



ANZ Modern Slavery Act Statement 2021

This is the second modern slavery statement made by Align Technology (Australia) Pty Limited and ICA Holdings Pty Ltd, (collectively “**Align Australia Group**”, “**we**” or “**our**”) under section 14 of the Australian *Modern Slavery Act 2018* (Cth). It relates to the reporting period for FY 2021 and outlines the steps we have taken to assess and prevent modern slavery and human trafficking risks in our operations and supply chains.

1. Our commitment

The Align Australia Group recognises that modern slavery is a severe violation of human rights with devastating consequences for victims. We strongly oppose modern slavery in all its forms and strive to eliminate modern slavery in our supply chains and operations. We remain committed to acting ethically and with integrity in all our business dealings and relationships.

Our Purpose is “transforming lives and changing smiles” and we are working to build a legacy of positive impact in all that we do. As at the date of this statement¹, over 12 million people worldwide have chosen to straighten their teeth with Invisalign® clear aligners². Our approach to combating modern slavery is based on a similar objective. This Modern Slavery Statement sets out:

- our structure, operations and supply chains;
- risks of modern slavery practices in our operations and supply chains;
- our people;
- policies and training;
- our approach to onboarding of suppliers;
- our ongoing monitoring activities of suppliers; and
- action to assess and address modern slavery risks.

¹ 30 June 2022

² Data on file, Align Technology, Inc. 31 December 2021.



2. Our structure, operations and supply chains

a. Our ultimate parent company, Align Technology, Inc.

Align Technology (Australia)'s ultimate parent company, Align Technology, Inc. ("**Align Technology**"), is listed on the NASDAQ Global Market under the ticker symbol "ALGN" and its global headquarters are located in Tempe, Arizona USA. Align Technology sells the following main products and services: the Invisalign System, Vivera retainers, iTero intraoral scanners and ADAPT by Align.

b. Align Technology (Australia) Group

Align Technology (Australia) Pty Ltd is a wholly owned indirect subsidiary of Align Technology, Inc (together with its subsidiaries, "**Align**") and has five subsidiaries, including ICA Holdings Pty Ltd and Invisalign Australia Pty Limited whose operations are to market, distribute and service Align products and services within Australia. The other subsidiaries of Align Australia Group are located in New Zealand, Hong Kong and Singapore and are either holding companies or distribution entities for each applicable jurisdiction. They do not have any material supply chains outside of the Align Australia Group. As at the date of this statement³, approximately 105 employees are employed full time in Australia and New Zealand, where Invisalign Australia Pty Limited operates 1 affiliated office based in Sydney, NSW.

Align Australia Group procures the products it sells entirely from related entities in Align Technology's global supply chain. Products sold in Australia and New Zealand are manufactured in various locations around the world including China, Mexico and Israel. The Align Technology (Australia) Group also has local suppliers in relation to property, digital, marketing, insurance, professional services, distribution and logistics, human resources, office supplies, cleaning and travel.

3. Risks of modern slavery practices in our operations and supply chains

Instances of modern slavery are often complex and hard to detect. The Align Australia Group recognises that particular products and services may have a higher risk of modern slavery practices because of the way they are produced, performed, distributed, or used and identifying risks in Align Technology's global supply chain

³ 30 June 2022



is the first step to minimising those risks and increasing our ability to detect instances of modern slavery through our governance practices.

The Align Australia Group has taken a risk-based approach which evaluates the likelihood of modern slavery existing in our operations and supply chains including by sector and industry, by the type of products and services and by geographical location. We believe the risk of modern slavery in our operations is medium or low depending on the category. There is, however, the latent risk that we may be connected to modern slavery practices through hidden or disguised activities of our suppliers and their supply chains.

The Align Australia Group currently operates in Australia and New Zealand either directly or indirectly through distributors. Pursuant to the 2018 Global Slavery Index released by the Minderoo and Walk Free Foundation as a guide (GSI), Australia and New Zealand are considered low risk countries for the prevalence of modern slavery.

The sectors or industries that Align Technology and its affiliated entities operate in or uses have not changed since last year and continue to be considered to have a higher prevalence or risk of modern slavery practices due to their characteristics, processes and products⁴:

- a. medical device products;
- b. manufacturing;
- c. electronics;
- d. catering, cleaning and logistics; and
- e. travel management services⁵.

⁴ According to (i) the ACSI Modern Slavery Risks, Rights & Responsibilities (<https://acsi.org.au/research-reports/modern-slavery-risks-rights-and-responsibilities/>). This is a research report that contains valuable tools for companies and investors in addressing modern slavery risks and identifies five ASX200 sectors considered to be high risk for modern slavery; and (ii) the International Labor Organization's 2017 Global Estimates of Modern Slavery: Forced Labour and Forced Marriage (https://www.ilo.org/global/publications/books/WCMS_575479/lang--en/index.htm).

⁵ Due to the Covid-19 pandemic, Align Australia Group's use of travel services was minimal, but is included in this statement as the type of service that the Align Australia Group would usually use in the ordinary course of business.



The following categories of products and services have been used to help identify and evaluate modern slavery risks within our supply chains and operations.

Main supply chain category	Comment	Risk rating
<p>Manufacturing facilities – Invisalign clear aligners and Vivera retainers</p>	<p>The Invisalign clear aligners and Vivera retainers that the Align Australia Group sells directly to Australian and New Zealand Invisalign-trained doctors are manufactured in facilities in Mexico and China.</p> <p>Treatment planning facilities in relation to Invisalign clear aligners are located in Costa Rica where a team of CAD designers and clinical specialists provide treatment planning and digital case setups, working closely with Invisalign-trained orthodontists and general practitioners to create bespoke digital orthodontic treatment plans for their patients.</p> <p>All manufacturing and treatment planning facilities are directly operated and managed by Align Technology through its affiliates in each relevant country. This direct organisational relationship helps mitigate the risk of the modern slavery. In addition, all team members who work in these facilities are provided quality working, employment and recruitment conditions as described in paragraph 4 below. They also have access to all the policies and training listed in paragraph 5 below and, importantly, are encouraged to raise concerns (speak up) through our Global Speak Up Policy without fear of being subjected to victimisation, harassment, retaliation, or discriminatory treatment.</p>	<p>Low risk</p>
<p>Medical device products</p>	<p>Our supply chain includes overseas manufacturers of specialised scanning equipment, rapid prototyping machines, resin, and other advanced materials, as well as the optics, electronic and other mechanical components of our intraoral scanners. Our related entities that procure these</p>	<p>Medium risk</p>



Main supply chain category	Comment	Risk rating
	products maintain single supply relationships and also rely on third-party manufacturers and sub-assembly manufacturers and have visibility over raw materials in its supply chain as the raw material procurement takes place from tier one suppliers.	
E-commerce	<p>In 2021, the Align Australia Group began selling Invisalign aligner cases direct to consumers on an Amazon e-commerce platform in Australia.</p> <p>Amazon has complex, global supply chains and direct connections to high-risk industries like mineral sourcing, metal refining, and electronics manufacturing. Amazon has reported that it employs third-party auditors to regularly review the employment practices of their current suppliers. During this verification process, auditors examine documentation, visit production lines, dorms, canteens, and waste storage facilities, and conduct face-to-face interviews. Ongoing monitoring required.</p>	Medium risk
Advertising services on Facebook, Instagram, TikTok, YouTube and Google	Whilst these social media platforms and the advertising platforms that they provide consider the risk of modern slavery relatively low in their direct business operations because their direct workforce is largely comprised of professionally qualified or skilled personnel, they do recognize that there are inherent risks of modern slavery in their supply chains ⁶ . Ongoing monitoring is required.	Low risk
ADAPT by Align consultancy services	All team members providing ADAPT by Align consultancy services are directly employed by Invisalign Australia Pty Limited and have employment terms and conditions that are governed by Australian law. They also work in the market-standard conditions described in paragraph 4 below.	Low risk
Rent of premises	The Align Australia Group only had two leases in FY2021 both of which were in Sydney, Australia. The rent and related costs were paid directly to our landlords. Our landlords are based in Australia.	Low risk

⁶ For example, Facebook “Anti-slavery and human trafficking statement 2021”



Main supply chain category	Comment	Risk rating
Couriers and freights	Local postage, mail and delivery services are considered low risk . International freight and transportation services including shipping, distribution and storage are considered medium risk . In 2021 our NZ freight and transportation services agreement was amended to include contractual language to require that company and the services they provide meet our standards.	Low / medium risk
IT-related suppliers	Computer hardware and consumables and software. Raw materials, manufacture of consumables and disposal of e-waste may take place in geographies of concern. This industry has a higher prevalence of modern slavery in particular media reports of child labour and forced labour in the destruction of e-waste. Requires further investigation.	Medium risk
Professional services	Legal and accounting firms, professional consultants such as marketing, HR/recruitment firms and IT. Suppliers are based in Australia and New Zealand.	Low risk
Utilities	Electricity, gas, water, telephone and data services Suppliers are based in Australia and New Zealand.	Low risk
Office and staff supplies	Stationery, office equipment and consumables, staff amenities, uniforms and cleaning products. Suppliers are based in Australia and New Zealand.	Low risk
Facilities management	Cleaning and waste removal. This industry has a higher prevalence of possible migrant labour exploitation and/or underpayment or wages. Requires further investigation.	Medium risk



4. Our people

As at the date of this report⁷, the Align Australia Group has approximately 105 team members. The Align Australia Group team members respect one another by protecting the human rights of others. This means we do not use false or misleading practices when recruiting and hiring. We recognise that migrants and foreign workers are particularly vulnerable to modern slavery and extreme forms of labour exploitation due to the difficulties that they face in understanding and securing their rights and entitlements. Considering the nature of our workforce and our employment practices, we have assessed that the risk of Align Australia Group's operations causing or contributing to modern slavery through our employees as low. For example:

- all team members continue to hold appropriate work visas or have permanent residency or citizenship. Our candidate relationship management systems have controls in place that prevent placements from occurring without the appropriate work rights and skills checks being completed;
- our employment conditions adhere to the legislation relevant to the jurisdictions in which the team members work;
- all team members and potential team members are free to apply for employment opportunities, free to turn down employment opportunities and free to leave their employment at any time. We do not charge any fees to individuals for the sourcing of the employment opportunities they are offered;
- we provide compensation that is competitive and consistent with the laws that regulate minimum wage and overtime. We are committed to providing our team members with details about their work and that their wage statements and entitlements are clear and understandable. Our remuneration strategy reflects individual and company performance, job responsibilities, individual contribution and prevailing market conditions; and
- we have good recruitment practices in place – we ensure that all our legal obligations are complied with in the recruitment and on-boarding process and we only contract with formal labour providers and recruitment organisations with legitimate and established businesses.

⁷ 30 June 2022



5. Policies and training

Policy	Overview
Align Technology Global Code of Conduct	<p>The Align Australia Group follows the Align Technology Global Code of Conduct (our “Code”) which defines the ethical standards we each must follow so that we may conduct the business of Align Australia Group with integrity and in compliance with all laws. Our Code also includes examples of what to look out for to avoid unethical or illegal conduct. As such, no one representing the Align Australia Group will take unfair advantage of anyone through manipulation, fraudulent inducements or concealment, abuse of confidential or privileged information or any other unfair dealing.</p> <p>We believe that the Align Australia Group’s strength is based, in part, on our ability to develop and sustain long-lasting, mutually rewarding relationships with our valued business partners. In accordance with our Code, we seek out partners, including suppliers, that demonstrate strong values and ethical principles. We avoid those that violate the law or fail to comply with the sound business practices we embrace.</p>
Align Technology Global Third Party Code of Conduct	<p>The Align Australia Group partners are also subject to the Align Technology Global Third Party Code of Conduct (“Third Party Code”). This Third Party Code has been shared with distributors and sales agents. Just as Align Technology and the Align Australia Group holds itself accountable to our Global Code of Conduct, we expect our Third Parties to do the same by following our Third Party Code. Our Third Party Code makes clear that we expect and require our business partners to comply with all human rights laws and ensure that their workforce is treated fairly and all working conditions are safe.</p>
Speak Up Policy	<p>Grievance mechanisms are vital for workers to be able to raise issues. As part of our commitment to honest and ethical behavior, through our Speak Up Policy we require all employees to report any actual or apparent violations of law or ethical standards so that they can be investigated and dealt with appropriately. Align Technology and the Align Australian Group has an open-door policy and encourages all employees to present ideas, raise</p>

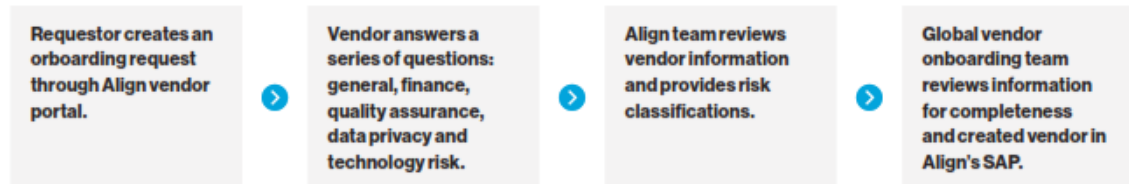


Policy	Overview
	<p>concerns, and ask questions – especially those of a legal or ethical nature. Everyone on the management team is responsible for supporting our open-door policy and for welcoming direct reports or other employees who may reach out to them for assistance. Align Technology and the Australia Group encourages all team members to use our hotline if they do not feel comfortable going to their supervisor, manager, Compliance and Ethics Officer or HR department, which enables team members to remain anonymous.</p>
<p>Fair Competition</p>	<p>Align Technology and the Align Australia Group are committed to conducting business with integrity. All team members and our third parties must conduct business consistent with principles of fair competition and in compliance with all applicable anti-trust laws. This includes, among other things, avoiding arrangements or agreements with others regarding:</p> <ul style="list-style-type: none"> • product prices, • terms of sale, • division of markets, • allocation of customers, • controlling a market using improper methods or • any other practices that restrains competition.
<p>Workplace Bullying Policy and Appropriate Workplace Behaviour Policy</p>	<p>Align Technology and the Align Australia Group do not tolerate or condone bullying, harassment, sexual harassment, victimisation (including unlawful behavior) under any circumstances. Align Australia Group has a Workplace Bullying Policy and an Appropriate Workplace Behaviour Policy which sets out steps team members can take if they become subject to or aware of any discrimination or victimisation that results or could result in modern slavery practices. These policies set out what the Align Australia Group will do if a complaint is made and what actions the Align Australia Group will take if allegations are substantiated. For example, the Align Australia Group may make take disciplinary action, including suspension or termination of employment where appropriate or justified in the circumstances. These policies meet the requirements of Australian law.</p>



6. Third party vendor onboarding

As part of the Align Australia Group vendor onboarding process, suppliers and other business partners answer certain questions that allow us to assess risk. These questionnaires are generally completed and undergo a thorough risk assessment prior to the supplier providing us any goods or services. The flowchart below provides a high-level summary of the process to set up a new vendor with the Align Australia Group:



Potential new vendors are required to complete an initial questionnaire. Most vendors are asked to confirm if their company complies with The California Transparency in Supply Chain Act (2010) and the Modern Slavery Act 2015 (UK) and the Australian Modern Slavery Act 2018 (Cth).

Also, depending on the vendor categorisation, vendors may also be required to go through Align Technology's Quality Management System ("QMS"). Potential new vendors who are required to go through our QMS process are required to complete additional and more detailed questions disclosing, among other things, their efforts to evaluate and address risks of human trafficking and slavery. These questionnaires are reviewed by internal personnel.

7. Ongoing monitoring activities

Once a supplier has been categorised and onboarded into our systems, we have processes in place to continually monitor its quality-controlled suppliers. A risk-based approach to supplier quality management is performed to ensure expectations are met – the degree of control is commensurate with the significance of the product or service supplied and include but are not limited to: capacity/scalability, supply chain, catastrophe/geopolitical, and quality/regulatory. Some on-going controls that may be required include, among others, the following:

- Verification and inspection of products: verification, inspection of products or other activities are performed by Align Technology or its affiliates in each relevant country to ensure specified requirements are met.



- b. Supplier re-evaluation: all suppliers that are onboarded are automatically identified in Align Technology's systems to be re-evaluated. The frequency of supplier re-evaluation is determined based on the vendor's QMS classification, or immediately on the occurrence of certain events (e.g. merger, acquisition, product/service change, non-conforming products).
- c. Auditing: Align Technology or its affiliates in each relevant country performs audits as part of the evaluation or re-evaluation of certain suppliers. The scope of any audit is based on the acceptance criteria and level of risk of the product or service provided by the supplier. An annual supplier audit schedule is established with input from applicable stakeholders. Unscheduled or unplanned supplier audits may be added to the schedule as needed throughout the calendar year due to new business, substantial/significant changes and business/QMS risk.

For major non-conformities identifying significant risk, we take necessary actions including but not limited to removing or inactivating the supplier from the approved supplier list, replacement of the supplier, slow business or withhold potential future business.

8. Action to assess and address modern slavery risks

Set out below are some of the actions that we have taken in FY2021 to mitigate risks of modern slavery in our operations and supply chains. We are already making good progress in 2022 and these actions will be reported in our modern slavery statement next year for FY2022.

a. Continue development of workplace reporting and processes

Our people are our first line of defence in relation to mitigating the risk of modern slavery in our supply chains and operations. In FY2021, all team members and contractors globally with access to the systems of Align Technology were required to undertake training on our Global Code of Conduct.

Align Technology's Global Speak Up Policy provides the framework for when we must speak up about conduct that may be inconsistent with Align Technology's Global Code of Conduct, Align Technology's policies and procedures, or the law; and for how Align Technology implements this commitment to speaking up. Following this Policy allows the Align Australia Group to respond to concerns and questions promptly and objectively; and, to be fair to those who speak up. Concerns related to modern slavery and supply chain compliance would be raised under this policy and resolved under our global process.

b. Training on Modern Slavery

In 2021, the Align Australia Group delivered training in relation to modern slavery to its APAC team members. The purpose of this training was to educate employees:



- on what modern slavery is;
- to understand the types of conduct that are modern slavery; and
- how to identify and report incidents that present a risk of modern slavery.

c. Supplier Questionnaire and Intermediary Onboarding Due Diligence Questionnaire

Assessments of supplier policies and practices continued throughout 2021 and supplier assessment questionnaires continued to be used to understand suppliers' business practices and processes. Our supplier questionnaire and intermediary onboarding due diligence questionnaire were updated to include questions designed to support the identification of modern slavery risks and foster collaborative efforts between us and our suppliers to address these risks. Additional due diligence may be undertaken if required.

Depending on the type of supplier and the product and service they are intending to supply, the questions and information that we may ask for include but are not limited to:

- the type of labour used in each supplier's organisation;
- if any of the services or products provided use contract workers or seasonal works;
- if the supplier has a supplier code of conduct that their suppliers in turn are required to comply with;
- if they have internal written policies and procedures that are intended to set conduct expectations and prevent and detect human trafficking and/or modern slavery concerns;
- if the supplier provides training to team members on mitigating risks of human trafficking and slavery in the supply chain; and
- if the supplier has received any reports, concerns, charges and/or investigations related to Modern Slavery and/or Human Rights in its operations and supply chains within the past 5 years.

9. Consultation

The preparation of this modern slavery statement including Align Australia Group's commitment to eliminating the risk of modern slavery in our supply chains and operations continues to have the full support of our Australian Leadership Team. The Working Group consulted with the boards of the reporting entities covered by this statement being Align Technology (Australia) Pty Ltd, ICA Holdings Pty Ltd and their subsidiaries. Align Australia Group continues to operate as an integrated group of companies with consistent policies, systems and approaches applying to each entity.



10. Approval

This statement was approved by Board of Directors of Align Technology (Australia) Pty Ltd on 30 June 2022 on behalf of itself and ICA Holdings Pty Ltd for the purpose of the Modern Slavery Act 2018 (Cth).

DocuSigned by:

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Karen McGoldrick, VP and Managing Director, ANZ

30 June 2022