

Modern Slavery Statement

Multigate structure, operations, and supply chains

About Multigate

Multigate Medical Products is a leading manufacturer and supplier of surgical procedure packs and other medical devices for the public and private hospital market.

Multigate's core business is a wholly Australian owned, Australian-based manufacturer of medical products. It employs approximately 450 people, the majority of whom work at the company's head office and manufacturing site at Villawood in New South Wales.

The risks that drive Multigate's activities to address worker exploitation in its supply chain

Identifying geographical areas at risk

Multigate Medical Products has always undertaken audits of its main suppliers to ensure the quality of its products are maintained. Multigate Medical Products has expanded the audit process to include aspects of the supply chain that have been reported as being at risk of slavery by internationally recognised organisations such as the International Labour Organization, US Department of Commerce and, as well, non-governmental organisations groups such as Walk Free which publishes the Global Slavery Index.

As some of Multigate Medical Products' entities and suppliers have operated in countries that are rated below Tier 1 environments for labour practices by the US Department of State's *Trafficking in Persons Annual Report*, we are aware that vigilance is required when sourcing materials from these countries as there is a potential modern slavery risk which may include involuntary servitude, debt bondage or slavery. These include countries such as China, Malaysia, Pakistan, India, Vietnam, Burma, and Thailand.

Identifying companies at risk

We have also identified the risk in our supply chain of suppliers using undeclared third-party manufacturers. We are cognisant that this is a business practice in countries where the purchasing is done through trading companies rather than by buying from more established manufacturers directly. Multigate deliberately avoids the use of trading companies so we can lower the risks, both ethical and commercial, presented by an obscure supply chain.

Identifying sectors at risk

The source materials that our suppliers use to make our products are made by the chemical, timber and other industries such as steel and agriculture. In some countries, these industries are at risk of engaging in exploitation of their workforce. Multigate does not directly source from these manufacturers but the risks identified require ongoing monitoring and review.

How Multigate addresses risks to people working within its supply chain

1. Contracting directly with suppliers to avoid trading companies

While Multigate recognises suppliers in Tier 3 countries are vulnerable to price competition and workers may be exposed to exploitation. For this reason, Multigate avoids using trading companies to source raw materials or products, and works with suppliers directly to maintain transparency and:

- avoid worker exploitation and environmental contamination which might otherwise be hidden or driven underground; and
- facilitate on-site visits and inspections as well as allow for collaboration to improve safety and any other issues which would not meet Multigate's Global Supplier Standard, especially where workers may be illiterate and access to worker support is limited.

2. Corporate alliances with suppliers

Multigate's anti-slavery strategies include part ownership or joint ventures with overseas entities. This gives Multigate direct access to organisations which allows it to monitor and control employment practices at the very source of its raw materials and product supplies. For example, Multigate's associated entities in China are single site manufacturers of medical devices. Four have been part of the Multigate group for ten or more years. All Multigate manufacturing facilities in China are EC certified and all have documented supply agreements with the suppliers of their starting materials. The supply agreements meet the EU requirements for medical device conformity assessment. All have been subject to regular on-site visits, have had independent employment audits and audit findings have been actioned.

3. Engagement activities to monitor indirect exposure of the supply chain to slavery practices

Multigate Medical Products works with approximately 200-300 suppliers of which approximately 100 constitute 90% of our trading activities. Multigate Medical Products sources finished products from suppliers including medical devices and packaging materials. Our Sourcing and Procurement team is trained in supplier evaluation. Independent suppliers in 2022 are located in China, Malaysia, Singapore, Pakistan, UK, India, Taiwan, Vietnam, Burma, USA, and Australia. Different engagement strategies are often required but, in general, the management of Multigate's engagement is as set out below.

Managing risk before appointment

Where practicable, suppliers must undergo an on-site quality and employment practice check before appointment. Where this is not possible (eg due to COVID travel restrictions) contract warranties, compliance and quality attestations are obtained.

Managing risk after supplier appointment

Multigate takes active steps to manage these risks and retain control over work-place practices including audit, monitoring and attestations, site-visits as well as requirements for quality and compliance frameworks which meet recognised governance standards such as ISO 9001. Audits of manufacturing sites are undertaken by Multigate Medical Products' employees or through accredited third-party agents.

4. Engagement activities to monitor direct exposure of the supply chain to slavery practices

Direct investment in suppliers

Multigate Medical Products has been sourcing products from non-Australian manufacturers for over 20 years. Over that time, Multigate Medical Products has directly invested in the key suppliers of our components and products. This has allowed us to have direct input into the way these businesses operate and provide guidance and oversight to the local management teams into the benefits of an engaged and educated workforce.

Audits in quality, environment, WH&S

Multigate Medical Products has conducted quality management system audits of its overseas entities for over 10 years. These audits have also included education and training in aspects of modern work practices such as environmental controls and the principles of work, health and safety. Most importantly, these audits have provided regular on-site presence and direct monitoring of workplace and site conditions.

Evaluation

It has been long recognised by the board of Multigate Medical Products that a supplier who does not operate in an ethical and transparent manner is a risk to the uninterrupted flow of the Multigate Medical Products' supply chain. We have adapted our supplier evaluation methodologies to incorporate awareness and inspection of worker exploitation.

Education and training of on-site inspectors

Australian company executives who travel to our overseas affiliates and suppliers in other countries are educated about the recognisable signs of worker exploitation. They are encouraged to mingle with the factory staff at all levels and engage in, as much as possible, casual conversations regarding the manufacture of Multigate products.

On-going relationships and communication

Technical staff at entities and suppliers are met with routinely and engaged in detailed discussions about supply chain environments and any issues arising from Multigate Medical Products' expectations. This program was paused in 2020 due to COVID travel restrictions and will recommence as soon as international travel is allowed.

Evidence based monitoring and real-time assessment

Multigate Medical Products has in-country OEM-QC staff to directly control the inspection of manufacturers and ensure they meet Multigate Medical Products' product realisation standards. Multigate Medical Products' in-country OEM-QC team collected documentation and audited suppliers on a regular basis in the period 2019-2022. Part of the documentation includes having our team provide photos of the factory workshops which process products for Multigate Medical Products. At some sites

we have web enabled cameras to show live images of the production environments as a condition of our investment strategy.

Performance reviews

All suppliers are subject to a regular review of their performance in our supply chain. The input from our in-country OEM QC team is included in the assessment of the suppliers. Those with actionable non-conformities to any of Multigate Medical Products' requirements are given time to improve their processes and practices. Those that fail to do so are no longer used to supply goods and/or services. Due to the travel restrictions placed on employees for reasons such as the COVID-19 pandemic, onsite inspections may be impacted. In these instances, inspections are either conducted remotely or contracted out to third party organisations.

5. Assessment of slavery strategy effectiveness

Multigate Medical Products' senior management team conducts annual review meetings of our integrated management systems. These meetings review the performance of our systems and highlight any areas of concern which from 2021 will include the review of our supply chain for exposure to the defined types of worker exploitation as it appears in the *Modern Slavery Act 2018 (Cth)*.

Our Sourcing and Procurement Team is trained in supplier evaluation and individuals are assessed annually for competency in this part of their job function. Reviews of competency assessment are held by our Human Resources department.

Multigate Medical Products has an ongoing arrangement with an Australian based legal firm to provide consultation on the requirements of the *Modern Slavery Act 2018 (Cth)* when required.

All Multigate's documented standard operating procedures have a specified review date to ensure the process has currency with the work of the users and any changes brought about by updates from external regulatory sources. This ensures our internal specifications and records for the assessment of our supply chain always remains current. All staff have access to the procedures and recording forms through our company wide intranet. This equally applies to our in-country inspection teams. The assessment of the company's level of compliance is handled through an internal audit system which reports up to the senior management group for review. The management review process has a responsibility to confirm that any action Multigate Medical Products takes to meet the requirements of the *Modern Slavery Act 2018 (Cth)* is effective and that any area which is reported as needing corrective action is appropriately implemented without delay.

6. Multigate's consultation process with our controlled entities

Multigate Medical Products actively engages with the management of entities it owns and controls on a regular basis. The engagement includes clear articulation of the requirements of the *Modern Slavery Act 2018 (Cth)*, how Multigate Medical Products expects the entity to mitigate any risks and what sanctions the entity would face if it failed in controlling their supply chain.

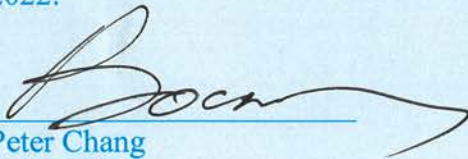
The Multigate board of directors are clear in their discussions with the joint venture management as to Multigate's expectations about the exploitation of labour and the standards that the Australian legislation imposes on the group as a whole.

7. *Other Information*

Multigate Medical Products has committed to implementing whole of company compliance regarding its obligations under the *Modern Slavery Act 2018 (Cth)*. This implementation is being further developed within our supply chain procedures to ensure that an active expectation of continual improvement is explicit and fostered within all the Multigate entities.

Multigate Medical Products is cognisant of the expectations of the Australian community regarding ethical sourcing, and we will continue to respond responsibly and wholistically to any issues over which we have control or influence.

This Modern Slavery Statement has been approved by the Multigate Board of Directors on 30 November 2022:



Peter Chang
Chairman