



My Food Bag

Modern Slavery Statement

For the reporting period ending 31 March 2021

Introduction

This is the inaugural modern slavery statement of My Food Bag Group Limited (the **Company** and, together with its subsidiary, My Food Bag Limited, **My Food Bag**) for the reporting period covering the financial year ended 31 March 2021. It has been prepared by the Company (as the reporting entity) pursuant to the requirements of the *Australian Modern Slavery Act 2018*.

This statement acknowledges the risk of modern slavery in Aotearoa, New Zealand and in global supply chains. It outlines the structure of My Food Bag's operations and supply chains, and summarises how we define, identify, assess and address modern slavery risks in our business.

Our "Nude Food" philosophy has always been the foundation for everything we do and it grounds us in delivering real food sourced from the ground, sea and sky. This enduring philosophy extends to the people growing, harvesting, making and packing our food; and prioritising the hauora (health and wellbeing) of the people at every point along that story. It is a philosophy which extends from those on the ground with our suppliers, to our own staff right through to our foodies (customers) at home.

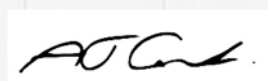
We want to be at the forefront of feeding the future in New Zealand and we are committed to enhancing our environmental, social and governance performance to inspire communities and organisations across Aotearoa. This includes prioritising the continuous assessment and improvement of our policies and processes to ensure our environment remains free from exploitation, abuse of vulnerable people and modern slavery.

Consultation

My Food Bag Limited has been consulted with regarding the contents of this statement. Input has been provided by members of the Strategic Leadership Team as well as a working group from across the business, including procurement, operations, HR and legal.

Approval

This modern slavery statement was approved by the Board on 24 September 2021 and is signed by the Chair.



Tony Carter

A message from our CEO, Kevin Bowler



At My Food Bag, we believe that cooking and eating well builds stronger, healthier communities and families. We recognise that we are in a fortunate position to help ensure that kiwi communities flourish, and that with that comes a responsibility to look out for those working in or for our business: whether that's growing our produce, packing our meal kits or delivering to foodies each week.

The existence of modern slavery is a reprehensible reality and it is a risk we are increasingly aware of at My Food Bag.

Unfortunately, agriculture remains one of the largest risk sectors globally for exploitative practices. We are committed to working with, and championing, suppliers and growers with the highest standards and best practices for minimising the risks of exploitation.

As an essential business operating during the pandemic, we acknowledge the potential impact of COVID-19 on our supply chains, and the impact that this could have on already vulnerable workers. We continue to work closely with our suppliers and temporary labour providers to monitor this.

Supporting the wellbeing of our kiwi communities, and the fundamental human rights of those involved in bringing our service to our foodies, will always be our priority. As always, we recognise that there is more work to do. We continue to assess and develop our processes in this area, and ensure they remain consistent with our core values.

We welcome this opportunity to present our first modern slavery statement and to confirm our commitment to the elimination of modern slavery.

A handwritten signature in black ink, appearing to read 'K. Bowler'. The signature is fluid and cursive.

Kevin Bowler

CEO



Our Structure, Operations & Supply Chains

Our Structure

My Food Bag Group Limited (NZCN 6113607) is a New Zealand company with its shares listed on the NZX and ASX (as a foreign exempt listing) under the code "MFB".

Because My Food Bag Group Limited is also listed on the ASX and has consolidated revenue in excess of A\$100m, we must comply with the requirements of the *Australian Modern Slavery Act 2018*.

My Food Bag Group Limited has one subsidiary, My Food Bag Limited, which is the operating entity within the group.

First established in 2013, My Food Bag is an online food delivery business and New Zealand's longest-standing meal-kit provider. My Food Bag currently employs around 200 people.

Each week, My Food Bag delivers thousands of boxes full of nutritious and predominantly locally sourced ingredients, along with easy-to-follow recipes direct to families across New Zealand.



My Food Bag offers the broadest range of meal-kit products in Aotearoa under four key brands: My Food Bag, Bargain Box, Fresh Start and MADE.

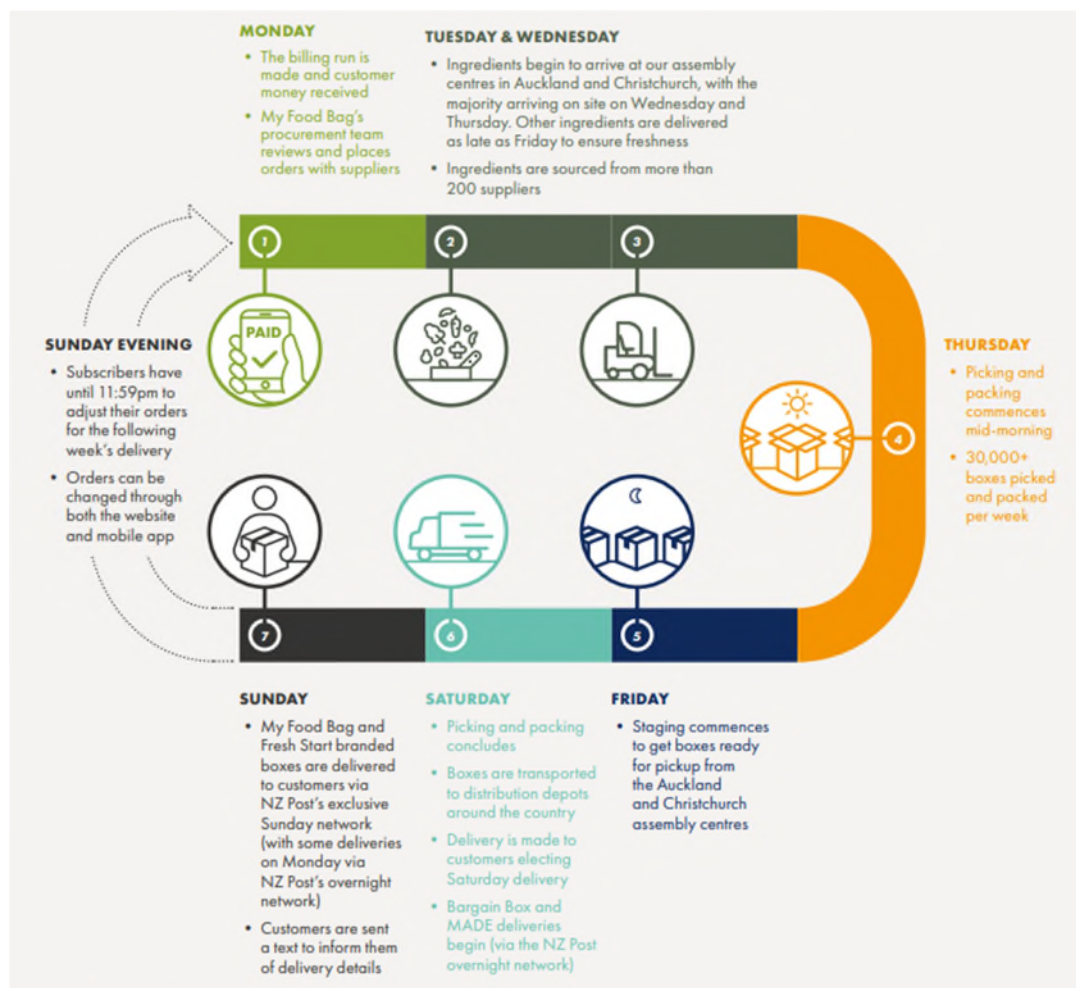
Since inception, we have focused on evolving our product offering through innovation and a strong understanding of customers' needs to appeal to a wide range of New Zealanders.

Our brands include a variety of goal-based products to help our customers achieve their dietary goals, such as weight loss or reducing meat intake.

We also create innovative seasonal and one-off bags to help our foodies celebrate family occasions like Christmas, or fortify themselves for winter with My Winter Wellness Bag.



Our Operations



Our operations are run entirely within Aotearoa, New Zealand, and our customers are based across both the North and South Islands. We operate assembly centres in Auckland and Christchurch.

We operate a weekly business cycle (as illustrated above). Orders for the following week's delivery are 'locked' on a Sunday night, with ingredients arriving to our assembly centres on Tuesday through Friday. Items are then 'picked and packed' on Thursday and Friday, prior to being delivered to customers. Our customers primarily receive their deliveries to their home, usually on a recurring basis.

My Food Bag employs a range of full-time, part-time and casual team members across its administration, operations and logistics teams. We also maintain relationships with a range of temporary labour suppliers who provide workers each week to assist us with product assembly and mitigate risks of labour shortages.

We use New Zealand Post, a reliable third-party distributor (and state-owned enterprise) to deliver our meal kits and we benefit from their extensive distribution network.

Our Supply Chain

Supply Chain Overview

We operate a largely outsourced and asset-light supply chain model, while always maintaining close oversight across supply and delivery.



We source our food ingredients from more than 200 suppliers. The vast majority of what we source is fresh fruit, veggies and meat, as well as longer life grains, nuts, seeds or spices. This means that much of what we source is from within Aotearoa, New Zealand.

Packaging makes up much of the remaining products we source in volume. We maintain long standing and stable relationships with our strategic vendors.

Due to seasons, climate and availability, some of our supplier's source products internationally when unavailable locally, including in Australia, China and Vietnam.

Risks in our Operations & Supply Chains

Acknowledging the existence of Modern Slavery

My Food Bag and its Board acknowledge modern slavery and economic exploitation as a significant phenomenon, prolific in its existence throughout global supply chains.

We view the International Labour Organisation's (ILO) definition of modern slavery and forced labour as the most comprehensive. For the purposes of this statement, modern slavery covers a set of specific legal concepts including forced labour, debt bondage, other slavery and slavery like practices, and human trafficking. It refers to situations of exploitation that a person cannot refuse or leave due to threats, violence, coercion, deception, and/or abuse of power.

We acknowledge the work of the United Nations (UN) and support its standards of achievement for all peoples and nations within the Universal Declaration of Human Rights (the UN Declaration). Based on the UN Declaration, we recognise that infringements on human rights can occur in many forms and across many countries and industries.

Identifying risk in our Operations

We consider the risk of modern slavery practices within My Food Bag's operations to be very low. My Food Bag's workforce is located entirely within Aotearoa, New Zealand. Our directly employed workforce is predominantly skilled and well remunerated.

In addition to our own employees, we utilise trusted temporary labour suppliers each week to provide workers to assist us with picking and packing at our assembly centres. Given that these workers are largely unskilled and low paid, and include migrant workers, we have identified this temporary labour force as one potential area of risk in our operations.

Finally, as an "essential business" operating during the COVID-19 pandemic we have identified that there is the potential for a heightened risk of exploitation for our front-line employees and workers during this time.



Identifying risks in our Supply Chain

Upstream supply chain

Aotearoa, New Zealand is generally considered a low-risk geographical region for modern slavery practices. Nearly all of our 'Tier 1' and 'Tier 2' suppliers are based in Aotearoa. Despite this, the agriculture and food production industries are some of the most at risk for exposure to modern slavery practices.

My Food Bag acknowledges this risk associated with the agricultural industry. The industry relies heavily on third party labour, migrant labour and younger or seasonal workforces, being the most vulnerable groups for economic exploitation. My Food Bag also purchases seafood products both from within Aotearoa, New Zealand and internationally (e.g. prawns), and we recognise that we have less direct visibility over the labour conditions for those working to supply My Food Bag with seafood from overseas.

Downstream supply chain

We have a strong, long standing relationship with our primary distribution partner, NZ Post, which is a state-owned enterprise.

The treatment of contract courier drivers has been identified in New Zealand as a potential area where individuals may be at risk of exploitation (for example, through the failure of contract drivers to receive minimum employment entitlements). In NZ Post's recent modern slavery statement, this was identified as a potential risk that may be prioritised for further assessment. We have a transparent relationship with NZ Post and have a high degree of confidence that any risk of modern slavery within NZ Post's business is being appropriately monitored, addressed and reported.



Assessing and addressing risks of Modern Slavery

My Food Bag understands that despite the risk of modern slavery practices in its business being low, the risks do exist. We must, therefore, adopt a holistic approach to assessing and addressing these risks and ensuring they sit at the forefront of any governance, operational, logistical or supplier considerations.

Initial assessment

In 2021, My Food Bag formed a small working group consisting of representatives from across the business to identify and assess risks relating to modern slavery. The group's aim was to better understand what was currently being done (and what could be done better) to mitigate such risks.

Risk register

We identified that, prior to 2021, My Food Bag did not maintain a modern slavery risk register, but rather addressed any ethical concerns on a case-by-case basis. In 2021, we decided to review all our upstream suppliers and established an internal modern slavery risk register. The register grades each supplier either low, medium or high risk depending on the nature of their operations.

Only 2% of our suppliers were considered a medium risk for exposure to modern slavery practices. All of our other suppliers were considered to be of low risk. We are following up with our medium risk suppliers to request further information concerning their practices and labour standards so that we can better understand their potential exposure to modern slavery practices. Where appropriate, we will work with these organisations to address or improve the risks identified.

If any modern slavery practices are identified within our supply chain and not appropriately rectified, we expect to search for alternative suppliers.

In addition to our own assessment of our upstream suppliers, including temporary labour providers, we are now (like many businesses) considering the recommendation of MBIE to develop and distribute a self-assessment questionnaire for our key and/or medium risk suppliers.

The purpose of a questionnaire would be to receive an annual declaration and, where appropriate, supporting evidence that confirms adherence to ethical standards, including minimum employment conditions.

We intend to provide an update on this workstream in our next statement.

Steps to address risks

Code of Ethics

My Food Bag expects its people to behave ethically and act with integrity. In 2021, we adopted a written Code of Ethics with which all of our directors and employees are required to comply. This Code does not include an exhaustive list of what is or is not acceptable behaviour at My Food Bag – rather, it is intended to facilitate decisions and promote ethical standards that are consistent with My Food Bag's business standards, reputation, objectives and legal obligations.

This Code of Ethics reflects our values and helps set the tone for the business and the expectations for our people. When this Code of Ethics is next reviewed, we intend to consider whether to insert an additional section to outline My Food Bag's zero tolerance for modern slavery practices and to encourage employees to report instances of suspected modern slavery practices within our operations or supply chain.

Approved Supplier Programme

When selecting our business partners, sustainability is always front of mind. We only work with suppliers who align themselves with our very high ethical and environmental standards. For this reason, we have a comprehensive Approved Supplier Programme and we will only work with suppliers who pledge to meet the prescribed Supplier Code of Conduct – importantly, this includes a commitment to fair worker remuneration and labour rights. This Supplier Code of Conduct is available publicly on our website and is provided to all our suppliers.

Ultimately, we believe that increasing supply chain transparency is one of the most important tools in minimising the risks of modern slavery. We continually review our Approved Supplier Programme and look for opportunities to improve monitoring through increased reporting obligations.

Adherence to Approved Supplier Programme

We maintain key relationships with our suppliers and set clear expectations.

We conduct regular reviews and audits of our key suppliers' compliance with the Approved Supplier Programme. While historically this has focused to a large extent on food safety and quality assurance, we recognise the opportunity to expand the scope of these audits to address modern slavery risks, potentially in conjunction with a new self-assessment questionnaire process.

Supply contracts

Wherever possible, we seek to use our own template agreements when contracting with our suppliers. These templates require our suppliers to comply with all applicable laws and otherwise act in accordance with good industry practice.

We retain the right to audit our supplier's compliance with their supply agreement.

Ultimately, we challenge ourselves to ensure our contracts share risk fairly with suppliers, to avoid risk being unreasonably pushed down the supply chain to workers.

Whistleblower policy

In 2021, My Food Bag adopted its first Whistleblower Policy which aims to encourage the reporting of suspected wrongdoing, including activity which may breach the law or otherwise prejudice My Food Bag's reputation.

My Food Bag acknowledges that while the risk of modern slavery or exploitative practices within its own operations is low, it should work to provide as many avenues for the prevention of modern slavery practices as possible. An internal review in 2021 identified that the establishment of an anonymous 'whistle-blower' reporting line may help in this pursuit, which is now being considered.

Temporary labour providers

We mitigate the risk of exploitation of our temporary workforce by using trusted temporary labour suppliers and by satisfying ourselves that we are paying enough for labour services to allow efficient contractors to pay their workers lawfully.

While working onsite, all temporary workers are managed by individuals directly employed by My Food Bag, with direct visibility through management layers of working conditions and hours of work. We are reviewing our current contracts with temporary labour providers, including for our rights to audit compliance with applicable employment laws.

COVID-19

The health and safety of our people and our customers is our number one priority. In response to COVID-19, we implemented strict protocols to help maintain a safe working environment for our team; no individual was pressured to work in an unsafe environment.

Where to from here?

Assessing effectiveness

My Food Bag is committed to gaining a better understanding of the effectiveness of the current actions it takes to monitor and address modern slavery risks across its business. To do so, we expect to:

- maintain, enhance and continue to review our modern slavery risk register, including following compliance audits and/or the introduction of new suppliers;
- monitor the results of compliance audits or reviews undertaken in respect of key suppliers (as well as any modern slavery reporting being done by our large suppliers);
- monitor any complaints or investigations concerning the activities of organisations (or specific sectors) in our supply chain;
- consider the results of any self-assessment questionnaires (or similar) sent to suppliers that have already been identified by us as a medium risk for modern slavery practices; and
- continue to encourage the reporting of any unethical behaviour or other wrongdoing, and track the number of relevant risks identified year-on-year.

Next steps

First and foremost, we recognise the need to develop greater awareness of modern slavery practices and build our capability in identifying, monitoring and addressing the associated risks.

In doing so, we will continue to operate a small working group that helps develop our understanding in this area and provides training to members of the procurement and supplier management teams.

We intend to build greater awareness of modern slavery across the business, starting with small changes to our Code of Ethics and Whistleblower Policy to better capture issues relating to modern slavery.

As noted above, we also expect to develop a formal "self-assessment questionnaire" (consistent with recommendations of MBIE) which we can incorporate into our annual audit processes with those medium risk (or higher) suppliers.

More generally, our expectations will continue to be very clear – we expect, and our customers expect, the highest level of ethical standards to be maintained within our organisation and in our supply chain; everyone has the right to be treated with respect and dignity, regardless of background or circumstances. There is no place for modern slavery practices at My Food Bag or beyond.



