

Modern Slavery Statement 2021

MUNIDPHARMA PTY LIMITED, AUSTRALIA
Reporting period: 1 Jan 2020 to 31 Dec 2020



Introduction

This statement on Modern Slavery (“Statement”) is made pursuant to the *Modern Slavery Act 2018* (Cth). The reporting entity covered by this Statement is **Mundipharma Pty Limited** (“Mundipharma”).

This Statement refers to the financial year ending 31 December 2020 and describes the risks of modern slavery in our business and the current steps we have taken to identify, manage and mitigate risks identified in our operations and supply chains.

Structure and business

Mundipharma is a member of a global (ex-US) network of independent associated companies which are engaged in research, development, production and marketing of prescription medicines and consumer healthcare products.

Established as a leader in the development and provision of medicines for pain, we have expanded our portfolio to include treatments for cancer care, ophthalmology, respiratory and first aid.

Mundipharma’s workforce currently comprises approximately 90 employees within Australia. Two thirds of our employees are field based and one third are head office based.

Supply Chain operates on a global basis across many different countries and suppliers and is broadly divided into two areas – centrally planned products and locally planned products. Out of these two areas we have suppliers of direct materials including active pharmaceutical ingredients, packaging, etc. and indirect services (warehousing and distribution, etc). Central Planning procure products on behalf of the global Mundipharma business in consultation with the local entities. Local Planning procure for local requirements only. Mundipharma has relationships with various contract manufacturing organisations (CMO) both in Australia and overseas to fulfil

procurement requirements. Due diligence is undertaken on all suppliers assessed by our Quality Team as critical and/or major to the business before engaging them as a supplier. The due diligence includes, but is not limited to, assessment of regulatory status, compliance with regulatory bodies, financial stability and where appropriate, site visits to review processes and procedures.

Mundipharma includes modern slavery in the scope of due diligence screening activities when sourcing suppliers. It is Mundipharma’s intention to incorporate the anti-slavery and human trafficking obligations into procurement agreements.

Training will be provided to relevant team members to ensure that there is a high level of understanding of the risks of modern slavery and human trafficking and wherever appropriate we will reference the Modern Slavery Act in policies and procedures.

Assessment of Modern Slavery Risks

In the last year, Mundipharma formed a Modern Slavery taskforce (“the Taskforce”) to assess the risks of modern slavery within its operations. The following main areas of risk were identified as noted in the table below.

RISK CATEGORY	RISK IDENTIFIED	COMMENTS
Labour force – wages, conditions, hours, appropriate systems	Direct employees	This was not considered an area of great risk given our industry is highly regulated and employees are largely skilled or undertake work in an environment where we have established policies and processes. In addition, benchmarking in relation to salaries is conducted annually.
Third parties	Third party Vendors	Vendors would generally be low risk however, suppliers who act on our behalf with government officials or HCPs would likely be a higher risk.

	Manufacturers and product suppliers	Given majority of manufacturers and suppliers of Mundipharma products are located overseas this is a potential risk for Mundipharma.
	Distributors	Overseas distributors are the higher risk category for Mundipharma given the reduction in oversight over these markets.
Other related Mundipharma entities	Supplies products, assist with regulatory dossiers	Further review of the Mundipharma direct supply chain will take place within the following reporting period.

Risks were prioritised based on an initial risk assessment conducted by the Taskforce. Other risks identified were considered lower risk and will be further reviewed in the coming year and reported on in following reports.

Modern Slavery Framework

In developing the Modern Slavery Framework, the Taskforce looked at existing policies and processes covering modern slavery related matters and considered the need for any new policies or processes.

1. POLICIES

Mundipharma recognises that an important component of reducing modern slavery in our operations is to raise awareness of modern slavery and ensure ethical and fair practices in our business and throughout the organisation.

Mundipharma has a Code of Conduct which establishes a foundation of acting with integrity for all employees.

In the last year, Mundipharma has implemented an Anti-Slavery Policy Statement as part of our Modern Slavery Framework.

Anti-Slavery Policy Statement

Modern slavery is a term which covers a range of exploitative practices where a person cannot refuse or leave work because of threats, violence, coercion, abuse of power or deception. It includes slavery, servitude, the worst forms of child labour, forced labour, human trafficking, debt bondage, slavery like practices, forced marriage and deceptive recruiting for labour or services.

Mundipharma is committed to limiting the risk of modern slavery within our business, within our supply chains or through any other business relationship.

- *We do not use or condone, child or forced labour in any of its operations or premises and works to ensure these practices are not present in its workforce or supply chain.*
- *We do not tolerate any form of unacceptable treatment of workers, including but not limited to the exploitation of children, physical punishment or abuse, or involuntary servitude.*
- *We abide by all laws and regulations regarding pay practices and the classification of employment according to job level and status.*
- *We expect our Suppliers to have similar values to Mundipharma in relation to modern slavery.*

We have a Whistleblower Protection Policy and a culture to encourage reporting of misconduct including ethical concerns through our on-line reporting hotline.

Mundipharma does not tolerate any form of bullying, discrimination or harassment as outlined in our Anti-Bullying Policy and our Equal Employment Opportunity, Anti-Discrimination and Harassment Policy.

Our Anti-Bribery and Anti-Corruption Policy sets out the minimum expectations of the company and third party vendors in relation to preventing corruption and bribery.

2. DUE DILIGENCE and THIRD PARTIES

Mundipharma has in place an operating procedure covering third party intermediaries and due diligence. The due diligence process involves assessing the third party through completion of a questionnaire, business justification review and background checks on

third party organisations which are considered a third party intermediary or a high risk third party.

Third party engagements must be assessed from a due diligence perspective and in accordance with our contract approval process to ensure appropriate contractual obligations are in place with the third party including around anti-corruption and business ethics. In particular, Mundipharma has updated its standard contract terms to include specifically a clause relating to managing third parties and ensuring they have processes in place to prevent modern slavery and report to Mundipharma on any modern slavery risks where identified.

It is anticipated that further refinement of the due diligence process under the global due diligence process will look to address potential Modern Slavery risks from suppliers further.

3. TRAINING

Mundipharma has a robust training program which includes annual HR related and Code of Conduct training.

Every two years Mundipharma employees complete refresher training in relation to anti-corruption and anti-bribery.

During the last year, training was also provided to the Leadership team specifically on Modern Slavery.

Next Steps - Effectiveness and Monitoring

Following implementation of the Modern Slavery Framework, Mundipharma will continue to measure the effectiveness of this framework through monitoring exercises over the next year.

For the next year, part of the monitoring plan will involve further risk assessments of current third party suppliers and in particular, distributors.

Mundipharma acknowledges there is more to be done in relation to preventing Modern Slavery and is committed to enhancing their Modern Slavery framework in future years.

This Statement was reviewed and approved by the directors of Mundipharma.

A handwritten signature in black ink, appearing to read "G. Seller", with a vertical line extending downwards from the end of the signature.

Gary Seller
General Manager, ANZ

29 June 2021