



Fisher & Paykel Healthcare

# **MODERN SLAVERY STATEMENT**

## FISHER & PAYKEL HEALTHCARE MODERN SLAVERY STATEMENT

Fisher & Paykel Healthcare Corporation Limited is an incorporated company listed on both the New Zealand Stock Exchange (NZX: FPH) and the Australian Securities Exchange (ASX: FPH). This Statement has been made by:

- Fisher & Paykel Healthcare Pty. Limited (Australia) (ACN 005 484 999) and Fisher & Paykel Healthcare Corporation Limited (ARBN 098 026 281), in accordance with the Australian Modern Slavery Act 2018 (Cth) ("**Australian Act**"); and
- Fisher & Paykel Healthcare Limited (UK) (CN 02887128) in respect of the UK Modern Slavery Act 2015 ("**UK Act**").

This Statement identifies the steps taken against slavery and human trafficking by the Fisher & Paykel Healthcare Group (Fisher & Paykel Healthcare Corporation Limited and its wholly-owned subsidiaries), ("**Fisher & Paykel Healthcare**", "**we**", "**our**").

This Statement outlines the steps we have taken during the financial year ended 31 March 2024 to identify and prevent modern slavery within our business and supply chains. This Statement also outlines the actions we have taken to assess and address modern slavery risks as well as how the effectiveness of those actions has been measured.

## WHO WE ARE

Fisher & Paykel Healthcare is a leading designer, manufacturer and marketer of products and systems for use in acute and chronic respiratory care, surgery and the treatment of obstructive sleep apnea.

Our medical devices and technologies help clinicians deliver the best possible patient care. They enable patients to transition into less-acute care settings, recover more quickly and avoid more serious conditions. Our firm belief in doing the right thing and creating a positive lasting impact goes beyond our commitment to patients – it also applies to our supply chain.

We are headquartered in New Zealand with people based in more than 50 countries.

# WHERE WE OPERATE

- Direct sales offices
- Distribution centres
- Manufacturing facilities



**50+**

Countries with F&P people

**2,675**

People in North America, including Mexico

**389**

People in Europe

**3,544**

People in New Zealand

**533**

People in the rest of the world

Note: People numbers are represented as full-time equivalents.

# HOW OUR BUSINESS WORKS

Fisher & Paykel Healthcare Corporation Limited is the parent company of the Fisher & Paykel Healthcare Group. Fisher & Paykel Healthcare Limited (UK) and Fisher & Paykel Healthcare Pty. Limited (Australia) are members of the Fisher & Paykel Healthcare Group, and market, sell and distribute Fisher & Paykel Healthcare products in the United Kingdom and Australia respectively.

All members of the Fisher & Paykel Healthcare Group have the same global policies, with local procedures for any country-specific regulatory requirements. Members of Fisher & Paykel Healthcare Group have a number of the same shared suppliers and operate in the same sector, which allows us to provide a consolidated joint statement.

## RESEARCH & DEVELOPMENT

Our R&D is based in New Zealand. The team works extensively in hospitals, and with patients and clinicians, in order to develop better technology that enhances patient care.

## PATIENTS

Each year millions of patients are treated with our products in over 120 countries. Seeking to understand our patients' needs is what drives our R&D programme.

## CUSTOMERS

We work with thousands of healthcare professionals, including doctors, clinicians and nurses, providing them the products and tools to deliver the best possible care. Our products are sold either direct to customers or through distributors. Our largest markets by revenue are North America, Europe and Asia Pacific.



The needs of our customers and their patients drive everything we do. We call this **Care by Design**.

## THERAPIES

The majority of our operating revenue is from products and systems used in hospitals in invasive ventilation, noninvasive ventilation, high flow therapy and surgery. The remainder is from products used in home environments to treat patients suffering from obstructive sleep apnea and those in need of respiratory support.

## MANUFACTURING

We manufacture our products in New Zealand and North America. The co-location of engineering, quality, manufacturing, marketing and clinical teams facilitates collaboration and an awareness of the medical device process from concept and design right through to how our products are used by patients.

## SUPPLY CHAIN

We have distribution centres located around the world and a network of distributors. We prioritise sustainable and cost-effective methods of transportation. We source materials from all over the world and look for socially responsible partners to support our growth.



## OUR SUPPLY CHAIN

We are focused on building trusted long-term relationships with our suppliers across the globe to maximise opportunities for companies and communities to thrive, all while promoting safe working environments and sustainable outcomes. Fisher & Paykel Healthcare's core products are manufactured in New Zealand and Mexico.

We have distribution centres located around the world and a network of distributors. We use air, sea, road and rail freight, with a focus on less carbon-intensive methods of transportation where possible. As part of our efforts to source responsibly and uphold human rights in our supply chain, we select and collaborate with suppliers that align with our values, and provide education and support on relevant standards. This is all anchored in our view that social responsibility and sustainability are inextricably linked to the way we do business.



# OVERVIEW OF OUR SUPPLY CHAIN



**2,000+** TIER 1 SUPPLIERS to New Zealand and Mexico manufacturing sites

BASED IN **20+** countries

ACROSS **4** continents



## ERADICATING MODERN SLAVERY

As part of our commitment to do the right thing, we recognise that we have a role to play in guarding against and eradicating modern slavery. We have processes in place that identify and address modern slavery risks within our supply chain and aid our procurement decisions.

These processes include our Code of Conduct, Supplier Code of Conduct, and Supplier Engagement programme. We recognise these processes do not eliminate the risk of modern slavery and continue to remain focused on raising awareness, assessing our suppliers, and supporting our suppliers to address modern slavery risks.

We fully support the principles in the United Nations Universal Declaration of Human Rights and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work, including non-discrimination, freedom of association and collective bargaining, and freedom from forced and child labour.



## MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAINS

Fisher & Paykel Healthcare Group has assessed the key modern slavery risks in its operations and supply chains within New Zealand and internationally. As a large manufacturer, we recognise that our risk is likely moderate in respect of potential modern slavery risks. We assess and address modern slavery risks as an ongoing process.

To determine where the biggest risk of potential modern slavery lies within our supply chain, we undertake due diligence and evaluate direct suppliers that provide products or services used in our medical devices or in the manufacturing of such devices. Using a heat map, we identify the geographical regions where our suppliers are located and cross-reference the prevalence of modern slavery in those regions with the most recent Global Slavery Index.

While we source globally, a large portion of the externally procured products and services for operations originate from suppliers in Asia and North America, with highest-risk categories being electronics and textiles. Through this heat-mapping exercise, we undertake a sustainable risk-based approach and focus first on the geographical areas of potential highest risk. To support our suppliers in high-risk regions and to ensure transparency, our local teams personally interact with and visit our suppliers where possible to understand and evaluate their operations. For our Australian operations (comprised of sales and distribution), 99% of our sourcing is with products and services suppliers in the Oceania region. This allows us to work closely with and evaluate any potential modern slavery risks with regular engagement and visits.

## OUR APPROACH TO ADDRESSING MODERN SLAVERY RISKS

We are committed to building a supply chain aligned with our approach to social responsibility and sustainability. Our approach is holistic and considers economic, environmental and social factors. We use an integrated enterprise resource planning system and a strong quality management system to ensure that our supply chain is transparent and coordinated across our wider supply chain network.

We acknowledge that the highest-risk factors which could potentially link to modern slavery violations within our supply chain and operations relate to the use of forced labour, with particular risks for migrant workers. Specifically, use of forced labour covers potential risks for deceptive recruitment of labour, including retention of passports and other identity documents, or poor working conditions and pay.

We survey suppliers to understand their risk profile and have on-the-ground support for suppliers in New Zealand, Mexico and China, where we have a larger presence. We have a sustainable procurement specialist based in Hong Kong to support all suppliers within the Asia region, which we have identified as having the highest potential of modern slavery. We also contract with third parties to assist with deep-dive assessments on the environmental and social responsibility impacts of our supply chain.

Our suppliers must confirm their commitment to our Supplier Code of Conduct, which was last updated in September 2022. A supplier assessment form must be completed by suppliers whose goods or services are used to manufacture our products or have the potential to impact the safety of our people or products. From the information requested on this form, we are able to assess the supplier and (where applicable) their subcontractors' history and commitment to fair, ethical and legal employment practices and the eradication of child, forced or compulsory labour in their supply chain and operations.

We complete a global sustainability risk assessment annually based on our knowledge and understanding of the sustainability impacts relating to the materials we source, our supply chain and sourcing countries. We have developed a sustainable procurement framework aligned with ISO 20400 standards (Sustainable Procurement) to provide structure around identifying, monitoring and addressing risk, along with our approach to building a culture of awareness and knowledge on social and environmental topics relevant to our supply chain.



## OUR POLICIES FOCUSED ON ADDRESSING MODERN SLAVERY RISKS

We have a number of policies and procedures that address modern slavery risks and drive our purchasing decisions. These include our Code of Conduct, Supplier Code of Conduct, Speak Up Procedure, Environmental & Social Responsibility Policy and Responsible Minerals Sourcing Procedure. These are described here.

## Code of Conduct

We expect our directors, employees, executives and contractors to maintain high ethical standards. Our Company Code of Conduct applies to all employees, executives, directors and contractors within the Fisher & Paykel Healthcare Group globally.

The Code covers a range of areas relevant to legal and ethical behaviour, including but not limited to, competing fairly, health and safety, working with customers and suppliers, sanctions compliance, and combating bribery and corruption. The Code has been translated into a number of different languages for our global offices. Regular training on our Code of Conduct is undertaken by employees globally and is part of our induction process for new employees. New directors are provided a copy of the Code of Conduct during their induction training.

## Supplier Code of Conduct

Our Supplier Code of Conduct reflects our values and expectations for all suppliers, contractors and consultants who provide goods or services to Fisher & Paykel Healthcare. The Supplier Code of Conduct sets out minimum standards expected of suppliers.

Our Supplier Code of Conduct sets out the requirements for suppliers to treat people with dignity and respect, including but not limited to:

- not hiring or using forced, compulsory and/or child labour
- promoting awareness around the importance of a diverse and inclusive workforce
- having systems in place for the review of internal policies and practices in order to have an inclusive approach
- respecting employee rights to freedom of associated and collective bargaining.

Should a supplier fail to comply with the Supplier Code of Conduct, as a first step we would work with the supplier to identify and mitigate risks to support them to change their behaviour and general practices addressing modern slavery risks. Continued or repeated breaches of the Code may result in termination of the arrangements between us. In addition to the Supplier Code of Conduct, our Australian entity, Fisher & Paykel Healthcare Pty. Ltd, also has additional onboarding processes for suppliers in respect of finance, quality and regulatory.



## Speak up Procedure

We have a global Speak Up Procedure that sets out how actual or suspected breaches of the Code of Conduct, or any potentially unethical or illegal behaviour, can be reported without fear of retaliation or harassment. As part of the Speak Up Procedure, we have engaged an independent third party to provide a service so reports can be made to them if people choose to do so. The third-party service provider then provides relevant details back so that appropriate action can be taken. We have since expanded this service so that it can be used by our suppliers and third-party contractors to report suspected or actual modern slavery violations. This process provides greater clarity across our supply chain and ensures there can be disclosure by suppliers without reprisals.

## Environmental & Social Responsibility Policy

Our Environmental & Social Responsibility Policy was introduced in February 2022, and it applies to all of Fisher & Paykel Healthcare's operations and locations. It states that our intention is to create a positive lasting impact on society and the environment. One of the fundamental ways in which we want to achieve this is through verifying and validating our environmental, social and ethical performance, and that of our suppliers. It sets out that we will collaborate with others to continuously improve this performance. This includes building trusted long-term relationships to create better outcomes for all, as well as striving to provide a high quality of life for our employees and support our suppliers to do the same for their people.

Fisher & Paykel Healthcare is committed to complying with the letter and spirit of laws and regulations relating to environmental and social responsibility. Our Environmental and Social Responsibility Governance group is tasked with establishing a framework to embed the Environmental & Social Responsibility Policy and enable business integration of environmental and social responsibility workstreams and initiatives, including within our operations and supply chain.

## Responsible Minerals Sourcing Procedure

In April 2022, we implemented our Responsible Minerals Sourcing Procedure, which sets out the way Fisher & Paykel Healthcare will source and use minerals. We understand the importance of actively mitigating human rights abuses and other risks related to the extraction of specific minerals from areas where armed conflict and human rights abuses may occur. We work with existing suppliers and monitor supply chain risks related to conflict minerals to ensure responsible minerals sourcing.

As a part of the ongoing process of due diligence, we steer our suppliers (and their supply chains) to source minerals from smelters validated through the Responsible Minerals Assurance Process or an alternative equivalent. Our process for responsible minerals sourcing is consistent with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

## OUR TRAINING

All Fisher & Paykel Healthcare employees globally are required to complete regular training on our Code of Conduct. Employees working in Quality, Procurement and Sourcing receive additional training on the principles and processes we follow to manage our supply chain, including our due diligence and risk assessment and management processes and procedures.





## OUR ASSESSMENT OF THE EFFECTIVENESS OF OUR APPROACH

At Fisher & Paykel Healthcare, we are committed to reviewing our supply chains and operations to continuously assess modern slavery risks. As a large organisation with a complex supply chain, we acknowledge that we need to continue to treat this as a priority.

To assess the effectiveness of our efforts, we regularly report to the Board's Audit & Risk Committee. The Committee is responsible for reviewing and monitoring our environmental and social risk management framework, as well as how proposed actions are performed.

If a potential or actual modern slavery incident is identified in our supply chain or operations, it is treated in a similar way to other violations, such as a material health and safety incident. Our approach primarily focuses on engaging and collaborating with suppliers where any potential breaches have been identified, to implement remedial measures. This includes corrective actions to address the underlying causes of violations to prevent reoccurrence. In the event that a supplier does not engage with us or fails to remediate a material issue, we would consider appropriate next steps, including suspending sourcing or supply of services and/or terminating the relationship.

Within our sustainable procurement framework, we have categorised suppliers to establish a baseline for each and define a course for their development. The categories are as follows:

- **Embarking:** Suppliers at an early stage with few – or no – policies focused on social responsibility
- **Intermediate:** Suppliers that have policies and some internal controls in place covering social responsibility
- **Proficient:** Suppliers that are identifying and actively working to mitigate modern slavery risks both within their organisation and also their supply chain
- **Advanced:** Suppliers that have enlisted third-party verification to assess their modern slavery processes and risk mitigations.

We continue to assess and support Embarking and Intermediate suppliers' development to help them achieve a Proficient status.

We are not aware of any modern slavery violations in our supply chain and operations during the 2024 financial year.

During the 2024 financial year, responsible supply chain assessments were performed through a combination of self-assessment surveys, research on suppliers' publicly available disclosures, third-party assessments, site visits and audits.

Following these assessments, 65 suppliers were engaged with, one-to-one, to support their development. Twenty-eight suppliers were subsequently upgraded within our categorisation criteria. Three suppliers were found to have potential non-compliance with local labour laws regarding benefit entitlements, payment of wages for overtime and exceeding maximum working hours. Some of these issues have been remediated during the 2024 financial year, and others have required development plans, which we have put in place.

**PROGRESS IN FY24**

- **HOSTED** an inaugural Supplier Sustainability Conference in New Zealand to educate and recognise suppliers in environmental and social responsibility

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- **COMPLETED** pilot deep-dive of high-risk areas in our supply chain with third-party specialist

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- **ROLLED OUT** sustainable procurement framework in Mexico

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- **TRAINED** employees on modern slavery risks

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- **CONDUCTED** one-to-one engagements with 65 suppliers

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- **UPGRADED** the status of 28 categorised suppliers in accordance with our supplier categorisation criteria

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- **COMMENCED** mapping of Tier 2 suppliers

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- **PILOTED** assessment with group of Tier 2 suppliers

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FY24

**FOCUS AREAS FOR FY25 AND FY26**

- **CONTINUE IMPROVING** internal and external reporting and disclosure

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- **CONTINUE DEVELOPING** and measuring key performance indicators to monitor effectiveness of our initiatives

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- **CONTINUE TRAINING** employees on modern slavery risks

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- **CONTINUE MAPPING** multiple tiers of our supply chain to obtain greater visibility of key commodities

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- **DEVELOP** digital learning resources to educate suppliers on topics covered in our Supplier Code of Conduct

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- **REVIEW** and update relevant supplier agreements to include specific modern slavery clauses

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- **HOST** a Supplier Sustainability event in Mexico

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**CONSULTATION IN PREPARING THIS STATEMENT**

In the preparation of this consolidated Statement, Fisher & Paykel Healthcare Corporation Limited actively engaged and consulted with Fisher & Paykel Healthcare Limited (NZ), Fisher & Paykel Healthcare Limited (UK) and Fisher & Paykel Healthcare Pty. Limited (Australia). We discussed the reporting requirements under the Australian Act and the UK Act, as well as information regarding the steps we intend to take and focus areas for FY25 and FY26.

This joint Statement is made in accordance with the Australian Modern Slavery Act 2018 (Cth) and the Modern Slavery Act in the UK.



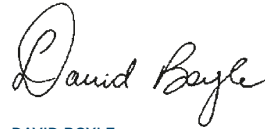
**LEWIS GRADON**  
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER  
FISHER & PAYKEL HEALTHCARE CORPORATION LIMITED



**NEVILLE MITCHELL**  
AUDIT & RISK COMMITTEE CHAIR  
FISHER & PAYKEL HEALTHCARE CORPORATION LIMITED

**Australia**

This Statement has been approved by the Board of Directors of Fisher & Paykel Healthcare Corporation Limited and Fisher & Paykel Healthcare Pty. Limited (Australia) in respect of the Australian Act.



**DAVID BOYLE**  
MANAGING DIRECTOR  
FISHER & PAYKEL HEALTHCARE PTY. LIMITED (AUSTRALIA)

**United Kingdom**

This Statement has been approved by the Board of Directors of Fisher & Paykel Healthcare Limited (UK) in respect of the UK Act.



**SAM FRAME**  
MANAGING DIRECTOR  
FISHER & PAYKEL HEALTHCARE LIMITED (UK)



