



Modern Slavery Statement

Financial Year: 1 July 2020 – 30 June 2021

The Reporting Entity

This statement is made by Aspen Asia Pacific Pty Ltd on behalf of its 100% owned subsidiaries, Aspen Pharmacare Australia Pty Ltd and Aspen Pharma Pty Ltd (**Aspen Australia**).

Structure, operations and supply chains

Aspen Pharmacare Australia Pty Ltd and Aspen Pharma Pty Ltd are the Australian trading entities of the Aspen Group. Headquartered in South Africa, Aspen is a multinational pharmaceutical company with an extensive range of pharmaceutical products that provide treatment for a broad spectrum of acute and chronic conditions experienced through all stages of life, with established business operations in 55 countries, supplying specialty and branded pharmaceuticals in more than 150 countries.



Aspen Pharma Pty Ltd ACN 096 239 958 manufactures and packages oral solid dose and semi-solid dose pharmaceutical products in its TGA-approved manufacturing site at Dandenong, Victoria. To do so, Aspen Pharma obtains direct inputs: raw materials such as active pharmaceutical ingredients (APIs) and excipients; packaging materials such as cartons, labels, bottles, blister trays and foils; production support including machinery, parts and other equipment and services such as regulatory approval, maintenance, contract laboratory services, freight, logistics, utilities, telecommunications and IT systems, and cleaning and waste management.

Aspen Pharmacare Australia Pty Ltd ACN 004 118 594 supplies pharmaceutical products in Australia and New Zealand and exports pharmaceutical products to other countries. These pharmaceutical products come from a variety of sources: the Dandenong manufacturing site, Aspen Group (some produced at Aspen manufacturing sites and others in-licensed from other pharmaceutical companies), or in-licensed from or contract manufactured by local and overseas pharmaceutical companies. Aspen Pharmacare

Australia obtains goods and services from regulatory agencies, consultants, freight-forwarders, warehousing and other transport and logistics suppliers, power, telecommunications and IT service providers, marketing and sales support suppliers including point of sale materials, marketing and advertising agencies, travel agencies, conference organisers, and general support including car fleet, couriers, cleaning and other office services and consumables.

The registered office of both reporting entities is 34-36 Chandos Street, St Leonards, New South Wales 2065, Australia. Together, the entities employ approximately 650 employees.

Risks of modern slavery practices in our operations and supply chains

Having regard to the highly regulated nature of the pharmaceutical industry, human rights risks within Aspen Group's employed workforce and the workforces of non-Aspen suppliers of pharmaceutical products are assessed to be low as they are largely made up of skilled workers who undertake work in controlled and regulated environments that operate under established policies and procedures and are often subject to government and contract partner audits.

Aspen Australia's modern slavery risk exposure could exist in the engagement of suppliers and service providers in higher risk sectors such as transportation and warehousing in countries that do not adequately protect human rights, and in the use of cleaning services.

Suppliers of non-regulated inputs who operate in countries that do not adequately protect human rights could also pose a modern slavery risk.

Looking specifically at the categories of goods Aspen Australia purchases against those identified as having an increased risk of modern slavery based on the **Global Slavery Index 2018 Importing Risk**, risks could arise in relation to:

- electronics if sourced from Malaysia and China; and
- uniforms if sourced from Brazil, China, India, Malaysia, Thailand and Vietnam.

Actions taken to assess and address risks of modern slavery practices in our operations and supply chains

Risk Assessment

Aspen Australia formed a working group of individuals from supply chain, finance, external sourcing and quality, business development, manufacturing, legal and compliance and human resources to assess and address modern slavery risk.

In the first reporting year, Aspen Australia assessed the risk of modern slavery in our own operations, which are all within Australia and New Zealand, as low to very low, given the highly regulated nature of the pharmaceutical industry. The workforce is largely made up of skilled individuals who undertake work in controlled and highly regulated environments that operate under established policies and procedures. That remains the case. This also applies to most of our Tier 1 suppliers.

In our previous statement, we reported that we identified key risk areas among our Tier 1 suppliers would be those ranked highest by spend in the following geographic, sector and product/service areas and that we will prioritise assessment activities using these potential risk factors:

Geography risk:	India, China, Malaysia
Sector/industry risk:	logistics services
Product/service risk:	electronics and uniforms

We also seek input from Aspen Group as to any heightened modern slavery risks identified at a Global level.

During the period from 1 July 2020 to 30 June 2021, we did not identify any heightened modern slavery risk.

We will look into Tier 2 suppliers (suppliers that supply to Tier 1 suppliers) in later years.

New Group-wide supplier sustainability risk assessment and due diligence program to be

implemented: Aspen Group recognises that tackling modern slavery requires a continuing year-on-year commitment and awareness to continue to undertake appropriate initiatives to remain sensitive to the global risks surrounding modern slavery. Aspen strives to routinely review, with an aim to improve procedures to support the identification of and prevent the risks of modern slavery across our business. Aligned to this, Aspen Group is taking steps to further enhance responsible supply chain management across the Group by developing a Group-wide supplier sustainability risk assessment and due diligence program which is planned for implementation in 2022. This program aims to enable Aspen to monitor sustainability performance on a routine basis through reliable sustainability assessments and engage with suppliers to achieve continual improvement and advancement of supplier performance on relevant sustainability aspects. This aligns to Aspen Group's goal of striving to review, with an aim to improve, procedures to support the identification and prevent risks of modern slavery across the business.

Addressing risks

Aspen Australia considered what policies and procedures it has in place that address modern slavery risks and whether they could be improved. The business strategy, Codes of Conduct, Third Party Due Diligence Procedure and the Whistleblowing policy are all relevant Aspen Group (global) policies that apply to all Aspen Group affiliates, including Aspen Australia.

Our sustainable business strategy

We recognise that doing business in a sustainable and responsible manner is integral to ensuring our future viability. Sustainability considerations underpin our strategy and are integrated into the way we do business. One of our 5 strategic objectives is to be a good corporate citizen by conducting our business in a responsible inclusive and sustainable way. Our sustainability commitment to society is to strive to operate an ethical and responsible business underpinned by our shared values and governance structure; we uphold the dignity, fundamental freedoms

and human rights of our employees, contractors and the communities in which we live and work, and others affected by our activities.

As a signatory to the United Nations Global Compact, Aspen has committed to support the 10 principles on human rights, labour, environment and anti-corruption, including principles 4 and 5 which call for the elimination of all forms of forced and compulsory labour and the effective abolition of child labour.

Aspen Code of Conduct

Each year, all employees are required to confirm that they will comply with the Aspen Code of Conduct, Section 9 (Human Rights, Labour and Employment Practices) of which states that all employees are responsible for ensuring that Aspen upholds the elimination of all forms of forced and compulsory labour and upholds the effective abolition of child labour.

Aspen Supplier Code of Conduct

The Aspen Code of Conduct for Suppliers and Service Providers is incorporated in all relevant agreements that we make with our suppliers and service providers. It requires each supplier to warrant, to the best of its knowledge, that in relation to the performance of its obligations for Aspen:

- It does not use, engage in or support child labour practices in its own operation, or its supply chain
- It does not engage in or support slavery, human trafficking or any form of forced labour in its own operation, or its supply chain
- It provides a safe and healthy workplace; any housing supplied to employees is safe for habitation; access is provided to proper sanitation and clean water, and emergency healthcare is provided in case of workplace accidents or incidents
- It does not engage in or support the use of corporal punishment, mental, physical, sexual or verbal abuse, and does not use cruel or abusive disciplinary practices in the workplace
- It pays employees at least the minimum wage, or a fair representation of the prevailing industry wage (whichever is the higher) and provides employees with all legally mandated benefits
- It complies with laws on working hours and employment rights in the countries in which it operates and is respectful of employees rights to join and form independent trade unions and freedom of association

The Code requires suppliers to have ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies. Material complaints are to be reported to Aspen with the proposed remedy. It also requires suppliers to undertake to reinforce these standards further down their supply chains.

Suppliers are required to permit Aspen to perform audits of their facilities, records and business processes to verify compliance with the Code. Material breaches of the Code may result in termination of any business relationship with Aspen and disqualification as an Aspen supplier. Given the pandemic, our ability to conduct site visits and audits would be very limited.

Suppliers (as well as employees and others) are encouraged to use the **Tip-Off service** to report suspected unethical behaviour on the part of anyone related to Aspen's business - as described in Aspen's **Whistleblowing Policy**.

Annual reminder letter to suppliers

We send a letter to our suppliers every year, reminding them of the contact details for the Tip-Off line that they can use to report (anonymously or not) any suspected unethical behaviour on the part of any Aspen employee or anyone related to Aspen's business. We give anti-competitive behaviour, fraud and bribery as examples of unethical behaviour. We did not call out Modern Slavery as a further example as planned in our last annual letter, but aim to do so in the next annual letter.

Due diligence

An anti-bribery / anti-corruption risk-based due diligence is undertaken prior to entering into any business relationship with a third party engaged to act on behalf of or for the benefit of Aspen. Suppliers assessed as other than low risk are required to complete a Due Diligence Questionnaire, and further due diligence is conducted and actions taken based on the answers to the Questionnaire. Aspen Australia has added questions specific to modern slavery risks to the Questionnaire. A refusal to answer relevant questions would be a red flag, leading to further investigation. Further questions may be asked based on our review of the answers. Aspen Australia is further documenting and embedding this procedure in the business.

Aspen also screens third parties using a global database of intelligence on heightened risk individuals and organisations. The data is sourced from the public domain including global media research in over 60 languages, covering 240 countries.

The planned implementation by **Aspen Group of a Group-wide supplier sustainability risk assessment and due diligence program in 2022** will further enhance our due diligence processes.

Training

Mandatory ethics training is conducted with all employees on commencing employment with Aspen and on an annual basis to ensure that the principles of ethical business conduct – including the elimination of all forms of forced and compulsory labour and abolition of child labour - are understood and implemented. Aspen Australia is in the process of developing a specific training module for all relevant employees to ensure that the risks of modern slavery in our supply chains are understood and that the processes we are developing to assess and address these risks are implemented.

Contracting with suppliers

We are incorporating specific clauses in relevant agreements with our suppliers requiring their commitment to addressing modern slavery risks in their supply chains, in addition to the requirements in the Aspen Supplier Code.

Remediation processes

None undertaken as no modern slavery was identified. If we identify a risk, our aim will be to work with the supplier to address the risk. We will ultimately move away from the supplier where possible if they are unable or unwilling to give us confidence that they are working towards eliminating the risk.

How we assess the effectiveness of the actions taken to assess and address risks

The working group meets to assess the effectiveness of our policies and procedures and our training program. Whistleblower reports are monitored for modern slavery risks.

We will also review any Modern Slavery Statements made by suppliers we assess as other than low risk.

Aspen can seek to use its contractual audit rights to conduct an audit if we assess there may be a heightened risk with a particular supplier or if we reasonably suspect a supplier is engaging in modern slavery practices, or to assess the effectiveness of a corrective action plan.

We have not identified any heightened modern slavery risk, and have had no reason to suspect any supplier is engaging in modern slavery practices. Given the pandemic, our ability to conduct site visits and audits would be very limited.

Process of consultation between reporting entities

Aspen Pharmacare Australia Pty Ltd and Aspen Pharma Pty Ltd share two directors and the CEO of both entities is the same person. As previously described, Aspen Pharma Pty Ltd is the manufacturing arm.

Other relevant information

Other Aspen Group companies are also required to comply with Modern Slavery laws (eg in UK and Canada). Each country reports in to Aspen Group compliance so that information is able to be shared.

Approved by the Board of Aspen Asia Pacific Pty Ltd on 23 December 2021

Signed by



Electronically signed
by: Trevor Ziman
Reason: This
electronic signature
confirms that, on this
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Trevor Ziman
Director of Aspen Asia Pacific Pty Ltd