



MODERN SLAVERY STATEMENT

FINANCIAL YEAR 2020-2021



Introduction

Ensign Laboratories Pty Ltd

490-500 Wellington Road

Mulgrave, Victoria 3170

ABN 11 004 395 242

Ensign Laboratories is pleased to comply with the anti-slavery initiative as prescribed in the Modern Slavery Act 2018.

The Australian Government's Modern Slavery initiative is fundamental for the establishment and maintenance of basic human rights and that through our concerted interrogation of the company's supply chains, any evidence of exploitation, human trafficking, slavery, servitude, forced labour, debt bondage, forced marriage and child labour may be exposed.

Who Are We?

Ensign Laboratories Pty Ltd is a privately held, family-owned Australian contract manufacturer for therapeutic medicines, medical devices, personal care, food and cosmetic products. The business is located in the eastern suburbs of Melbourne Australia and currently employs approximately 400 employees.

Ensign Laboratories, as defined in the Modern Slavery Act 2018, is a reporting entity whose governance is under the management of the Board of Directors in association with a designated senior management team whose expertise includes;

- Human Resources
- Quality Assurance
- Regulatory Compliance
- Supply Chain Management
- Engineering management
- Production Management

At the direction of the Board, the management representing the above disciplines formed a working committee to review the 7 key reporting requirements of the Act and to develop a methodology to action the investigative requirements.

Our Operations and Supply Chain

Ensign Laboratories provides a complete contract manufacturing solution to our customers including product development, manufacturing and filling of therapeutic medicines, medical devices, personal care, food and cosmetic products in a variety of different packaging formats. These packaging formats include bottles, pump packs, tubes, aerosols and sachets.

In order to achieve this, Ensign Laboratories purchases a significant quantity of goods and services. This includes goods such as raw materials, consumables and equipment, as well as services such as transport, labour services and use of specialist contractors. Due to our diverse product range and stringent quality requirements, we are required to source goods from a number of different countries.

At Ensign Laboratories, we recognise that there is a potential for human rights abuses within our supply chain network and that failing to undertake due diligence of our suppliers may result in a failure to identify and remediate any instances of modern slavery within our supply chains. A process of risk assessment was undertaken to evaluate the risks associated with the supply chain of goods and services, giving consideration to the product category, region of origin, and recommendations of non-governmental organisations specialising in this area.

Following this review, the working committee identified four supply chain streams for our initial surveillance, including;

- Chemicals - Local and international
- Packaging - Local and international
- GMP uniforms and personal hygiene items - Local and international
- Third party service providers such as labour services and other specialist contractors

Due Diligence and Processes

The working committee developed the Modern Slavery Reporting Policy and included a specific category within the Ethical Sourcing Questionnaire regarding Modern Slavery.

Through the company's vendor assurance program, the Ethical Sourcing Questionnaire and Supplier Code of Conduct is in the process of being distributed to all our current suppliers both local and overseas.

Vendor assurance is an integral component of the company's quality assurance management and with a dedicated workforce assigned to this role, regular review of supplier responses is ongoing.

The vendor assurance team are required to provide the working committee a three-monthly report detailing what suppliers have been issued the Ethical Sourcing Questionnaire and what responses have been received for the period.

The working committee will review this data and consider what further action may be required.

It is the expectation of Ensign Laboratories that in the following 12 months the Ethical Sourcing Questionnaire will be completely distributed and responses received.

For the period 2020-2021,

Ensign Laboratories has surveyed 107 raw material suppliers and 139 packaging suppliers;

Raw material company's surveyed, 62 responses received, 5 are non-compliant, 40 responses pending

Packaging Suppliers surveyed, 26 compliant responses, 3 non-compliant and 110 pending responses.

The Vendor Assurance team is continuing to work with company's that have outstanding responses and those who have been non-compliant.

Completed responses received are reviewed by the Vendor Assurance team and any declarations of Human Rights abuse as described in the Act, are forwarded to the working committee for further action.

Such further actions may include;

- Ceasing to use the supplier and sourcing alternative suppliers
- Accepting an undertaking of remedial action and independent auditing of the supplier
- Reporting to relevant authorities

Ensign Laboratories has a comprehensive suite of Human Rights Policies and Procedures in place to ensure that our employment practices meet the ethical standards and requirements of Australian employment laws and the expectations of our business partners.

Ensign is an active contributor to a range of Social Accountability platforms including Ecovadis and Sedex.

Communication

Whilst Ensign Laboratories does not have any subsidiaries, Modern Slavery and Ethical Sourcing values are communicated to all employees during their induction and are revisited on a two-year cycle when all employees are required to undertake mandatory Human Rights training including,

- Equal Opportunity
- Prevention of Bullying and Harassment
- Modern Slavery
- Discrimination
- Whistle Blower protection
- Grievance Reporting

Furthermore, our expectations of our suppliers and contractors are communicated to the relevant parties through our Supplier Code of Conduct.

Measuring Effectiveness and Continuous Improvement

The company is committed to an ongoing review of our Modern Slavery commitments. These reviews will be undertaken quarterly by the working committee and communicated to the board of directors during the internal management review process. This will include a review of best practice examples that will become available through the mandatory Modern Slavery reporting.

The company commits to amending our systems of inquiry where we determine that the responses have not been forthcoming or are lacking the detail required by the Ethical Sourcing Questionnaire.

This Statement has been approved by the Board of Directors.

Signature: _____



Peter Thornborrow

Managing Director

Date: 9/12/21