

Supplier Handbook

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1 August 2018



Connecting health solutions

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1.1 Welcome

Welcome to the Sigma Healthcare Supplier Handbook.

Sigma Healthcare recognises that its own success is underpinned by building great working relationships with its suppliers: providing better coordination and communication between us to help drive efficiencies along the supply chain and ultimately deliver great quality Products to our customers and end consumers in full and on time.

At Sigma Healthcare, we aim to grow our partnerships with suppliers and strive to deliver a best in market wholesaling and retailing model. We know that teaming with our suppliers through collaborative business planning will drive sustainable outcomes for all participants in the supply chain. We try to work collaboratively with our suppliers across campaigns, product promotions, range reviews, new product launches and demand and supply planning to ensure our mutual customers have access to quality products when and where they need them.

We want to work closely with suppliers to take effective measures toward continuous improvement. We want to use emerging supply chain technologies to increase efficiencies, accelerate growth and drive profitability for all participants in the supply chain.

This handbook is designed to acquaint potential and existing suppliers with our company, culture and supply chain direction: basically, Sigma Healthcare's "way of working" with suppliers.

We expect you, as a current or potential Supplier, to carefully review and share the contents of this Handbook along with the content of our Supply Chain Quality Assurance Standards (**Supply Chain QAS**) with appropriate personnel in your business and in your own supply chain to ensure that Sigma Healthcare's "way of working" is understood and achieved when you do business with us.

The Handbook contents will be updated from time to time. Keeping up with changes is the Supplier's responsibility. The most current version of this Handbook and the Supply Chain QAS can always be accessed on our website.



2.1 Our story

Sigma Healthcare is a leading Australian full line pharmacy wholesale and distribution business. Sigma Healthcare also has the largest pharmacy network in Australia, with over 1,200 branded and independent stores, including some of Australia's best known pharmacy retail brands: Amcal, Guardian, PharmaSave, Chemist King and Discount Drug Stores.

Founded by two Melbourne pharmacists in 1912, the company has grown into a vibrant, nationwide network servicing community and hospital pharmacy. We are proud of our role in helping to make pharmacy services and medicines accessible for all Australians.

Sigma is one of four Community Service Obligation (CSO) qualified wholesalers serving pharmacies throughout Australia. Sigma does not directly manufacture product, but does have a range of Private label products contract manufactured on our behalf.

Sigma has national reach yet maintains a community focus. Our distribution centres in each State service community pharmacies the breadth of Australia; ensuring essential medicines reach those in need. Sigma has the largest pharmacy-led network in Australia, and in addition services the pharmaceutical needs of hospitals in Victoria and more recently New South Wales, with plans for further expansion. Our business model is underpinned by our unique ability to create valued links between our customers, our suppliers and the communities in which we operate.

2.2 Our vision and mission

2.2.1 Our vision

The preferred partner of choice for connecting health solutions.

2.2.2 Our mission

We are here to serve our communities by:

- Fulfilling our responsibilities to ensure Australians have access to the full range of PBS medicines, via community pharmacies and hospital pharmacies, regardless of where they live, and usually within 24 hours.
- Collaborating with our customers and suppliers to continuously pursue and implement value-added, cost-effective wholesaling and distribution solutions
- Supporting pharmacists to be innovative, professional service providers in our communities; to help shape the future of delivering pharmacy care in Australia
- Providing sustainable returns for our investors and continuously creating value in the business
- Providing support for a range of community not-for-profit organisations that are aligned with our values.

2.3 Our industry

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.

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

- National Pharmaceuticals Services Association (NPSA)
- The Australian Industry Group (AIG)
- The National E-Health Transition Authority (NEHTA)
- The Chartered Institute of Logistics and Transport (CILTA)
- Australian Investor Relations Association of Australia (AIRA)

The Australian healthcare industry is widely regarded as being world-class, delivering a broadly efficient and effective health service to the Australian community. Sigma plays a critical role in supporting the industry to deliver better health and wellbeing for the community, and in supporting the Government's National Medicines Policy.

The Federal Government spends approximately 9-10% of GDP on health. The Government's health policy objectives are underpinned by the National Medicines Policy, which has at its core the following central objectives:

- timely access to the medicines that Australians need, at a cost individuals and the community can afford;
- medicines meeting appropriate standards of quality, safety and efficacy;
- quality use of medicines; and
- maintaining a responsible and viable medicines industry.

The import and supply of medicines and medical devices is regulated by the Commonwealth Therapeutic Goods Administration (TGA) to ensure the quality, safety and effectiveness of the products. Medicines or pharmaceuticals prescribed by doctors and dispensed in the community by independent private sector pharmacies are directly subsidised by the Commonwealth Pharmaceuticals Benefits Scheme (PBS). Public hospitals provide medicines free of charge and do not attract PBS subsidies. Non-prescription medicines are available from pharmacies.

Australia has a land mass roughly the size of Western Europe or the USA (excluding Alaska). Whilst around 80% of the population live near major cities, the remainder of the population is widely dispersed in rural and regional areas of Australia, requiring critical infrastructure to meet the community needs and Government policy objectives.

Sigma is a critical enabler in the healthcare system. As a wholesaler, our distribution centres receive over 265 million units from pharmaceutical manufacturers which are picked and dispatched in more than 12 million totes and cartons in any year.

Sigma continues to actively engage with Government agencies and representative bodies to ensure we maintain a strong voice and presence in the industry.

3.1 Our distribution network

3.1.1 Our distribution network

Through our national network of 15 Distribution Centres (including three Distribution Centres operated by Sigma's subsidiary CHS) Sigma Healthcare serves over 4,000 pharmacies nationwide with over 15,000 product lines daily. We make over a million deliveries by road, sea and air to our valued customers per year.

As a Community Service Obligation (CSO) wholesaler and a signatory to the CSO Deed, Sigma's supply chain provides retail pharmacy with one access point for all 6,000 PBS medicines (including S100, Generics, and Private Label products) ensuring availability and supply of all PBS medicines to any community pharmacy in accordance with CSO requirements. All PBS medicines are invoiced at or below Approved Price to Pharmacy (APP), and are maintained within the Code of Good Wholesaling Practice (CGWP).

Sigma's Supply Network also manages the end to end life cycle, demand and supply of over 9,000 Over The Counter/Fast Moving Consumer Goods (OTC/FMCG).

Our portfolio is sourced from over 450 suppliers and spreads over 102,000 stocking points nationally.

Sigma Healthcare strives to provide excellent service by continuously improving end to end supply chain efficiency, and investing in infrastructure and technology to enable our business to grow organically and into new and adjacent markets.

We are 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 continuously improving safety culture.

3.1.2 Our DC locations

1	WA - 26 Wheeler Street, Belmont WA 6104	9	SA - 227 South Road, Ridleyton, SA 5008
2	WA (CHS) - 10 Hugh Edwards Drive, Perth Airport, WA, 6105	10	VIC - 3 Myer Place, Rowville, Vic 3178
3	VIC (CHS) - 8-12 Ordish Road, Dandenong South, Vic 3175	11	NSW - 1 Distribution Place, Seven Hills NSW 2147
4	NT - 115 Coonawarra Road, Winellie, NT 0820	12	VIC - 24-26 Watson Street, Shepparton, Vic 3630
5	NSW (CHS) - 12 William Dean Street, Eastern Creek, NSW 2766	13	QLD - 16-20 Bell Street, Townsville, Qld 4810
6	TAS - McKay Avenue, Glenorchy, Tas 7010	14	QLD (CHS) - 14 Access Avenue, Yatala, Qld 4207
7	TAS - 17-19 Windsor Street, Invermay, Tas 7248	15	QLD - 101 Wayne Goss Drive, Berrinba, Qld, 4117
8	NSW - 31 Glenwood Drive, Thornton, NSW 2322		

3.3 Our Pharmacy brands

Sigma Healthcare owns a large pharmacy-led network of branded pharmacies. Sigma Healthcare expects suppliers to partner with Sigma Healthcare to grow Sigma Healthcare brands and deliver the benefit of great collective buying deals across its pharmacy network.

The Amcal brand has built its reputation on providing health and wellbeing solutions to Australians since 1937. Our Amcal network is a flagship brand within Sigma's network of branded pharmacies across Australia. Amcal pharmacies are an integral part of local communities in every state and territory, making us one of the largest pharmacy retailers in the country.



We pride ourselves on our qualified pharmacists and team members, right across the country, who without exception, live and breathe the ethos of putting the customers and their health first every time. We offer professional advice, service and all the information our customers need to help them Get Well, Be Well and Stay Well.

We are also proud to offer our customers the opportunity to shop anywhere, anytime at amcal.com.au. From vitamins and supplements, skin care and beauty, mother and baby, toiletries, medicines and treatments and household supplies our customers will find what they need at amcal.com.au. With detailed product information, product reviews, delivery direct, click & collect, a quick and simple checkout, health services and information and Amcal Advice, amcal.com.au delivers a great 24/7 online shopping experience.

Guardian pharmacies have been committed to delivering health care solutions Australia wide since 1997.



Guardian is a key brand within Sigma's network of over 700 branded pharmacies across Australia. Guardian has a strong heritage and is proud to deliver advice, trust and care to Australian families.

We have been honoured to receive awards from Roy Morgan and Canstar Blue for the highest levels of customer satisfaction amongst pharmacies. At Guardian, we distinguish ourselves as a health care advice destination, providing a level of care to Australians which has made Guardian one of Australia's most trusted brands.

Guardian – Advice. Trust. Care.

Discount Drug Stores is a leading discount pharmacy brand that commenced operations in late 2001.

Discount Drug Stores first store opened at Sunnybank in Queensland in late 2001. Since then, Discount Drug Stores has been one of the fastest growing brands in Australia to now boast a strong national presence.



Discount Drug Stores pharmacies are focused on making a positive difference to their customers' wellbeing, by providing medicines and health care solutions at everyday low prices, with an uncompromising approach towards the delivery of professional health advice and exemplary customer service.

Discount Drug Stores maintains a complete range of branded pharmacy products and fully trained and friendly team members.

Discount Drug Stores – More than just low prices.

Chemist King was launched in December 2008 to offer consumers trusted brand name pharmacy, health and beauty products at guaranteed low prices.

Our Chemist King pharmacies offer consumers a trusted brand name pharmacy, health and beauty products at guaranteed low prices.



The store footprint is large, with wide aisles and deep shelves to take advantage of bulk buys from branded suppliers and to maximise customer value. Chemist King pharmacies are very bright and clean and allow customers to browse with ease.

Pharmacy assistants are available for friendly service and assistance with product selection, whilst the pharmacist is readily available for more significant health questions and medical advice.

Chemist King – Big stores. Big Savings.

PharmaSave was launched in 2009 to provide care, value and service to customers throughout Australia.



Following rapid expansion, there are now over 150 PharmaSave branded pharmacies servicing their valued customers with a range of trusted brands at competitive prices.

PharmaSave are proud of the reputation they have grown over the years and continue to improve and innovate to provide their shoppers with in store experience focused on Care, Value and Service.

PharmaSave – Care. Value. Service.

3.4 Our Healthcare Customers

3.4.1 Retail Pharmacy Wholesale

In addition to our branded pharmacy network Sigma Healthcare serves retail pharmacy customers seeking wholesale support and / or tailored retail support to help drive their business.

Sigma Healthcare has long term strategic alliances with independent pharmacy support groups such as: Pharmacy Alliance; Reform; and Smarter Pharm where Sigma provides tailored solutions that are appropriate and relevant across their pharmacy networks.

3.4.2 Institutional Healthcare

Through the acquisition of well-established Victorian hospital wholesaler CHS, which has over 40 years' experience supplying public and private hospitals, Sigma Hospital Services offers tailored solutions such as direct to Pharmacy and Imprest / Ward Box services. With the recent investment in a 7,800-square metre distribution centre at Eastern Creek in Sydney, NSW hospitals are now able to receive daily shipments. This combined with the existing CHS network in Victoria and Queensland enables daily shipments across the eastern states.

Sigma is expanding to become a National Hospital Distributor, creating a more dynamic and competitive market place. With a range of over 10,000 healthcare products, including the full range of PBS, Section 100, Schedule 8, cold chain and various other specialty lines, Sigma Hospital Services can deliver core products to hospitals in full and on time. Our portfolio is rapidly expanding to meet specific Hospital Customer needs for both contract and non-contract lines.

With tailored solutions and a dedicated Hospital Team, we are confident in our ability to deliver exceptional levels of service to our customer base.

3.4.3 Dosage services to aged care and community pharmacies

Through the acquisition of MPS, Australia's largest provider of dose administration services across the aged care sector and community pharmacy patients Sigma plays an important role in connecting health solutions.

MPS' Medication Management System provides pharmacists with a proven and trusted solution for managing their patients' complete medication requirements across Aged Care and Community Pharmacy sectors. Supported by Sigma's product, services and distribution network across Australia MPS helps pharmacists and healthcare providers manage their patients' medications requirements

3.4.4 Pharmaceutical and healthcare / manufacturers and suppliers

Sigma Healthcare also provides manufacturers and product sponsors with a range of cost effective 3PL and 4PL services through our subsidiary CHS. These services include:

- Inventory management including Ambient, Cold Chain and Schedule 8 storage
- Centralised and decentralised warehousing
- System integration with partners and customers
- Dedicated Customer Service facilities
- Debtor management

3.4.5 Data intelligence

Finally, through our partnership with NostraData, Sigma Healthcare connects retailers and suppliers by providing both with valuable data, technology solution and insights into sales activity across the sector and industry.

3.5 Our end-customers

We are proud of our role in helping to make healthcare solutions accessible to all Australians.

We've built a loyal following of customers across our brand network and we are proud of the role we play in serving the healthcare needs of Australians through delivering great service to all our end-customers.

4 Our general expectations

4.1 Our aim

Sigma Healthcare aims to build a highly efficient and effective relationship with every Supplier.

Your thorough understanding of Sigma's policies, processes and procedures of ordering, receiving, payment and shipping to our Distribution Centres and our customers is crucial to our goal of mutual and sustainable business growth.

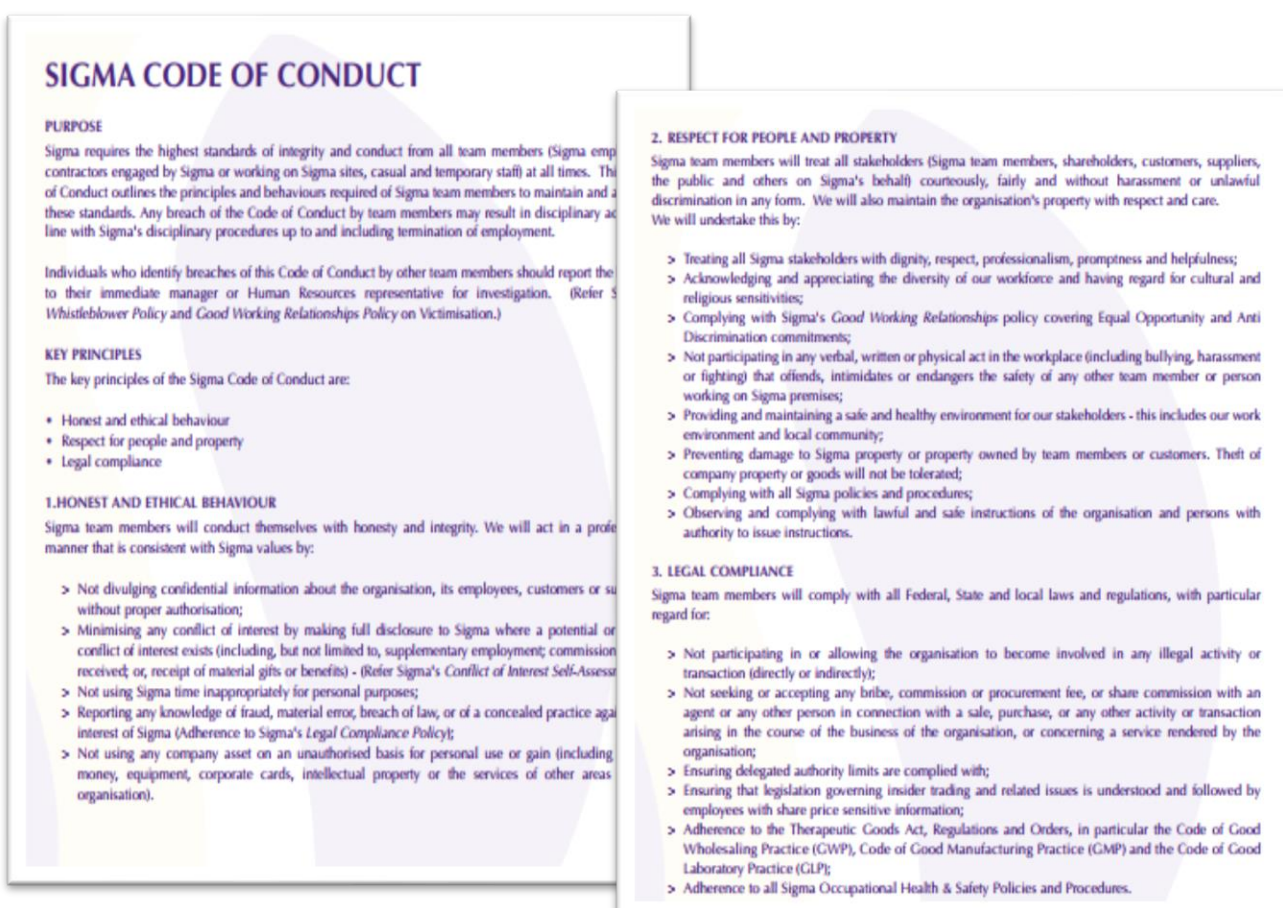
Through an efficient and trusting working relationship, we will better serve our mutual customers and consumers by providing them the best possible customer service.

4.2 Code of conduct and ethics

Sigma Healthcare expects Suppliers to perform their contractual obligations in a professional and careful manner reflecting the highest standards.

Sigma Healthcare recognises the role that Suppliers and business partners have in the total value chain. Sigma Healthcare seeks to partner with suppliers via sustainable and fair contractual arrangements which foster mutual trust, collaboration, early communication, taking ownership for respective areas of responsibility and the joint pursuit of opportunities to continually improve the healthcare solutions we both provide to our mutual end-customers.

Sigma Healthcare wants its Suppliers to be committed to the same ideals and standards of conduct that Sigma Healthcare expects its own team members to be committed to. Sigma Healthcare's Code of Conduct is published on our website and we expect suppliers to be familiar with the Code of Conduct and to do business by adhering to the same standards of behaviour.



4.3 Value alignment

Sigma Healthcare is committed to doing business in a way that reflects Our Values. We expect our suppliers to commit to doing business this way also.

Partnerships	We work in close partnerships with our customers and suppliers to create enduring mutual business success. We understand the unique needs of our customers and suppliers. We listen carefully, learn and then respond effectively and honour commitments that we have made to them.
Empowerment and accountability	We take individual and team responsibility for our performance. We empower our talented people to take the initiative to do what is required, whilst also ensuring that our people understand what is expected of them. We take responsibility and accountability for our own health and safety as well as that of our fellow team members.
Performance Excellence	We strive for better results every day – we are committed to continually improving our processes, skills, knowledge and performance. We show pride, enthusiasm and dedication in everything we do and consistently operate in an efficient and effective manner. We celebrate and share success broadly.
Agility	We believe responding proactively and efficiently to our ever-changing industry and partner needs is our road to success. We aim to be vision-led innovators – a leader, not a reactive follower in the marketplace.
Unity	We are one company, one team. We are supportive of each other's efforts and loyal to one another. We balance empowerment and interdependence to make us strong.
Integrity & respect	We act with honesty, transparency and integrity and 'do as we say'. We hold each other accountable for our behaviour. We encourage all team members to openly share their opinions, views and information in a professional and respectful manner.

4.4 Health and safety

Sigma Healthcare is committed to providing a safe and healthy workplace. This commitment is complemented by safety policies and standards everyone must respect, especially on Sigma sites to protect people and prevent accidents. Sigma Healthcare expects its Suppliers to know and respect Sigma's health and safety standards and processes. Detailed safety standards and processes exist:

- For Suppliers and their authorised drivers / transport carriers when transporting and delivering Products to Sigma's Distribution Centres, these are outlined in Supply Chain QAS
- For Suppliers visiting or carrying out work on Sigma's sites, these are outlined in Section 8 of this Handbook; and

- In respect of the quality of Goods and Services delivered by Suppliers. Specific safety requirements for Products including packaging, labelling, pallets and Product master data are set out in the Supply Chain QAS. Otherwise Product and non-Stock good safety requirements are set out in Section 8 of this Handbook.

4.5 Environment and sustainability



Sigma Healthcare is committed to maintaining a sustainable business that continuously strives to minimise our impact on the environment. Sigma Healthcare is the first pharmaceutical wholesaler in Australia to become a signatory to the Australian Packaging Covenant (APC). The APC is a sustainable packaging initiative that aims to change the culture of business to design more sustainable packaging, increase recycling rates and reduce packaging waste.

Sigma seeks to work collaboratively with our Suppliers to ensure we both meet sustainability targets expected to be met by Sigma under the APC initiative.



Health and Safety Policy

Sigma is committed to providing, promoting and maintaining safe and healthy workplaces, equipment and systems of work. This commitment extends to all Sigma group and subsidiary companies, operations and their employees, visitors and contractors.

Sigma management believes that creating and maintaining safe and healthy work environments, by utilising resources and systems to improve health and safety performance and compliance, is a basic principle of operating the business.

POLICY PRINCIPLES

The aim of our policy is to:

- Eliminate injuries, hazards and risks;
- Increase compliance, knowledge and awareness; and
- Build a safety culture within Sigma. A culture that believes injuries can be prevented, that a safe and healthy place of work is fundamental and, people actively and seamlessly consider safety within all decisions and actions.

To achieve this, Sigma management will:

- Define a plan to improve the health and safety of our working environments and compliance to relevant health and safety legislation;
- Provide information, instruction, training and supervision to achieve the plan; Consider health and safety in all business activities;
- Set and monitor health and safety key performance indicators and objectives for individuals, departments and sites;
- Conduct regular audits and monitor the performance and effectiveness of safety programs; Consult with employees, encourage participation; and
- Recognise and encourage good performance in all areas of our operation.

It is expected that all employees will demonstrate the same commitment and genuine effort to improve health and safety at the workplace by:

- Participating in the development and management of programs and consultative processes;
- Actively suggesting safety improvements and being aware of their own and colleagues' safety; Effectively utilising resources;
- Complying with all health and safety legislation and direction; Following company policies, standards and safe systems of work; and Reporting all incidents, injuries and hazards.


Mark Hooper
 CEO & Managing Director – May 2017



Health and Safety Standard

DRUGS AND ALCOHOL – FITNESS FOR WORK

Version 1.02 | Version 1.2 | Effective Date: 1 August 2017

1.0 This standard describes the Company's approach to drugs and alcohol education, testing and management of team members and contractors/service providers whilst working for Sigma at Sigma premises.

1.1 This standard applies to all Sigma team members, contractors, consultants and their employees or sub-contractors, engaged by Sigma and who have cause to perform work for Sigma or visit Sigma sites. For the purpose of this Standard all stakeholders will be referred to as 'team members'. This Standard should be read in conjunction with Sigma's Drug and Alcohol Policy.

1.2 Definitions

1.2.1 Intoxicating agent: means the intoxicating agent in beverage alcohol, ethyl alcohol or other low molecular weight alcohol in methyl and isopropyl alcohol, including, but not limited to, beer, wine, cider and spirits.

1.2.2 4308:2008: Australian / New Zealand Standard "Recommended procedure for the collection, detection and quantification of drugs of abuse in urine."

1.2.3 103:2006: Australian Standard "Procedures for specimen collection and the detection and quantification of drugs in oral fluid."

1.2.4 157:1997: Australian Standard "Breath Alcohol testing devices for personal use."

1.2.5 The concentration of alcohol in the bloodstream expressed in grams of alcohol per 210L of blood (commonly referred to as a percent), also known as **BAC** Concentration.

1.2.6 Test: Process of having persons undergo a breath test to determine the presence/level of alcohol.

1.2.7 Supervisor: A person who is responsible and has been trained for the recommended collection procedures.

1.2.8 Contractor: A person who carries out or undertakes any work required by Sigma but is not an employee of Sigma.

1.2.9 Alcohol Test Form: The form to be used to identify the sample donor and the corresponding results. It also provides proof of consent.

1.2.10 Illegal substance: An illegal substance which is taken to change the way the body and/or mind function, including, but not limited to, cannabis, cocaine, amphetamines, ecstasy, heroin, benzodiazepines, and barbiturates.

1.2.11 Fit for work: The physical, psychological or physiological condition of an individual whereby that person can reasonably be expected to undertake a task competently and without incurring unacceptable health, safety, property and the environment.

1.2.12 Drugs: Drugs that are illegal to possess, use or sell.

1.2.13 Laboratory: A laboratory which has been accredited by NATA to carry out chemical analyses in conformity with the requirements of AS/NZS 4308:2008 Australian / New Zealand Standard Recommended procedure for the collection, detection and quantification of drugs of abuse in urine" or ISO 15189 Australian Standard Procedures for specimen collection and the detection and quantification of drugs in oral fluid.

1.2.14 Nominated leader: The nominated leader for the area or site (e.g. Team Leader, Team Manager, etc.), a manager or one or more team members reporting to them.

1.2.15 Metabolite: A substance formed in the human body by a biochemical reaction. For the purposes of this policy, its meaning shall be restricted to metabolites formed from drugs and as such, the confirmed use of a metabolite acts as a marker of drug use.

1.2.16 National Association of Testing Authorities.

1.2.17 Risk assessment: A process of identifying, evaluating and controlling risks to health and safety.

1.2.18 High risk task: Work where suppliers are picking up or dropping off goods, classified as a low risk task.

1.2.19 Consultant: A person who is engaged to undertake work for Sigma on a temporary contract basis. These types of workers are usually administration based.

1.2.20 Hot works: Work that generates flame, spark, excessive heat or dust or may otherwise cause ignition of combustible material or activation of thermal or smoke monitoring devices.

1.2.21 Work at heights: Refers to any work undertaken at a height where a fall is reasonably likely to cause injury.

4.6 Legal compliance

4.6.1 Community service obligations

Through our national network of Distribution Centres (including Distribution Centres operated by Sigma's subsidiary CHS) Sigma Healthcare serves over 4,000 pharmacies nationwide with over 15,000 product lines daily. We make over a million deliveries by road, sea and air to our valued customers per year.

As a Community Service Obligation (CSO) wholesaler and a signatory to the CSO Deed, Sigma's supply chain provides retail pharmacy with one access point for all 6,000 PBS medicines (including S100, Generics, and Private Label products) ensuring availability and supply of all PBS medicines to any community pharmacy in accordance with CSO requirements.

All PBS medicines are invoiced at or below Approved Price to Pharmacy (APP), and are maintained within the Code of Good Wholesaling Practice (CGWP).

Orders are delivered within 24 or 72 hours of regular order cut-off time, in line with the Australian Government's Community Service Obligation guidelines. Orders can be placed by our customers by phone, fax or online – day or night. Technology continues to improve how we interact with suppliers and customers alike and Electronic Data Interface (EDI) allows us to communicate quickly and easily with our partners across the supply chain.

Sigma Healthcare is dedicated to working closely with our Supplier to build strong and productive business partnerships together that ensure Sigma Healthcare can meet its commitments made under the CSO Deed.

4.6.2 Product regulatory framework

The Australian community expects products in the marketplace to meet an acceptable standard of safety and quality. The *Australian Consumer Law*, state based fair trading legislation and industry specific legislation such as the *Therapeutic Goods Act*, *Food Standards Code*, *Country of Origin Food Labelling Information Standard 2016*; the *Poisons Standard* and the *Industrial Chemicals (Notification and Assessment) Act 1989 / Cosmetic Standard* provide the regulatory framework for controlling the safety, quality, marketing and promotion of healthcare products in Australia.

Sigma expects its Suppliers to understand and meet its own obligations and responsibilities for the manufacture, supply, sale, promotion and marketing of the Products that it supplies. Sigma expects Suppliers to communicate, co-operate and co-ordinate with Sigma to ensure:

- that the Products supplied to Sigma comply with all applicable regulations and standards;
- the marketing and advertising of the Products to consumers is conducted in a manner that promotes the quality use of the Products, is socially responsible and does not mislead or deceive the consumer – including where applicable complying with the *Therapeutic Goods Advertising Code*;
- the labelling and packaging of the Products supplied to Sigma comply with all relevant labelling and packaging laws including Therapeutic Goods Standards for labels of prescription and non-prescription medicines (TGO 91 and TGO 92).
- Sigma is provided with all relevant documentation and safety and quality information to verify that the Products supplied to Sigma by the Supplier will satisfy all regulatory requirements – this includes sharing of information about potential problems with the quality, efficacy or safety of any Products supplied to Sigma by the Supplier and complying with the *Uniform Recall Procedure for Therapeutic Goods* where applicable to the Products.

4.6.3 Wider legal framework

Sigma Healthcare is committed to compliance with laws and to ethical standards in all the company's business conduct, including strict compliance with Australia's *Criminal Code Act 1995 (Cth)* (Criminal Code), Australia's state and territory legislation and international anti-corruption and anti-bribery standards.

We expect our Suppliers to have the same commitment. A summary of some of the key compliance obligations that Sigma Healthcare expects of its team members and Suppliers is below:

Improper payments	<ul style="list-style-type: none"> • Always adhere to the highest standards of honesty and integrity in all contacts on behalf of Sigma Healthcare. • Never offer bribes, kickbacks, illegal political contributions or other improper payments to any customer, government official or third party. Follow the laws of Australia and other countries in which your conduct business relating to these matters. • Make sure all business entertainment and gifts are lawful and disclosed to the other party. • Be truthful and accurate when dealing with government officials and agencies
International trade controls	<ul style="list-style-type: none"> • Understand and follow applicable international trade control and customs laws and regulations, including those relating to licensing, shipping and import documentation and reporting, and record retention requirements. • Never participate in boycotts or other restrictive trade practices prohibited or penalized under Australian or applicable local laws. • Make sure all transactions are screened in accordance with applicable export/import requirements.
Money laundering	<ul style="list-style-type: none"> • Follow all applicable laws that prohibit money laundering and that require the reporting of cash or other suspicious transactions. • Learn to identify warning signs that may indicate money laundering or other illegal activities or violations.
Competition laws	<ul style="list-style-type: none"> • Never propose or enter an agreement or understanding with a competitor to fix prices, terms and conditions of sale, costs, profit margins or other aspects of the competition for sales to third parties. • Do not propose or enter agreements or understandings with customers restricting resale prices. • Never propose or enter agreements or understandings with suppliers that restrict the price or other terms at which Sigma may resell to a third party
Intellectual property	<ul style="list-style-type: none"> • Identify and protect Sigma and third party intellectual property in ways consistent with the law. • Respect valid patents, trademarks, copyrighted materials and other protected intellectual property of others
Insider trading	<ul style="list-style-type: none"> • Never buy, sell or suggest to someone else that they should buy or sell stock or other securities of any company (including Sigma) while you are aware of significant or material non-public information (“inside information”) about that company. • Information is significant or material when it is likely that an ordinary investor would consider the information important in making an investment decision.

5.1 Supplier set-up and approval

5.1.1 Supplier Master Data

Sigma Healthcare only deals with Suppliers that are aligned with Sigma's own business needs and ways of working.

Prior to contracting with a Supplier, Sigma may require Suppliers to provide background information (financial, technical, operational or business based) to enable Sigma to carry out due diligence on the Supplier and the offering of Products, Goods or Services by the Supplier before doing business with the Supplier.

Sigma's Procurement Team are responsible for managing the initial Supplier approval / pre-qualification and set-up stage.

Supplier's may be asked to complete a Supplier Set-Up Forms and Questionnaires and submit support documentation to Sigma from time to time. Suppliers are requested to co-operate in a timely manner with these requests as it enable Sigma to manage the accuracy, completeness and currency of information we hold about your business which will enable us to continue trading with you. Any changes in the information submitted should be notified as soon as possible to your Category Manager or Account Representative.

5.1.2 Product Master Data

In addition to Supplier Master Data, Supplier's providing Products into our Distribution Centres must also provide Product information to Sigma to support Sigma's Supply Chain activities. Product Master Data is primarily provided via Suppliers inputting into GS1 National Product Catalogue. Information on Sigma's requirements for collection and maintenance of Product Master Data is set out in Supply Chain QAS.

Without accurate Supplier profile information, such as business contact details, critical information cannot be communicated to Suppliers in a timely and effective manner.

A summary of the components for Supplier Master Data and Product Master Data is set out below: Suppliers are responsible for the management of this information and ensuring that the data held by Sigma as provided by the Supplier is always complete, current and accurate.

Supplier Master Data	Product Master Data
<ul style="list-style-type: none"> General information about your company and business. This information will be collected at Supplier set-up stage and may be done via completion of Supplier Questionnaires and other set-up forms. Any changes must be communicated to Sigma Healthcare via your main contact at Sigma Healthcare which will either be your Supplier Account Manager or Category Manager. Account payment information to enable processing of invoices and transaction documents. This is maintained by the Supplier and any changes communicated to Sigma Healthcare via your main contact at Sigma Healthcare which will either be your nominated Supplier Account Manager or Category Manager. EDI communication must be maintained by the Supplier in accordance with Sigma's minimum EDI requirement set out in Sigma's Supply Chain QAS. Key company representatives for areas such as Sales, Logistics, Accounting, Item Management, EDI Purchase Orders and other aspects should be maintained by the Supplier and any changes communicated to Sigma Healthcare via your main contact at Sigma Healthcare which will either be your nominated Supplier Account Manager or Category Manager. 	<ul style="list-style-type: none"> All Product Data required for the manufacture, storage, handling, promotion, sale and distribution of Products must be inputted and maintained by the supplier via registration of Products with GS1 National Product Catalogue in accordance with Sigma's Supply Chain QAS. Information regarding Close-Down Schedules, Ship Points and Lead Times must be communicated to Sigma's Supply Chain Team in accordance with the requirements and processes set out in Sigma's Supply Chain QAS Information in connection with Product Safety attributes must be shared with Sigma in accordance with Sigma's requirements communicated to Suppliers from time to time. See Section 4.4(Health and Safety requirements).

5.2 Purchase documentation and contracts

When Sigma purchases products or services from suppliers, it does so under written contracts.

Before a supplier is authorised to supply Products to Sigma they must ensure the correct contract and purchasing documents are in place between the Supplier and Sigma Healthcare.

All purchases of Products for resale by Sigma Healthcare are made by Sigma Healthcare under master contract terms and conditions which govern all individual purchase orders issued by Sigma Healthcare. Individual orders of Products by Sigma Healthcare must have a purchase document to verify the purchase. This will be in the form of an Electronic Purchase Order generated out of Sigma's financial system or via Sigma's EDI platform. Suppliers of Products for resale by Sigma Healthcare must comply with Supply Chain QAS.

In the case of Products and Services not for resale by Sigma Healthcare, these purchases will be made by Sigma Healthcare under either a formal written agreement negotiated specifically for the transaction, a standing contract which will govern multiple transactions between the Supplier and Sigma Healthcare and/or relevant Purchase Order documentation. For small low risk purchases Sigma Healthcare personnel, may purchase Products and services using an approved company credit card authorisation. Where Suppliers are providing professional, technical or trade services to Sigma Healthcare, the scope of services (description, deliverables and service levels) must be clearly documented and fully agreed with Sigma Healthcare prior to commencing work for Sigma Healthcare – this is good business practice and will ensure both the Supplier and Sigma Healthcare understand what is being purchased.

Should you receive a request from Sigma Healthcare to purchase goods or services without a purchase document, it is in your best interest to request such a document from Sigma Healthcare. Without formal contract documentation in place, Suppliers should not commence work for or provide Products to Sigma Healthcare and payment for your goods or services may be suspended.

5.3 Commercial terms

Negotiated commercial terms and trading deals agreed between Sigma Healthcare and the Supplier from time to time such as reductions, promotional support / new line support / co-operative investment payments, volume or growth incentives, discounts and rebates are always completed in writing between the parties.

5.4 Insurance requirements

All Suppliers of Products for distribution / resale are required to hold Commercial General Liability including Products Liability coverage for bodily injury, including death, and property damage liability arising out of the products to be manufactured, sold, delivered, distributed, or supplied to Sigma Healthcare.

Suppliers of non-Stock goods and services are required to hold insurances commensurate with the nature of the goods and services and general business. Specific insurance requirements will be documents in contracts made between Sigma and Suppliers.

Suppliers should ensure that Sigma is provided with a certificate of currency demonstrating that they hold the required insurance coverage and is notified of material changes, cancellation or non-renewal of the policy. The Supplier's insurance limits must be for the minimum acceptable limits advised by Sigma Healthcare relative to the risk level of the Products supplied by the Supplier.

Sigma Healthcare may request a complete copy of Supplier's insurance policies or specific endorsements.

5.5 Confidentiality

Suppliers may be asked to sign a nondisclosure agreement, depending on the level of technology or information disclosed during the time we do business together. Sigma Healthcare has a nondisclosure agreement form, and it is our practice to use our form. Information provided to suppliers such as images, artwork, business data,

campaign strategies, business procedures, schedules, or forecasts may be considered proprietary and confidential to Sigma Healthcare. Suppliers must not share or disclose this information to any third party, and shall not use this information, except in accordance with Sigma Healthcare's instructions and the terms of the nondisclosure agreement (where applicable).

5.6 Intellectual property

Suppliers must not use Sigma's or any third party's intellectual property in any advertising, media release, digital platform without express written permission of Sigma or the third party.

Ownership of any Intellectual Property Rights in any artwork, drawings, samples, documentation, products or other material shared between us during business should always be agreed in writing between us and clearly state the conditions upon which each of us can use such rights for the purposes of the business we do together.

5.7 Data protection / Privacy

Sigma takes data protection seriously. We are committed to working with our suppliers to ensure that where personal data is exchanged between us that it is done so in accordance with our mutual legal obligations, including the Australian Privacy Principles. We expect suppliers to co-operate with us in respect of any data sharing or data processing arrangement that form part of our doing business together. Personal data must:

- Be obtained and used in ways that are fair to the individual and only for specified and legitimate purposes - in accordance with Sigma's Privacy Policy (as published on Sigma's website);
- Be maintained to appropriate quality and retention standards – including no longer than necessary;
- Be handled in line with the individual's rights, primarily to access their data;
- Be protected from unauthorised use and disclosure or against accidental loss, destruction and damage; and
- Not be transferred to other countries, unless there is adequate protection for the rights of the individual in relation to their personal data.
- As part of the procurement process, Sigma may seek information from suppliers to demonstrate their commitment to data protection and ability to comply with the intent of Sigma's Privacy Policy and / or information as to the way in which Suppliers manage mandatory breach reporting.

6.1 General

6.1.1 Use of technology

Sigma Healthcare is committed to improving and automating the procure-to-pay process.

Exchanging data electronically ensures more efficient and effective processing of order and payment information by minimizing keying errors and assuring timely receipt of critical data and documents.

You can support us by following our rules for your submission of required data and documentation. This will enable us to manage the ordering and receipt of deliverables from you and make payments to you in a timely and accurate manner.

6.2 EDI method for Stock supplies

6.2.1 EDI preferred method

Electronic Data Interchange (EDI system to system file transfer) is Sigma's preferred means of transacting with all Suppliers of Stock (i.e. products for resale via Sigma's distribution network).

Please see Sigma's Supply Chain QAS for information on electronic trading for Stock Products.

6.3 Other electronic invoicing

6.3.1 Via email


Sigma Healthcare uses an electronic invoicing system which makes it easier for Suppliers to do business with us. E-invoicing shortens the invoicing process supporting faster payments and improved quality. The paperless feature makes it a more environmentally friendly choice too!


All invoices sent by email to Sigma Healthcare must be sent to Sigma's e-invoicing central email address as an email attachment in PDF and must be in accordance with the e-invoicing instructions listed on the next page:



E-invoicing email address

6.3.2 Minimum requirements

	Email Requirements
1	The central email address must be added to the email "To:" field (do not add to the CC or BCC fields)
2	Do not use "no-reply" email accounts to send invoice attachment. Sigma's central e-invoicing email account is set up to send notification for all emails received. These notifications will fail if the email account is a no-reply account.
3	Total email size must not exceed 10MB. The email may include multiple PDF document invoice attachments provided total email size does not exceed 10MB
4	Only send invoices to the central e-invoicing email address. Please do not send other documents such as letters, queries or statements to the central e-invoicing email address, instead contact your Sigma nominated contact person.

	Invoice Requirements
1	Invoices are to be attached as a PDF document (.pdf). PDF version should be version 1.4 or higher. Sending invoices in any other format is not accepted and will not be processed.
2	Security settings on the PDF should not be restricted. The document must be accessible, it must not require a password to open and read. The use of PDF security settings is not suitable for preventing the document from being changes as it will also prevent the full content of the PDF being scanned and captured making the document unable to be processed and causing rejection. Digital signatures are more appropriate for security control.
3	Multiple PDF invoices can be included in one email, provided each PDF only contains one invoice and total email size does not exceed 10MB.
4	The first page of the PDF should not be a blank page. For image based PDF files (i.e. scanned files), the resolution of the image must be 300dpi or higher. PDF text based documents are preferred rather than image / scanned documents as the data scanning and capture works better.
5	The PDF attachment filenames can only contain the following characters: [A-Z], [a-z], [0-9], [], [_]
6	Stock invoices must comply with the following: <ul style="list-style-type: none"> • MUST NOT BE dated before delivery of the Products • Must be a unique number (not a duplicate) • <u>One</u> invoice only per <u>purchase order</u> • Must contain a Sigma purchase order number • Must include charge to and deliver to details
7	Non-stock invoices must comply with the following: <ul style="list-style-type: none"> • MUST NOT BE dated before delivery of the goods or services (or other entitlement to payment as set out in the contract) • Must be a unique number (not a duplicate) • Must contain a contact name • Where a Sigma purchase order has been issued, must reference the purchase order number.

6.3.3 Use post as a last resort – hard copy invoicing

E-invoicing is not always possible for all our suppliers, so if you still need to submit a paper based invoice, please contact us for specific approval (which is given on an exception basis) and follow the instructions below for Hard-copy invoicing:



Postal address:

PO Box 1264, Robinson, Victoria, 3019

6.3.4

6.3.5

Hard-copy invoicing requirements	
1	Once you are set-up as a Supplier in the Accounts Payable system, you will be told your AP vendor number which you should reference on your invoice information.
2	Invoices should be submitted only after delivery has been completed and should only refer to one Purchase Order number. Invoices must show Supplier remittance name, AP vendor number, address, unique invoice number, invoice date, ship to address and DC number, invoice total, line item invoice quantity, item cost and discount terms.

6.3.6 Processing

Sigma Healthcare uses an automated system that will attempt to process your e-invoice for payment based on the Purchase Order Number. If the invoice total matches the purchase amount, then prompt payment will occur. If the invoice does not match, then delay in payment may result due to manual reconciliation. Examples of why the invoice does not match to receipt are pricing discrepancies, shortages upon receipt or allowance variances. It is important that each invoice is checked for accuracy prior to submitting to Sigma Healthcare.

In the event an invoice is unpaid or a receipt for product for the Invoice and Purchase Order cannot be identified, proof of delivery may be requested. Proof of delivery should be the FINAL delivery receipt to the Sigma Healthcare DC.

6.3.7 Account management

All Suppliers that Sigma Healthcare does business with are set up in Sigma Healthcare's centralised Accounts Payable System. Any changes to the Supplier's legal entity and/or contact details (for example name change, change of ownership or change of address) must be communicated to Sigma Healthcare immediately. Negotiated deal information should be reviewed for accuracy and completeness and any corrections or discrepancies should be communicated to Category Manager/Buyer as soon as possible. Sigma Healthcare reserves the right to audit any transaction later and seek recovery of funds mistakenly, incorrectly or erroneously paid by Sigma Healthcare.

7.1 Supply chain specific requirements

7.1.1 Supply Chain QAS

The buying requirements set out in this section 8 are additional to the Supply Chain requirements set out in Sigma's Supply Chain QAS. Suppliers who supply Products for resale across Sigma's Retail Brand network are required to meet both the Supply Chain QAS and the buying requirements set out in this section.

7.2 Sigma Retail buying requirements

7.2.1 General

Sigma's Retail brand suppliers have access to product and sales enhancement opportunities such as advertising, in-store promotions and demonstrations, pharmacy-led campaigns, the supplier of the year awards program and more.

7.2.2 Category management

Sigma manages retail buying through its Merchandise and Marketing team.

Category managers, buyers and our team work collaboratively with suppliers across categories and divisions to ensure that the best products, at the best prices and in the right quantities are supplied for distribution and sale across Sigma's pharmacy network.

Supplier's selling products for resale across Sigma's Brand network will be allocated a Category Manager from our Merchandise and Marketing Team, who will act as a key contact point for ranging and promotion activities across our banner network.

7.2.3 New Lines

Sigma's merchandise and marketing team aim to work collaboratively with Suppliers to ensure that the best products for Sigma's brands are ranged and sold by Sigma. This is good business for the Supplier, Sigma and its pharmacy members.

All New Lines offered by Suppliers must be negotiated and approved with the relevant Sigma Category Manager prior to submission to Sigma Healthcare and loading into Sigma Healthcare Supply Chain system. New Lines must comply with the requirements set out in Sigma's Supply Chain QAS as well as Sigma's Retail brand standards. Ranging of new lines is always subject to Sigma's sale or return rules, that is Sigma reserves the right to return products not sold within targeted timeframes to the Supplier for buy-back by the Supplier.

Once New Lines are approved they are to be loaded via GS1 National Product Catalogue (preferred) or by Sigma's New Lines Submission Form. Sigma's merchandise and marketing team require samples of the product and its packaging for dimensioning and imaging purposes. These must accompany the submission to the Category Manager (see Sigma's Supply Chain QAS for minimum imaging requirements for Products).

The success of New Lines across Sigma's Retail brands depends on sharing of meaningful sales forecasting information including like items and scaling data and collaborating, where agreed, on New Line support efforts such as promotions and advertising campaigns.

Suppliers should aim to submit New Line item information to Sigma for negotiation and approval at least 18 weeks in advance of proposed layout and cataloguing for sale. Sigma may choose to range New Lines across Sigma's Retail brands only or across Sigma's entire pharmacy and healthcare network including multi-channel. These details will be agreed and negotiated as part of the New Line ranging decision.

All new lines to be ranged and sold across Sigma's Retail Brands must be sold or returned by Sigma. That is, if the product does not sell is subject to Sale or Return rules. Sigma uses the services of RangeMe™ to assist with management of New Line submissions, Supplier may introduce Sigma to new lines via RangeMe (a link to which is published on Sigma's website).

7.2.4 Category Range Review (including delisting)

Sigma carries out cyclical range reviews across its Retail Brand product categories – based on 12-month cycle.

Sigma encourages participation from Suppliers in the range review process. Suppliers are expected to contribute and add value to the process by providing input promptly and sharing market and product information where appropriate to ensure fair and transparent decision making and optimal product ranging and shelf space is achieved across all of Sigma's Retail Brands.

7.2.5 Promotion management

Promotional planning across our Retail Brands is aligned with a 12-month marketing program focused across key seasonal events and professional service campaigns.

Suppliers are invited to yearly Supplier Forums where Sigma showcases all the promotional opportunities available across Sigma's Brand footprint which in turn drive Supplier's brands, products and sales including through Catalogues, Online, Loyalty, Professional Services, In store Advertising, Local Area Marketing and Instore Radio.

Suppliers may be invited to schedule meetings with the relevant Sigma Category Manager to finalise and agree on the promotional program for the year ahead. This promotional plan then acts as a reference point for promotional submissions and activities throughout the year.

7.2.6 Supplier co-operative contributions

Sigma encourages open and transparent conversations with Suppliers about promotional / co-operative support having regard to the benefits and costs for both parties.

All arrangements for promotional / co-operative support are documented in writing between Sigma and its suppliers, usually recorded in negotiated Promotional Submission Forms.

7.3 Image management






Suppliers are encouraged to subscribe to one of Sigma's preferred image management partners such as SKUvantage or GS1 smartimage.

Suppliers are responsible for ensuring that images, descriptors and other information submitted by them is up-to-date, accurate and comply with Sigma's requirements. We expect Suppliers to work collaboratively with Sigma to ensure Sigma has access always to all necessary display, promotional and consumer marketing material required for resale across Sigma's banner network including via any online sales B2B or B2C platforms administered by Sigma.

7.4 Sigma Private and Exclusive Label (PEL)

Sigma Healthcare has worked collaboratively with manufacturers to develop selected healthcare products under Sigma's Private and Exclusive Labels (PEL) which are sold exclusively across Sigma's own pharmacy branded network or in some instances Australia-wide.

Sigma's PEL labels include:

Sigma expects its PEL Suppliers to meet all the quality and supply chain minimum requirements set out in Sigma's Supply Chain QAS **plus** the specific requirements for PEL set out in this handbook or otherwise advised from time to time.

7.4.1 Quality assurance

Sigma Healthcare takes great pride in the quality and safety of PEL items we promote. To assure top quality and consistency of our PEL merchandise, Suppliers are required to work with Sigma to ensure information and evidence demonstrating the safety and quality of the Product together with compliance with relevant regulations is shared with Sigma. Information that will usually be required from PEL suppliers includes:

- A current Product Specification for the item(s) being offered which comply to Sigma's specifications.
- Quality and Safety testing results for the item(s) from an independent, 3rd- party, accredited laboratory
- Evidence of supplier's quality management system which demonstrates the supplier's compliance with relevant regulatory framework and standards.

Note: Sigma's assessment of PEL Products and supplier's processes may include a quality and performance comparison to the appropriate comparable item. All PEL items must meet or exceed the performance of the comparable brand item unless otherwise directed by the item's Category Manager.

8.1 Product Safety

8.1.1 Mandatory standards

Mandatory standards specify minimum requirements that products must meet before they are supplied.

If any Product including a PEL Product is subject to a mandatory standard, it must meet the relevant specific safety criteria before it can be sold in Australia. It is an offence to supply goods that do not comply with mandatory standards.

Current mandatory standards applicable in Australia (such as Mandatory Standard for toys for children up to and including 36 months) are published on Product Safety Australia website. See www.productsafetyaustralia.gov.au.

Sigma may request Suppliers to provide verification information such as audit results, 3rd party testing results which demonstrate compliance to the applicable mandatory standard or to certain voluntary Australian / New Zealand Standards.

8.1.2 Medicines & Therapeutic goods

The supply, importing, exporting, manufacturing, supply and advertising of therapeutic goods including medicines, complementary medicines, medical devices, blood and blood products is regulated in Australia under the *Therapeutic Goods Act 1989* by the Therapeutic Goods Administration (which is part of the Commonwealth Department of Health).

Therapeutic goods must be entered in the Australia Register of Therapeutic Goods before they can be lawfully supplied in Australia. Suppliers are responsible for ensuring that their Product has been approved by the TGA and they have been authorised for supply in Australia. Manufacturers of therapeutic goods are required to manufacture therapeutic goods to a high standard and to hold a licence or conformity assessment certificate assessed against the relevant code of Good Manufacturing Practice for Medicines. Sigma works cooperatively with Suppliers to ensure that as participants in the supply chain for the Product, the appropriate compliance documentation and supporting evidence for compliance with relevant regulatory obligations is shared between us and we have in place, where Sigma is the sponsor of the Product (which is often the case for Sigma's PEL Products which are therapeutic goods) appropriate relevant GMP, quality or technical agreements are in place between Sigma and the manufacturers of the Product (principal manufacturers and their subcontractors).

Advertisements for therapeutic goods in Australia are subject to the requirements of the *Therapeutic Goods Act 1989 and Regulations*, the *Competition and Consumer Act 2010* and other relevant laws. Advertisements for therapeutic goods directed to consumers must also comply with the *Therapeutic Goods Advertising Code*.

Sigma team members carry out audits and reviews of Supplier's manufacturing facilities and operations from time to time to provide compliance assurance. Additionally, suppliers are required to share with Sigma results of on-site inspections carried out by other regulators across their supply chain.

8.1.3 Food

Sigma requires its Suppliers to comply with the Australia New Zealand Food Standards Code and to demonstrate compliance when requested to do so by Sigma.

The Food Standards Code specified minimum requirements for food premises and equipment, food safety practices, food traceability, food processing and production, food packaging and labelling including: nutrition information; date marking; directions for use; truth in labelling; warning and advisory statements and country of origin labelling.

Food importers are responsible for ensuring that all food they import compliance with the Food Standards Code. Sigma expects its suppliers to proactively and co-operatively work with Sigma to ensure that both the supplier and Sigma meets their respective obligations under all applicable regulations in relation to the manufacture, importation, and supply of Food Products through Sigma's distribution network and across Sigma's Banner Pharmacies.

Annual Food Safety and/or GMP audit results are required for all current and potential Food Product processing and warehouse facilities by an approved auditing agency.

In addition to the Food Standards Code, Fair trading laws in Australia require that labels do not misinform consumers through false, misleading or deceptive representations. In Australia, this legislation includes the Australian Consumer Law (ACL) contained in the Competition and Consumer Act 2010, and state and territory Fair Trading Acts and Food Acts. Sigma requires its Suppliers to label food products with accurate weights and measures information. Weights and measures declarations are regulated by the Australian National Measurement Institute.

Food Products labelled as '100% organic', 'made using organic ingredients' or 'certified organic' must comply with Australia Standard for Organic Certification AS6000-2009.

8.1.4 Cosmetics

Cosmetics and chemical products are regulated under the National Industrial Chemicals Notification and Assessment Scheme. In addition, suppliers of cosmetic products are legally responsible for ensuring products meet the requirements of the Cosmetics Labelling Standard, which is enforced under the Australian Consumer Law (ACL) (published by Product Safety Australia).

Sigma requires all suppliers of cosmetic products to provide evidence of their compliance with the requirements of National Industrial Chemicals Notification and Assessment Scheme and seeks to work collaboratively with suppliers to ensure that labelling, promotion and advertising of cosmetic products complies with the expectations of Australian Consumer Law.

8.2 Product Recalls

8.2.1 General expectation

Sigma expects its Suppliers to co-operate, communicate and coordinate to fulfil our respective obligations within the supply chain in respect of Product recalls and pharmacovigilance matters. We should be aligned in our efforts to make sure we respond responsibly to reports of adverse events and other complaints regarding Products and any related services.

Suppliers should share with Sigma all specific recall processes they intend to apply for Products. Suppliers are expected to familiarise themselves with Sigma's Recall procedures which are published on Sigma's website or otherwise made available to suppliers.

Recall processes for therapeutic goods must, as a minimum meet the requirements of the Uniform Recall Procedure for Therapeutic Goods (which provides a consistent approach for undertaking recall and non-recall actions of therapeutic goods supplied, imported into or exported from Australia). Where requested by Sigma, Suppliers must submit their recall management plans to Sigma or work with Sigma to develop the plan (which complies with the requirements of the Uniform Recall Procedure for Therapeutic Goods and Sigma's internal recall procedures).

Sigma expects Supplier's recall management plans for Products that are Therapeutic Goods to incorporate use of GS1 Recall Health service. All Suppliers are required to register for Recall Health. For more information on Recall Health (please see <https://www.gs1au.org/our-services/recall-health/>).

Recall processes for Food products must, as a minimum meet the requirements of the Food Industry Recall Protocol developed by Food Standards Australia and New Zealand. Where requested by Sigma, Suppliers must submit their Food Recall Plan to Sigma or work with Sigma to develop the plan (which complies with the requirements of the Protocol and Sigma's internal recall procedures as advised to Suppliers from time to time).

8.2.2 Sharing of information – early warning

Each of us must provide to each other written reports of all Adverse Events and Product Technical Complaints regarding Products and any related service(s) that come to the attention of either of us as soon as possible of becoming aware of such events/complaints. (See definitions for each below.)

An “Adverse Event” shall mean any untoward medical occurrence in a person or animal administered a Product, which does not necessarily have to have a causal relationship with the treatment. A “Product Technical Complaint” is any report (written, electronic or verbal communication) about a potential or alleged failure of a Product in its quality (including the identity, durability, reliability, safety, efficacy or performance) or suspect counterfeit. The complaint may or may not represent a potential risk to any end user of such Product.)

8.2.3 Responsibility

Unless otherwise required by law or applicable regulatory authority, it is Sigma’s expectation that the Supplier in its capacity as the supplier and/or manufacturer of the Products has primary responsibility for determining if any Product recall or removal from sale should occur and should bear the costs of such recall including reasonable costs incurred by Sigma. However, in recognition of Sigma’s position within the supply chain and need to communicate and manage recall risks with Sigma’s own customers, the Supplier agrees to co-operate with Sigma to communicate to Sigma’s customers and diminish any risk to the public from an Adverse Event or Product Technical Complaint, including taking the following actions (in consultation with Sigma):

- removing Products that may be affected from offer for sale to the public;
- recalling Products that may be affected where they have been sold;
- complying with all laws, regulations and notice requirements in relation to product recalls;
- disseminating information that has been approved by both parties which is necessary or desirable to limit any harm, loss or damage that maybe caused in any way in relation to the matter; and
- doing all other things necessary to take corrective action in relation to the matter.

8.3 Dangerous and Hazardous Goods classification

8.3.1 General

Suppliers or manufacturers of any goods (Products or non-stock goods) must provide any information that they know or ought to know about the risk(s) associated with the storage, handling or use of the good, even if the risks are considered common knowledge with the use of the goods supplied.

Suppliers who supply Sigma with any goods (Products or non-stock goods), containing chemical or hazardous substances or otherwise classified as Dangerous Goods under the Australian Dangerous Goods Code must inform Sigma of this in writing, prior to supplying the order and /or at Product set-up in Sigma’s Supply Chain system (whichever is the earlier). For Products, GS1 National Product Catalogue includes gathering of Product Dangerous Goods / Hazardous Substance attributes.

8.3.2 Safety Data Sheets

Any person or organization who supplies a hazardous substance or dangerous good (Products or non-Stock goods) to Sigma, must:

- supply a safety data sheet (SDS) in the regulated format at the time(s) requested by Sigma for Sigma to plan safe handling, storage and transportation; and
- review SDS at least every 5 years and re-supply whenever they are reviewed or whenever they are requested by a Sigma representative; and
- ensure that the container is labelled in the regulated format and is in English, legible and firmly secured; and

Suppliers are encouraged to set up electronic means of providing SDS to individual departments at Sigma and where requested by Sigma are encouraged to share SDS data with Sigma via computer based chemical managements systems such as ChemWatch or WERCS.

Supplier shall permit Sigma to make and store an electronic copy of the Supplier's SDS in any database system licensed to Sigma.

8.4 Suppliers and personnel working on Sigma sites

Suppliers engaged to undertake work on Sites controlled by Sigma must be appropriately insured, licensed and experienced. To assist with determining if Supplier personnel are suitable to be engaged, Sigma has a safety pre-approval process which includes assessment of Supplier's capacity and planning to supervise the works, where required Suppliers must provide Sigma with a safety management plan for the works to be undertaken as a part of the approval process.

Suppliers must provide Sigma with all relevant documentation and evidence of licenses, competencies, accreditations or registrations relating to the works (licenses of individuals are required to be visually checked upon arrival of contractors).

When Supplier personnel enters any Sigma site and prior to any works being undertaken, all present individuals are required to complete a site based local area induction. One induction form is required to be completed by each individual and is valid for 12 months from the date of induction.

All contracted works occurring on a Sigma site are required to have an accompanying JSA/ SWMS or risk assessment for the works. Suppliers are required to bring their own documentation for the works which will then be reviewed on site prior to works occurring. SDS's for any substances used during the course of the job must be supplied by the Supplier and specified in the JSA process.

High risk works to be undertaken by a Supplier on a Sigma site must comply with Sigma's Permit to Work processes. Permits are required at Sigma sites for works involving:

- Work at heights
- • Hot work
- • Confined space entry

Permits aim to manage the specific risks involved in high risk activities as well as inform supervisors of the times and locations of high risk work. Permits are to be issued and closed off by the Sigma employee supervising the works.

9.1 Performance management approach

Sigma is committed to and prioritises always, getting stock to pharmacies and hospitals in full and on time, every time.

Sigma works proactively and collaboratively with Suppliers to monitor Supplier's and Sigma's own conformance to the requirements set out in this handbook and in Sigma's Supply Chain QAS. This may include use of questionnaires, self-reporting and assessments by Suppliers, review of available information or other measures to review Supplier's performance.

9.2 Key performance indicators

Sigma expects Suppliers to have systems, staffing and procedures to consistently maintain "excellent" customer service for Sigma customers.

Excellent customer service may be measured through the setting of agreed Key Performance Indicators as communicated to the Supplier from time to time, which may include: Shipped On time; Orders Shipped Complete, Product Availability, Same Day / Next Day Shipments and Supplier Delivery Performance.

If requested by Sigma, the Supplier will track actual performance versus communicated targets and report these results to Sigma. If targets are not met, Sigma may request the Supplier to develop an action plan to improve performance.

9.3 Contact points

Sigma promotes frequent contact with its leading Suppliers to ensure key performance information is shared, product lifecycle and PBS changes are managed and issues resolved quickly so that both of us can respond quickly to market opportunities and products can get to customer when, where and in the quantities needed.

INTERNAL DOCUMENT CONTROL AND RELATED DOCUMENTS

The table below records document control and related documents to this guideline in accordance with Sigma's Document Control Guidelines.

Name of document	Procedure – Supplier Handbook	SG-PR-LSC-2C1
Document Author	Renew Legal Counsel	
Document Approver	Sam Lawson	General Counsel & Co-Sec
Document Reviewers	Donna L-G – Section 6 Fiona Pointon – Section 7 Les Barnes – Section 7.3-4 and 4.5-6 Karen Marshall – Sections 4 and Section 8 David Bennett – References to Supply Chain QAS and procurement process Con Kouskouris – Section 7.4	
Review Period	6 months during Renew Close-out period, 12 monthly after that	
Related documents	Supply Chain QAS	
Change record	Version	1.2 Updated for publication on Sigma website
	Publish date	August 2018