

Modern Slavery Statement 2019

This modern slavery statement is made by Cochlear Europe Ltd (CEL), a UK subsidiary of Cochlear Limited (Cochlear). CEL distributes Cochlear products to Europe, Middle East and Africa (EMEA) regions.

Cochlear is a global leader in implantable hearing solutions, with our products sold in over 100 countries, either through direct operations or distributors. We utilise a global supply chain to source components for our manufacturing operations, which are located in Australia, Belgium, Sweden and the U.S.

Our Commitment

Cochlear is committed to working with its supply chain partners to ensure we meet our ethical, social, labour and environmental standards, and comply with laws aimed at the prevention of modern slavery.

Policies and procedures

There are a number of policies and procedures designed to mitigate modern slavery risks in Cochlear's supply chain.

Cochlear's Global Procurement Policy requires employees to consider economic, social and environmental impact when acquiring goods or services from suppliers and to conduct appropriate due diligence and implement mitigations measures if required.

The Supplier on-boarding process screens new critical direct suppliers to our Australian and European manufacturing sites for major governance, human rights and environmental issues.

Cochlear is also introducing a Global Supplier Code of Conduct.

Cochlear's standard legal agreements oblige Cochlear's suppliers not to engage in and take steps to prevent human rights abuses, exposure to forced or compulsory labour, use of child labour, sexual abuse, human trafficking or harassment in its supply chain.

Due diligence

Cochlear has developed a Supplier Environmental, Social and Governance (ESG) Risk Assessment with the following purpose:

- Outline the risk assessment methodology in identifying potential risk of modern slavery in our operations and supply chain;
- Highlight potential suppliers for further engagement on modern slavery (Phase 1) and other issues such as environmental performance through implementation of the Supplier Code of Conduct and supplier self-assessment survey;
- Embed ESG risk management and intelligence across our supply chain; and
- Build awareness on modern slavery across the organisation.

Risk assessments of key direct suppliers are based on factors including the categories of products being supplied and the Country Score on the Global Slavery Index of the countries from which these products are being sourced. We additionally utilise resources from independent organisations such as Human Rights Watch and the United Nations Environment Programme Finance Initiative (UNEPFI).

All critical production-related (direct) suppliers which are deemed as high risk will be expected to complete a questionnaire which covers their governance, policies, training and supply chain management processes.

If Cochlear identifies any practices of concern, the supplier may be subject to an on-site audit of their facilities and working conditions to assess whether the supplier meets Cochlear's expectations.

Where deemed necessary, Cochlear will work with our suppliers to implement appropriate corrective actions to address and reduce modern slavery risks.

Suppliers which are not production-related (indirect) are also subject to the risk assessment process, with additional risk factors applied.

Whistleblowing

Cochlear has a Whistleblower Protection Policy and has appointed an independent third party which Cochlear staff and representatives can contact to report any potential breaches of Cochlear's policies and procedures.

Training

Regular compliance training is provided to personnel who have responsibility for procurement and supply chain management.

Governance

This statement has been approved by the Board of Cochlear Europe Limited.



Richard Brook
Director, Cochlear Europe Limited

