

Fresenius Kabi Australia

Modern Slavery Statement
Year 2021



ABOUT THIS STATEMENT

This Modern Slavery Statement (the 'Statement') has been prepared by Fresenius Kabi Australia Pty Limited ("Fresenius Kabi Australia") for the purposes of reporting under the Commonwealth Modern Slavery Act, 2018 (Cth) (Modern Slavery Act).

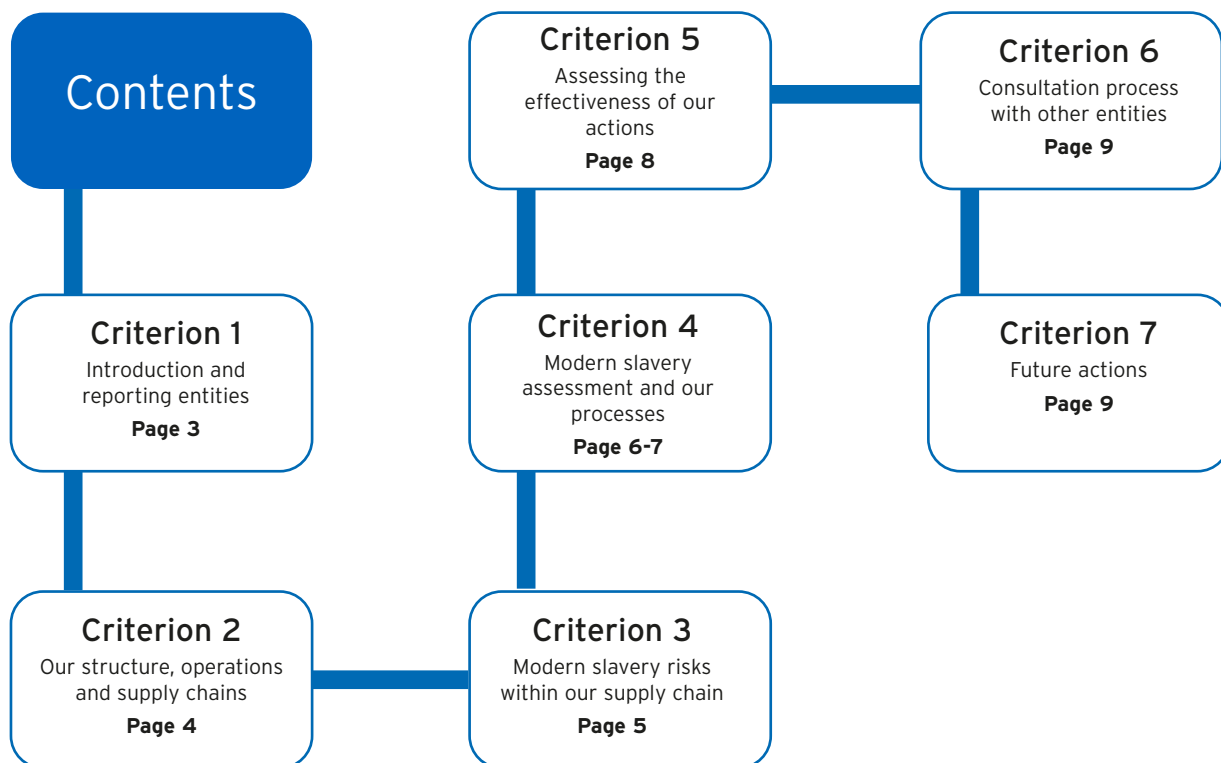
The Fresenius Kabi Modern Slavery Statement highlights the steps Fresenius Kabi Australia has taken to identify, mitigate and manage the risks of modern slavery in its operations and supply chains for the year ended 31st December 2021.



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MANDATORY REPORTING CRITERIA

To meet the seven mandatory reporting criteria required by the Modern Slavery Act, Fresenius Kabi Australia has structured its statement as follows:



INTRODUCTION

The Australian legislation requires certain entities based and operating in Australia to submit an annual report on their risks of modern slavery in their operations and supply chains, and the actions taken to address any identified risks.

This statement reflects the commitment and actions taken by us at Fresenius Kabi Australia and its subsidiaries in line with the objectives of the legislation. To fulfil the criteria set in the Modern Slavery Act 2018 (Cth) (the Act), we continued the ongoing assessment of modern slavery risks in our operations and supply chains initiated in 2020, which has resulted in the enhancement of our Governance approach towards modern slavery.

Fresenius Kabi Australia is a wholly owned subsidiary of Fresenius Kabi AG located in Bad Homburg, Germany. Fresenius Kabi Australia wholly-owns Fresenius Kabi New Zealand Limited, with staff operating remotely with no fixed office presence. There is no similar legislation to the Modern Slavery Act in New Zealand.

This statement is prepared in accordance with the Modern Slavery Act and relates to the specific reporting entity Fresenius Kabi Australia Pty Limited (ACN 109 383 593), a company incorporated in Australia with its registered office at Level 2, 2 Woodland Way, Mount Kuring-gai, NSW 2080 (Fresenius Kabi Australia). This statement covers Fresenius Kabi Australia's financial year ending 31 December 2021.



STRUCTURE, OPERATIONS AND SUPPLY CHAIN

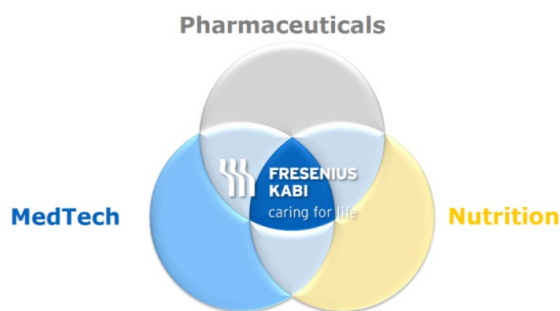
Fresenius Kabi is a global healthcare company that specializes in lifesaving medicines and technologies for infusion, transfusion and clinical nutrition. Its products and services are used to help care for critically and chronically ill patients. Fresenius Kabi's primary focus is on meeting the needs of patients and health care professionals while acting responsibly to fulfil its ethical and legal duties.

Structure

Fresenius Kabi Australia was incorporated in 2004. The head office is located in Mount Kuring-gai, northwest of Sydney, and has a wide geographical reach across Australia with representation in all States and Territories. Additionally, there is a Fresenius Kabi Australia subsidiary in Auckland with staff operating remotely with no fixed office presence currently, Fresenius Kabi New Zealand Limited. Fresenius Kabi Australia has a total workforce of more than 120 employees, supporting the administrative, sales, technical and warehousing operations.

Operations

Fresenius Kabi Australia key offering consist of 3 diversified business areas:



Medical Technologies: Leading supplier of medical devices and transfusion technology products to public and private healthcare institutions.

Clinical Nutrition: Clinical nutrition for critically and chronically ill patients in the hospital and outpatient environments.

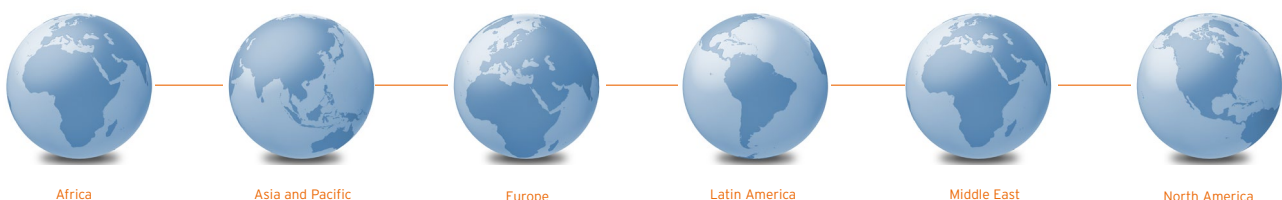
Pharmaceutical: Broad range of intravenously administered generic drugs across a wide array of therapeutic categories: anesthetics & analgesics, anti-infectives, biosimilars, critical care drugs and gastrointestinal products.

Supply Chain

Fresenius Kabi Australia imports more than 90% of its products from other Fresenius Kabi locations globally. The warehouse and distribution facilities of Fresenius Kabi Australia are located out of Erskine Park, New South Wales. From there, all distribution is made to customers across Australia and New Zealand.

Globally, the production network of Fresenius Kabi is decentralized. International plants supply the world-regional markets, and regional plants meet the needs of their respective countries. The production network spans around 65 production sites including compounding centers in Europe, North America, Latin America, Asia Pacific and Africa.

As a global healthcare company, Fresenius Kabi considers human rights part of its corporate responsibility.



MODERN SLAVERY RISKS WITHIN OUR SUPPLY CHAINS

In line with the United Nations, Fresenius Kabi Australia recognizes modern slavery as situations of exploitation where people's rights are vulnerated due to abuse of power, coercion, deception, threats and violence.

Modern slavery can be a silent crime affecting many countries and impacting multiple industries. That is why it is everyone's responsibility to address and work towards its elimination when it becomes identified.

Risk of Modern Slavery

Fresenius Kabi Australia continues to improve existing frameworks to identify potential risks of modern slavery within its operations and supply chains, and ensures they are monitored and adequately managed.

The majority of Fresenius Kabi's sourcing spend relates to intercompany purchases of finished goods. Other goods and services are sourced with business partners and suppliers based in Australia and New Zealand.

Fresenius Kabi Australia has identified potential risk areas within its supply chain where the perception of or potential for risk factors of modern slavery may be present.

- Goods and services we sell include Fresenius Kabi products, and in-house services
- Operations and service providers include logistics and warehousing, local third-party manufacturer, professional technical services, and offshore back-office support
- Other goods not intended for sale are considered to be company-branded materials and other sundry supplies.



Fresenius Kabi Australia considers that its exposure to the risk of modern slavery within these areas is low. Fresenius Kabi Australia has not identified any specific instances of modern slavery within its operations and supply chain

MODERN SLAVERY ASSESSMENT AND OUR PROCESSES

Fresenius Kabi Australia considers human rights part of its corporate responsibility. We underline this commitment with a Group-wide Human Rights Statement on Fresenius Kabi's global website. Fresenius Kabi Australia respects and supports human rights as they are defined by international standards, such as the United Nations Universal Declaration of Human Rights and the Declaration on Fundamental Principles and Rights at Work, published by the International Labour Organisation (ILO)*, and aims to fulfil them. To fulfil its responsibility as a healthcare company, Fresenius Kabi Australia cares about different areas in relation to human rights:

- No exploitative nor illegal child nor forced labor
- Standing against discrimination and promoting equal opportunity
- Creating safe working conditions
- Respecting the right of freedom of association and collective bargaining
- Protecting personal data
- Considering the influence on the environment
- Taking responsibility in the supply chain


Fresenius Kabi has summarized its fundamental expectations towards employees, suppliers and business partners in respective codes of conduct:



[Code of Conduct](#) applicable to all Fresenius Kabi Australia employees.



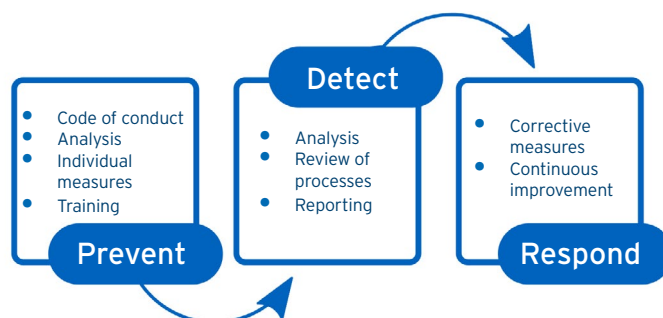
[Business Partners Code of Conduct](#) applicable to all Fresenius Kabi Australia business partners.



[Suppliers Code of Conduct](#) applicable to all individuals and organizations who provide goods and services directly and/or indirectly to Fresenius Kabi Australia.

For us, compliance means more than acting in accordance with laws and regulations. Compliance means doing the right thing. This means that we adhere to all rules, including legal requirements, internal guidelines, industry association codes, as well as our commitments, and we act according to ethical principles. Compliance is part of our corporate culture and, consequently, our daily work.

Fresenius Kabi Australia maintains a compliance program designed to detect, prevent and respond to potential compliance risks. Key elements of the compliance program are: risk management and internal controls, code of conduct and dedicated compliance policies, and channels for reporting misconduct.



*ILO Declaration on Fundamental Principles and Rights at Work, adopted June 1st, 1998

MODERN SLAVERY ASSESSMENT AND OUR PROCESSES

Continued

In 2021, Fresenius Kabi Australia established an internal working group to oversee the implementation and development of the modern slavery statement and how modern slavery risks are managed at an affiliate level. The group is composed of representatives from various departments, including Compliance, Supply Chain, Communications, Finance and Human Resources, reflecting the diverse perspective of the topic across the operations and supply chains. The working group meets twice a year and is intended to promote the exchange of information on current human rights topics, plan local initiatives and present new concepts and methods.

During the year, our actions also included ensuring that all our stakeholders were made aware of modern slavery, its risks, the impact in society, and a few key strategies were put in place with the aim of working to reduce or mitigate those risks. Our training and communications strategy has been enhanced, targeting new and existing staff, as well as strategic and high-risk business partners and suppliers.

Fresenius Kabi Australia believes that transparency across its operations and supply chain network is vitally important in identifying and addressing modern slavery risks. In 2021, we developed our first supplier's modern slavery questionnaire to further assess and corroborate compliance with anti-modern slavery actions of our strategic and high-risk business partners and suppliers. Additionally, we completed our public modern slavery policy to further specify our expectations - with no place for trafficking in persons, slavery, servitude, forced marriage, forced labor, debt bondage, deceptive recruiting for labor or services, and the worst form of child labor. Both will be rolled out in 2022.



Dealing with potential compliance violations

To continue encouraging confidence in our Company culture, we focused on strengthening our stakeholders' awareness of the existing reporting channels. Fresenius Kabi Australia and New Zealand employees who are aware of any potential misconduct can contact their supervisors or the local Compliance representative or alternatively report the potential compliance violation anonymously through dedicated speak up systems in place. These channels are encouraged to be used to highlight any potential misconduct violation and/or raise any integrity concerns. Such channels include the speak up line, compliance action website or dedicated email addresses, all handled by an independent third-party, available 24/7. The speak up systems are open not only to employees, but also to third parties, such as customers, suppliers, and other partners.

Fresenius Kabi Australia does not tolerate non-compliance. If a violation of applicable regulations is detected, we will take the necessary actions to remediate the violation and prevent further recurrences. We also take all reports of potential misconduct as an opportunity to review our company processes for possible improvements.

ASSESSING THE EFFECTIVENESS OF OUR ACTIONS

Risk Assessment

Fresenius Kabi Australia continuously assesses the effectiveness of identifying modern slavery risks within its operations and supply chains. We have set-up a risk-based compliance management system. It is our aim to prevent corruption and bribery within the business environment in which we operate. Beyond that, prohibiting violations of antitrust law, data protection regulations, trade restrictions, anti-money laundering laws as well as the prevention of potential human rights violations are key areas, which we address with dedicated compliance measures.

The compliance culture and activities within the organization are integral to the company's operations but also true to its mission and core values. The aim is to prevent violations, continuously improve our compliance management system, and continue to maintain a high compliance culture throughout Fresenius Kabi Australia.

Further assessment is conducted by the responsible parties within the affiliate and overseen by the internal working group through workshops held during the year. Such workshops foster awareness of modern slavery within the affiliate's operations and supply chains. The workshops also include the review of current business practices against regulatory requirements to ensure they meet all criteria or with the view to enhance existing policies and procedures over time as required.

Training

Compliance training has a high priority for Fresenius Kabi Australia. Employees are offered regular training on compliance issues. The training courses cover basic topics such as our Code of Business Conduct, Human Rights, as well as other corporate Compliance guidelines. In this way, we ensure that our core company values and principles not only become entrenched but also central to the way in which we operate. In undertaking this training we use various formats including in-house face to face training as well as virtual on-line training.

Review of Business Partners

At Fresenius Kabi Australia, risk-based due diligence reviews of business partners and suppliers are carried out before entering into a business relationship. Selection of business partners and suppliers as part of the due diligence, is based on defined risk-based criteria. A risk profile of the business partner or supplier is created. On this basis, we initiate targeted measures such as standard provisions in contracts to prevent and detect violations. Contractual provisions based on the risk profile of the partner might include for example, the right to terminate the contract in case of misconduct. Should substantiated concerns and/or violations of laws, regulations or policies be found, we will take appropriate measures and implement corrective or improvement actions accordingly. Depending on the severity of the misconduct, which may include the undertaking of agreed 3rd Party audits or certifications, or, as last resort termination of the business relationship.

Fresenius Kabi Australia's sourcing documents e.g. purchase orders, include provisions related to compliance with laws and regulations; modern slavery compliance being one of them. They are expected to be read and accepted by all business partners and suppliers we conduct business with.

Fresenius Kabi Australia continues to closely collaborate with its business partners and suppliers to ensure they are taking the necessary and proper actions towards the eradication of modern slavery within their operations and supply chains.

CONSULTATION PROCESS AND FUTURE PLANS

Consultation

Fresenius Kabi Australia proactively seeks to increase risk knowledge within the industry it operates. Therefore, we will continue engaging with relevant stakeholders to gain insight and input in identifying potential modern slavery risks as well as to assess future efforts and plans to eradicate potential modern slavery risks within the Company's operations and supply chains.

Future Plans

As part of the 2022 objectives, Fresenius Kabi Australia will further improve compliance processes into its daily operations and continue with an ongoing assessment of human rights and modern slavery risks in its operations and supply chains.

Based on the identified opportunities for improvement, we plan to further enhance and refine our approach to modern slavery by conducting tasks such as:



- Ongoing assessment potential modern slavery risks in Fresenius Kabi Australia and New Zealand operations and supply chains
- Updating our Compliance policies and conducting internal reviews on our implementation of modern slavery aspects



- Ongoing updates of existing trainings to employees regarding human rights and modern slavery
- Develop specific training for employees involved in procurement and purchasing



- Communicate to all employees the existing policies regarding human rights and modern slavery
- Communicate to strategic business partners and suppliers' current policies
- Communicate to all employees and third parties the available grievance mechanisms
- Communicate to business partners and suppliers Fresenius Kabi Australia's commitment with human rights and modern slavery.

GOVERNANCE



Review progress and future actions



Assess modern slavery risks



Enhance communication



Enhance staff training



Update our Compliance check lists

This statement was approved by the board of Fresenius Kabi Australia on 27 June 2022.

On behalf of the Board of Directors of Fresenius Kabi Australia Pty Limited:

Juan Villar

Managing Director, Fresenius Kabi Australia Pty Limited.

29 June 2022