



Modern Slavery Statement for 2021-2022

About this Statement

This Statement is prepared for the purpose of section 13 of the *Modern Slavery Act 2018* (Cth) (the Act) in respect of GMP Pharmaceuticals Pty Ltd ABN 80 063 353 006 (GMP) for the financial year ending 30 June 2022.

Modern slavery describes the serious exploitation of individuals, that undermines victims' human rights. It can include human trafficking, servitude, forced labour, child labour, debt bondage and other slavery-like practices. GMP is required by the Act to disclose the steps we have taken to ensure our business operations and supply chains are free from modern slavery.

This is our third modern slavery statement. we have set clear expectations in our enterprise to be alert to potential involvement in modern slavery practices, and we recognise the continuous efforts required to combat modern slavery in our operation and supply chains.

This Statement has been structured in line with the mandatory criteria set out in section 16 of the Act.

Reporting Entity

The entity preparing this statement is GMP Pharmaceuticals Pty Ltd ABN 80 063 353 006 (GMP).

GMP is providing this modern slavery statement as a single entity for the purpose of section 13 of the Act. GMP does not own or control any entities for the purpose of the Act.

Structure, Operations and Supply Chains

GMP is privately owned and headquartered in Huntingwood New South Wales Australia.

We have plants, factories and warehouses in Huntingwood and Girraween and one warehouse in Smithfield.

We have over 25 years of experience in manufacturing pharmaceuticals and natural supplements. Our services include custom manufacturing of a wide range of:

- complimentary health and nutritional supplements,
- dietary supplements, and

- functional food products.

Our business spans a diverse range of products including dietary supplements, vitamin supplements, weight loss products and pro-biotic goods.

We also offer end-to-end solutions such as:

- product formulation (to meet client-specific needs),
- label design,
- packaging solutions, and
- shipping and regulatory advice across multiple regions for compliance purposes.

More details can be found on our website: <https://gmp.com.au/about/>

GMP's operations include the manufacture, packaging, sales and distribution of health food supplements, and our clients are predominantly within the health and retail space. We manufacture complementary medicines via contract manufacturing. We assist our clients with the testing and product formulation of medicines.

For the financial year ending 30 June 2022, GMP employed around 385 people, the majority of whom were full-time employees. We also had workers engaged indirectly through two labour-hire companies as supplementary to our workforce depending on how busy we were.

At GMP, we share our views, philosophies and workplace culture. In particular, we set out what we do to assess and address the risks of modern slavery practices that may occur in our global and domestic supply operations and supply chains.

Our manufacturing operations are based in Australia, and we source raw materials for our products from various countries. GMP estimates it has approximately more than 150 direct suppliers across the globe, including regular and ad-hoc suppliers that GMP may engage on a one-off basis. The predominant regions we source our materials are Australia, New Zealand and China. We also work with suppliers in the United States, India, Argentina, Brazil, Czechia, France, Germany, Indonesia, Italy, Japan, Malaysia, Netherlands, Peru, South Korea and Spain.

The goods we procure from our suppliers include the sourcing of high-quality raw materials (such as gelatine and chemicals) used for manufacturing our major products for our healthcare food supplements, and either ready-made or raw materials needed to meet our packaging requirements or design solutions.

We also engage suppliers for services such as human resources and professional services. Those suppliers are predominantly located in Australia.

Risks of modern slavery practices in the operations and supply chains

GMP understands that certain goods and services may pose higher risks of modern slavery due to the types of activities associated with established risk factors, including:

- Entity risks;
- Geographical risks;
- Product and service risks; and
- Sector and industry risks.

With the tools and data sets in external resources such as the *Walk Free Global Slavery Index*, and the *United Nations' Guiding Principles on Business and Human Rights*, we have a greater understanding of local human rights contexts, prevalence and vulnerability to modern slavery.

The pharmaceutical industry is well-regulated in Australia, the modern slavery risk in our operation is relatively low.

We consider suppliers in certain geographical regions and associated emerging economies may pose a higher risk of modern slavery practices. For example, the Global Slavery Index identifies regions in Asia as associated with higher risks of slavery. When we engage suppliers in these regions indirectly, this risk exposure may be even higher.

The type of work being carried out by each supplier also impacts the level of modern slavery risk. We recognise the modern slavery risk associated with logistics, labour hire and the construction industries may be higher, because of the relatively low entry barrier and sub-contracting arrangements.

Actions we took to assess and address Modern Slavery risks

We are aware of the inherent modern slavery risks, and we have taken steps to assess and address these risks.

GMP continues to expand its due diligence and remediation efforts to assess and address modern slavery risks. Our efforts are targeted to help our employees, suppliers and other business partners identify, report and address modern slavery risks as well as prevent or remove those risks.

We seek to mitigate these risks as appropriate based on our policies and standards, which may include remediation based on the level of involvement with a particular supplier. Importantly, we are also engaging with our local procurement team and suppliers to get an in-depth local understanding of available resources and remediation options, in those regions associated with higher modern slavery risks. In particular, we do this through the following actions set out below.

Anti-Slavery Policy

We are proud of our values and governance, and this is reflected in the implementation of our Anti-Slavery Policy.

Our Anti-Slavery Policy is a mandatory requirement that GMP’s employees familiarise themselves with the Policy. The policy explains what modern slavery is; outlines how each and every GMP employee can identify modern slavery practices, and prevent or manage such risk; details steps an employee can take to address any concerns they may have, including the details of management which enables them to report concerns confidentially; and emphasises that these expectations need to be supported by knowledge and action to stay effective and relevant.

Code of Conduct

GMP has an internal code of conduct shared with its employees. The Code of Conduct sets out our work ethos and highlights fundamental requirements with respect to workers’ rights and in dealings with our suppliers, which promotes honesty, integrity and acts with care and diligence.

Reporting Policy

GMP has Whistleblowing Policy that provides information about the protections available to employees who wish to remain anonymous, and how GMP will investigate disclosures and complaints.

We understand that for various reasons, it can be difficult for people to come forward. Our Whistleblowing Policy provides employees with the comfort that they can do so anonymously. In the context of modern slavery, we believe that this can be an important asset in assisting employees to come to us if they perceive there to be a risk of modern slavery practices.

Recruitment Policy

GMP’s recruitment policies are reflective of its commitment to human rights issues. In the context of modern slavery, we have clear guidelines which arm our management and HR team with processes that mitigate the risks of modern slavery from occurring in our business.

GMP strongly condemns and is against the use of unfair practices while hiring and employing staff. GMP has newly introduced the “vendor due diligence requirement” to the position descriptions of the employees in the procurement team to ensure that they are aware of the requirements to comply with the Act. This will ensure that awareness of the Act is a part of the selection criteria when hiring any new recruits for the Procurement team.

Training

We have provided a training session to our senior management team, and specialist procurement and operations team. During that training, we went over the Anti-Slavery Policy and educated our team members on the specific assessment areas and actions they can take to mitigate modern slavery risks occurring in GMP's supply chain or operations.

Remediation

GMP's collection of policies and associated processes referred to above demonstrated our approach to address and remediate any instance of modern slavery uncovered. This is in addition to our responsibilities to report relevant disclosures to authorities. In relation to any instance of actual or suspected modern slavery uncovered in its supply chain or operations, GMP is committed to a remedial and victim-centric approach in working with affected suppliers or persons.

Due Diligence with Suppliers

Our Anti-Slavery Policy sets out GMP's due diligence processes in relation to the engagement of new suppliers as well as periodic and subsequent reviews of existing suppliers. This enables us to identify and mitigate the risks of modern slavery practices occurring within our supply chain.

We are aiming to continuously update our standard terms and conditions of purchase agreements to include specific obligations on our suppliers in relation to how they demonstrate modern slavery due diligence. This means that we can have the chance to choose not to work with suppliers who do not meet our expectations and standards in relation to addressing modern slavery risks. Our commitments also include a third-party risk assessment to assist with due diligence procedures.

With respect to engaging new suppliers, GMP's procurement processes are tailored to seek more precise information from its suppliers about modern slavery risks, such as the nature of their employment arrangements with staff and contractors; whether the business has appropriate workplace management, environmental and work, health and safety systems in place; the existence of standard operating procedures in relation to managing the business activity for which they are engaged; and evidence of how suppliers identify and assess modern slavery risks.

GMP has implemented a mandatory Supplier Questionnaire, which is designed to identify possible risks or issues related to modern slavery in their operations or supply chain. We have started requesting our suppliers to respond to its Supplier Questionnaire as a method of risk screening.

Assessing the effectiveness of actions being taken

GMP is committed to assessing the effectiveness of its control framework to reinforce our zero tolerance to modern slavery practices including:

- Reviewing/updating our Anti-Slavery Policy to be in line with current social awareness and understanding;
- Reviewing/updating GMP's standard supplier contractual terms;
- implementing regular and systematic reviews of our business and supply chain operations with respect to modern slavery risks and practices;
- identifying and tracking whether our suppliers can demonstrate to us their modern slavery awareness and due diligence processes;
- recording and assessing the nature and volume of any complaints or information about modern slavery risks through our established policy communication channels, including our Anti-Slavery Policy, our Whistleblowing Policy and our Recruitment Policy; and

Alongside the above-mentioned practices, in the future, we will take steps benchmarking our approaches with other due diligence practices reported by comparable businesses in our industry, as reported in their modern slavery statements and leading practice material shared by the Australian Government.

We will continue to assess our existing and new supplier's risks in modern slavery through our Supplier Questionnaire.

Consultation with any entities the reporting entity owns or controls.

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Other relevant information

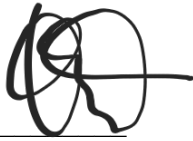
Impact of COVID-19

GMP is aware of the many persisting challenges remaining from the aftermath of the COVID-19 pandemic, including those caused by varying levels of Government restrictions (both domestically and internationally) on the movement of people and goods to control the spread of infection.

GMP is also aware that modern slavery risks associated with the manufacturing and supplying the face masks and other PPE have been heightened during the COVID-19 pandemic.

GMP applied its policies referred to above in a manner consistent with its desire to maintain stable business operations and supplier relationships, mitigating and reducing the risk of modern slavery affecting the livelihoods of vulnerable workers.

This Statement was prepared with consultation and consideration by various members of GMP. This statement was approved by Mr Qing Ye as the sole director of GMP Pharmaceuticals Pty Ltd on 16 December 2022.



Qing Ye

Sole Director

24 February 2023