

# Sigma Healthcare Modern Slavery Statement

July 2025



This Modern Slavery Statement (**Statement**) has been developed and submitted in accordance with *The Modern Slavery Act 2018* (Cth) (the **Act**) by Sigma Healthcare Limited ABN 15 088 417 403 (**Sigma**), for the financial year ending 31 January 2025<sup>1</sup>, and applies to the Sigma group of companies (**Sigma Group**).<sup>2</sup>

## Structure, operation and supply chain of the Sigma group

Sigma is a leading Australian full line pharmacy wholesaler and distribution business. Established in 1912, the company has grown into a vibrant, nationwide network, servicing community pharmacies and during the reporting period employed approximately 900 people Australia-wide. Sigma is a public company listed on the Australian Stock Exchange (SIG: ASX) and has one of the largest pharmacy distribution networks in Australia. It also owns and operates the Amcal and Discount Drug Stores pharmacy brands.

As a Community Service Obligation (CSO) wholesaler, Sigma's supply chain provides community pharmacies with one access point for approximately 4,000 Pharmaceutical Benefits Scheme (PBS) medicines. The CSO standards maintained by Sigma under the CSO Deed, ensure availability and supply of all PBS medicines to any community pharmacy anywhere in Australia, which underpins the government's National Medicines Policy. Additionally, Sigma's supply network also manages the demand and supply of over 10,000 Front of Shop / Over The Counter / Fast Moving Consumer Goods / Medical & Private goods (FOS/OTC/FMCG/MED/PRV).

As a CSO wholesaler, Sigma is obligated to hold and distribute medicines listed on the PBS and NDSS by the Australian Government. As a major participant and contributor to Australian healthcare, Sigma actively seeks to engage in and influence industry discussions to contribute to maintaining a viable, dynamic and equitable healthcare system; including a system which is free from modern slavery.

<sup>1</sup> Following the completion of the merger with the Chemist Warehouse Group (CWG) on 12 February 2025, Sigma's financial reporting period will move to an annual period ending 30 June.

<sup>2</sup> Refer to Appendix A for further information on the corporate structure of the Sigma group as at 31 January 2025.



Sigma engages on several levels, including directly with Government and industry representatives, and through industry bodies including:

- National Pharmaceuticals Services Association (NPSA);
- International Federation of Pharmaceutical Wholesalers Inc.;
- The Australian Industry Group (AIG); and
- The Chartered Institute of Logistics and Transport (CILTA).

In addition to its CSO wholesaler obligations to community pharmacy, the Sigma Group:

- is a franchisor of the Amcal and Discount Drug Stores pharmacy brand and systems that it franchises to community pharmacy owners;
- engages in third/Fourth Party Logistics (3PL/4PL) through a subsidiary entity Sigma Healthcare Logistics (SHL);
- engages in dose administration aid (DAA) services through a subsidiary entity Medication Packaging Services (MPS); and
- engages in data analytics services conducted through a partly owned entity NostraData.

Further information on Sigma's business can be found in its Annual Report, Annual Review and Sustainability Report.<sup>3</sup>

<sup>3</sup>. See <https://investorcentre.sigmahealthcare.com.au/corporate-governance/governance-documents>



Sigma's supply chain is complex and has significant scale. Sigma's portfolio of medicines and FOS/OTC/FMCG/MED/PRV products is sourced from over 400 suppliers. Many are multinational Consumer Goods and Pharmaceutical companies. Sigma has an extensive network of distribution centres throughout Australia and distributes over 300 million units each year. While Sigma does not manufacture products directly, it does have a range of 'private label' products that are manufactured locally and overseas on its behalf. Additionally, Sigma's supply chain also includes goods and services that contribute to its ongoing operations including IT, marketing, facilities management, labour hire and transportation.

A copy of Sigma Group's updated Ethical Sourcing and Modern Slavery Policy is available online. <sup>4</sup>

## **Risk of modern slavery practices in the operations and supply chain of the Sigma Group**

Sigma plays a critical role in supporting the Australian healthcare industry to deliver better health and wellbeing for the community, and in supporting the Government's National Medicines Policy. Sigma is fully committed to providing a safe and healthy workplace for every team member by:

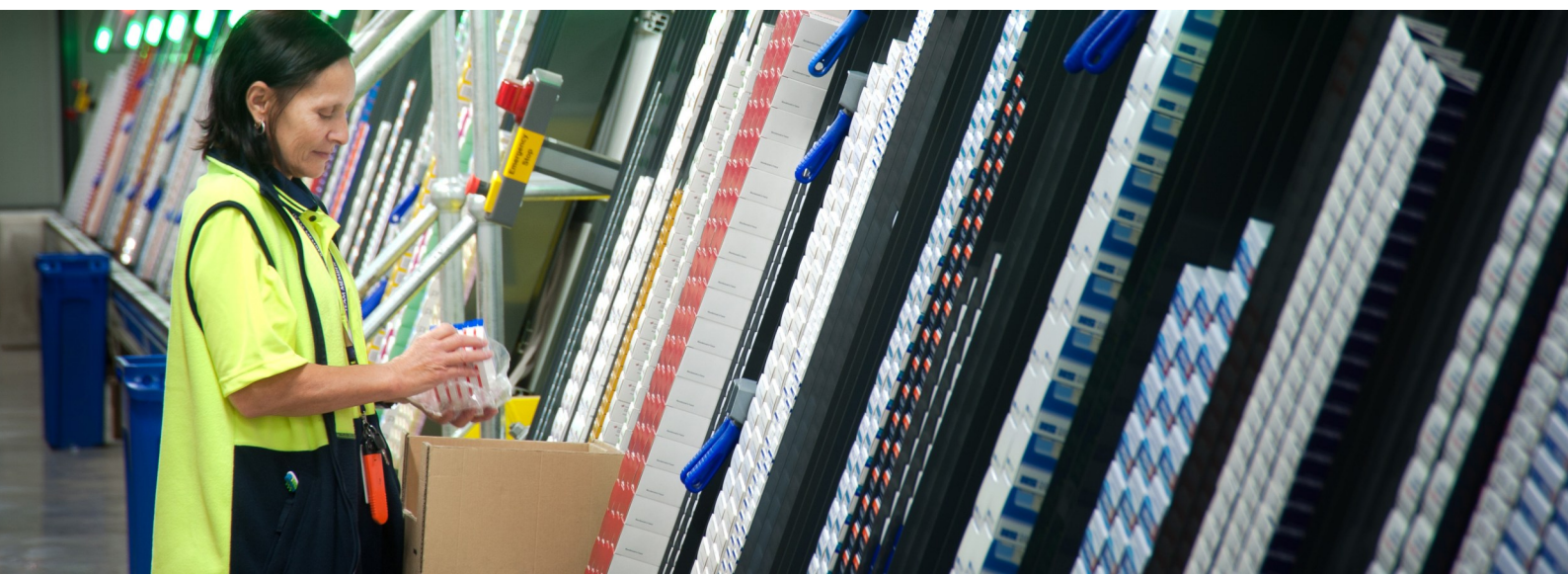
- eliminating hazards;
- reducing risk;
- increasing compliance, knowledge and awareness; and
- promoting and maintaining a culture of continuous improvement.

In considering the risks of Modern Slavery in its operations and supply chain, Sigma has considered the Global Slavery Index and the Global Estimates of Modern Slavery (2017) <sup>5</sup> and the Australia Red Cross Addressing Modern Slavery Guide for Australian Businesses. <sup>6</sup>

<sup>4</sup> <https://investorcentre.sigmahealthcare.com.au/corporate-governance/governance-documents>

<sup>5</sup> [https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms\\_575479.pdf](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf)

<sup>6</sup> <https://www.redcross.org.au/globalassets/cms-assets/documents/migration-services/addressing-modern-slavery-report-final.pdf>





According to the Global Slavery Index and the Global Estimates of Modern Slavery (2017) an estimated 40.3 million people were victims of modern slavery in 2016. Of these 40.3 million victims, 24.9 million people were in forced labour, and of the 24.9 million victims of forced labour, 16 million were in the private economy.<sup>7</sup> The Australia Red Cross Addressing Modern Slavery Guide for Australian Businesses <sup>8</sup> states that Africa has the highest prevalence of modern slavery, followed by Asia and the Pacific region.

Sigma has identified potential modern slavery risk in both its own workforce and employees within its franchise partners. Sigma considers this risk to be low because Sigma is domiciled in, and its operations are limited to, Australia in a highly regulated industry.

Sigma has also identified a potential modern slavery risk when engaging with third parties, particularly in sectors such as contingent workforce, cleaning, security, uniform procurement and transportation and distribution services.

The Australia Red Cross Addressing Modern Slavery Guide for Australian Businesses <sup>9</sup> states that Australia is exposed to risks of modern slavery through imported product. Sigma has identified this as a potential area of risk of modern slavery, as Sigma purchases pharmaceutical products that are manufactured overseas.

<sup>7</sup> [https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms\\_575479.pdf](https://www.ilo.org/sites/default/files/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf)

<sup>8</sup> <https://www.redcross.org.au/globalassets/cms-assets/documents/migration-services/addressing-modern-slavery-report-final.pdf>

<sup>9</sup> <https://www.redcross.org.au/globalassets/cms-assets/documents/migration-services/addressing-modern-slavery-report-final.pdf>



Sigma deems this risk to be low because the Global Slavery Index and the Global Estimates of Modern Slavery (2017) <sup>10</sup> states that globally most cases of forced labour occur in domestic work, construction, manufacturing, agriculture and forestry and fishing, not pharmaceutical wholesaling.

While Sigma is not the manufacturer of pharmaceuticals, it recognises that the manufacturing sector accounts for 15 per cent of labour exploitation cases, with the most recorded in garment and footwear factories, and the electrical and electronics industries.

Sigma views the risk of modern slavery in its direct supply chain with pharmaceutical manufacturers and suppliers to be relatively low as the pharmaceutical manufacturing industry:

- is highly regulated;
- operates in a controlled environment with established, sophisticated policies and processes; and
- generally employs an educated and skilled workforce.

Sigma is also cognisant of the potential risk of modern slavery involving the supply chain within these pharmaceutical manufacturers and addresses this through its contracts with these suppliers.





## **Actions taken by the Sigma group to assess and address these risks, including due diligence and remediation processes**

The Board of Directors and Management of Sigma are responsible for setting and implementing the strategic direction and corporate governance of Sigma, including Sigma's approach to assessing and addressing the risks of modern slavery.

Sigma's approach to assessing and managing the risk of modern slavery forms part of broader efforts to respect human rights and conduct its business ethically.

As part of Sigma's roadmap of further improving management of its Modern Slavery risk developed from last year's external consultant engagement, Sigma's modern slavery working group was established. This working group consisted of six members, from the procurement, communications, human resources, product development, logistics and legal streams. It met eight times during the reporting year. During this period the working group agreed its charter and objective, namely that it is committed to preventing and ultimately eradicating modern slavery within Sigma's operations, business partnerships and supply chain. The working group aims to raise awareness, enhance prevention measures and promote best practices among relevant stakeholders. The purpose of the modern slavery working group is to facilitate Sigma Healthcare's response to modern slavery legislative requirements.

The working group will continue to inform and advise Sigma's executive leadership team and their respective teams on modern slavery related issues and Sigma's role in managing and mitigating modern slavery risks. The working group will particularly advise on the development, implementation, monitoring and review of Sigma's Modern Slavery Action Plan.

10 [https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms\\_575479.pdf](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf)





During the reporting period, the working group reviewed and updated Sigma's Ethical Sourcing and Modern Slavery Policy. The purpose of Sigma's Ethical Sourcing and Modern Slavery Policy was refined to ensure that the Sigma Group:

- (a) sets minimum Modern Slavery standards for their business and supply chains;
- (b) helps prevent Modern Slavery in its business operations and supply chains;
- (c) is compliant with the obligations set out in the Modern Slavery Act;
- (d) work with suppliers, contactors, business partners, and external stakeholders to ethically source goods and services; and
- (e) assess, mitigate, and where appropriate, remedy the harm caused by Modern Slavery occurring in their business operations and supply chains.

Following the release of the updated policy in late 2024, a Modern Slavery training module was released to Sigma employees as part of Sigma's employee compliance training and development program and has been included in the new employee induction process. The training module provides information on Australia's Modern Slavery Law and techniques for the prevention and detection of Modern Slavery in supply chains. The training module will be updated for developments in the regulations and employees are required to complete the training annually.





As part of its focus on continuous improvement, Sigma continues to maintain and enhance its corporate website that includes minimum expectations of suppliers when engaging and conducting business with the Sigma Group. Sigma's website incorporates certain governance policies and frameworks including Sigma's Code of Conduct, updated Ethical Sourcing and Modern Slavery Policy, and our general approach to sourcing and contracting.<sup>11</sup>

In accordance with the UN Guiding Principles (Principle 31), Sigma's Whistleblower Policy is published on our website and governs the process of reporting certain unacceptable conduct, including modern slavery.

The key principles under Sigma's Code of Conduct Policy and Good Working Relationships Policy are that all employees are entitled to be treated with dignity, courtesy and respect; work free from discrimination, bullying and harassment; and have the right to raise issues or make an enquiry or complaint without being victimised.

Sigma's Issue Resolution Procedure states that all team members have the right to: (a) make a complaint to their immediate manager or the next level manager or People and Capability; (b) have their concerns addressed in a fair and prompt manner; and (c) have the principles of natural justice observed.

The Amcal and Discount Drug Stores Franchise Agreement terms require the franchisee to comply with all Australian workplace employment laws. Sigma has continued to engage with a third party to conduct random audits on an annual basis of the franchise network to review and assess franchisee's operations to ensure compliance with Australian workplace employment laws, including without limitation, awards, payroll obligations and employment records.

<sup>11</sup> Sigma's Corporate Governance framework is outlined in its Corporate Governance Statement and in the Charters, Group Policies and other documents available for download <https://investorcentre.sigmahealthcare.com.au/corporate-governance/governance-documents>

Sigma engages with team members across the network through Enterprise Agreement negotiation in accordance with the good faith bargaining requirements of the Fair Work Act 2009. Through this process, team members have the opportunity to provide input and agree with the Company on terms and conditions of employment. These terms are assessed through the Fair Work Commission approval process, ensuring they are better off overall than the relevant Award. Where an Enterprise Agreement is not in place, the relevant Modern Award provisions are adhered to, typically with above award rates.

Sigma also engages contingent labour hire across its distribution centre network. Supply agreements with labour hire providers contain provisions that require these agencies to ensure correct rates of pay and conditions are provided in accordance with legislation for labour engaged at Sigma sites.

Sigma continues its use of the Ethixbase360 platform it acquired in January 2022 to enhance its approach towards understanding, assessing and managing modern slavery risks at Sigma and within its supply chain. Sigma's suppliers are loaded into this tool which then performs background checks against global sanctions, watchlists, adverse media and enforcements to deliver a preliminary risk assessment. The tool provides an ongoing analysis of the supplier, its industry and the geographic locations in which the supplier operates which is also input to an overall risk assessment.

After previously updating its goods and services procurement and other supply chain related agreement templates to include representations, warranties and other controls in respect of compliance with modern slavery laws, Sigma has adopted these agreement templates for all new supplier contractual agreements where possible.





## **Assessing the effectiveness of actions taken to address modern slavery risks**

Sigma reserves its right to conduct audits with suppliers to ensure compliance with the terms of each contract, including in respect of modern slavery.

During the reporting period Sigma's Risk Management and Audit Committee received regular reporting on regulatory compliance matters including any modern slavery concerns. Sigma's General Counsel and Company Secretary also monitors and reviews Sigma's Whistleblower Policy on a regular basis.

As mentioned above, Sigma's continued use of the Ethixbase360 platform provides valuable insight into modern slavery risks that may exist within its supply chain. The tool operates to continually monitor for adverse findings or movements in the risk profile of Sigma's supplier base. Sigma will continue to work closely with Ethixbase360 to explore additional risk assessment functionalities of the platform and utilise them to ensure a diligent ongoing risk assessment can be undertaken on our supplier base.

As mentioned above, the Modern Slavery working group meet on a regular basis to review the status of modern slavery initiatives and their effectiveness, along with recommendations for additional measures where appropriate.

## **The process of consultation with entities within the Sigma Group**

While Sigma's core business is as a full line pharmaceutical wholesaler, Sigma has a number of entities within the group which have been acquired or incorporated for the purpose of providing other healthcare service adjacencies. While separate legal entities, the adjacencies are a natural extension of, and inextricably linked with, Sigma's core business. Corporate governance, oversight and operational support is provided to these entities by Sigma under a federated model of services provision. Further, some of these entities use the same policies and processes as Sigma and have many common suppliers.

In order to prepare this joint statement, we engaged with each of the reporting entities covered by this statement and consulted the entities we own or control.

Sigma intends to continue to consult with its operating subsidiaries and potential further deployment of the Ethixbase360 platform for suppliers to group entities, along with further due diligence and modern slavery risk assessment.

## Continuous Improvement

On 12 February 2025 Sigma Healthcare Limited completed a transaction whereby it merged with Chemist Warehouse Group (CWG), creating a full-service wholesaler, distributor and retail pharmacy franchisor.

Over the next reporting period Sigma proposes to:

- (a) Integrate its Modern Slavery initiatives with similar activities underway within the CWG.
- (b) Conduct ongoing and targeted risk assessment of modern slavery practices in the operations and supply chains of the Sigma group where aligned with the organisational risk assessment.
- (c) Conduct supplier surveys on Modern Slavery using the Ethixbase360 tool, where the initial due diligence indicates a high initial risk assessment.
- (d) Through our actions and engagement, Sigma is aligned to the objectives of reducing the risk of modern slavery in operations and supply chains of the pharmaceutical wholesale industry and the pharmaceutical industry more broadly.

This report is the last for Sigma as a standalone business. Modern Slavery considerations will form an important part of our planning as we navigate the extensive integration process to bring together the Sigma and CWG businesses. Modern Slavery oversight will sit within the newly formed Risk, Compliance and Sustainability Committee to be Chaired by Dr Chris Roberts, and our progress will be reported in our FY2026 report.



**Vikesh Ramsunder**  
**Chief Executive Officer & Managing Director**  
**Sigma Healthcare Limited**  
**July 2025**



## Appendix A – Subsidiaries of Sigma Healthcare Limited as at 31 January 2025

Sigma Company Limited ABN 44 004 132 923  
Chemist Club Pty Ltd ABN 33 087 278 251  
ACN 141 734 723 Pty Ltd ABN 81 141 734 723  
Crucible Health Pty Ltd ABN 23 641 858 924  
Allied Master Chemists of Australia Limited ABN 80 005 393 957  
Guardian Pharmacies Australia Pty Ltd ABN 42 005 092 839  
Tromax Pty Ltd ACN 615 139 225  
MPS Hold Co Pty Ltd ABN 72 621 372 138  
Medical Industries Australia Hold Co Pty Ltd ABN 99 622 066 424  
Sigma Employee Share Administration Pty Ltd ACN 083 101 848  
Sigma Healthcare Hospital Services Pty Ltd ABN 73 613 777 610  
QDL Limited ABN 81 009 658 191  
Sigma (W.A.) Pty Ltd ABN 38 008 669 878  
Sigma NZ Ltd  
Pharmacy Wholesalers (Wellington) Ltd  
NostraData Pty Ltd ABN 37 139 101 656 (51% ownership)  
Sigma Healthcare Logistics Pty Ltd ABN 66 142 005 552  
Discount Drug Stores Pty Ltd ABN 54 067 616 826  
ACN 133 432 096 Pty Ltd ABN 54 133 432 096  
PriceSave Pty Ltd ABN 75 154 732 340  
Linton Street Pty Ltd ABN 12 613 550 093  
PharmaSave Australia Pty Ltd ABN 17 134 090 476