3, we assessed risks in our supply chains by considering the risk factors mentioned in the Commonwealth Guidance such as sector and industry risks.

- **Vetting new suppliers**

During this reporting period, we have evaluated any new major supplier in line with the Modern Slavery Act and applied a stringent onboarding process and selection criteria in consideration of our reporting requirements under the Modern Slavery Act.

- **Completing supplier surveys from our own customers**

We have also completed supplier surveys upon the request of our own customers. This exercise has also helped the MNF Group to identify modern slavery risks in its own operations and supply chains. Through completing these surveys from our customers, we found that we had a good understanding of our business in the areas where the modern slavery questionnaire focused and were able to appropriately identify how our business operates. The focus areas of our different customers' supplier surveys were consistent with the focus areas of our own modern slavery laws compliance approach, including our due diligence processes.

Improving staff and management awareness of modern slavery risks

We have briefed the board and executive team on the requirements of the Modern Slavery Act. We have prepared frequently asked questions as part of management awareness for the Board. Our executive team are also aware of the proposed approach to modern slavery risks and how MNF Group Limited intends to respond if modern slavery incidents are found. We have also conducted specialised modern slavery training within our procurement team.

Policies and procedures

Existing policies and procedures

We have reviewed our existing policies and procedures to identify what we already have in place and how we can improve our policies and procedures to better address modern slavery risks. These policies cover the MNF Group (including MNF Group Limited and its 12 subsidiaries). Our current policies are:



Whistleblower Policy: This provides a procedure for any officer, employee, contractor or supplier to the MNF Group to report misconduct, dishonest or illegal activity or any other improper state of affairs that has occurred within the organisation. This is a policy which applies to all MNF Group employees worldwide. This policy aims to protect individuals who report concerns of wrongdoing without fear of reprisal and in the knowledge that the matter will be investigated. Given that this policy provides for the reporting of unethical behaviour, illegal activities and a failure to comply with legal or regulatory requirements, our officers, employees, contractors or suppliers may report modern slavery risks or incidents under the Whistleblower Policy. Training on the Whistleblower Policy is a part of MNF Group's induction program for new staff members.



Code of Conduct (Global): This Code of Conduct applies to employees, directors and senior executives of the MNF Group. It sets out the standards of behaviour that the MNF Group expects of its staff. Staff must behave honestly, professionally and ethically in all aspects of their employment; must not engage in bribery or corruption; must be aware of their duty to ensure their own safety and that of others in the workplace and must comply with all applicable laws.



Procurement Guidelines: We have procurement guidelines setting out our expectations of our suppliers, including in relation to addressing modern slavery risks.

New policies and procedures

We have also prepared a new **Human Rights Policy**. This policy applies to all MNF Group staff. The MNF Group encourages its suppliers and business partners to respect it. This policy emphasises the MNF Group's expectation that its staff, suppliers and business partners respect human rights. This policy provides that if the MNF Group becomes concerned that the products or services supplied to us are directly linked to human rights violations, it will communicate our expectations to the relevant supplier or business partner and if violations have occurred, the MNF Group will work with the relevant supplier or business partner to mitigate the impacts and to seek to prevent them recurring.

Anyone concerned about a breach of this policy will be encouraged to report it to our Legal team. Given the importance of doing our part as a business to protect human rights, we intend to submit this Human Rights Policy to the Board for its approval.

Including modern slavery clauses in new supply contracts: During FY20, we have included a modern slavery clause in supply contracts which are up for renewal or new engagements. Our standard modern slavery clause requires a supplier to do all acts reasonably necessary to ensure that no modern slavery occurs in the supply of the services to MNF Group Limited and to provide information to allow MNF Group Limited to comply with its obligations under relevant laws.

5. How we assess the effectiveness of our actions

We describe how the MNF Group Limited assesses the effectiveness of its actions to assess and address modern slavery risks as required under the Modern Slavery Act (section 16(1)(e)).

MNF Group Limited knows it is important to be able to accurately assess the effectiveness of our actions to assess and address modern slavery risks. In our first reporting period, we have focussed on identifying the risks of modern slavery in our operations and supply chains and the current policies and processes. We expect to have more refined ways to measure the effectiveness of our actions as our modern slavery compliance program develops.

We currently have a risk management framework to review and monitor risks. This risk management framework can be expanded to include modern slavery as a risk.

We have allocated responsibilities amongst our relevant staff to help facilitate regular feedback and engagement. Our Products team facilitates regular communication with our customers. Our Sales team monitors and manages the process for customer feedback. We have regular project meetings to consider the risk management framework.

While these meetings are not solely focused on our modern slavery laws approach, going forward, we have identified these meetings can be a forum to communicate our actions to manage modern slavery risks.

Given that this is our first Modern Slavery Statement, MNF Group Limited intends to work on appropriate key performance indicators to measure our progress during our next reporting period and beyond.

We have set up the following key performance indicators for the financial year of 1 July 2020 to 30 June 2021 (**FY21**):

- ensuring a new Supplier Code of Conduct is approved by the Board of MNF Group Limited and published in FY21;
- ensuring our new Human Rights Policy is approved by the Board of MNF Group Limited and published in FY21;
- recording the number of our staff members who have completed the more general training on modern slavery and the Whistleblower Policy; and
- recording the number of our Procurement staff who have completed the more specialised modern slavery training.

6. How we consulted with entities we own or control

As required by the Modern Slavery Act, this section describes the process of consultation with any entities that MNF Group Limited owns or controls (section 16(1)(f)).

MNF Group Limited has taken a “group wide” approach to consulting with the entities it owns or controls (as defined in the Modern Slavery Act). Our executive team includes representatives from each of MNF Group Limited’s 12 subsidiaries. Since 2019, Modern slavery has been included as an agenda item required for compliance in executive meetings.

We have also taken steps to consult with key stakeholders across MNF Group Limited in relation to our modern slavery compliance strategy. Members of our Regulatory and Government Relations team, Supplier Relations Management and Procurement team, Finance team, Products team, Sales team, Legal and Compliance team have been involved in taking actions to identify and address modern slavery risks.

7. Any other relevant information

We have included any other relevant information in this section in accordance with the requirements of the Modern Slavery Act (section 16(1)(g)).

Telco Together

We care about our social impact as an organisation. We are a member organisation of Telco Together, which is a platform for the telecommunications industry to make a social contribution within Australia. This includes promoting social awareness. As part of our participation in Telco Together, we have considered the work on modern slavery risks undertaken by other member organisations and measured it against what MNF Group Limited has been doing to assess and address modern slavery risks.

The Impacts of COVID-19

COVID-19 caused a significant increase in demand for telecommunications services. Given our core service includes providing video conferencing and collaboration tools, we needed to allocate resources to putting measures in place to accommodate the unprecedented demand for our services during our reporting period. The increased traffic on our services meant that we had to divert resources from our modern slavery laws compliance program.

Due to the impact of COVID-19, we have had to postpone our face-to-face training for staff.

During COVID-19, we procured hand sanitiser and cleaning products for our office, as well as fabric face masks for our staff members. We are aware that the purchase of personal protective equipment (PPE) such as face masks may carry higher modern slavery risks due to where and how PPE is manufactured. As a result, we made a conscious decision to source these products locally. We procured our face masks from SisterWorks, which is an Australian charity that supports women. For our office, we purchased the hand sanitiser from a distillery, FNQ Spirits, in Queensland and the wipes from Ecoriginals, which is an Australian business manufacturing environmentally friendly wipes from New Zealand.

Case Study: Suppliers for MNF ‘Welcome Back’ Boxes

As MNF Group transitioned back to the office after working from home full-time, we wanted to put something together for our staff to make the adjustment easier.

We created a box of back-to-office essentials, containing antibacterial wipes, hand sanitiser and some fun food items. Everything in the box was deliberately sourced from local and eco-friendly suppliers where possible.

A few of the suppliers are showcased below.

FNQ Spirits

FNQ Spirits is a distillery in Cairns who were engaged by local government to assist with the pandemic. They were asked to manufacture and supply hand sanitiser as a way to curb the local shortage. They quickly made modifications to their distillery and were soon making over 400 litres of sanitiser a week. Before long, however, they found themselves with excessive stock when cheaper overseas suppliers returned to supermarket shelves. MNF Group spotted an article in the news about FNQ Spirits and made the decision to purchase their Australian-made, readily available hand sanitiser.

Ecoriginals

Ecoriginals is an Australian company focused on the production of biodegradable nappies, baby wipes and antibacterial wipes. Their antibacterial wipes are designed in Australia but manufactured in an off-grid facility in New Zealand using renewable energy. Their antibacterial wipes are 100% biodegradable and plastic neutral, with the company planting a tree for every pack that’s purchased. MNF Group saw this as a great alignment to not only supporting an Australian-based company, but one that shares a view in offsetting the impact on the environment.

Sisterworks

SisterWorks is a not-for-profit social enterprise, based in Melbourne, who support women who are refugees, asylum seekers, or migrants. They developed their own handmade, reusable cloth masks in March 2020. MNF Group wanted to source a reusable face mask; SisterWorks’ project not only allowed for the quantities we required, but it was clear their purpose was an ideal fit for a not-for-profit we could support.

