



Modern Slavery Statement

for the year ended 31 December 2021



Our vision:

*Inspiring people to live better lives through
natural healthcare*



1 June 2022

A Message from our CEO

I am pleased to share Integria Healthcare's second Modern Slavery statement. At Integria Healthcare we are committed to inspiring people to live better lives through natural healthcare. We achieve this through collaborating with our colleagues, our customers, our suppliers, and the community and staying true to our strong values-based culture. We take great pride in our continuing efforts to reduce the risk of modern slavery in our business and supply chain.

In our first Statement, we took a proactive approach to identifying Tier 1 higher risk suppliers and developed a targeted risk proportionate approach to improve oversight. The focus in our second reporting period has been to build upon the compliance framework by completing reviews across all Tier 1 vendors and updating our written agreements to ensure mutual compliance measures for modern slavery risks are addressed.

We recognise that the risk of modern slavery may be increased by COVID-19 and we support our personnel and suppliers in the mitigation of modern slavery and other business risk by working with suppliers, and in some instances, modifying payment processes to support cashflow issues that may arise. *Doing the right thing* is a core value that we stand-by in our governance framework and in the operations of our business.

This Modern Slavery Statement is made by Integria Healthcare (Australia) Pty Ltd ACN 096 496 212 for the calendar year ended 31 December 2021 and is approved by the Board of Integria Healthcare.


Wayne McIntosh
CEO



Structure, Operations and Supply Chain - Principle 1 & 2

About Integria

At Integria Healthcare, we bring together the best names in natural medicine to deliver a suite of herbal, nutritional and complementary healthcare products supported by scientific and traditional evidence.



With a history that spans 60 years of science and research into herbal remedies, we are at the forefront of natural medicine research and development. Integria has a deep geographical reach, distributing products in Australia, New Zealand, Southeast Asia, China and parts of Europe, with our own manufacturing facilities in Australia and a network of supply partners across the globe.

Our products are part of everyday life for millions of people around the world who are seeking natural ways to maintain long, healthy lives. Our range of herbal, nutritional and complementary healthcare products support health and wellbeing in many areas including cardiovascular health, respiratory health, skin/personal care, gastrointestinal support, immune support, musculoskeletal support, nervous system support, therapeutic essential oils and general wellbeing and healthy ageing.

We are committed to achieving better patient outcomes through scientific research, product development, education and training, and building on the legacy of our brand founders. We invest in proprietary research and our manufacturing facility located in Warwick, Queensland. Our Warwick facility operates to the strictest regulatory codes of Good Manufacturing Practice and our national research and development facility in Brisbane complies with the Australian standards of Good Laboratory Practice under the Therapeutic Goods Act.

We have a dedicated internal Procurement team with responsibilities to manage relationships with our direct spend supply partners that supply us with goods and services specific to our products, such as raw materials and third party contract manufacturers. Our goal is to select the best fit for purpose suppliers of products and services whose values and operating principles are aligned with that of Integria's and to establish and maintain relationships that will provide sustainable value.

Our Values

1. *Loving where we work*
2. *Seeing the world through our customers' eyes*
3. *Passion in everything we do*
4. *Pulling together*
5. *Doing the right thing*
6. *Free thinking*
7. *Natural healthcare being at the heart of what we do*

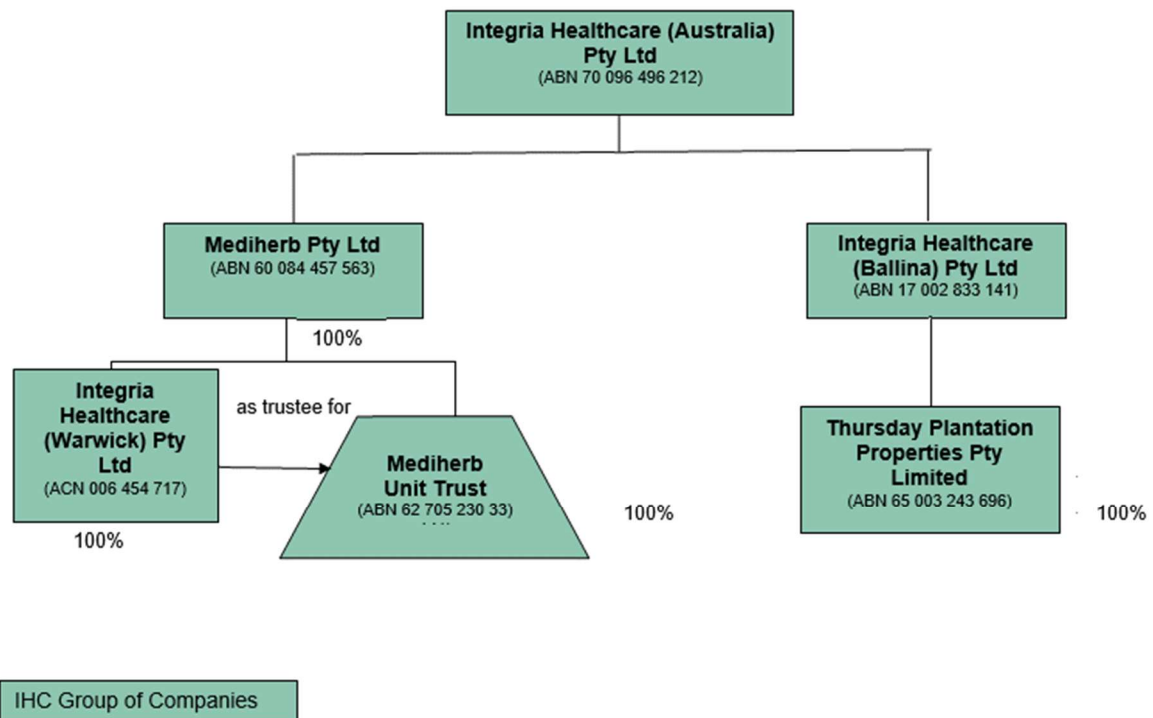


Structure, Operations and Consultation

Integria Healthcare (Australia) Pty Ltd ACN 096 496 212 proudly owns reputable and innovative natural healthcare brands including Thursday Plantation®, Thompson's®, Eagle®, Eagle Clinical®, Eureka® and Medi-Herb® and partners with leading practitioner-only and retail brands, through its group of companies in Australia and New Zealand. Our governance structure underpins our operations, with policies and procedures including a Supplier Code of Conduct, Whistleblowing Policies and employee assistance programs to support a transparent and accountable framework for internal and external stakeholders.

Integria Healthcare makes this single joint Modern Slavery Statement covers each Australian wholly owned entity of which Integria Healthcare (Australia) Pty Ltd has control (**Integria Healthcare**). We have taken an integrated approach to addressing modern slavery risks and operate under a common set of governance policies. As our teams operate for the entire group, there has been significant consultation and collaboration between our people to prepare this Statement. We have explained our commitments regarding modern slavery more broadly within our business. All risk assessing and implementation of initiatives apply equally across the group.

Simplified structure of Integria Healthcare Australian entities covered by this Statement



2021 Key Milestones

Integria Healthcare has taken a number of steps to develop, implement and review its processes and policies on Modern Slavery across direct¹ and indirect² Tier 1³ suppliers. These include:

- a) ensuring all new contracts and contract renewals include provisions to help address the risk of modern slavery and incorporate our Supplier Code of Conduct;
- b) completing a global desktop review of direct Tier 1 suppliers engaged in 2021;
- c) 27 questionnaires issued to Tier 1 direct suppliers of which 26 were completed;
- d) assessment of completed questionnaires based on guidance criteria and allocation of a mitigated risk rating; and
- e) continued training of our procurement managers who are responsible for managing relationships with our direct spend supply partners.

The Supply Chain



Integria Healthcare has a complex and diverse supply chain with local and global supply chain partners in 24 countries covering Europe, North and South America, South Africa and Southeast Asia. With over 900 Tier 1 suppliers, Integria Healthcare is dedicated to the quality and strength of its raw materials and the integrity and accountability of its supply chain.

We procure a broad range of goods and services for the manufacture of our products including herbal materials, essential oils, nutritional ingredients and packaging components. We partner with third party manufacturers that fulfil our commercial requirements and quality standards to expand on our production capabilities and to leverage additional expertise. Establishing long-term arrangements with key strategic suppliers enables us to develop collaborative and trusted working relationships.

Operationally, Integria Healthcare is proudly supported by suppliers in the following areas:

- marketing agency services;
- administrative services;
- medical and manufacturing consumables;
- uniforms;
- IT and telecommunications, and
- building and facility management services.

¹Direct suppliers supply Integria with goods and services specific to our products such as raw materials and third-party contract manufacturers.

² Indirect suppliers supply Integria with goods and services related to the day-to-day operations of the business such as telecommunications and facility management services.

³ Tier 1 suppliers are those suppliers that Integria has a direct contractual relationship.

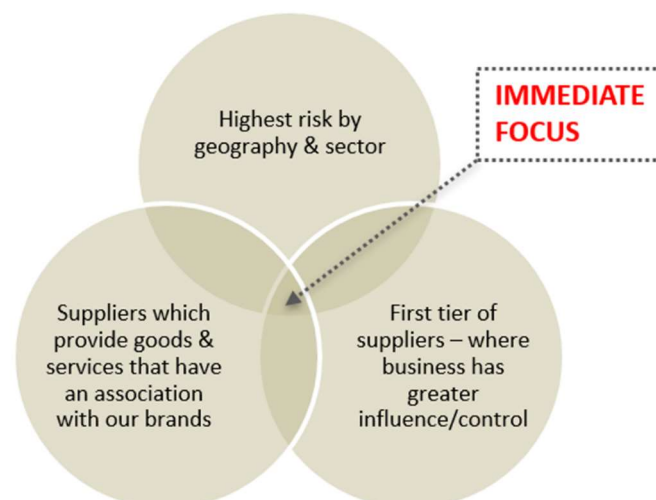


Risks of Modern Slavery - Principle 3

Integria Healthcare takes a risk-based approach to identifying and addressing modern slavery. In identifying the potential risks, Integria Healthcare has adopted an outward facing, people focused approach to its assessment focussing on the risk to people rather than the risk to business.

Having evaluated the features of our business and nature of our supply chains we have identified several modern slavery risk indicators including high risk geographical locations, high risk industries and vulnerable populations. Modern slavery is more prevalent in countries with lower oversight, governance and regulation of employees rights, where there are vulnerable workers and in sectors of the economy which are less transparent and formal.

We have identified that the risk of modern slavery practices increases through the lower tiers of our supply chain due to lesser transparency and therefore we have considered the likelihood that workers may be subject to modern slavery in our extended supply chain and not only our Tier 1 suppliers. As a result, our product supply chain, including raw material suppliers and third party contract manufacturers, has been prioritised for action based on identifying this area as where the highest modern slavery non-compliance risks lie and where we have the greatest level of influence.



Reference: Modern Slavery What Business Needs to Know (Walk Free Foundation)
https://cdn.minderoo.org/content/uploads/2019/05/27155016/M1170847-Toolkit-Primer_DIGITAL.pdf

The risks most likely to affect our supply chain are:

- trafficking
- servitude
- forced labour
- debt bondage
- deceptive recruiting for labour or services
- worst forms of child labour

The main risk lies in sourcing ingredients and contract manufacturers where third parties' source on our behalf and we do not currently have full visibility of. This area remains the key focus in our compliance reviews.



How We Assess Risk - Principle 4

In the first reporting period, our focus was to review our supply chain, current practices and implement a targeted risk-based approach with due diligence guided by authoritative international criteria to detect the higher risk areas for closer review. Many of these actions continued in our second reporting period.

In 2020, Integria Healthcare undertook a review of all 977 of our Tier 1 suppliers⁴ and used our risk assessment scorecard tool to provide a high level review of our supply chain. Our risk assessment scorecard comprises three priority areas: geography, the nature of the product or service being supplied and our total spend.

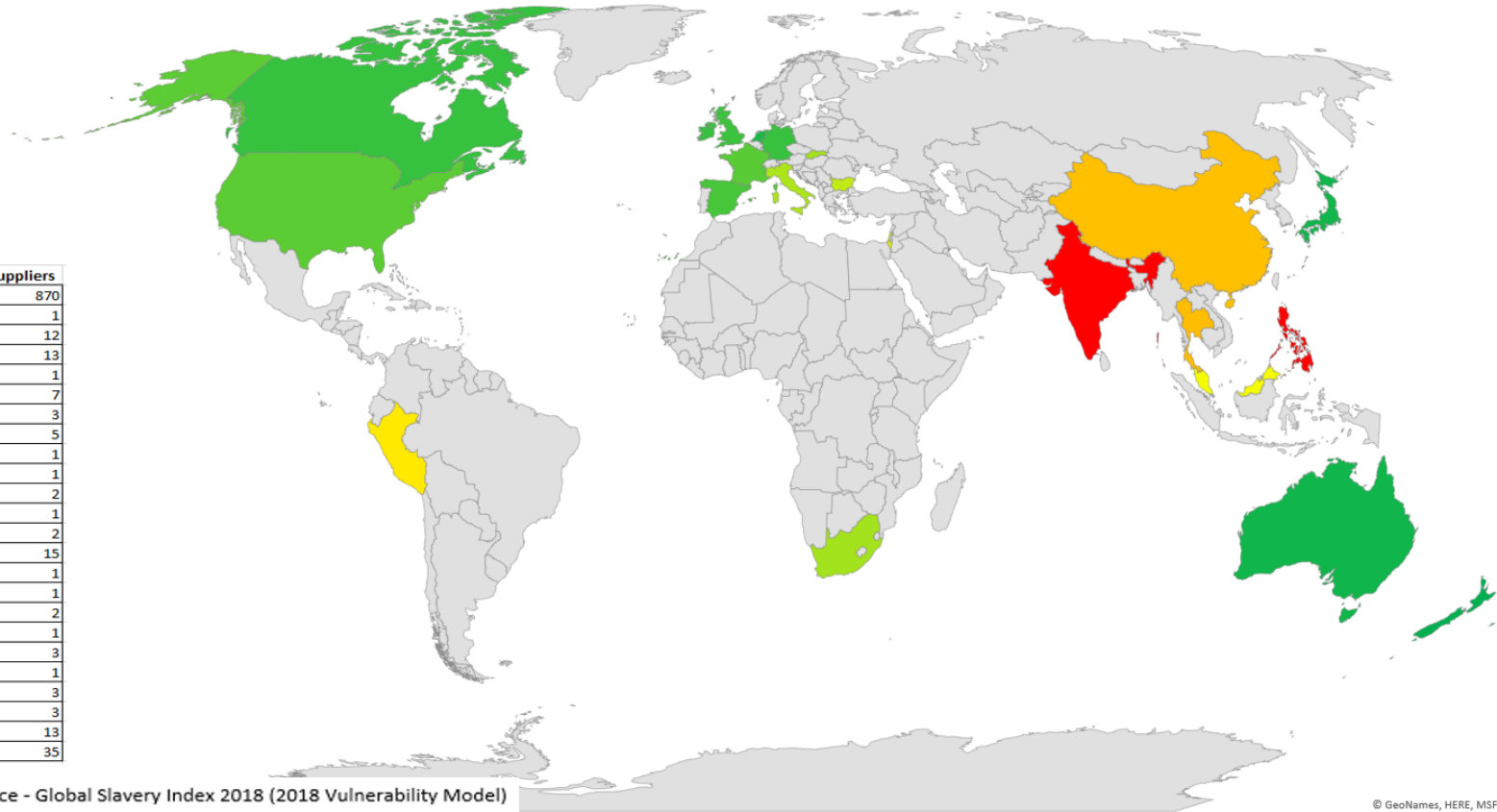
Each category was assigned a rating for risk using external indices, such as the Walk Free's Global Slavery Index and Transparency International's Corruptions Perceptions Index to inform our approach. The results from this assessment is reflected in the map diagram on the following page.

Integria Healthcare has used this process to identify those suppliers for immediate focus. In 2021, we issued each of the 27 suppliers identified as higher risk with a Modern Slavery Questionnaire designed to further identify potential modern slavery risks within those organisations. The Questionnaire is designed to establish whether a supplier has policies and processes to identify, investigate and remedy the risk of modern slavery, how they conduct their due diligence, and if they or their suppliers participate in modern slavery.

⁴ Review conducted as of December 2021 as depicted on the Vulnerability Map on page 9.

Number of Suppliers vs Vulnerability to Modern Slavery

Vulnerability Score 
1.9 40.95 80



	Number of Suppliers
Australia	870
Bulgaria	1
Canada	12
China	13
France	1
Germany	7
Hong Kong	3
India	5
Ireland	1
Israel	1
Italy	2
Japan	1
Malaysia	2
New Zealand	15
Peru	1
Philippines	1
Singapore	2
Slovak Republic	1
South Africa	3
Spain	1
Thailand	3
The Netherlands	3
United Kingdom	13
United States	35

*Vulnerability model source - Global Slavery Index 2018 (2018 Vulnerability Model)

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As a result of those 27 questionnaires:

- 15 suppliers were allocated a low mitigated risk rating;
- 11 suppliers were allocated a medium mitigated risk rating;
- 0 suppliers were allocated a high-risk rating; and
- 0 suppliers are under review.

1 supplier has yet to submit a response. The remaining Tier 1 suppliers rated as medium and lower risk have not been our immediate focus in this reporting period; however, these suppliers will be reviewed as part of our ongoing compliance assessments and continuous improvement measures noted below.

Addressing Modern Slavery - Principle 4

In order to address and respond to the risks of modern slavery within our supply chain, Integra Healthcare has purchase order terms, as well as an updated Supplier Code of Conduct, which outlines Integra Healthcare's clear expectations in relation to our suppliers.

The purchase order terms include modern slavery compliance provisions, which require our suppliers to take reasonable steps to ensure that there is no modern slavery or human trafficking in the supplier's or its subcontractor's supply chains or in any part of their business. The combination of our updated Supplier Code of Conduct and purchase order terms allow us to audit suppliers and terminate suppliers that fail to comply with our modern slavery requirements. Under the Supplier Code of Conduct, Integra Healthcare will work with suppliers where appropriate to investigate, rectify and ensure non-compliance is avoided. All suppliers are on-boarded through this process.

All new suppliers are assessed against the risk assessment scorecard and are required to complete the questionnaire as part of our procurement and on-boarding process.

Integra Healthcare has a company-wide Modern Slavery Standard which requires our directors, officers, employees and contractors to consider modern slavery in each procurement of goods and services, and requires that all supplier contracts contain provisions covering compliance with modern slavery legislation. This internal policy was approved by Integra Healthcare's Chief Executive Officer, and the Legal and Procurement Team has the overall responsibility to implement and manage the standard. This standard is supported by Integra Healthcare's Whistleblowing policies.

Integra requires that all third parties enter into written agreements. Depending on the nature of the arrangement, this may vary from standard terms and conditions to supply agreements and bespoke agreements. Integra requires that all written agreements contain a modern slavery clause. Where agreements are due for renewal or extension Integra is requiring that the agreements are varied to contain a modern slavery contract clause.



All of Integra Healthcare's procurement managers have been informed about Modern Slavery Act and its application, as well as being provided with training about Integra Healthcare's procedures for risk identification and mitigation for direct spend supply partners.

How We Assess Effectiveness - Principle 5

To date the focus of our supply chain mapping has been to focus on Tier 1 suppliers in higher risk geographies particularly raw material suppliers. In the next reporting period, we intend to expand mapping further down our supply chains. The effectiveness of the actions taken to assess and address risk of modern slavery will be reviewed regularly through the Modern Slavery working group in an effort of continuous improvement and development of modern slavery risk maturity.

Integra Healthcare is committed to:

- rolling out Procurement Standards and Guidelines in 2022 as part of Integra's policy management system which will include modern slavery compliance as part of vendor selection;
- continuing to use the risk assessment scoreboard for new suppliers coming on board; and
- working with our suppliers which may be allocated a high risk rating to reduce the risk of modern slavery posed by that supplier.

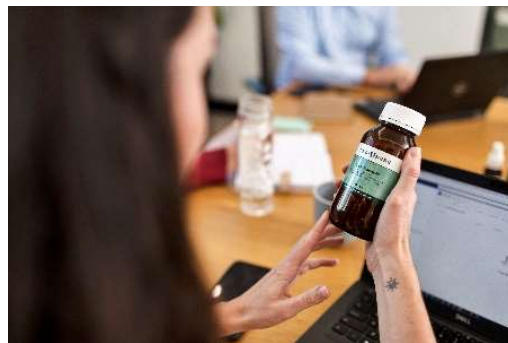
Integra Healthcare will measure effectiveness by:

- conducting desktop and/or physical audits where reasonably required to assess compliance;
- reviewing and improving our questionnaire to meet the varied commercial situations of our suppliers. Integra Healthcare has already identified changes to our questionnaire for smaller, family run farming or gathering operations whose risks differ to larger, more commercial farms or other suppliers; and
- monitoring and reporting on our success in investigating, auditing and transitioning or removing suppliers that are high risk and where remediation measures have been exhausted.

Our Holistic Approach to Preventing Modern Slavery - Principle 6

Integria Healthcare's approach to preventing modern slavery has been rolled out to each entity in the Integria Healthcare group to ensure a consistent and holistic approach to identification and prevention of modern slavery.

Integria Healthcare has a clear vision to inspire people to live better lives through natural healthcare and a distinct values in doing the right thing and having passion in everything we do. Our human rights based approach to modern slavery is a result of that vision and those values, and our opportunity to inspire better lives through our natural healthcare products not only to our customers, but all those people involved in the creation of our products.



Complementary Medicines Australia Working Group - Principle 7

Integria Healthcare is proud to have participated and contributed to the Complementary Medicines Australia Modern Slavery Working Group, and through that collaborative approach with industry members, developing and discussing continuous improvement measures for modern slavery risks in the industry.

The progress of modern slavery initiatives will be constantly reviewed by the Modern Slavery working group comprised of senior Procurement managers and our Legal executive to present to the leadership team on material issues or risks.

This Statement has been approved by the Board of Integria Healthcare Limited, being the principal governing body of Integria Healthcare group of companies in Australia, on 24 May 2022.

Integría

HEALTHCARE

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