

# 2025 MODERN SLAVERY STATEMENT

AFT pharmaceuticals

*Working to improve your health*

# A MESSAGE FROM OUR LEADERSHIP

AFT Pharmaceuticals Limited ('the Company')[1] is a New Zealand pharmaceuticals company (NZ Company Number 873005) listed on the New Zealand and Australian stock exchanges.

It develops, markets, and distributes a broad portfolio of pharmaceutical products across a wide range of therapeutic categories in Australia and New Zealand and a narrower portfolio around the world. The Company is built on integrity and a clear purpose of working to improve the health of the people and communities it serves.

It is a mission that has at its heart a commitment to the maintenance of corporate governance standards that are aligned with best practice, and high professional, legal, and ethical standards, including the protection of human rights.2

AFT regards modern slavery in all its forms, including slavery, servitude, forced or compulsory labour and human trafficking (together 'Modern Slavery') as unacceptable, intolerable and in direct conflict with our commitments and the Company's values.

This joint Modern Slavery Statement has been prepared in accordance with the Australian Modern Slavery Act 2018 (Ch) (Australian Act) and the UK Modern Slavery Act 2015 (UK Act) and has been made on behalf of the Company and all of the entities it controls ('AFT' or 'the Group'), including the following reporting entities which this joint statement covers for the purposes of the Australian and UK Acts:

- AFT Pharmaceuticals Limited (NZ Company Number 873005)
- AFT Pharmaceuticals (AU) Pty Limited (Australia ARBN: 609 017 969)
- AFT Pharma UK Limited (UK Company Number: 14521612)

A full list of the entities in the Group is included in Appendix 1 (page 6) of this document. The Company has actively engaged and consulted with all these entities in the development of this statement (for more detail on the process of consultation see 'Policies Governance and Consultation Processes' below.

The statement outlines the steps that we have taken to identify, manage, and mitigate the specific risks of Modern Slavery that may be in our operations and supply chains. It also sets out how we measure the effectiveness of those actions.

AFT expects to build on the programme set out in this statement in line with its commitment to continue to evolve its governance framework.

This Modern Slavery Statement was approved by the Board of AFT Pharmaceuticals Limited, on behalf of AFT and each of AFT's reporting entities (in its capacity as ultimate holding company) on 22 May 2025.



**David Flacks**
Chair



**Dr Hartley Atkinson**
Managing Director[3]

1 A reference to 'AFT' and 'the Group' in this Modern Slavery Statement includes the New Zealand company and all the entities it controls, even though some of the entities are not reporting entities for the purposes of the Australian Modern Slavery Act 2018 or the UK Modern Slavery Act 2015. For a list of those entities please see the 'Statutory Information' section of AFT's 2025 annual report, which is available in the Investor Centre on the Company's website at: www.aftpharm.com.

2 These commitments are detailed in the Company's annual report available on the NZX and ASX and on the Company's website.

3 Hartley Atkinson is Managing Director of the New Zealand company and a Director of AFT Pharmaceuticals (AU) Pty Limited (Australia) and AFT Pharma UK Limited

# AFT'S BUSINESS, SUPPLY CHAIN AND MODERN SLAVERY RISKS

1. AFT's business model is to develop and in license products for sale in Australia, New Zealand, and the United Kingdom, and to out-license our own products to the rest of the world. Our products are now licensed in more than 125 countries.
2. Our Australasian product portfolio comprises more than 150 proprietary and in-licensed products, and includes patented, branded, and generic drugs. Our international business' product portfolio covers a subset of the Australasian portfolio.
3. In international markets sales are dominated by our Maxigesic® family of patented pain relief medicines. We have five offices around the world: New Zealand, Australia, Hong Kong, Ireland, and the United Kingdom and as at the date of this statement we employ around 119 people, with around 90% employed in Australasia.
4. AFT outsources all its product manufacturing to partners around the world. As a consequence, our supply chains are extensive and sometimes complex with a high proportion of our products sourced from large pharmaceutical companies and manufacturers based in a variety of regions including Europe, the United States, India, and Asia.
5. We also have a network of distribution partners and licensees around the world, and we are supported with suppliers of business services including, finance, accounting, information technology, and logistics providers and maintenance and cleaning services.
6. The risk of Modern Slavery in AFT's supply chain is considered to be lower than in some other industries, because of the highly regulated nature of the pharmaceutical industry. Nevertheless, AFT recognises the risk of Modern Slavery could potentially exist through our broad network of global suppliers and their supply chains, which AFT does not control or directly influence. We also recognise the management of these risks presents challenges to the Company, particularly where the outsourcing of manufacturing is to overseas suppliers based in higher-risk jurisdictions.

## AFT's Workforce

7. AFT considers the risks of Modern Slavery within our own workforce is low. This reflects the following characteristics:
   - our workforce is mostly located in Australasia, and is predominantly on permanent contracts and employed in accordance with relevant workplace law and awards;
   - the skilled nature of the work performed;
   - the strength of our governance framework, including our commitments to ethical and lawful conduct; and
   - our reporting and monitoring requirements and processes.
8. AFT is nevertheless aware we must continue to educate and build awareness amongst our workforce about Modern Slavery and our intolerance of Modern Slavery.

# RISK MANAGEMENT AND MITIGATION

9. AFT is dedicated to playing our part to identify and address any potential Modern Slavery across our organisation and within our supply chains. We have taken the following steps to assess and address those risks.

## Policies Governance And Consultation Processes

10. The Company's corporate governance framework has been structured according to the principles of the Fourth Edition of the 'Australian Securities Exchange (ASX) Corporate Governance Council Principles and Recommendations' and the recommendations of the 'NZX Corporate Governance Code.'
11. Fundamental to this framework is a system of monitoring across AFT, the companies that it controls and its supply chain. Specifically, the Board Charter requires the Board to review and ratify group systems of internal compliance and control to determine the effectiveness of those systems.
12. The Board also operates an Audit and Risk Committee (ARC) to assist it with its responsibilities and its commitments. The ARC, among other things, is charged with overseeing management's implementation of the Company's risk management framework and that management has appropriate processes for identifying, responding to, and regularly reporting on risks (including Modern Slavery risks) and that those processes are operating effectively.

13. In addition to this broad system of oversight, AFT has the following codes, policies, and systems that both directly and indirectly require and assist the Company and those it controls to assess and address the risks of Modern Slavery across its operations and supply chains.
14. Each year AFT Managing Director Hartley Atkinson – who exercises daily control over the Company and the entities it controls – reports to the Board on the Group's compliance with these policies and procedures. He also communicates directly with the Company's employees on these policies and procedures and arranges for a copy of this Modern Slavery Statement to be provided to all of them.

Our corporate governance policies, including our Modern Slavery and other key policies mentioned in this statement, and our annual governance statement are available on the Company's website at: **investors.aftpharm.com/Investors.**

## Sustainability Framework

15. Accounting for and managing the environmental social and governance (ESG) considerations that are material to our business, including the steps we take to limit the risk of Modern Slavery in our business, is managed within a formal sustainability framework.
16. The sustainability framework has identified 'best practice corporate governance' and 'the operation of an ethical and sustainable supply chain' as two of the six priorities on which we focus to manage the risks to our business and create shared value with all our stakeholders. A summary of our sustainability framework is set out in Appendix 2 (pages 7 and 8) of this statement.
17. Our sustainability framework includes objective and robust measures of performance of the ESG areas that are material to our business. Notably, it commits AFT to transparently reporting these measures, which includes reporting on the extent to which we comply with our legal obligations, our governance framework, and our policies, including our Modern Slavery policy and our Supplier Code of Conduct.

## Code of Culture & Ethics

18. AFT has a Code of Culture & Ethics which is a framework of standards by which our directors, employees, consultants, contractors, interns and secondees of the Group ('AFT People') are expected to conduct their professional lives. It outlines AFT's values and our expectations of AFT People, particularly in relation to acting honestly, with integrity and in accordance with applicable law. Material breaches of the Code of Culture & Ethics are reported to the Board.

## Modern Slavery Policy

19. AFT's Board developed and introduced a Modern Slavery Policy in 2022 (the 'Policy'). The purpose of the Policy is to:
    a. set clear expectations relating to compliance with all applicable laws and regulations;
    b. establish how AFT addresses potential Modern Slavery risks in our supply chain and business operations; and
    c. set standards for AFT People with respect to the identification of any potential Modern Slavery risks.
20. The Policy requires AFT to adopt procedures to address and report on any Modern Slavery and ethical sourcing risks in our operations and supply chain.
21. The Policy stipulates that AFT People should seek to include compliance with the Modern Slavery Policy – and compliance with applicable Modern Slavery laws and regulations – within supplier contracts, as well as the capacity to cease dealing with a counterparty if it is found in breach of applicable Modern Slavery law or regulations. The Policy also requires AFT to engage with suppliers to transparently report on the steps we take to address Modern Slavery risks in our operations and supply chains.

## Supplier Code Of Conduct

22. AFT introduced a Supplier Code of Conduct in 2023. The Supplier Code of Conduct applies to suppliers of both products and services to AFT, including their parent, subsidiaries, affiliates, and subcontractors. The Supplier Code of Conduct requires suppliers, among other things, to:
    a. prevent Modern Slavery in any of their businesses or supply chains and attest to compliance with AFT's Modern Slavery Policy;
    b. treat all workers in a manner consistent with international human rights standards, including the UN Universal Declaration of Human Rights, the UN Convention on the Rights of the Child, and the International Labour Organisation Core Conventions;
    c. establish and follow effective policies and procedures to promote workplace health and safety.
    d. comply with applicable national, and international laws; and
    e. observe and model ethical business practices.
23. Suppliers are asked to attest to compliance with the Supplier Code of Conduct, notify AFT of non-compliance and agree to inspections if requested by AFT.

## Supplier Due Diligence And Contracts

24. Ahead of engaging a new supplier we undertake due diligence to ensure we select and collaborate with those that align with our values and the way we do business. Suppliers are asked to confirm compliance with our Supplier Code of Conduct and Modern Slavery Policy.

## Whistleblowing Policy

25. AFT's Whistleblowing Policy states that AFT is committed to the highest standards of conduct and ethical behaviour in all our business activities. The Whistleblowing Policy provides a mechanism for raising and appropriately addressing issues, including potential Modern Slavery, if they arise.

## Diversity And Inclusion Policy

26. AFT's Diversity and Inclusion policy outlines the Company's commitment to creating a diverse and inclusive working environment at all levels, recognising that a diverse workforce builds competitive advantage, enhances business thinking and helps the Company to connect innovatively with consumers and markets around the world.
27. In addition to measures to drive diversity and monitor and report on progress on our diversity goals, the policy requires that all AFT people receive equal and fair treatment in all aspects of the Company's employment practices and processes.

## Employment Policies

28. AFT has a comprehensive suite of employment- related policies which are relevant to addressing labour standards and expectations in our operations. These include an anti-Bullying, Discrimination and Harassment Policy, which aims to support a working environment which is free from unlawful discrimination, harassment, sexual harassment, bullying, vilification, and victimisation and where all workplace participants are treated with dignity, courtesy, and respect.

## Anti-Bribery And Anti-Corruption Policy

29. AFT's Anti-Bribery and Anti-Corruption Policy prohibits bribery and corruption, in any form, whether direct or indirect thereby expressly prohibiting conduct that could be used to facilitate Modern Slavery and other forms of exploitation. The policy applies to AFT People and those who work on our behalf and commits the Company to auditing and monitoring of the policy and sets out the consequences of non-compliance.

## Inspection of key manufacturing sites

30. AFT and most of our suppliers operate within the heavily regulated pharmaceutical sector and must comply with Good Manufacturing Practice (GMP) requirements to ensure our products are consistently produced, controlled, and shipped according to quality standards. These standards, in themselves, provide considerable protection against Modern Slavery practices among our suppliers. It is normal practice for national regulators to undertake inspection of our suppliers and third-party manufacturers to ensure GMP compliance, and AFT conducts our own review to promote compliance with relevant GMP related procedures and our Modern Slavery Policy.

# ASSESSING OUR EFFECTIVENESS

## Embedding Our Modern Slavery Policy in the Supply Chain

31. Since the introduction of the Modern Slavery Policy in the 2022 financial year, AFT has moved to implement the Policy across our business and our supply chain. Suppliers have been sent a copy of the Modern Slavery Policy and our Supplier Code of Conduct.
32. Our key suppliers have attested to compliance with our Supplier Code of Conduct including the requirements that they seek to prevent Modern Slavery in their supply chains. We work to understand any reasons that may impact attestation, and any remedial action required to comply with our Code of Conduct.

## Supplier Inspections

33. AFT periodically inspects key manufacturing and distribution suppliers and no inspections revealed any instances of concern.

## Internal Monitoring and Training

34. In the 2025 financial year, AFT conducted training sessions relating to the core policies and procedures, including the Modern Slavery Policy, across the organisation. All new recruits into the company were trained on these policies.

# NEXT STEPS

35. AFT understands that embedding awareness of Modern Slavery across our business and with our suppliers is an ongoing process. We will continue to deepen our understanding of the potential risks of Modern Slavery in our operations and supply chains and we are continuing to engage with our suppliers in relation to the measures that have been taken to date.
36. Meanwhile, as we continue to evolve both the scope of our Modern Slavery framework and our broader approach to corporate governance and reporting, we expect further improvements in our processes and procedures.

# APPENDIX 1: ENTITIES OWNED AND CONTROLLED BY AFT

| Subsidiary | AFT Share-holding | Country of Incorporation | Principal activities |
|---|---|---|---|
| AFT Pharmaceuticals (AU) Pty Ltd. | 100% | Australia | Pharmaceutical distribution (Australia) |
| AFT Pharmaceuticals (S.E. Asia) Sdn Bhd | 100% | Malaysia | Pharmaceuticals registration (Malaysia) |
| AFT Orphan Pharmaceuticals Ltd. | 65% | New Zealand | No activity |
| AFT Limited Partner Ltd. | 100% | New Zealand | Sole partner in Dermatology Specialties LP |
| Dermatology Specialties Limited Partnership | 100% | New Zealand | No activity |
| DSGP Ltd. | 100% | New Zealand | General partner of Dermatology Specialties LP |
| AFT Dermatology Ltd. | 100% | New Zealand | Pharmaceutical distribution |
| AFT Pharmaceuticals (EUR) Ltd. | 100% | Ireland | Pharmaceutical distribution (Europe) |
| Kiwi Health Pty Ltd. | 100% | Australia | Pharmaceutical distribution (Asia) |
| AFT Pharma UK Ltd. | 70% | United Kingdom | Pharmaceutical distribution (UK) |
| AFT Pharmaceuticals (HK) Ltd. | 100% | Hong Kong | No activity |
| AFT Pharmaceuticals (CAN) Ltd. | 70% | Canada | Pharmaceutical distribution (Canada) |
| AFT Pharmaceuticals US Inc. | 100% | USA | Pharmaceutical distribution (USA) |
| AFT Pharmaceuticals SA (Pty) Limited. | 70% | South Africa | Pharmaceutical distribution (South Africa) |
| AFT Pharmaceuticals Sinoject Limited | 70% | New Zealand | Drug development |

# APPENDIX 2: AFT'S SUSTAINABILITY FRAMEWORK

## Our Mission: Working to Improve Your Health

AFTs sustainability framework is aligned with its commitment to operating sustainably and enhancing the health and wellbeing of the people and communities in the markets we serve.

It sets out our material ESG issues and identifies what we see are the six priorities for the business. The priority areas demonstrate where we believe we can create the most value for our business, investors, and other stakeholders.

Underneath each of the six priorities, we have identified areas of focus, which set out what we will do to deliver on our priorities. We have detailed the metrics we use to measure our performance.

In some of these areas, we have established targets. We expect to evolve and refine these measures and targets in line with the evolution of our ESG framework.

The development of the framework and our performance against it is led by the CFO and overseen by the Board. As in previous years, we aim to align our business and community initiatives onto the United Nations Sustainable Development Goals.

| | SOCIAL | GOVERNANCE | GOVERNANCE |
|---|---|---|---|
| PRIORITIES | **1. Working to improve health and well being**   | **2. Best practice corporate governance**   | **3. Ethical and sustainable value chains**   |
| AREAS OF FOCUS | **Better health and wellbeing for patients and communities**<br>**Performance measures:**<br>• Product reach and breadth of therapeutic applications<br>• Product portfolio expansion<br>• Contributions to communities | **Complying with all relevant legal and listing requirements**<br>**Performance measures:**<br>• Regulatory and Governance Code compliance<br>• Training and education | **ESG performance in our value chain**<br>**Performance measures:**<br>• Compliance with our Supplier Code of Conduct and our Modern Slavery commitments<br>• Supplier visits |
| | **Best quality and safety systems for manufacturing and distributing medicines**<br>**Performance measures:**<br>• Compliance with best practice standards in medicine manufacture<br>• Our pharmacovigilance practices and relationships with our regulators<br>• Monitoring for counterfeit medicines<br>• Product recalls | **ESG reporting and transparency**<br>**Performance measures:**<br>• Policy adherence by the Board and Management<br>• Governance of climate risk | **Ethical marketing and sales practices**<br>**Performance measures:**<br>• Compliance with our Code of Culture and Ethics and our Anti-bribery and Corruption Policy<br>• Compliance with regulatory advertising codes. |
| | **Innovation in response to need**<br>**Performance measures:**<br>• Investment in research and development<br>• Product development portfolio<br>• Compliance with clinical trial standards | | |

## UN Sustainable Development Goals

The UN sustainable development goals are a collection of 17 interlinked global goals designed to be a blueprint to achieve a better and more sustainable future for all. The United Nations General Assembly established these goals in 2015. At AFT we believe we can contribute to six of the goals.

More information on the goals can be found here: sdgs.un.org/goals




**Good Health and Wellbeing**
Ensure healthy lives and promote well-being for all at all ages.




**Gender Equality**
Achieve gender equality and empower all women and girls.




**Decent Work and Economic Growth**
Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.




**Reduced Inequalities**
Reduce inequality within and among countries.




**Responsible Production and Consumption**
Ensure sustainable consumption and production patterns.




**Climate Action**
Take urgent action to combat climate change and its impacts.

| | SOCIAL | ENVIRONMENT | ENVIRONMENT |
|---|---|---|---|
| PRIORITIES | **4. Supporting and developing our people**   | **5. Understanding our climate risks and taking action**   | **6. Waste minimisation**   |
| AREAS OF FOCUS | **Developing our people**<br>**Performance measures:**<br>• Training<br>• Staff turnover<br>• Wellbeing support | **Undertaking a climate risk assessment**<br>**Performance measures:**<br>• Reporting against the Aotearoa New Zealand Climate Standards | **Improving our consumer packaging**<br>**Performance measures:**<br>• Continuous improvements in reducing packaging weight<br>• Introducing recycled material into our packaging<br>• Making more of our packaging recoverable |
| | **Diversity and inclusion**<br>**Performance measures:**<br>• Compliance with our Code of Culture and Ethics<br>• Compliance with our Employment Policy suite<br>• Remunerating fairly and transparently<br>• Monitoring gender, culture identity, nationality to ensure diversity.<br>• Living wage, parental leave, and pay parity commitments | **Working with suppliers to take action**<br>**Performance measures:**<br>• Reporting against the Aotearoa New Zealand Climate Standards | **Reducing waste in the supply chain**<br>**Performance measures:**<br>• Reducing packaging consumption<br>• Reducing material towards landfill |
| | **Health and safety**<br>**Performance measures:**<br>• Health and Safety Policy compliance<br>• Supplier Code of Conduct compliance<br>• Lost time to injury reporting | | |

Level 1, 129 Hurstmere Road
Takapuna
Auckland 0622
New Zealand
+64 9 488 0232
**www.aftpharm.com**

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