

Modern Slavery Statement 2020

Multigate as a Reporting Entity

Multigate Medical Products Pty Ltd (Multigate Medical Products) is an Australian proprietary company limited by shares and registered in New South Wales. It was established in 1986.

Multigate Medical Products, and the entities under its control, are all committed to ensuring that they understand, identify, educate, and improve the processes within their supply chains to reduce the risk of conduct considered 'modern slavery' as defined in the Modern Slavery Act 2018 (Cth).

Structure, operations, and supply chains within 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.

It has between 350 to 400 direct employees based in Australia, the majority of which are at the company's manufacturing and head office site in Villawood NSW.

Multigate Medical Products' core business is in Australia, but it does have wholly owned or joint venture operations around the world, including the following:

Entity Name	Region, Country	No of employees (approx.)
Tasman Source Pty Ltd	NSW, Australia	1
Multigate Medical Devices Pty Ltd	NSW, Australia	20
Anji Anshen Surgical Dressings Co., Ltd	Zhejiang, China	65
Shaoxing Fuqing Health Products Co.,Ltd.	Zhejiang, China	415
Shaoxing Integral Medical Products Co., Ltd.	Zhejiang, China	410
Shaoxing Multigate Co., Ltd	Zhejiang, China	6
Multigate Hong Kong Limited	Hong Kong	3
Multigate Korea	Seoul, South Korea	5

The companies in Australia, Hong Kong and South Korea are distribution and sales companies. Multigate has been selling medical devices into Hong Kong and South Korea for over ten years. The companies have established long term contracts for supplying into their respective markets.

The companies in China are single site manufacturers of medical devices. All 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.

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.

Multigate Medical Products' suppliers operate in China, Thailand, Malaysia, Singapore, Pakistan, UK, India, Taiwan, Vietnam, Burma, USA, and Australia.

Risks of modern slavery practices in Multigate's operations and supply chains

Risk of modern slavery exists in global supply chains and to identify areas of risk, Multigate Medical Products undertakes a regular audit process of its overseas suppliers. This is done both through a formal onsite audit of the manufacturing site undertaken by Multigate Medical Products' employees or through an accredited third-party agent.

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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 this process to include aspects of the supply chain that have been reported as being at risk by other organisations such as the International Labour Organization, US Department of Commerce and through Non-governmental organisations groups such as Walk Free which publishes the Global Slavery Index.

As some of Multigate Medical Products' entities operate in countries such as Malaysia, Pakistan, India, Vietnam, Burma, Thailand, and China that are rated as less than a Tier 1 environment for labour practices by the US Department of State in their 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.

We have also identified the risk in our supply chain of suppliers using undeclared third-party manufacturers but we are cognisant that this is a business practice in some 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.

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

Multigate Medical Products' actions to assess and address risks of modern slavery practices.

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.

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.

It has been long recognised by the board of Multigate Medical Products that a supplier who does not operate in this 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.

Australian company executives who travel to our entities and our suppliers in other countries are educated on 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.

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.

Multigate Medical Products has employed staff in three countries (China (6), Thailand (1), and Pakistan (15)) 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 2019-2020. 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.

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

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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.

Multigate Medical Products' assessment of the effectiveness of its actions

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 they are annually assessed 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.

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.

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 will be further developed within our supply chain procedures to ensure that an active expectation of continual improvement is fostered within all the Multigate entities.

Multigate Medical Products is cognisant of the expectations of the Australian community regarding ethical sourcing, and we will 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 25 March 2021.



Bouchong Chaisumdet
Chairman

25 March 2021