

# Modern Slavery & Human Trafficking Statement

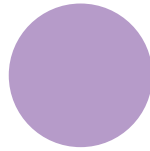
December 2021



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# A message from our CEO



ResMed is dedicated to conducting its business with the highest standards of business ethics. We have an obligation to our employees, shareholders, customers, suppliers, community representatives, and beyond to be honest, fair, and forthright in all of our business activities.

ResMed's mission is to help people sleep better, breathe better, and live healthier, higher-quality lives outside the hospital. In the period ending 30 September 2021, we've changed over 130 million lives with our digital health products and cloud-based software solutions; our ambitious goal is to improve 250 million lives in out-of-hospital healthcare in 2025.

ResMed's overall strategy is grounded in our business sustainability because innovation, ethical business practices, and operational excellence are precisely what enable us to save and enrich millions of lives. In short, our approach to the environment, our social communities, and best-practice governance is simply part of our DNA.

We're also deeply committed to understanding the needs of our team and engaging deeply with their professional and personal development. We are laser-focused on hiring, developing, and advancing the best talent in the field of healthcare. Our corporate culture demands high levels of innovation and a rigorous code of values and ethics – starting with tone at the top, and all the way through to the customer, including our ultimate customer, the patient. Meeting these standards of excellence every day requires an engaged and passionate global team dedicated to innovation and excellence.

We invest heavily in research and development, both through our own world-class team efforts, and in partnership with key outside research organizations that help broaden our impact. Our corporate culture demands and values this innovation, not just in medical science, but also in disease awareness, policy development, and in our own teams' operating excellence. Legal compliance and an emphasis on safety, quality, human rights, environment, privacy, and data security are all integral elements to our global ResMed culture. We know our performance, products, and solutions are only as good as our people. We seek the best people we can find and support them to be the best they can be. We understand that people – our ResMed team, our suppliers, our partners in healthcare delivery, our distributors, and patients – all need an environment and culture that encourages and promotes the best outcomes.

We are proud of ResMed's efforts to address the risks of modern slavery, and that our social contribution is substantial in the communities we serve locally and worldwide. We are committed to combatting modern slavery and reducing the risk of it occurring in our business and supply chains, and we expect the same high standards from all our suppliers, business partners, and contractors.

Yours sincerely,

Michael "Mick" Farrell  
CEO, ResMed  
December 2021



## Introduction

The *United Kingdom's Modern Slavery Act 2015* ("UK Modern Slavery Act") and *Australian Modern Slavery Act 2018* (Cth) ("Australian Modern Slavery Act") require certain commercial organizations to publish information describing their actions to assess and address modern slavery risks.

This statement describes the steps taken by our **below** listed reporting entities to mitigate the risk of modern slavery and human trafficking ("modern slavery") taking place in our business or in our supply chain. This statement reflects the actions we are taking or have taken under our broader Environmental, Social and Governance ("ESG") framework.

This statement has been prepared in respect of the financial year ending **30 June 2021**. It has been prepared in consultation with our key teams that collaborate to deliver our broader ESG framework and in key business areas of our reporting entities, such as procurement, legal and risk.

## Our reporting entities

This statement is jointly made by the following entities within the global ResMed Group:

- ResMed (UK) Limited (Reg. No. 2863553) (**ResMed UK**); and
- ResMed Holdings Pty Ltd (ACN 003 765 133), ResMed Pty Ltd (ACN 003 765 142) and ResMed Asia Pacific Limited (ACN 070 076 470), collectively **ResMed Australia**.

Together these entities are referred to as **ResMed** ("we," "us," or "our").



## Our operations and supply chain

### Structure

ResMed Inc., a Delaware corporation, is the ultimate holding entity for the ResMed group of companies, including ResMed Australia and ResMed UK (**ResMed Group**). The ResMed Group sells products in more than 140 countries, with a team of over 8,000 ResMedians – making a positive impact on millions of lives every day.

**ResMed Australia** comprises three Australian modern slavery reporting entities that:

- are Australian companies limited by shares;
- employ together, either directly or through subsidiaries, approximately 1,400 people in Australia; and,
- have their registered offices at 1 Elizabeth Macarthur Drive, Bella Vista, NSW, 2153, Australia.

**ResMed UK Ltd:**

- is a United Kingdom company limited by shares;
- employs approximately 140 people in the United Kingdom; and,
- has its registered office at Quad 1, First Floor, Becquerel Avenue, Harwell Campus, Didcot, Oxfordshire, OX11 0RA, United Kingdom.

### Operations

The ResMed Group is a global leader in digital health and cloud connected medical devices. We design innovative solutions to treat and keep people out of the hospital, empowering them to live healthier, higher-quality lives. The ResMed Group's digital health technologies and cloud-connected medical devices transform care for people with sleep apnea, chronic obstructive pulmonary disease (COPD), and other chronic diseases. Our comprehensive out-of-hospital software platforms support the professionals and caregivers who help people stay healthy in the home or care setting of their choice. By enabling better care, our products improve quality of life, reduce the impact of chronic disease, and lower costs for consumers and healthcare systems.

Our primary research and development facility is in Sydney, Australia. The ResMed Group also conducts research and development in Singapore, Ireland, China, Canada, Malaysia, and the United States. Main manufacturing sites are in: Singapore; Australia; United States of America; Malaysia; and China.

As part of a globally distributed manufacturing network our aim is to optimize quality, cost control, time to market for new product introduction, and supply chain resilience. Manufacturing operations consist of specialist component production as well as assembly and testing of our devices, masks, and accessories. Of the numerous raw materials, parts, and components purchased for assembly of our therapeutic and diagnostic sleep disorder products, many are available from multiple vendors. We also purchase uniquely configured components from various suppliers, including some who are single-source suppliers for us. We generally manufacture to our internal sales forecasts and fill orders as received.

ResMed Australia's operations primarily include manufacturing, engineering, research and development, sales, and administration. ResMed UK's operations are primarily sales and distribution.

## Supply Chain

Our suppliers are critical partners in the operation and success of our business, and we expect them to adopt our standards with respect to modern slavery. As we will discuss below, we communicate these expectations regarding modern slavery through our systems, policies, contracts, and procedures.



The 10 countries in which we have the most mapped sites for suppliers of components and materials are shown above.

ResMed UK sources most of its products from related ResMed entities.

## Our assessment of the risks of modern slavery practices in ResMed's operations and supply chains

Currently, ResMed consults third-party classifications of high-risk factors, sectors, and geographies, such as the Global Slavery Index, to inform our modern slavery exposure profile. ResMed also has in place third-party monitoring tools to identify high-risk factors, sectors, and geographies relevant to our operations and supply chain because the risks for modern slavery are constantly changing.

We have assessed the factors, sectors, and geographies shown to the right as having a heightened risk to *potentially cause, contribute, or link* ResMed's operations or supply chains to instances of modern slavery.

ResMed's close working relationships with its Tier 1 Suppliers provides ResMed with visibility to assess the risks of modern slavery in its supply chain; however, we acknowledge and are cognizant that there are high risk factors and sectors within our broader supply chain that may pose higher risks of modern slavery. A "Tier 1 Supplier" is a supplier with whom ResMed has a direct relationship.

We describe our actions taken to combat these risks below. We note that our commitment to combat modern slavery and reduce our risk exposure to modern slavery practices occurring in our operations or supply chains is ongoing, and we are dedicated to continuing to make improvements with respect to our supply chain procurement systems and processes in years to come.

### High-Risk Factors

- Labour-intensive services
- Outsourced labour hire
- Raw materials sourcing
- Use of migrant workers

### High-Risk Sectors

- Cleaning and maintenance services
- Electronics
- Manufacturing
- Information technology
- Logistics, transport
- Packaging (paper)

### High-Risk Geographies

- China
- Indonesia
- Malaysia
- Thailand



# ResMed's approach to managing modern slavery risk, including due diligence and remediation processes

## Assessing risks

Over the last year, we have strengthened the actions we take to *assess* our modern slavery risks, including:

- Monitoring existing suppliers using a third-party analytics intelligence platform for economic sanctions and Adverse Media Event ("**AME**") issues relating to social responsibility including human rights, discrimination, workforce disputes, and health and safety issues;
- Verifying new suppliers using a third-party analytics intelligence platform for economic sanctions and AME issues relating to social responsibility including human rights, discrimination, workforce disputes, and health and safety issues;
- Issuing annual risk questionnaires to select suppliers, tracking completion and following up for additional information if necessary; and
- Mapping and monitoring our manufacturing supplier network in real time using a third-party artificial intelligence machine learning platform to identify events that may indicate risks of modern slavery.

## Addressing risks

ResMed is committed to combatting acts of modern slavery from occurring in our supply chains or in any part of our business. Some of the actions taken to *address* the risk of modern slavery occurring include implementing the policies, processes, and actions described below.

### Internally facing actions

- **Code of Business Conduct and Ethics**, which applies to all ResMed employees globally ("**Ethics Code**") and contains provisions to protect employees' freedom of association and right to work in a harassment-free work environment. The Ethics Code requires all employees to: uphold ResMed's corporate values; comply with all applicable laws and regulations; and, report any known or suspected violations via the Ethics Hotline. Failure to comply with the Ethics Code may result in disciplinary action up to and including termination of employment. We require our employees to complete regular Ethics Code training.
- **ResMed Australia's Whistleblower Statement**. ResMed encourages its employees to feel confident about raising their concerns by being able to access a reporting and investigative mechanism that is objective and confidential, where they know that they are protected from reprisal for doing so. Employees can make their complaints to any eligible recipient, as well as via the Ethics Hotline. ResMed's Ethics Hotline is managed by an independent third party, is accessible 24 hours a day, seven days a week, with translators available when necessary.
- **Informal training** of employees working in our supply chain procurement business unit about slavery through management communications and target meetings. ResMed is committed to further enhancing its modern slavery training program in the coming years.



## Externally facing actions

- **Global Third-Party Code of Conduct**, which replaced and strengthened the existing Supplier Code of Conduct during the reporting period. ResMed's Global Third-Party Code of Conduct sets forth ResMed's expectations for distributors, business partners, suppliers, advisors, and other third parties registering, promoting, selling, and marketing ResMed products and services, or otherwise interacting with government officials, health care professionals, or others on ResMed's behalf. It clearly sets out our expectation of our Tier 1 Suppliers to comply with a range of modern slavery laws, and prohibits slavery in any of ResMed's suppliers' supply chains, or in any part of their business. Suspected, or known, violations of the code can be reported via the Ethics Hotline.
- **Supplier Manual**, which requires suppliers to comply with labour and employment laws, including prohibitions against child labour, and forced or involuntary labour, and requests suppliers to acknowledge that they comply with the United Kingdom's Modern Slavery Act and the Australian Modern Slavery Act. ResMed takes failure to comply with any part of the Supplier Manual seriously and may take consequential actions including removal of suppliers from ResMed's approved supplier list in the event of non-compliance with any part of the Supplier Manual.
- **Standard Supply Terms**, which prohibit suppliers from using child labour, prison labour, slave labour, or any other form of forced or involuntary labour; require suppliers to comply with applicable laws relating to wages, hours and conditions of employment, and occupational health and safety; and to expect and require the same from their sub-contractors.

ResMed will continue to assess how it can build upon its suppliers' due diligence systems and processes to be satisfied they are meeting ResMed's expectations.

## Effectiveness in combatting modern slavery risks

We have made conscious and considered steps to enhance our modern slavery systems and processes over the course of this reporting period, and appreciate that this is a continuous journey to which we are committed.

We currently review the information and metrics from our actions and third-party analytics intelligence platforms, and use the data to inform our next steps for future reporting periods.

ResMed seeks information from our key suppliers to understand their efforts to mitigate the risk of modern slavery taking place in their business or supply chains. We review the information that suppliers provide us and make further enquiries with suppliers to examine their responses and assess the effectiveness of their actions.

Over subsequent reporting periods, we will continue to review and develop further metrics to assess the effectiveness of our actions, in line with our commitment to continuous improvement.

## Consultation

Each of the ResMed reporting entities have consulted with each other in preparing this joint statement. ResMed Australia consults with representatives of the entities that it owns or controls, that have material operations, to assess their retrospective efforts and future plans for combatting modern slavery.

## Moving forward

We are committed to continuously improving our efforts to address the challenging issues related to modern slavery. ResMed has established the foundations of our due diligence processes, is monitoring evolving events relating to modern slavery with risk-based systems, and continues to have open dialogue with our supplier network. We will continue monitoring the effectiveness of our approach in addressing the risks of modern slavery and continue to update and develop our systems as appropriate.

Following our review of the effectiveness of the steps we have taken this past financial year ending 30 June 2021, we intend to take the following further steps to combat modern slavery in our operations and supply chains, over future reporting periods:

- Enhancing our internal modern slavery training program;
- Implementing new approaches to deepen the impact of ResMed's policies and expectations of suppliers to combat slavery; and,
- Reviewing and updating our internal modern slavery risk analysis in consultation with the entities that we own and control.

We consider that these steps will help us in:

- Embedding our expectations, with our suppliers in business functions with the closest nexus and potential to combat slavery;
- Raising awareness on the risks of modern slavery in our supply chain and operations;
- Collaborating on a unified approach to combat the risks of modern slavery including; and
- Governance of our efforts by analyzing metrics, hosting consultation forums and obtaining internal feedback

## Mandatory criteria

The following page number/s of our statement address each of the mandatory criteria in section 16 of the Australian Modern Slavery Act:

<b>Mandatory criteria</b>	<b>Page number/s</b>
Identify the reporting entity	2
Describe the reporting entity's structure, operations and supply chains	2-4
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	5
Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes	6-7
Describe how the reporting entity assesses the effectiveness of these actions	7
Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement)	8
Any other information that the reporting entity, or the entity giving the statement, considers relevant	1,2,3,4,5,6,7,8,9,10

This statement constitutes **ResMed Australia**'s modern slavery statement in accordance with the Modern Slavery Act 2018 (Cth) for the financial year ending 30 June 2021 and captures the activities of ResMed Australia's Australian subsidiaries.

This statement constitutes **ResMed (UK) Ltd**'s slavery and human trafficking statement in accordance with section 54(1) of the Modern Slavery Act 2015 for the financial year ending 30 June 2021.

This statement has been reviewed and approved by the directors, in their capacity as principal governing body, of each of:

- ResMed (UK) Ltd (Reg. No. 2863553) on 23 December 2021 ;
- ResMed Pty Ltd (ACN 003 765 142) on 22 December 2021 ;
- ResMed Asia Pacific Limited (ACN 070 076 470) on 22 December 2021 ;and,
- ResMed Holdings Pty Ltd (ACN 003 765 133) on 22 December 2021 .

DocuSigned by:  
*David Pendarvis*  
Signature: David Pendarvis  
Name: David Pendarvis  
Position: Director and responsible member  
ResMed (UK) Ltd (Reg. No. 2863553)  
Date: 23-Dec-2021

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Name: David Pendarvis  
Position: Director and responsible member  
ResMed Holdings Pty Ltd (ACN 003 765 133)  
Date: 23-Dec-2021

