



MODERN SLAVERY STATEMENT 2023



ACKNOWLEDGEMENT OF COUNTRY

In the spirit of reconciliation Team Medical Supplies acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community.

We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander people today.



Team Medical offices and warehouses operate from the land of the Dharug, Yuggera, Wurundjeri, Whadjuk, Ngunnawal and Palawa-Pakana nations.

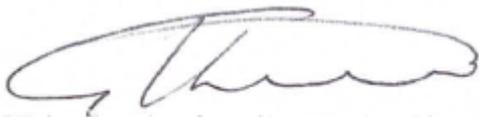
CEO Letter

Financial year 2023 saw a return to some normality after the Covid-19 pandemic. The demand for products became more stable with a strong return for travel vaccines. PPE still remains well above pre-pandemic levels. Team Medical has continued to monitor and work with the same suppliers that helped us manage through Covid-19. These suppliers have continued to lead the way with modern slavery initiatives and reporting, particularly our PPE providers. This year marks the second year we have been required to publish a modern slavery statement in line with the Australian Modern Slavery Act and we will strive to demonstrate ongoing improvement in this statement and future statements.

With a renewed focus on our suppliers, we are confident we can continue to help eradicate the risk of Modern Slavery as we ensure accountability and transparency throughout our key suppliers. 2023 saw an increase in staff education and policy implementation regarding human rights. This will slowly but positively impact our culture as an organisation through a top down and bottom-up approach.

The statement was approved by the Board of Team Medical on the 5th of October, 2023.

On behalf of the Board of Directors of Team Medical Supplies Pty Limited:

A handwritten signature in black ink, appearing to read 'Pieter Vriens', is positioned above a horizontal line.

Pieter Vriens

Chief Executive Officer, Team Medical

13th September 2023

INTRODUCTION

This document serves as a statement complying with the *Modern Slavery Act 2018 (Cth)* in Australia. It covers the structure, operations, and supply chain of the Team Medical business in Australia for the period ending on 30th June 2023.

This statement is for the reporting entity Team Medical Supplies Pty Ltd as trustee for Team Medical Supplies Unit Trust.

Registered office: Team Medical Supplies.

Trading as: Team Medical

Address: PO Box 646. Seven Hills, 1730

Email: info@teammed.com.au

Phone: 1300 224 450

Fax: 1300 224 460

STRUCTURE, OPERATIONS, AND SUPPLY CHAIN

Structure

Team Medical is an Australian owned, family run medical wholesaler. We distribute nationwide and cater for almost all medical practitioners and centres in Australia. We provide over 100,000 high-quality medical products.

Workforce

Our workforce consists of full-time and part-time employees, and casual short-term staff, all based in Australia.



Full time employees	95
Part-time employees	14
Employees on fixed term full time contracts	0
Employees on fixed term part time contracts	0
Casual employees	4

Table 1: Breakdown of workforce at Team Medical in 2023.

Operations and Supply chain

We have six distribution centres in Australia.

- Seven Hills, NSW
- Mitchell, ACT
- Meadowbrook, QLD
- Derwent Park, TAS

- Tullamarine, VIC
- Malaga, WA

Table 2 shows our top sourcing countries by spend based on 103 of our suppliers during FY23, along with major procurement categories in each country.

Location	Number of suppliers	Category
Australia	84	All categories
China	15	<ul style="list-style-type: none"> • Plant based fibres • Electronic Equipment • Machinery and Equipment • Chemical, Rubber, and Plastic products
Malaysia	1	<ul style="list-style-type: none"> • Chemical, Rubber, and Plastic Products
Pakistan	1	<ul style="list-style-type: none"> • Machinery and Equipment
South Korea	1	<ul style="list-style-type: none"> • Machinery and Equipment
Honduras	1	<ul style="list-style-type: none"> • Paper Products

Table 2: Top sourcing countries by spend – based on 103 suppliers.

Table 3 shows our main product and service offerings used by our clients and customers.

Vaccines e.g., Travel vaccines, influenza vaccines, non-travel vaccines.	Diagnostic equipment: e.g., stethoscopes, scales and more.
Medical equipment: e.g., exercise and rehabilitation equipment, defibrillation, CPR resuscitation.	Furniture and fittings: e.g., beds, couches, tables, trolleys, waste disposal options.
Wound care: e.g., bandage, gauze, and wound closure supplies.	Surgical instruments: e.g., forceps, podiatry instruments, probes.
Disposable and general supplies: e.g., hand and body wash solutions, surgical gloves.	Pharmaceuticals: e.g., anaesthetics, vaccinations, pain treatment.

Table 3: Main product and service offerings from Team Medical.

Customers

Our current customers include individual general practitioners, medical centres, day surgeries, podiatrists, hospitals, nursing homes, dentists, through to large Super GP Clinics. We also work with a range of specialists including skin cancer, day surgery, dental, cosmetics and more.

RISKS OF MODERN SLAVERY PRACTICES IN THE OPERATIONS AND SUPPLY CHAIN

In line with the Modern Slavery Act, we define modern slavery as “including eight types of serious exploitation: trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, child labour, and deceptive recruiting for labour or services.”

As of FY23, the Australian government has one of the strongest government responses to modern slavery, ranked second in the world in terms of government response. However, it is estimated that 41,000 people in Australia are living in modern slavery, where an estimated prevalence of modern slavery is 1.6 per 1000 of population.

The top five products at risk of modern slavery (according to US\$ value) imported by Australia are:

- Electronics (China and Malaysia)
- Garments (Argentina, Bangladesh, Brazil, China, India, Malaysia, Viet Nam)
- Solar panels (China)
- Textiles (China)
- Fish (China, Ghana, Indonesia, Taiwan)

Key identified modern slavery risks in our supply chain:

Demand for medical products has dramatically increased during and beyond the COVID-19 pandemic. Now, more than ever, supply of such products is linked to the everyday consumption and the supply chains of most businesses small and large. There is greater scrutiny regarding what those products are made from and under what conditions they are made.

To begin to address modern slavery risks in our supply chain, in FY21 we conducted a supplier risk assessment, using data from Social Hotspots and the Walk Free Foundation to determine country, category and dependency risks across 103 of our suppliers.

103 suppliers were assessed from the previous 12 months spend. Based on this supplier risk assessment, we found that Team Medical has a moderate exposure to modern slavery across the countries in which our tier one suppliers are based. Our supplier and product base has remained unchanged, this remains at a moderate exposure to modern slavery.

While most Team Medical’s suppliers are in Australia, there is some exposure to higher risk countries such as China, Malaysia, Pakistan, South Korea, and Honduras. We also acknowledge that while many of our suppliers may be headquartered in Australia, the products that we source from them may be manufactured elsewhere, meaning that modern slavery risk may be present deeper within our supply chain.

There were four categories that carried a high dependency risk. These were textiles, food products, plant-based fibres, and paper products. While this does not necessarily indicate modern slavery risk, they are categorised as high dependency risk due to Team Medical’s reliance on just one or two suppliers of a particular product.

To address the potential risk, Team Medical continues to aim for a range of suppliers for critical products. This ensures we can be responsive to issues that arise in relation to quality and human rights risks. Team Medical also seeks to do business with suppliers that have similar values, ethics, and sustainable business practices, including those related to human rights. We expect our suppliers to operate in accordance with all applicable modern slavery laws.

Key category risks identified:

In FY21 we engaged an external consultant to do specific research into categories of risk. Globally, the increased demand in medical consumables is likely to increase risk factors associated with modern slavery as suppliers look to meet growing demands whilst remaining competitive. Five product categories were identified as potential risk categories: electronics, pharmaceuticals, cotton, metals, and plastics. Further research was conducted into the following three categories:

Plastics (gloves):

There are well-documented modern slavery risks in the glove manufacturing industry, specifically in relation to conditions of migrant workers from Bangladesh, Nepal, and Myanmar working in factories in Malaysia. Passport and identification document confiscations, illegal withholding of pay, restricted freedom of movement, poor living conditions, debt bondage, underpayment, work environments with weak health and safety procedures, unpaid and compulsory overtime, and infringements on the freedom of association and unionisation remain concerns.

Major global manufacturers with links to Team Medical's supply chain have been implicated, but specific products purchased by Team Medical have not been implicated with modern slavery. Team Medical continues to request modern slavery statements from glove suppliers annually.

Cotton:

The cotton industry is a high-risk industry with well-documented evidence of modern slavery and other human rights abuses worldwide. Cotton harvesting is a sector that is particularly prone to labour exploitation, especially in countries such as Uzbekistan, Turkmenistan, and China. Cotton is a core base material in a range of medical supplies including masks, PPE, and some wound dressings. Currently Team Medical has two suppliers that fall under the plant-based fibres social hotspot category, which may potentially be vulnerable to such modern slavery risks. Team Medical is not aware of any exploitation from our suppliers, but we acknowledge the heightened risk and are committed to actively monitor this risk as part of our modern slavery risk management.

Metals (steel):

In the medical sector, steel serves as a crucial component of surgical instruments. The production of surgical instruments is concentrated in Pakistan, where forced labour, forced child labour, hazardous working conditions, and unsanitary living conditions are key modern slavery risks. Surgical instruments produced in Pakistan has been identified under the United States Department of Labour's list of goods that are believed to be produced by child labour or forced labour in violation of international standards. Team Medical has one supplier of surgical instruments that is based in Pakistan. We have engaged with this supplier to better understand their supply chain.

ACTIONS TAKEN

Understanding and addressing modern slavery and human rights risks forms part of Team Medical's overall project to mature its systems as a growing company. Our purpose and values are core to Team Medical, and modern slavery, and therefore human rights considerations are aligned to these values.

OUR PURPOSE AND VALUES

To create solutions for a healthier world



Policies and governance:

The following policies and governance were all endorsed by The Board during FY23.

Anti-Bullying & Anti-Harassment Policy:

The Anti-Bullying & Anti-Harassment Policy will apply to all employees (whether full-time, part-time, or casual) and all persons performing work at the direction of, in connection with, or on behalf of Team Medical, including contractors and volunteers.

The Anti-Bullying & Anti-Harassment Policy identifies what conduct is deemed unacceptable and categorises as workplace bullying, and simultaneously lists which actions do not. The policy also delineates the responsibilities of all parties and directs workers to the Grievance Handling Policy regarding the complaint process.

Discipline & Termination Policy:

The Discipline & Termination Policy will apply to all employees (whether full-time, part-time, or casual) and contractors, sub-contractors, and volunteers.

This policy sets out the steps involving disciplinary action when poor performance or misconduct has occurred. It also sets out the process for more serious actions to be taken, up to and including termination of employment.

Equal Employment Opportunity & Anti-Discrimination Policy:

The policy applies to all employees (whether full-time, part-time, or casual) and all persons performing work at, and affects all aspects relating to Team Medical business including how service is provided to clients; interaction with other staff, clients, and members of the public; all aspects of employment (recruitment and selection, conditions and benefits, training and promotion, task allocation, shifts/hours, leave arrangements, workload, equipment, and transport), and at all sites where work-related activities are being performed (such as after-hours work, work-related social functions, and conferences).

The EEO and Anti-Discrimination Policy is fundamental in setting the standard for providing a safe, flexible, and respectful environment for all parties involved, that is free from all forms of discrimination, bullying, and sexual harassment.

Grievance Handling Policy:

The Grievance Handling Policy will apply to the behaviours of all personnel associated with Team Medical, from Board members, all employees (whether full-time, part-time, or casual) and all persons performing work at and/or

for Team Medical, all aspects of employment, recruitment and selection, and dealings with other staff, clients, and members of the public.

The Grievance Handling Policy identifies the processes available to handle grievances that can arise, so that they can be handled in a timely and confidential manner.

Whistleblowing Policy:

The Whistleblower Policy will apply to all employees (whether full-time, part-time, or casual) and all persons performing work at the direction of, in connection with, or on behalf of Team Medical (e.g., contractors, subcontractors, agents, consultants, and temporary staff). It also applies to former employees.

The Whistleblowing policy sets out the process for making a report which includes several anonymous channels. The policy also lays out the investigative process. If required, third parties will be used during a whistleblower investigation (e.g., accounting firms, investigative firms, or human resources consultants).

Compliance Obligations Register:

The Compliance Obligations Register has been developed to ensure that Team Medical acts at all times with relevant laws, regulations, and legislations. It also allows us to assess the risk, impact, and likelihood of non-compliance with these obligations, as a breach may pose risks to Team Medical in achieving strategic objectives. Modern Slavery is included on the Team Medical Compliance Obligations Register.

Strategic Risk Register:

The Strategic Risk Register allows Team Medical to identify and manage strategic risks for the business, which could have detrimental effect to operations and/or prevent achievement of goals and objectives. Modern slavery is considered within our Strategic Risk Register, as we look to minimising the risks of modern slavery in our direct trade activities, and not collaborating with businesses who are known to have high modern slavery risks.

Customer Feedback and Complaint Portal:

This portal allows customers and the general public to voice feedback, concerns, and/or complaints for Team Medical to act upon, which could include activity or behaviour they feel is wrong. All entries are logged within our system, starting off a workflow to ensure all are actioned.

Supplier Evaluation Questionnaire:

The content for a Supplier Evaluation Questionnaire was developed and consolidated, which includes a section on modern slavery, and that will request from our suppliers to provide evidence of their current activities and protocols in place to oppose modern slavery. We aim to roll this questionnaire out to all our suppliers during FY24.

Employee awareness and communication:

Our employees are required to comply with our Ethical Code of Conduct, as well as other policies.

Each time a new policy is developed, it is uploaded onto our 'Employment Hero' system, where employees are then required to read and agree to the relevant policy. All new starters are required to read and accept all existing policies and codes of conduct as part of their induction process.

Our policies reflect Team Medical's commitment to acting ethically and with integrity. **Supplier due diligence:**

Where possible we source our products from large suppliers who publish their own modern slavery statements.

Future commitments:

- To develop clear governance and accountability process for modern slavery
- Embedding organisational values consistent with effective human rights risk management
- Conduct human rights training across all employees in FY24
- Develop a human rights working group to address modern slavery risks
- Develop a Modern Slavery Policy, and additional supportive policies
 - o Procurement policy
 - o Anti-bribery policy
 - o Supplier code of conduct
- Roll out of Supplier Evaluation Forms for ongoing assessment of our suppliers
- Perform regular supplier risk assessments

- Publish a modern slavery statement on an annual basis
- Conduct a Modern Slavery Current State Assessment.
- Embed considerations of modern slavery risks within existing Risk Management processes i.e., within the Risk Management Framework and Compliance Obligations Register (approved by the Board)

ASSESS EFFECTIVENESS

Team Medical is excited to continue our journey in improving our company to align with the Modern Slavery Act, and to improve our dealings with our suppliers. We will continue to publish a statement on an annual basis, demonstrating our keenness to continually build on procedures and actions to address modern slavery risk. Developing measures to assess effectiveness of our activities to address modern slavery risk will form part of our plan for next year.

Introducing and formalising a number of our processes, such as grievance handling and reporting mechanisms, help to track our performance. To date, we have found no incidents of modern slavery in our supply chain. However, we do understand that this does not mean they do not exist, and that it is crucial to increase our vigilance to help prevent and address modern slavery.

CONSULTATION WITH SUBSIDIARIES/ANY ENTITY YOU OWN OR CONTROL

Not applicable.