



Modern Slavery Statement for the year ended 31 December 2021

Introduction

This modern slavery statement is made pursuant to Part 2, section 16 of the *Modern Slavery Act 2018* (Cth) (**Act**) and is a joint statement submitted by the following reporting entities:

1. Abbott Australasia Pty Ltd [ABN 95 000 180 389]
2. Abbott Medical Australia Pty Ltd [ABN 73 080 212 746]
3. Abbott Rapid Diagnostics Pty Ltd [ABN 19 010 728 220]

(Together, “**Abbott Australia**”).

Abbott Laboratories (“**Abbott**”), headquartered in Abbott Park, Illinois, United States, is the ultimate parent company of each of the entities comprising Abbott Australia. Abbott's approach to human rights and modern slavery risk (which includes the identification of and ways to address modern slavery risk) is directed and guided by Abbott. This is aimed at ensuring a consistent approach across all Abbott companies. This statement describes the risks of modern slavery in the operations and supply chain of Abbott Australia. It also sets out the steps taken to identify and address those risks. This statement applies to the reporting period 1 January 2021 to 31 December 2021 (**Financial Year 2021**).

Abbott is committed to upholding the fundamental principles of human rights, labour, environmental protection, and anti-corruption to ensure long-term business success for Abbott, and to improve lives around the world. Our Supplier Guidelines and Position Statement on Human Rights set out our commitment to human rights and the mitigation of modern slavery.¹ As set out in our Position Statement on Human Rights, Abbott believes in the dignity of every human being and respects individual rights as set forth in the United Nations' Universal Declaration of Human Rights and Guiding Principles on Business and Human Rights (**UNGPs**). Abbott recognises that companies play a supporting role in promoting human rights within their spheres of influence. We contribute to the fulfilment of human rights through compliance with laws and regulations wherever we operate, as well as through our policies and programs. Abbott's position on human rights is reinforced in our employment, ethics, and procurement policies, which are designed to promote, protect and respect human rights within Abbott and our suppliers.

¹ Supplier Guidelines: [Supplier-Guidelines-FINAL-ENGLISH.pdf \(abbott.com\)](#)
Position Statement on Human Rights: [Position Statement on Human Rights \(abbott.com\)](#)

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

(1) Nature of our business and operations

Abbott has approximately 113,000 employees worldwide and operates in over 160 countries. Abbott Australia's head office is located in Sydney, New South Wales, and it also has offices in Melbourne, Victoria and Brisbane, Queensland. At the date of this statement, Abbott Australia's workforce consists of ~600 employees. Of the ~600 employees, 92% are full-time employees, whilst the remainder are part time or casual employees.

Abbott is a globally diversified healthcare company with a central purpose of helping people live their healthiest possible lives, through our broad portfolio of products. The Abbott global business is organised into four main divisions: Medical Devices, Diagnostics, Nutrition and Established Pharmaceuticals. Abbott Australia is primarily a marketer and distributor of medical devices, diagnostic and nutrition products. We do not sell pharmaceutical products. Abbott Australia distributes and sells these products directly to customers through (3) distinct supply chain models. These are (a) inhouse distribution (b) third-party logistics providers (3PL) responsible for warehousing and distribution, or (c) fourth-party logistics provider (4PL) responsible for warehousing, distribution, and customer service functions. All products that Abbott Australia sells must be approved by the Therapeutic Goods Association (TGA).

For more than 130 years, we've been creating products and technologies that address some of the world's most pressing health problems. Today, our portfolio includes:

- DIAGNOSTICS**
systems and tests that provide information to support better and more timely decisions for people and their doctors
- MEDICAL DEVICES**
that use the most advanced technologies to keep hearts and arteries healthy, treat chronic pain and movement disorders, and give people with diabetes more freedom and less pain
- MEDICINES**
that help people in emerging markets get and stay healthy
- NUTRITION PRODUCTS**
that build and maintain health from infancy onward

(2) Nature of our supply chain

Abbott is a multinational business which procures goods and services from approximately 76,000 suppliers in 154 countries. In 2021, Abbott spent \$20.3 billion with these suppliers. With a global footprint, we have an opportunity to leverage our supply chain for positive social change. We maintain a robust, multi-layered governance structure that provides oversight of supply chain-related activities,

helping to minimise risks and maximise opportunities to address shared impacts. Our management approach places particular importance on supply chain sustainability and resilience. Each business is responsible for their respective supply chain, with enterprise efforts coordinated through Abbott's Global Operations Council (GOC).

The GOC collaborates across the enterprise to set the framework for our supply chain, encompassing manufacturing, procurement, and logistics. The evolution and execution of our global supply chain strategy is overseen by the Supply Chain Council (SCC), which meets quarterly and reports regularly to the GOC. The SCC consists of senior leaders with responsibility for the supply chain of each of Abbott's four main divisions. These leaders report to the Head of Operations for their respective businesses. Among other responsibilities, several additional groups assist the SCC in our efforts to improve supply chain adaptability, resilience, and flexibility.

Abbott Australia's supply chain is categorised into two groups, (1) suppliers who provide products for distribution in Australia (**Product Sourcing**), and (2) the goods and services that contribute to our business operations within Australia (**Business Operations**).

Product Sourcing

Approximately 86% of Abbott Australia's annual supplier spend relates to Product Sourcing, and all of these products are directly sourced from Abbott related parties located predominantly in the United States; Germany; Ireland; Netherlands; South Korea; and Singapore.

Business Operations

The remaining approximately 14% of Abbott Australia's annual supplier spend relates to Business Operations. Our Business Operations suppliers comprise a mix of local and regional Australian companies and multinational organisations. In the 2021 Financial Year we had approximately 1,011 Business Operations suppliers. We catalogued our non-related suppliers based on spend in the 2021 Financial Year into two categories, large (*greater than \$100,000pa*) and small (*less than \$100,000pa*) for further analysis. Of these, 103 organisations were classified as large, making up approximately 12% of business operations.

These 103 organisations were then grouped into 9 broad categories to aid with our risk analysis, by spend as:

Large Supplier Spend Category 2021		
Logistics 36.30%	Advertising 21.70%	Medical Supplies 6.70%
Facilities Management 4.80%	Medical Professionals 4.80%	Human Resources 4.20%
Finance and Governance 2.50%	Education 2.60%	Government 2.0%

The balance of suppliers, making up 2% of Business Operations are yet to be categorised for further analysis and risk.

IDENTIFYING OUR MODERN SLAVERY RISKS

We aim to proactively identify and mitigate potential human rights impacts across our operations and value chain, including risks of discrimination and unequal pay; unsafe working conditions; human trafficking; child labour; and forced or bonded labour. Abbott conducts periodic reviews of our risk exposure, including annual high-level risk assessments of our global supply base.

(1) Identification of risk in Abbott Australia's operations

Based on the geographical location of our operations and the nature of our workforce, we consider there is a low risk of modern slavery in our operations.

Abbott uses a global Human Resources database to manage its global workforce of approximately 113,000 individuals. Information is maintained in this database to ensure all individuals are paid appropriately using a grading system relevant to their country of residence, and additional data elements ensure that analysis can be captured to identify any issues or anomalies that need to be addressed. Abbott Australia complies with all workplace laws as determined under the Fair Work Act 2009. Most of our employees are employed on a permanent full-time basis, and any temporary labour that may be required for a short-term assignment is hired through an approved labour hire agency. We undertake national police checks and working rights checks for all new hires. Labour hire is considered a high-risk sector particularly for sham contracting arrangements. Abbott Australia has specific controls in place managed by Human Resources and Finance which seek to protect our business from sham contracting activities, including working with specialist labour hire companies.

(2) Identification of risk in Abbott Australia's supply chain

For the purpose of this statement Abbott Australia has conducted a high-level review of our direct supply chain. The analysis told us that:

1. More than 80% of our purchases are made from an overseas Abbott related party. We are committed to working with our Global Procurement team to understand more about the manufacture of these products, where raw materials are sourced from and what steps are being taken in these geographical locations to ensure local laws, our ethical standards and principles are upheld. In addition, we partner with the Abbott Global Corporate Procurement Supply Chain Sustainability team to further enhance our progress in understanding our full supply chain with particular attention to modern slavery.

2. Less than 20% of our purchases (1,011 suppliers in the 2021 Financial Year) are made to run our business operations from companies based in Australia who may be locally owned,

regionally owned, or a multinational. The largest expense was to our logistic partners, custom brokers and regulatory bodies.

As noted above, we have categorised our non-related suppliers into large (greater than \$100,000pa) and small (less than \$100,000pa) by spend in the 2021 Financial Year for further analysis. We then excluded our own employees and benefit related payments, payments direct from a consumer, and company taxes to determine further risk.

From this group of suppliers and using the Global Slavery Index 2018 Risk Assessment Tool we have determined the following risks in the Abbott Australia supply chain as follows:

Supply Chain Analysis				
Industry	Products and Services	Overall Inherent Risk	Jurisdictional Risk	Industry Risk
Logistics	Warehousing and transportation of products	Moderate Risk	Low risk For Financial Year 2021, all freight logistics and shipping suppliers were based in Australia. Australia is a low-risk jurisdiction.	High risk Freight, Logistics and shipping are transportation and logistics related activities and are regarded as being a high-risk industry.
Advertising	Production of marketing materials	Low Risk	Low risk For Financial Year 2021, suppliers that assisted with advertising were based in Australia. Australia is a low-risk jurisdiction.	Low Risk The production of digital materials for advertising is not categorised as a high-risk industry.
Medical Supplies	Supplementary medical supplies for products (excluding PPE equipment during COVID)	Moderate Risk	Low Risk For Financial Year 2021, suppliers of supplementary medical supplies (excluding PPE equipment during COVID) were based in Australia and Italy, which are low-risk jurisdictions.	High Risk The manufacture and production of medical equipment is regarded as a high-risk industry.
Facilities Management	Cleaning services Office consumables including tea	Moderate Risk	Low risk For Financial Year 2021, suppliers of office supplies were based in Australia. Australia	High risk The cleaning of Abbott Australia's business premises, and the supply of various office consumables are regarded

Supply Chain Analysis				
Industry	Products and Services	Overall Inherent Risk	Jurisdictional Risk	Industry Risk
	and coffee supplies		is a low-risk jurisdiction.	as being high risk industries.
Medical Professionals	Providing critical medical research Suppliers included hospitals, Clinics, Foundations, and Charities.	Low Risk	Low Risk For Financial Year 2021, suppliers were based in Australia. Australia is a low-risk jurisdiction.	Low Risk Not regarded as a high-risk industry.
Human Resources	Insurance Labour hire Consulting services	Moderate Risk	Low Risk For Financial Year 2021, suppliers were based in Australia. Australia is a low-risk jurisdiction.	High Risk Labour hire is regarded as a high-risk industry.
Financial services	Professional consulting services, accounting and insurance	Low Risk	Moderate Risk For Financial Year 2021, some suppliers were based in India, others in Australia, and the United Kingdom. India has a moderate risk rating.	Low Risk Financial services are not categorised as a high-risk industry
Education	Training and education provided to healthcare professionals and employees	Low Risk	Low Risk For Financial Year 2021, suppliers were based in Australia. Australia is a low-risk jurisdiction.	Low Risk Not categorised as a high-risk industry.
Government	Product registration and compliance	Low Risk	Low Risk For Financial Year 2021, suppliers were based in Australia. Australia is a low-risk jurisdiction.	Low Risk Not categorised as a high-risk industry.

ACTIONS TAKEN TO ASSESS AND ADDRESS RISK

Our approach to identifying, assessing, addressing, and managing human rights and modern slavery risk is guided by company-wide policies and processes. These policies and processes are embedded across our business (including Abbott Australia) and, in relation to our supply chains, are overseen by the GOC and SCC. This ensures a consistent approach towards mitigating modern slavery risk. Our policies and processes which are in place to assess and address modern slavery risk in our operations and supply chains are described below. Abbott Australia, as a member of Abbott's global supply chain, relies on intra-group processes to assess and address its modern slavery risk. The policies and processes which are described below are the actions in place to assess and address risk on suppliers of the products which are traded by Abbott globally. Unless otherwise stated, these policies and processes are applied across Abbott's global supply chain, including the entities covered by this Statement.

(1) Due Diligence and Risk Assessment

Our due diligence and risk assessment processes not only aim to identify modern slavery risk, but they also assist us to assess and address this risk. These processes evaluate suppliers for potential sustainability issues, including those related to ethics, human rights and labour, health and safety, environment, and management systems.

When selecting suppliers, we consider applicable environmental, social and governance (ESG) factors alongside business capabilities and capacities, financial health and alignment with our vision. Using supplier classification models, to identify the levels of risk and shared sustainability impacts involved in each supplier relationship, we measure the risk levels and shared sustainability impacts of the applicable relationship.

Our supplier assessment programs take a risk-based approach to determine assessment, monitoring and audit requirements. They consider supplier size, maturity, industry, sourcing regions, ESG performance and Abbott spend. This is particularly relevant to our critical suppliers, but we also assess non-critical suppliers that operate in high sustainability risk industries or regions with potential risk exposure. Abbott utilises a third-party risk monitoring tool to perform real-time analysis of critical supplier sourcing locations, tracking potential geopolitical, security, sustainability, environmental and infrastructure risks. Sustainability risk scores consider performance in employee autonomy, workers' rights, child labour and environmental factors. We also use the tool to monitor supply chain disruptions and to identify suppliers and locations that pose potential business continuity risk. These insights then inform both our sourcing strategy and contingency plans.

All suppliers on our Approved Suppliers List are categorised as high (critical), medium or low risk. Critical suppliers are those identified as: (1) Supplying materials, components or services that influence the safety or performance of our products, (2) Our only approved source of materials, components or services, (3) Integral to our business continuity. Suppliers are also evaluated based on supply chain transparency and complexity, alignment with certification schemes, how close they are to our customers and whether they've demonstrated commitment to product security. Additional risk-specific analyses are

performed for strategic sourcing categories and regions when potential risks are identified. Insights from these programs then inform our sourcing strategy and contingency plans.

We assess our suppliers. Abbott's Supplier Sustainability Survey and Audit Program is an ongoing effort that enables global supply chain assessment and engagement on a broad range of sustainability topics. Through a two-year cycle, we identify and engage potential high sustainability risk suppliers, as well as those with the greatest opportunities to address shared sustainability impacts, to evaluate their sustainability risks and ensure business continuity.

- First, our global supply base is assessed, considering overall sustainability impacts, as well as topic-specific impacts such as human rights and labour, EHS risk, waste diversion opportunities, climate impacts and carbon management. Then 150–300 potentially high sustainability risk suppliers are identified by our Procurement and Business teams for participation in Abbott's annual Supplier Sustainability Survey. The survey helps us understand supplier sustainability maturity and opportunities to improve supply chain sustainability and resilience, covering: (1) Management systems, (2) Compliance and reporting, (3) Ethics, (4) Human rights and labour practices, (5) Health and safety, (6) Environmental performance, and (7) Supply chain management. Suppliers are determined to be "high sustainability risk" when responses are not aligned with the expectations outlined in our Supplier Guidelines.
- After reviewing the survey results, suppliers selected for audit are notified and audited by an external third-party auditor using Workplace Conditions Assessment (WCA) — or other globally recognised — standards. These standards assess a supplier's social and labour conditions, health and safety, environment, and business practices at the facility level. Depending on supplier industry and survey/audit results, audit frequency can range from 1–3 years.
- Where major issues are noted, suppliers must submit corrective and preventive action (CAPA) plans within 30–60 days of receiving audit results. Abbott's supplier relationship manager and subject matter experts will then monitor the supplier's CAPA implementation and determine if a reaudit or other action, such as contract termination, is required. We also encourage suppliers to report concerns via our Speak Up tool.
- In addition to our Supplier Sustainability Survey and Audit program, we maintain category- and region- specific supplier assessment and audit programs where specific sustainability risks have been identified.
- Insights collected through these supplier assessment and engagement programs support better supplier engagement and inform development of sustainability initiatives for implementation at the supplier, sourcing and/or business level.

In addition to these processes, we also have strategic supply chain initiatives that aim to reduce shared sustainability impacts. The SCC (which oversees global supply chain strategy) has developed two types of initiatives, being (1) Issue-specific initiatives: cover the whole supply chain and address targeted topics; and (2) Sourcing category-specific initiatives that cover multiple sustainability risks and opportunities in high sustainability risk sourcing

categories, such as agriculture, energy, packaging, chemicals, transportation and distribution, and waste management.

We also address human rights risk in our other business relationships, including through our Third-Party Compliance Process, which requires Abbott businesses, subsidiaries and affiliates outside the U.S. to complete due diligence before engaging third-party companies. This includes screening companies, identifying high-risk partners and monitoring and mitigating any potential risks.

With reference to the supply chain analysis conducted by Abbott Australia (supply chain analysis table on 5 above). As noted above, we have assessed that the inherent risk of modern slavery in our Business Operations supply chain is low or moderate. For its Business Operations suppliers, labour hire is considered a high-risk sector due to the potential for lack of transparency and sham contracting. Abbott Australia mitigates this risk by working with specialist labour hire companies, conducting police checks, and screening for previous or suspected human rights allegations/incidents. Transportation and logistics services which support Abbott Australia's business operations are also considered an area of risk. This risk is mitigated by screening suppliers during the on-boarding process, including adverse media checks.

(2) Policies

We are committed to upholding the fundamental principles of human rights, labour, environmental protection, and anti-corruption to ensure long-term business success for Abbott, and to improve lives around the world. This commitment is reflected through our policies which are a tool we use to mitigate against various risks including modern slavery. Our policies are aimed at our employees and suppliers.

Every Abbott employee is expected to adhere to all laws and Abbott's policies, procedures, principles, and standards. Abbott employees are obliged to comply with the Abbott's Code of Business Conduct, by carrying out training on an annual basis. Our Code of Business Conduct includes prohibitions on illegal and inappropriate labour conditions, and cruel or inhumane treatment. The Abbott Code of Business Conduct can be found here:

<https://www.abbott.com/investors/governance/code-of-business-conduct.html>.

In addition to Code of Conduct training, annually all employees must also complete global anti-corruption training to ensure we continue to conduct business the right way.

In order to increase awareness of Modern Slavery and its prevalence in society, we are developing specific training for employees to further engage our workforce in this topic and increase awareness not only within our own business and supply chain but also as individual consumers whose personal choices may help to abolish modern slavery. All sourcing and procurement employees are trained on our Supplier Guidelines, which includes Modern Slavery.

Regarding our supply chain, we establish human rights expectations of all suppliers we enter a business relationship with. This is achieved through our Supplier Guidelines. Each supplier

is required to adhere to our Supplier Guidelines and Supplier Code of Conduct. We monitor compliance with the Guidelines through our Supplier Responsibility Program and contracting process, and we work with suppliers to improve their performance, where required, through both global and strategic programming. We continuously assess and monitor our suppliers to identify and mitigate potential risks, including those related to human rights. Once selected, suppliers are required to maintain documentation necessary to demonstrate conformance with the Supplier Guidelines and compliance with applicable laws, regulations, rules, ordinances, permits, licenses, approvals, and orders.

Our Supplier Guidelines set out our expectations of any supplier we enter a business relationship with. The Guidelines align with the Ten Principles of the UN Global Compact and the Pharmaceutical Supply Chain Initiative (PSCI) Principles for Responsible Supply Chain Management. The PSCI are a group of pharmaceutical and healthcare companies who share a common vision of better social and environmental outcomes in the communities we serve. Abbott is a member of PSCI and this membership enables greater collaboration across our value chain regarding ESG issues. Participation in the PSCI allows Abbott to meaningfully engagement with peers, suppliers and customers on these topics. Our Supplier Guidelines detail minimum conditions to help ensure that our suppliers conduct their business in an ethical manner, with integrity and in compliance with all relevant legal requirements and industry codes. The Supplier Guidelines require that all our suppliers (as well as their subcontractors) are committed to protect and uphold human rights of workers, to treat workers with dignity and respect, to make sure that they are not complicit in human rights abuses, to address potential human rights risks, including human trafficking and slavery (child labour, forced or bonded labour), and to comply with all legal and regulatory requirements pertaining to human rights and labour practices.

Suppliers must be able to demonstrate compliance with our Guidelines at the request and to the satisfaction of Abbott through our Supplier Social Responsibility program. It is Abbott's expectation that our suppliers fully support the Guidelines and drive sustainability principles across their own supply chains, systems and employee benefits. This helps ensure materials and services from Tier 2 suppliers, and deeper, also meet our requirements.

We also embed a social responsibility clause in our direct material procurement contracts. The clause details Abbott's values and sets the expectation that vendors will comply with the focus areas of our Supplier Guidelines. It enables assessment of this compliance and requires our vendors to remediate any issues identified. Abbott's Supplier Guidelines are made available in multiple languages and can be found here:

<https://www.abbott.com/partners/suppliers.html>.

(3) Accountability

We require our suppliers to comply with all applicable legal requirements and industry codes to do business with Abbott.

When acting on behalf of Abbott, we expect our suppliers to act in an open and honest manner with third parties. Business decisions must not be improperly influenced by personal interests or relationships, including personal or non-Abbott business relationships with

Abbott employees. Our Guidelines provide that any “concern a supplier has regarding unethical conduct or a potential conflict of interest be reported through Abbott’s Office of Ethics & Compliance at <http://speakup.abbott.com>.

(4) Remediation

Abbott offers several channels where questions can be asked and concerns can be raised, including via our “Speak Up” programme. Our Ethics and Compliance Helpline is multilingual and available globally 24/7 where there are concerns of a potential violation of Abbott’s values and standards of conduct.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

This section illustrates how we assess the effectiveness of our actions to assess and address modern slavery. We are refining and improving our approach to assessing effectiveness. For Financial Year 2021, Abbott (which includes Abbott Australia) assessed the effectiveness of its actions in the following four ways:

(1) The evolution and execution of our global supply chain strategy is overseen by the SCC, which meets quarterly and reports regularly to the GOC. The SCC – composed of senior leaders with responsibility for the supply chain of each Abbott business – makes recommendations for achieving a sustainable, resilient supply chain and leads development of a consistent global approach to identifying and managing sustainability opportunities and risks.

(2) Abbott’s Supplier Sustainability Survey and Audit Program (detailed above) acts as a supplier audit mechanism as it monitors supplier progress on issues such as ethics, human rights and labour practices, health and safety, environmental performance, and supply chain management. In 2021, 210 suppliers covering 25% of spend were engaged through Abbott’s Supplier Sustainability Survey. We also updated the survey to better understand risks and opportunities in line with current and emerging sustainability-related issues. In addition to survey respondents, 51 high sustainability risk suppliers were audited with overall findings indicating Abbott is limited to minimal sustainability risk based on the suppliers assessed.

(3) Whilst our "Speak UP" programme is a way in which we address modern slavery risk, it is also a way in which we monitor effectiveness of our other actions in addressing modern slavery risk.

(4) For the Financial Year 2021, all Abbott Australia employees undertook training on Abbott's Code of Business Conduct and on Careful Communication and Decision Making at Abbott.

CONSULTATION AND BOARD APPROVAL

This statement has been approved by the Board of Directors of each reporting entity comprising Abbott Australia. The reporting entities consulted during the process of preparing this statement, including through engagement of various stakeholder groups within each reporting entity and Abbott (including procurement, facilities and operations, office of ethics and compliance, human resources, finance and legal).

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