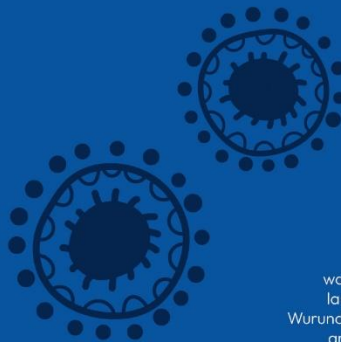


2024

MODERN SLAVERY STATEMENT

ACKNOWLEDGEMENT OF COUNTRY

In the spirit of reconciliation Team Medical Supplies acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander people today.



Team Medical offices and warehouses operate from the land of the Dharug, Yuggera, Wurundjeri, Whadjuk, Ngannawal, and Palawa-Pakana nations.

CEO's LETTER

Team Medical strives to uphold and reflect our values – Everyone Matters, Quality, Fun, We Make It Happen, and Social Impact – in all business dealings. Our values are core to the essence of Team Medical, and therefore it is imperative that human rights considerations are aligned to these values. They shape our internal culture and determine how we interact with local communities.

Financial year 2024 saw Team Medical make strides in addressing modern slavery risk. Our Board endorsed both compliance and risk management frameworks, we introduced new policies, specifically our Modern Slavery Policy, Anti-Bribery Policy, and Supplier Code of Conduct. By doing so we further ensure our continued compliance with local legislation. We have also pushed to have a greater understanding of human rights and modern slavery, within the company by having mandatory staff education. These types of changes are making a positive impact of our culture as an organisation.

During this past year we saw the demand for healthcare products become more stable with a strong return for both influenza and travel vaccines, and PPE still remains well above pre-pandemic levels. Team Medical has enhanced how we can monitor and continue to work with our suppliers to address modern slavery risks with the introduction of the EthiXbase 360 platform. These suppliers have continued to lead the way with modern slavery initiatives and reporting, particularly our PPE providers.

With a renewed focus on our suppliers, we are confident we can continue to help reduce the risk of Modern Slavery as we ensure accountability and transparency throughout our key suppliers.

The statement was approved by the Board of Team Medical on the October 2nd, 2024.

On behalf of the Board of Directors of Team Medical Supplies Pty Limited:



Pieter Vriens

Chief Executive Officer, Team Medical

September 25th, 2024

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INTRODUCTION

Team Medical is a medical wholesaler for the provision of medical supplies, vaccines, and consumables for the healthcare industry. A family owned and operated company, where everybody belongs. We share responsibilities and successes. We get the job done, and we have fun doing it. Since day one, our focus has been on providing premium service and quality products, and we're proud to say this is still our main focus today. Our vision has kept evolving as we create solutions to build a better and healthier world.

OUR PURPOSE AND VALUES

To create solutions for a healthier world



Figure 1: Team Medical's Purpose and Values

This document serves as a statement complying with the *Modern Slavery Act 2018 (Cth)* in Australia. It covers the structure, operations, and supply chain of the Team Medical business in Australia, and the steps we have taken to address modern slavery risks in our business and supply chains, for the period ending on 30th June 2024.

This statement is for the reporting entity Team Medical Supplies Pty Ltd as trustee for Team Medical Supplies Unit Trust.

Registered office: Team Medical Supplies.

Trading as: Team Medical

Address: PO Box 646. Seven Hills, 1730

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OUR BUSINESS

Structure

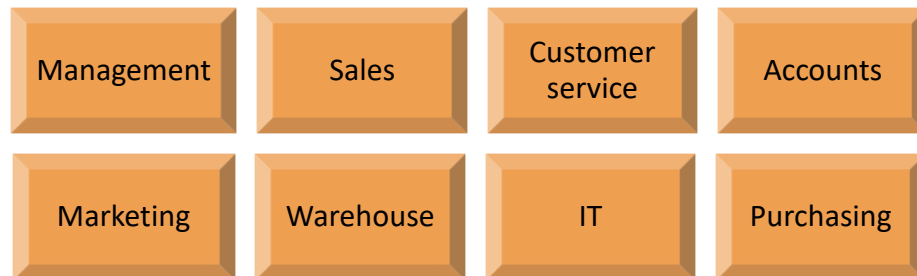
Team Medical is an Australian owned, family run medical wholesaler. We distribute nationwide and cater for almost all medical practitioners and centres in Australia. We provide over 100,000 high-quality medical products.

We have six distribution centres in Australia.

- Seven Hills, NSW
- Mitchell, ACT
- Meadowbrook, QLD
- Derwent Park, TAS
- Tullamarine, VIC
- Malaga, WA

Workforce

Our workforce consists of full-time and part-time employees, and casual short-term staff based in Australia, and a few permanent employees based in the Philippines, divided into the following departments:



	Australia	Philippines
Full time employees	98	7
Part-time employees	10	0
Employees on fixed term full time contracts	0	0
Employees on fixed term part time contracts	0	0
Casual employees	11	0

Table 1: Breakdown of the workforce at Team Medical as of 30th of June 2024.

Customers

Our current customers mainly include, but are not limited to individual general practitioners, medical centres, day surgeries, podiatrists, hospitals, nursing homes, dentists, through to large Super GP Clinics. We also work with a range of specialists including skin cancer, day surgery, dental, cosmetics, and more.



SUPPLY CHAIN

Table 2 shows our top sourcing countries by spend based on 119 of our suppliers during FY24, along with major procurement categories in each country.

Location	Number of suppliers	Category
Australia	100	All categories
China	15	<ul style="list-style-type: none"> Plant based fibres Electronic Equipment Machinery and Equipment Chemical, Rubber, and Plastic products
Malaysia	1	<ul style="list-style-type: none"> Chemical, Rubber, and Plastic Products
Pakistan	1	<ul style="list-style-type: none"> Machinery and Equipment
United Kingdom	1	<ul style="list-style-type: none"> Wound care
Mexico	1	<ul style="list-style-type: none"> Wound care

Table 2: Top sourcing countries by spend – based on 103 suppliers.

Table 3 shows our main product and service offerings used by our clients and customers.

Vaccines e.g., Travel vaccines, influenza vaccines, non-travel vaccines.	Diagnostic equipment: e.g., stethoscopes, scales and more.
Medical equipment: e.g., exercise and rehabilitation equipment, defibrillation, CPR resuscitation.	Furniture and fittings: e.g., beds, couches, tables, trolleys, waste disposal options.
Wound care: e.g., bandage, gauze, and wound closure supplies.	Surgical instruments: e.g., forceps, podiatry instruments, probes.
Disposable and general supplies: e.g., hand and body wash solutions, surgical gloves.	Pharmaceuticals: e.g., anaesthetics, vaccinations, pain treatment.

Table 3: Main product and service offerings from Team Medical.

RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAIN

Our Business

In line with the Modern Slavery Act, we define modern slavery as “including eight types of serious exploitation: trafficking in persons, slavery, servitude, forced marriage, forced labour, debt bondage, child labour, and deceptive recruiting for labour or services.”

The Australian government has one of the strongest government responses to modern slavery, ranked second in the world in terms of government response. However, it is estimated that 41,000 people in Australia are living in modern slavery, where an estimated prevalence of modern slavery is 1.6 per 1000 of population.

The top five products at risk of modern slavery (according to US\$ value) imported by Australia are:

- Electronics (China and Malaysia) – import value US\$8.9 billion
- Garments (Argentina, Bangladesh, Brazil, China, India, Malaysia, and Viet Nam) – import value US\$6.4 billion
- Solar panels (Cina) – import value US\$1.3 billion
- Textiles (China) – import value US\$0.5 billion
- Fish (China, Ghana, Indonesia, Taiwan and Thailand) – import value US\$0.4 billion

Global Slavery Index – *Country Study – Modern Slavery in Australia* (published 2022)

Relative to its wealth, the Philippines is outperforming its neighbours in its efforts to address modern slavery. The government had the second strongest response to modern slavery in the Asia Pacific region, reflecting robust measures to coordinate the response and other improvements since 2018. Despite its comparatively strong response, the Philippines is among the most vulnerable countries to modern slavery in the region and has the seventh highest prevalence, with risk largely driven by conflict- and climate-related displacement, inequality, and discrimination.

The 2023 Global Slavery Index estimates that on any given day in 2021, there were 859,000 people living in modern slavery in the Philippines. This equates to a prevalence of 7.8 per 1000 of population. The Philippines has the seventh highest prevalence and seventh highest total number of people living in modern slavery out of 27 countries in the Asia Pacific region and has among the highest prevalence rates globally (36th out of 160). Notably, this estimate does not cover all forms of modern slavery, such as the use of children in armed conflict, which reportedly occurs in the Philippines.

Global Slavery Index – *Country Study – Modern Slavery in the Philippines* (published 2023)

Our Supply Chain:

Demand for medical products has dramatically increased during and beyond the COVID-19 pandemic. Now, more than ever, supply of such products is linked to the everyday consumption and the supply chains of most businesses small and large. There is greater scrutiny regarding what those products are made from and under what conditions they are made.

To begin to address modern slavery risks in our supply chain, in FY21 we conducted a supplier risk assessment, using data from Social Hotspots and the Walk Free Foundation to determine country, category and dependency risks across 103 of our suppliers.

103 suppliers were assessed from the previous 12 months spend. Based on this supplier risk assessment, we found that Team Medical has a moderate exposure to modern slavery across the countries in which our tier one suppliers are based. Our supplier and product base has remained unchanged, this remains at a moderate exposure to modern slavery.

While most Team Medical's suppliers are in Australia, there is some exposure to higher risk countries such as China, Malaysia, Pakistan, South Korea, and Honduras. We also acknowledge that while many of our suppliers may be headquartered in Australia, the products that we source from them may be manufactured elsewhere, meaning that modern slavery risk may be present deeper within our supply chain.

There were four categories that carried a high dependency risk. These were textiles, food products, plant-based fibres, and paper products. While this does not necessarily indicate modern slavery risk, they are categorised as high dependency risk due to Team Medical's reliance on just one or two suppliers of a particular product.

To address the potential risk, Team Medical continues to aim for a range of suppliers for critical products. This ensures we can be responsive to issues that arise in relation to quality and human rights risks. Team Medical also seeks to do business with suppliers that have similar values, ethics, and sustainable business practices, including those related to human rights. We expect our suppliers to operate in accordance with all applicable modern slavery laws.

Key category risks identified:

In FY21 we engaged an external consultant to do specific research into categories of risk. Globally, the increased demand in medical consumables is likely to increase risk factors associated with modern slavery as suppliers look to meet growing demands whilst remaining competitive. Five product categories were identified as potential risk categories: electronics, pharmaceuticals, cotton, metals, and plastics. Further research was conducted into the following three categories:

Plastics (gloves):

There are well-documented modern slavery risks in the glove manufacturing industry, specifically in relation to conditions of migrant workers from Bangladesh, Nepal, and Myanmar working in factories in Malaysia. Passport and identification document confiscations, illegal withholding of pay, restricted freedom of movement, poor living conditions, debt bondage, underpayment, work environments with weak health and safety procedures, unpaid and compulsory overtime, and infringements on the freedom of association and unionisation remain concerns.

Major global manufacturers with links to Team Medical's supply chain have been implicated, but specific products purchased by Team Medical have not been implicated with modern slavery. Team Medical continues to request modern slavery statements from glove suppliers.

Cotton:

The cotton industry is a high-risk industry with well-documented evidence of modern slavery and other human rights abuses worldwide. Cotton harvesting is a sector that is particularly prone to labour exploitation, especially in countries such as Uzbekistan, Turkmenistan, and China. Cotton is a core base material in a range of medical supplies including masks, PPE, and some wound dressings. Currently Team Medical has two suppliers that fall under the plant-based fibres social hotspot category, which may potentially be vulnerable to such modern slavery risks. Team Medical is not aware of any exploitation from our suppliers, but we acknowledge the heightened risk and are committed to actively monitor this risk as part of our modern slavery risk management.

Metals (steel):

In the medical sector, steel serves as a crucial component of surgical instruments. The production of surgical instruments is concentrated in Pakistan, where forced labour, forced child labour, hazardous working conditions, and unsanitary living conditions are key modern slavery risks. Surgical instruments produced in Pakistan has been identified under the United States Department of Labour's list of goods that are believed to be produced by child labour or forced labour in violation of international standards. Team Medical has one supplier of surgical instruments that is based in Pakistan. We have engaged with this supplier to better understand their supply chain.

ACTIONS TAKEN

Understanding and addressing modern slavery and human rights risks forms part of Team Medical’s overall project to mature our systems as a growing company. Our purpose and values are core to Team Medical, and modern slavery, and therefore human rights considerations are aligned to our values.

Modern Slavery Due Diligence:

Team Medical has worked hard in this area, as we recognise that our supply chain is where our highest potential risks for modern slavery can occur. During FY24, we started by building our first *Supplier Assessment Questionnaire* and sent this out to our top 50 suppliers. This questionnaire included a section covering modern slavery. However, it quickly became apparent that performing this due diligence requires more resources, and we are now utilising the third-party vendor Ethixbase. The Ethixbase 360 platform facilitates automated and independent due diligence mechanism for Team Medical’s suppliers.

Ethixbase 360 provides an intuitive risk assessment of suppliers by applying a unique risk methodology, as set out in the diagram below. This methodology is facilitated through distribution of a *Modern Slavery Questionnaire* (current version 4.0), developed in collaboration with the global law firm Norton Rose Fulbright, and draws on leading industry insights and global databases.

The Ethixbase 360 platform has seen development and revision to various systemic components to ensure it is not only constantly improving, but also remaining up to date in an increasingly volatile geopolitical climate. Ethixbase consistently considers the ever-evolving state of high-risk jurisdictions around the globe in its risk assessment methodology.

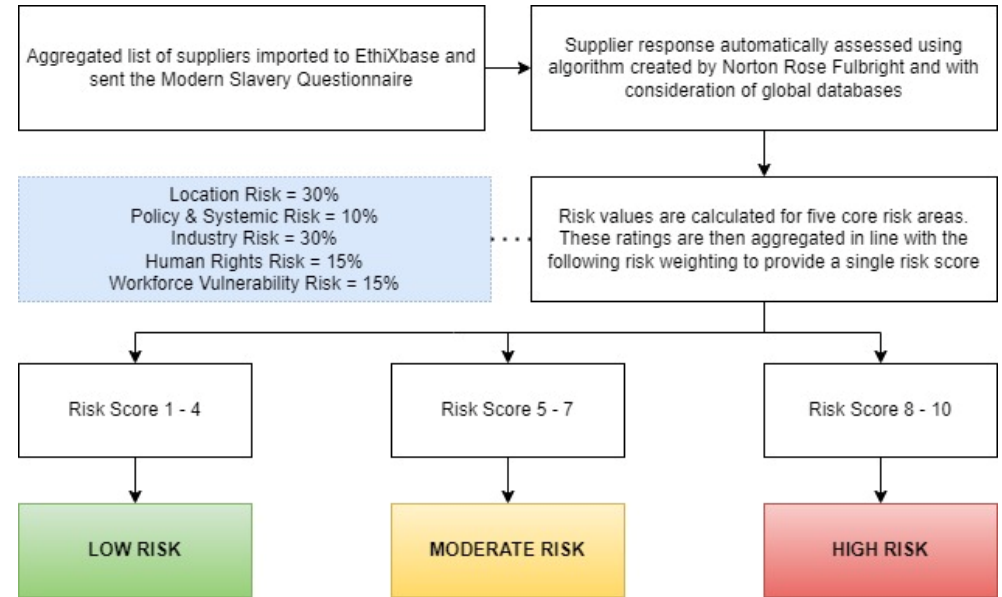


Figure 2: Ethixbase 360 platform process to determine low/moderate/high risk ratings for our supply chain.

Team Medical has implemented the Ethixbase 360 and imported our top 120 suppliers. These suppliers have all been sent the Modern Slavery Questionnaire, and we are currently in the process of reviewing responses, which will determine if further action (for example request for documentation) is required, up to and including working with the supplier to apply corrective actions to reduce the risk of modern slavery occurring.

ISO 9001:2015 Certification:

The ISO 9001:2015 standard is the internationally benchmarked quality management system standard. Using a risk-based approach, it is used to improve business processes, increase the quality of services and products, and exceed customer expectations.

Key benefits of obtaining ISO 9001:2015 certification include:

- A demonstrated focus on the customer
- A commitment to service
- High quality product
- A cycle of continuous improvement
- Demonstrate a strong corporate governance.

We successfully achieved ISO 9001:2015 certification earlier this year. The result of the Stage 2 audit was:

- a) 3 strengths identified
- b) 4 opportunities for improvement
- c) 0 minor non-conformances identified
- d) 0 major non-conformances identified.

Policies and governance:

In addition to policies and governance already in place, the following were all endorsed by The Board during FY24.

Modern Slavery Policy:

It is important to detect, prevent, and respond with mitigating controls to the risk of modern slavery occurring within Team Medical, our supply chain, and in our business relationships. This policy demonstrates Team Medical’s commitment in complying with the Modern Slavery Act, and only doing business with those who also comply. It also covers how to report modern slavery concerns so that Team Medical can become leaders in the fight against modern slavery.

Anti-Bribery Policy:

Team Medical is committed to operating in accordance with all applicable laws and regulations, and in accordance with the highest standards of ethical behaviour always. As such, we prohibit any activity that seeks to bribe or otherwise improperly influence a Public Official or any other individual or entity in the public or private sector, or to act (or omit to act) in a way that differs from the proper performance of their role or function. This includes the making of unlawful or improper payments that seek to improperly influence an individual or entity in the performance of their role or function.

Training Policy:

Team Medical believes that employees need to update their knowledge and develop new skills to improve their productivity in the modern competitive environment. This policy defines Team Medical’s training and development programs and activities.

Training can include:

- Formal training sessions (individual or corporate)
- Coaching and mentoring for employees
- Conference participation
- On-the-job training
- Job rotation

- Job shadowing

Ethical Code of Conduct:

Team Medical reviewed and updated our Ethical Code of Conduct to include our Purpose and Values, as they are core to the direction of the business and its operations.

Supplier Code of Conduct:

Team Medical is committed to the highest standards of conduct and ethical behaviour in all our business dealings, encouraging and supporting a culture of honest and ethical behaviour and corporate compliance. This Code establishes the minimum set of expectations and behaviours for doing business with Team Medical.

Compliance Management Framework:

Our Board approved our Compliance Management Framework. Its purpose to outline the overarching compliance principles, roles, responsibilities, and resources for Team Medical in managing compliance obligations and risks.

Risk Management Framework:

The Risk Management Framework describes the systems, structures, policies, process, and people in place that identify, assess, manage, mitigate, and monitor internal and external sources of risk that could have a material impact on Team Medical’s business operations or the interests of stakeholders and our customers.

Training:

Team Medical has recognised that staff education is a critical area to be able to identify risks of modern slavery in our operations.

In FY24, Team Medical had all staff undergo the *Introduction to Human Rights* training, a short course designed to provide a basic introduction to human rights and responsibilities, (from Australian Human Rights Commission), and *Sexual Harassment and Positive Duty*, a course for all staff to learn what workplace sexual harassment is, how it impacts those that experience and witness it, and what resources and supports are available (from Fair Work Commission).

Additionally, in FY24 relevant employees also underwent Modern Slavery training (from GRC Solutions). This three-module course covers what modern slavery is, its prevalence in supply chains, and how its use can most effectively be prevented by organisations. The first 2 modules contain practical scenarios relating to issues affecting organisations with modern slavery in their supply chains. These scenarios equip staff to identify and take steps to prevent modern slavery from occurring in their supply chains. The 3rd module is

Australia-specific, covering the scope and application of the Australia-wide modern slavery legislation, including:

- Which entities are subject to the Australia-wide modern slavery laws
- The scope of the modern slavery reporting requirement
- Why organisations need to prepare modern slavery statements
- Material to be included in modern slavery statements.



ONGOING ACTIONS

Compliance Obligations Register:

The Compliance Obligations Register has been developed to always ensure that Team Medical acts with relevant laws, regulations, and legislations. It also allows us to assess the risk, impact, and likelihood of non-compliance with these obligations, as a breach may pose risks to Team Medical in achieving strategic objectives. Modern Slavery is included on the Team Medical Compliance Obligations Register.

Strategic Risk Register:

The Strategic Risk Register allows Team Medical to identify and manage strategic risks for the business, which could have detrimental effect to operations and/or prevent achievement of goals and objectives. Modern slavery is considered within our Strategic Risk Register, as we look to minimising the risks of modern slavery in our direct trade activities, and not collaborating with businesses who are known to have high modern slavery risks.

Customer Feedback and Complaint Portal:

This portal allows customers and the general public to voice feedback, concerns, and/or complaints for Team Medical to act upon, which could include activity or behaviour they feel is wrong. All entries are logged within our system, starting off a workflow to ensure all are actioned.

Employee Awareness and Communication:

Our employees are required to comply with our Ethical Code of Conduct, as well as other policies.

Each time a new policy is developed, it is uploaded onto our 'Employment Hero' system, where employees are then required to read and agree to the relevant policy. All new starters are required to read and accept all existing policies and codes of conduct as part of their induction process.

Our policies reflect Team Medical's commitment to acting ethically and with integrity.

Supplier Due Diligence:

In addition to requesting our suppliers and potential suppliers to complete a Modern Slavery Questionnaire (see previous section), where possible we source our products from large suppliers who publish their own modern slavery statements.

Training:

To ensure that Team Medical stays current on the legislation regarding modern slavery, how to identify modern slavery risks, and what to do in the event of a risk being identified, continued training is necessary. As such, we have established some training modules that will require annual retraining for pertinent staff and will continue to roll out new training as identified.

Culture:

Reinforcing the values within Team Medical's culture is an ongoing goal.

Coupled with already established policies (including Whistleblower Policy, Anti-Bullying & Anti-Harassment Policy, Discipline & Termination Policy, Equal Employment Opportunity & Anti-Discrimination Policy, Grievance Handling Policy, and Ethical Code of Conduct), and Standard Operating Procedures (SOPs), it is recognised that top-down engagement in identifying and managing modern slavery risks is necessary.

In addition, Team Medical is actively engaged with giving back, namely B1G1, Business for Good. This program is driven by the belief that every business has the power to create a significant difference, putting purpose, impact and social responsibility right at the very core of the business. At Team Medical, we care about people and the planet and have done so from day one. Team Medical has set up giving projects as one way to help our customers to be involved, supporting Environment, Social & Governance (ESG). Through our collaboration with B1G1, whenever our customers purchase products, they are supporting specific projects, locally or around the world.

FUTURE COMMITMENTS

- Publish a modern slavery statement on an annual basis
- Embedding organisational values consistent with effective human rights risk management, governance and accountability processes for modern slavery
- Continue a gap analysis of Team Medical's current processes against the requirements of the Modern Slavery Act (2018)
- Produce supportive policies, such as:
 - o Procurement policy
 - o Sexual Harassment Policy
 - o Vendor Management Policy
 - o Environment, Social & Governance (ESG) Policy
- Review of established policies so that they are in line with current legislation and Team Medical mission and values
- Develop an internal audit schedule of our supply chains
- On-going risk-based assessment of suppliers, via the Ethixbase 360 platform, to identify inherent environmental, social and governance risks
 - o Perform regular supplier risk assessments for existing suppliers
 - o Perform supplier risk assessments for potential suppliers
- Assess completed supplier responses to the Modern Slavery Questionnaire
 - o Determine if risks are significant
 - o Where applicable, work with the supplier to develop corrective and/or preventative actions to reduce their modern slavery risk
- Conduct a Modern Slavery Current State Assessment.
- Continue to embed considerations of modern slavery risks within existing Risk Management processes i.e., within the Risk Management Framework and Compliance Obligations Register
- Create a human rights/ESG working group to evaluate the broader supply chain and identify potential operational risks
- Continue supplier performance evaluations for our top suppliers
 - o Including analysis of KPIs identified
 - o Implementing remedial actions with low performing suppliers
- Training as required

ASSESSING EFFECTIVENESS OF OUR ACTIONS

Team Medical is enthusiastic to continue our journey in improving our company to become leaders in our practices against modern slavery, align with the Modern Slavery Act, and to improve our dealings with our suppliers. We will continue to publish a statement on an annual basis, demonstrating our keenness to continually build on procedures and actions to address modern slavery risk. Developing measures to assess effectiveness of our activities to address modern slavery risk will form part of our plan for next year.

Introducing and formalising a number of our processes, such as reporting mechanisms, help to track our performance. To date, we have found no incidents of modern slavery in our supply chain. However, we do understand that this does not mean they do not exist, and that it is crucial to increase our vigilance to help prevent and address modern slavery.

The implementation of the Ethixbase 360 platform has improved our vigilance in identifying modern slavery risks and enables us to perform both due diligence of prospective suppliers and risk assessments of our current supply chain. The resultant reports help to identify modern slavery risks and if there are any suppliers we need to focus on in developing corrective and/or preventative actions to help reduce these risks. Repeating these risk assessments will comparatively demonstrate how these risks have been addressed.

