CORPORATE SOCIAL RESPONSIBILITY STATEMENT

At National Pharmacies we are committed to encouraging the growth of an efficient and sustainable business in line with our purpose of caring for people, enabling health and inspiring wellness. We endeavour to minimise our impact on the environment and our activities will be conducted ethically and safely by well trained team members.

We are encouraging corporate social responsibility through four key areas:

- *Supporting the needs of our members and our communities;*
- *Engaging committed people;*
- *Prescribing safe and ethical work practices; and*
- *Adopting environmentally sound practices.*

Supporting the needs of our members and our communities

We seek to add value to our members' lives through the provision of our services and benefits. We recognise that members are the lifeblood of our business.

We engage with our local communities through education, direct support of local communities and community sponsorships. Support may take many forms including employee time and skills, gifts in kind and cash donations.

We welcome feedback from our members and our communities and may seek consultation on issues with other stakeholders including local authorities and government.

Committed people

National Pharmacies aims to attract, retain and engage committed team members and encourages their contribution and development. Employees are provided with learning and development opportunities to enable their contribution to business objectives and to fulfil their potential.

Leadership development and succession planning are processes which are also critical to the success of the business. These plans are regularly discussed and updated as the competition for talented employees increases and the leadership needs of our business grow. Formal performance reviews are conducted and are linked to the values of the organisation. We strive to achieve our vision, mission and organisational objectives through our values.

We are committed to providing opportunity equally to all existing and prospective employees and a workplace free from discrimination and harassment. We encourage diversity and inclusion and strive to create an environment where all differences of gender, age, race, place of birth, gender expression, cultural or religious background, physical ability, sexual orientation, language or experience, are respected and acknowledged. Our commitment is reinforced through our Ethical Behaviour and Diversity policies.

National Pharmacies places high priority on compliance with legislative and ethical requirements within all jurisdictions in which our business is conducted, particularly with respect to employment practices and labour rights.

Safe and ethical work practices

Our policies and procedures encourage and support all of our team members to take responsibility for not only their own health and safety, but also the health and safety of others. We are committed to the maintenance and safe operation of plant and systems of work.

At National Pharmacies our aim is to create a safe and healthy workplace. We strive to comply with all relevant work, health and safety legislation ensuring that our safety systems meet or exceed all legislative requirements in the states in which we operate. The Senior Executive Team and the Board oversee the implementation of the health and safety systems in the organisation.

Audits of our health and safety systems are undertaken regularly.

We strive to conduct our business in compliance with appropriate ethical standards of business practice. We seek compliance with these standards in all of our dealings with employees, customers, suppliers and other stakeholders.

National Pharmacies operates a confidential "whistle blowing" process through which employees may report to the organisation's management team, any Board member or a designated independent third party any concerns they may have over unethical business practices or conduct, dangers to health and safety, or breach of company policies. Any such disclosures are appropriately investigated.

National Pharmacies is bound by the Australian Privacy Principles set out in the *Privacy Act 1988* of the Commonwealth of Australia and is committed to complying with those principles in all aspects of our business.

Sustainability and Environment Practice

At National Pharmacies, we are committed to being a responsible member of the many communities in which we operate. Sustainability is one of the core values of the organisation and, as an organisation of well over 100 years, we understand that the future of the organisation and the generations of people that we come in touch with will depend on how we manage these fundamental elements today. We also understand the importance of responsible sourcing of products.

National Pharmacies supports a future in which renewable technology and the responsible use of resources are continually reviewed, well managed and incorporated into the daily practices of the organisation. Some examples of the utilisation of such technologies include:

- The deployment of leading edge commercial LED lighting technology in the pharmacies and optical stores to reduce emissions, heat and overall energy consumption;
- Utilising cloud based data storage and applications to reduce the electricity consumption from local based servers and data holding hardware;
- Continuing to invest in new technology platforms which support and enhance the business operations and increase productivity across the organisation;
- Recycling mobile phones, printers, cartridges and other hardware to reduce landfill;
- Developing electronic workflows to reduce the number of paper based forms, files and processes;
- Embracing digital technology including offering members a digital membership card for their mobile phones to replace the plastic National Pharmacies member card;
- Maximising the use of recycled materials in the warehouse and logistics as well as recycling supply componentry such as cardboard cartons;
- Identifying, reducing and eliminating hazardous materials that impact safety of employees and members and are harmful to the environment;
- Developing retail outlets that meet relevant environmental standards for lighting, energy efficiency, positioning, waste removal and more.

National Pharmacies will:

- Comply with all relevant environmental legislation and adhere to industry regulatory standards in all communities we serve;
- Actively work to prevent waste and associated pollution;
- Incorporate sustainability into decision making and business processes;
- Commit to continued improvement of our environmental footprint and sustainability performance;
- Work with suppliers and partners to regularly review our collective use of resources.

Reviewing, learning and implementing environmentally sound practices are of great importance to National Pharmacies. We support and facilitate opportunities for all employees to contribute to conserve energy resources and act sustainably.

Responsible Sourcing

National Pharmacies is committed to ensuring that all goods and services are sourced in a responsible manner while working with suppliers to improve their social and environmental practices.

We expect our suppliers to operate in accordance with all applicable Modern Slavery laws including those prohibiting human slavery and slavery like practices, human trafficking and child labour. We are committed to implementing and enforcing effective systems and controls directed to ensuring that Modern Slavery is not taking place anywhere in our own business or our supply chain.

Suppliers are assessed for risk according to the management of ethical and responsible sourcing risks and are required to demonstrate compliance to all legislation