



SONIC
HEALTHCARE
LIMITED

Our Commitment to Human Rights 2022

Modern Slavery Statement

Contents

SECTION 1
Introduction

SECTION 2
Our structure, operations
and supply chains

SECTION 3
Modern slavery risks

SECTION 4
Actions to assess and address
modern slavery risks

SECTION 5
Actions to assess
our effectiveness

SECTION 6
Consultation and
future initiatives

Sonic Healthcare acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to Elders past, present and emerging, and extend this recognition and respect to Indigenous peoples around the world.

Reporting entities covered by this Statement

Sonic Healthcare Limited ACN 004 196 909 (Sonic) is an Australian public company listed on the Australian Securities Exchange (ASX: SHL). Sonic's registered office is Level 22, Grosvenor Place, 225 George Street, Sydney NSW 2000.

This Modern Slavery Statement has been published in accordance with the Australian Modern Slavery Act 2018 (Cth). The Statement sets out the actions Sonic has taken to address modern slavery and human trafficking risks in our domestic and global operations and supply chains during year ending 30 June 2022, and includes each wholly owned entity of Sonic and other entities over which Sonic has control (the Sonic Group). Sonic Healthcare Limited makes this single joint Statement to cover the Sonic Group.

For the purposes of the Modern Slavery Act 2015 (UK) (the UK MSA), the Sonic Group has determined that it must prepare and publish this Statement on behalf of The Doctors Laboratory Limited (the Sonic Group's primary UK subsidiary) and Health Services Laboratories (to the extent it provides support to The Doctors Laboratory Limited and carries on a business in its own capacity) for the purposes of section 54 of the UK MSA.

For a list of the Sonic operating subsidiaries covered by this Statement, please refer to Note 30 in Sonic's Annual Report 2022, available at www.sonichealthcare.com/annual-reports

Board approval

This Statement was approved by the Sonic Healthcare Board on 9 November 2022 and has been approved and signed by the Chief Executive Officer of Sonic Healthcare Limited, who is also a member of the Board (refer to page 3 for the sign off).

The Statement is prepared and published annually on our [website](#).
For further enquiries, please email us at modernslavery@sonichealthcare.com

As a global healthcare organisation with diverse supply chains and operations, we take our obligations to protect human rights seriously.

7

Countries of operation

41,500

Total workforce

>16,000

Direct suppliers



CEO's Message

This is Sonic Healthcare's third joint Modern Slavery Statement, issued under the Modern Slavery Act 2015 (UK) and the Modern Slavery Act 2018 (Australia). It outlines the steps we have taken to assess and address human rights and modern slavery risks in our domestic and global business and supply chains.

As a global healthcare organisation with diverse supply chains and operations, we take our obligations to protect human rights seriously. With this in mind, it is pleasing to see the advances we have made to date, with significant progress in the training of our employees, and in our supplier engagement and due diligence processes.

These initiatives reflect our enduring commitment to corporate responsibility, and the global role we all play in helping to eradicate modern slavery. They also ensure that Sonic Healthcare continues to foster an environment that embodies our commitment to respect all people – staff, the doctors and patients we serve, our suppliers and their people, as well as all other stakeholders.

We look forward to implementing further initiatives in the future as we work earnestly to protect human rights. On behalf of the Board of Sonic Healthcare, which has approved this Statement, I am pleased to present it to you for your reading.

Dr Colin Goldschmidt
CEO - Sonic Healthcare
9 November 2022

What is modern slavery?

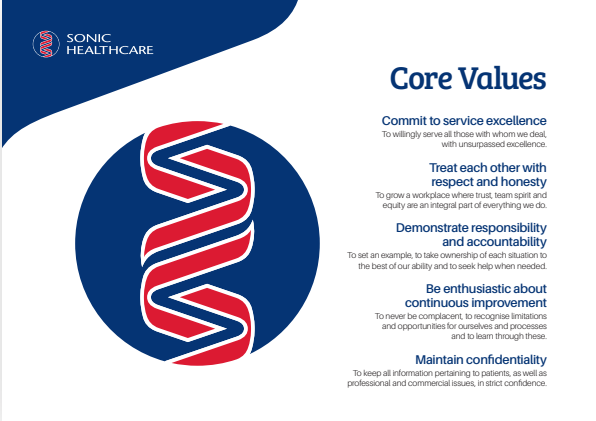
Modern slavery includes all forms of people trafficking, slavery and slavery-like practices, including servitude, forced labour, child labour and instances of deceptive recruitment for labour and services, including where such conduct occurs overseas.

Importance of taking a proactive stance

Sonic has always been bound by our Core Values and Medical Leadership Principles, which guide our internal and external behaviours and attitudes.

Two of these values are particularly relevant to our modern slavery approach - 'Treating each other with respect and honesty', and 'Demonstrating responsibility and accountability'.

These values highlight the individual and collective responsibility of looking after people's welfare, and are reinforced by our Medical Leadership Principle of 'Company conscience', which recognises the important role that corporations play in society.



Our Core Values

Sonic's Core Values were developed by Sonic staff to act as guiding principles for how we conduct ourselves as an organisation. They are used around the world to set the standard for the collegiate and supportive way in which we behave towards fellow staff members, as well as the professionalism with which we conduct ourselves in our day-to-day duties. Individually, our Core Values articulate our commitment to medical excellence. Collectively, they empower our people to deliver exceptional medical services to doctors, patients and communities.

Medical Leadership Principles

Medicine is a complex profession that requires insight, sensitivity and a lifelong commitment to learning, in order to provide the best possible patient care and clinical outcomes.

Sonic believes that Medical Leadership facilitates the highest standards of clinical and operational excellence for the doctors, patients and communities we serve. It also reflects a deep understanding of the special complexities, obligations and privileges of medical practice.



For further information on how we align to the UNSDGs, please refer to our [FY2022 Sustainability Report](#)



Our structure, operations and supply chains

Structure and operations

Sonic Healthcare is a specialist provider of pathology/laboratory medicine, radiology, general practice medicine and corporate medical services.

Headquartered in Sydney, Australia, and listed on the Australian Securities Exchange (ASX), Sonic has grown to become one of the world's leading healthcare companies, with operations in Australia, USA, Germany, UK, Belgium, Switzerland and New Zealand.

Sonic's global operations include more than 150 operating subsidiaries across nine divisions.

We employ more than 41,000 people who proudly delivered high-quality medical and diagnostic services to 145 million people during the last 12 months.

Focusing on our people, serving our communities



41,500
Total workforce



145 M
Patient consultations



3,400
Patient access points

Simplified structure of Sonic entities covered by this statement



Sonic's businesses operate within a federated model, with individual subsidiaries or geographical divisions working in a synergistic network to achieve best practice outcomes in relation to service and business excellence. This structure reinforces the identity and management autonomy of each local operation, which has its own CEO (or President) and management team. When Sonic acquires businesses, the acquisition generally maintains its management autonomy, brand and, consequently, local 'flavour'.

This structure best preserves acquired goodwill, promotes the employment of local people where possible within the communities in which we serve and resonates most strongly with local medical communities.

Sonic's federated structure is complemented by a strong culture of collaboration, widespread intercompany communication, and central executives who help to optimise synergies and improve performance.



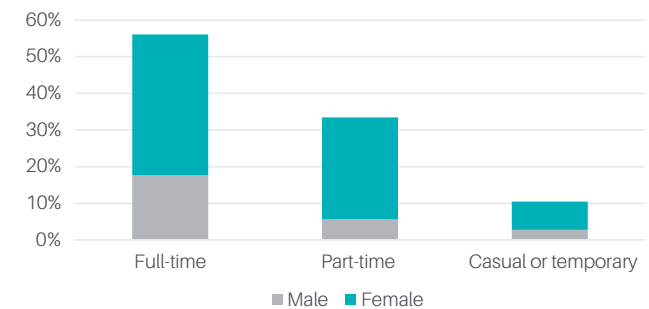
Sonic's operational segments

Operational segment	Overview of services
 <p>Pathology/Laboratory Medicine Australia, USA, Germany, UK, Belgium, Switzerland and New Zealand</p>	<p>Pathology/laboratory medicine is the branch of medicine that studies samples of blood, urine, tissue and bodily fluids to identify patients at risk of disease, to determine the cause and nature of disease, and to guide and monitor treatment and progress of disease management.</p> <p>Medical laboratory test results provide clinicians with the information they need to manage patients in a timely and appropriate way, enabling optimal health outcomes for the individual as well as the community.</p>
 <p>Radiology Australia only</p>	<p>Radiology is the branch of medicine that uses non-invasive technologies to create images of the bones, tissues and organs within the human body. These images are interpreted by a radiologist or nuclear medicine physician, to identify or monitor diseases or injuries. The findings are then included in a written report to the referring doctor.</p> <p>Diagnostic imaging technologies include X-rays, computed tomography (CT), magnetic resonance imaging (MRI), ultrasounds, nuclear medicine, positron emission tomography (PET) and more.</p> <p>Imaging methods are also used to help radiologists perform procedures, such as biopsies, fine needle aspirations and image-guided treatments known as interventional radiology.</p>
 <p>Clinical Services Australia only</p>	<p>General Practice is the medical discipline that delivers primary healthcare in the community. General Practice is usually the first port of call for patients, and deals with everything, from colds and flu through to acute and chronic illnesses. General Practitioners also provide preventative care and health education to patients.</p> <p>The holistic approach of General Practice aims to consider the biological, psychological and social factors relevant to the medical care of each patient. The discipline is not confined to specific organs of the body and involves treating people with multiple health issues.</p> <p>We also provide occupational healthcare and general medical services to workplaces, including pre-employment medical checks, injury prevention management, general practice, vaccinations, disability medical assessments and allied health services.</p>

A breakdown of Sonic's workforce

As a global organisation, Sonic recognises the important role we play in contributing to our communities. This starts with the commitment to our people, ensuring they work in an environment that is safe, equitable and rewarding. Sonic's employed workforce consists of 56% full-time staff, 33% part-time staff and 11% casuals. Of our total workforce (employed and contracted), only 3.1% are individual contractors, most of whom are medical and other professionals.

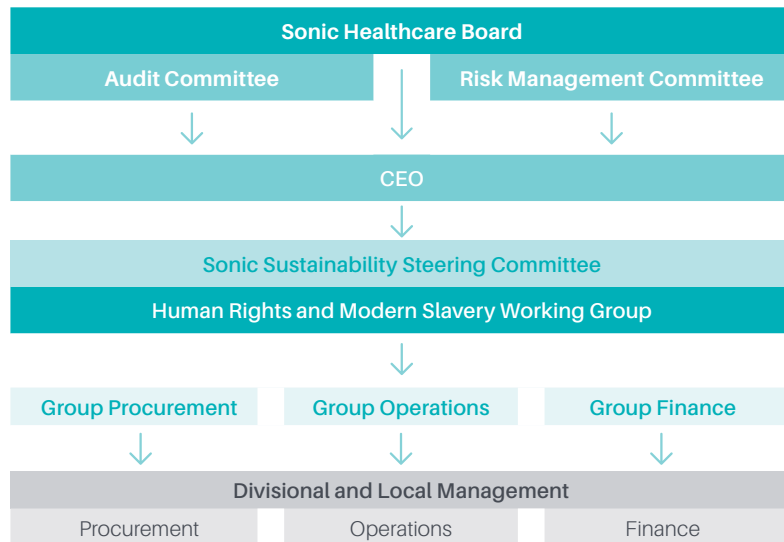
Status of employment



Further information about our business is set out in our [2022 Annual Report](#) and [Sustainability Report](#)

Corporate governance

Sonic’s approach to human rights and the management of modern slavery risks is overseen by the Sonic Healthcare Board and supported by the Board’s Risk Management Committee. The Human Rights and Modern Slavery Working Group is responsible for identifying and managing modern slavery risks within Sonic’s operations and supply chains, and implementing mitigating actions to affect change where required. The Human Rights and Modern Slavery Working Group includes senior group executives with representations from management, procurement, operations (including culture and communications) and finance. The group works collaboratively and within the framework of the Global Sustainability Steering Committee.



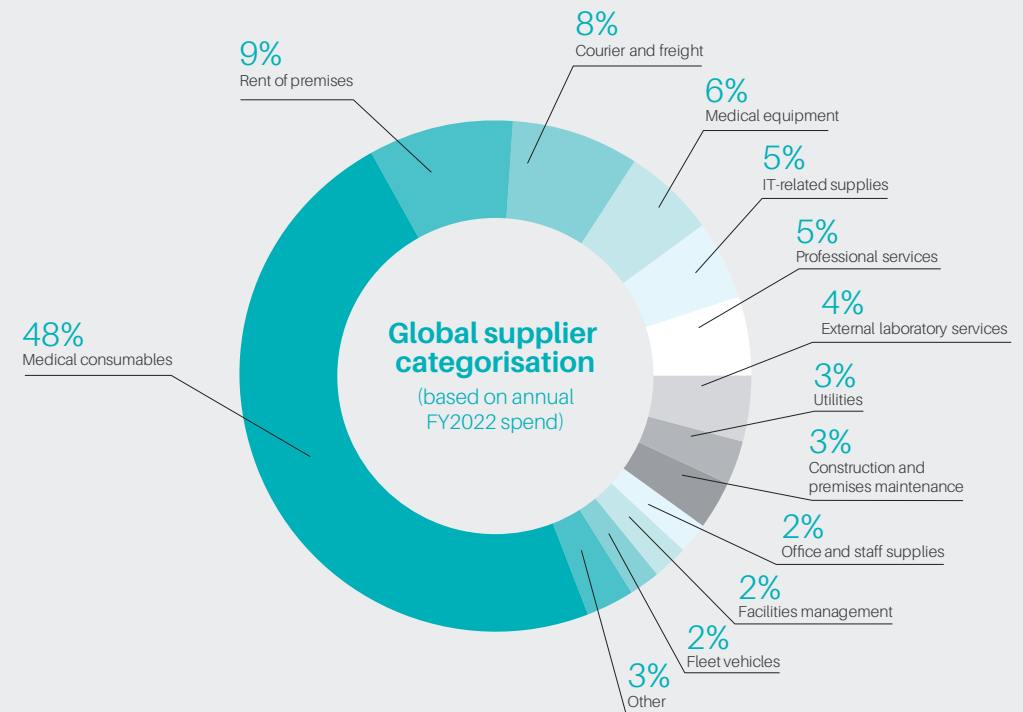
This framework is supported by a range of policies and charters that require staff to operate in an ethical, safe and legally compliant manner. Some of these policies are specifically relevant to modern slavery, while others reference more general human rights requirements. These include our Board Charter, Code of Conduct, Labour Standards and Human Rights Policy, Global Whistleblower Policy and Supplier Policy (refer to pages 15 and 16 of this Statement for further detail).

Supply chains

Sonic has extensive supply chains, with more than 16,000 direct (Tier 1) suppliers, providing goods and/or services to Sonic entities across seven countries of operation.

Sonic’s supply chains are focused on the sourcing of specialised medical equipment and consumables to support the provision of high-quality diagnostic testing and medical procedures. Tier 1 suppliers in this category are predominantly global organisations headquartered in low-risk countries, such as USA, UK, Italy, Switzerland and Japan, where organisations are bound to uphold local modern slavery and/or human rights legislations to protect the rights of workers. Other supply chains involve the sourcing of ancillary goods and services, such as office supplies, IT equipment, facility services and maintenance, professional and contract labour services, building materials, fleet vehicles, transport and logistics and other general categories.

Relative spend proportion by product/service category

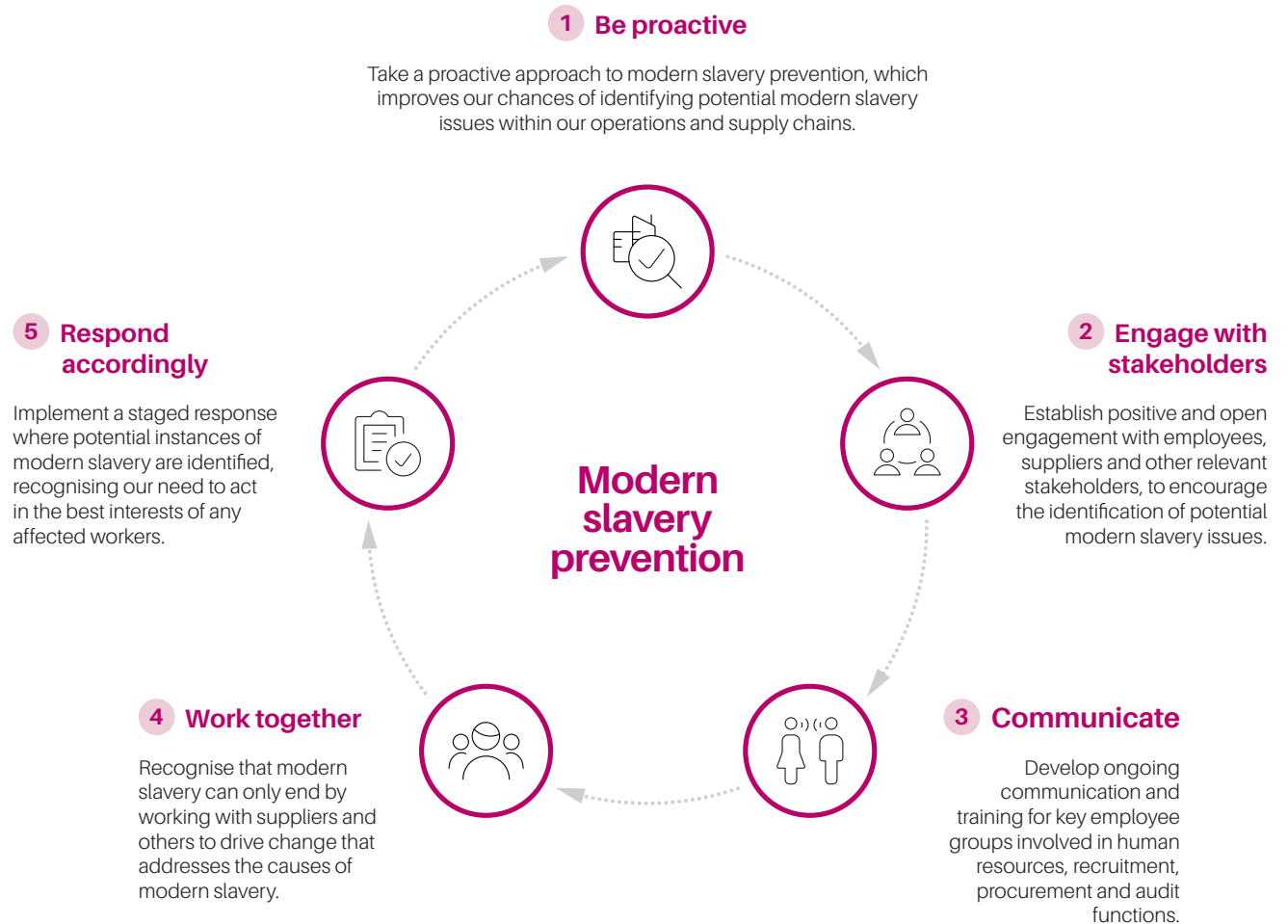


Modern slavery risks

Identification of risks

Sonic recognises that instances of modern slavery are often complex and potentially difficult to detect, particularly further along our supply chains. We are committed to identifying modern slavery risks within our operations and supply chains, and utilise a risk assessment framework to identify and manage such risks.

Principles used to guide Sonic's approach to modern slavery risks



Potential risk of modern slavery in our operations

Ongoing analysis and assessment has determined that the risk of modern slavery practices within Sonic’s direct operations is negligible, predominantly due to the high proportion of employees directly employed by Sonic in our seven low-risk geographies. Sonic assesses operational risk via internal audits and questionnaires, which include an analysis of:

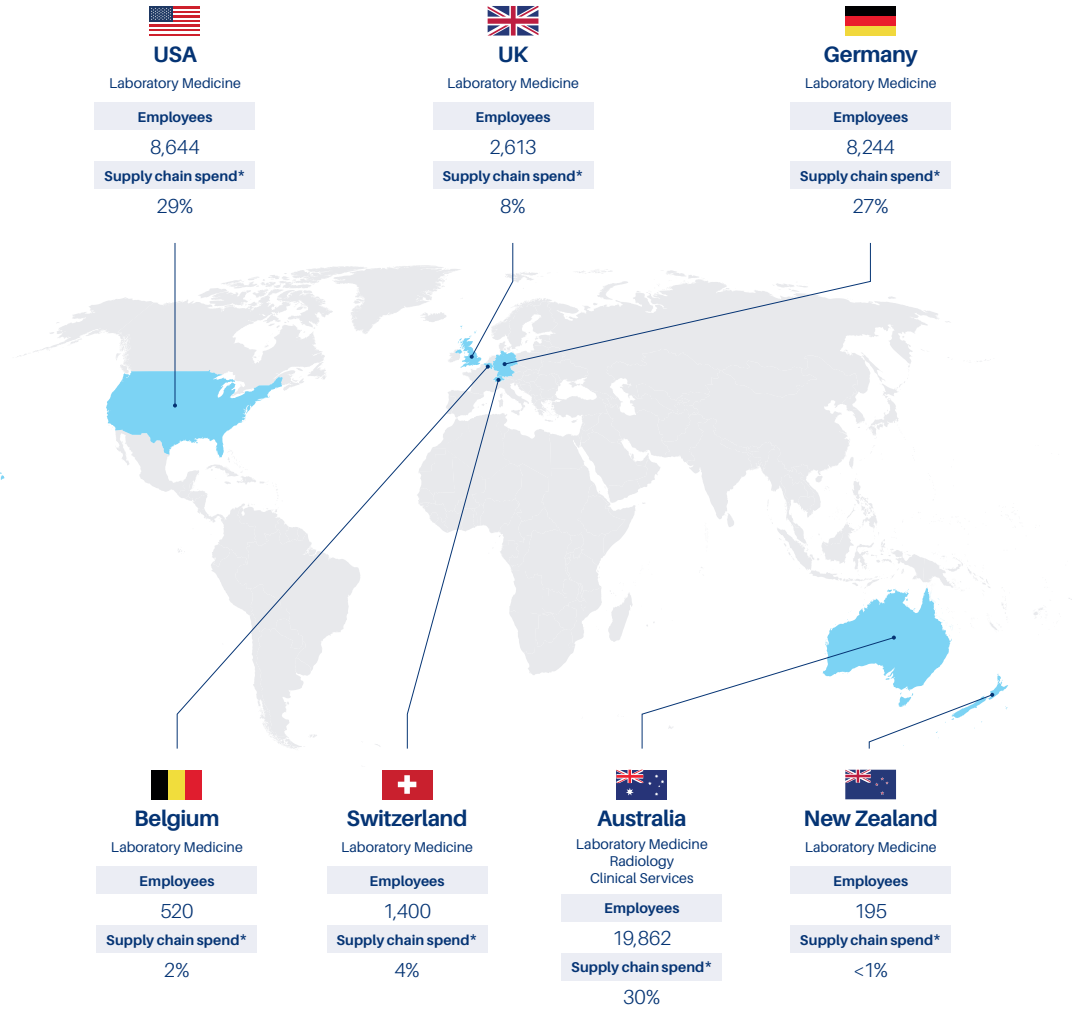
- the presence and effectiveness of local policies and procedures
- geographic location and compliance with relevant labour legislation
- compliance with Sonic’s relevant global policies and procedures
- awareness of relevant policies and procedures by relevant employee groups.

To date, these assessments and audits and have not detected any incidences of modern slavery within our operations.

Potential risk of modern slavery in our supply chains

Sonic uses a multi-faceted risk assessment framework for analysing and quantifying the risk of modern slavery within its supply chains. Suppliers’ overall risk ratings are determined through an analysis of:

- location (headquarters) to inform geographical risk
- category of products and/or services, used to quantify the product/ service-associated risk (e.g. medical consumables and equipment, IT, freight etc.)
- industry/sector risk classification, utilising the Global Slavery Index (GSI); this may require an understanding of the relevant Tier 2 suppliers
- track record of modern slavery incidences or allegations, utilising market intelligence
- operational controls and processes embedded within their operations and supply chains to assess and address modern slavery risks
- compliance with Sonic’s Supplier Policy and Labour Standards and Human Rights Policy



*Represents the country’s share of Sonic Healthcare’s global supplier spend

Risk profiling in our operations

All Sonic Healthcare companies operate in countries that have a low-risk rating for the prevalence of modern slavery*.

■ Low
 ■ Medium
 ■ High
 ■ No Sonic operations

*Risk profiling in our operations based on Global Slavery Index 2018 Dataset, Walk Free

Impact of COVID-19 pandemic on operational risks

The COVID-19 pandemic continued to test Sonic’s operating environment in FY2022. To meet the surging demands of COVID-19 testing, our businesses often needed to rapidly upscale operational capabilities by employing additional staff in relatively short time periods, either directly or via labour hire firms. Time and resource constraints, together with social distancing requirements, created the potential for human resource and employee onboarding processes to be compromised, as well as full-scale employee training. This could have led to a situation where vulnerable people were exploited, however, Sonic’s existing quality controls and overall culture mitigated any risk in this area.



Supplier risk assessment

Main supply chain categories	Spend	Products and services	Risk rating based on industry and geography
Medical supplies and maintenance	48%	<ul style="list-style-type: none"> Medical consumables, reagents, chemicals and equipment Personal protective equipment (PPE) Equipment repairs and maintenance 	<p>Low risk</p> <p>Tier 1 suppliers are mostly headquartered in USA, Europe, UK, Japan and Australia. These businesses are large and most have completed modern slavery questionnaires.</p> <p>Medium risk</p> <p>Tier 2 suppliers may be medium risk depending on country of manufacture. Suppliers of products such as PPE and custom laboratory products in countries of the Asia Pacific region may be at risk of:</p> <ul style="list-style-type: none"> forced labour bonded labour migrant labour exploitation
Rent of premises	9%	<ul style="list-style-type: none"> Premises rent and related costs paid to our landlords 	<p>Low risk</p> <p>Suppliers are based within our seven countries of operation. There are possible Tier 2 risks if the landlords' charges include cleaning and other related facility services (refer to risks noted in facilities management category).</p>
Couriers and freight	8%	<ul style="list-style-type: none"> Third-party couriers, freight, postage and mail services 	<p>Medium risk</p> <p>Freight and transport services including shipping, distribution and storage. Groups include seafarers, drivers, port and other workers.</p> <p>Local postage, mail and delivery services are considered low risk.</p>
Medical equipment	6%	<ul style="list-style-type: none"> Medical equipment purchased 	<p>Low risk</p> <p>Suppliers are mostly headquartered in USA, Europe, UK, Japan and Australia. These businesses are large and most have completed modern slavery questionnaires.</p>
IT-related supplies	5%	<ul style="list-style-type: none"> Computer hardware and consumables, software, including usage and maintenance, managed print and other IT services and supplies 	<p>Medium risk</p> <p>Raw materials and the manufacture of consumables may take place in geographies of concern.</p>
Professional services	5%	<ul style="list-style-type: none"> Legal and accounting firms, professional consultants and contractors such as specialist medical locums, marketing, HR/recruitment firms and IT. 	<p>Low risk</p> <p>Suppliers are based within our seven countries of operation.</p>

Supplier risk assessment (continued)

Main supply chain categories	Spend	Products and services	Risk rating based on industry and geography
External laboratory services	4%	<ul style="list-style-type: none"> Testing outsourced to third-party specialist medical providers 	<p>Low risk</p> <p>Suppliers are based within our seven countries of operation.</p>
Utilities	3%	<ul style="list-style-type: none"> Electricity, gas, water, telephone and data services 	<p>Low risk</p> <p>Suppliers are based within our seven countries of operation. However, possible higher risks may be associated with utility providers using call centres outside Sonic’s stable countries of operations.</p>
Construction and premises maintenance	3%	<ul style="list-style-type: none"> Building contractors and professionals used for the construction and maintenance of premises 	<p>Medium risk</p> <p>Construction and maintenance occurs only in Sonic’s seven countries of operation. However, third-party outsourcing of property maintenance may impose a risk of migrant labour exploitation.</p>
Office and staff supplies	2%	<ul style="list-style-type: none"> Stationery, office equipment and consumables, staff amenities, uniforms, cleaning products 	<p>Predominantly low risk</p> <p>Tier 1 suppliers (mainly distributors) are deemed to be low risk.</p>
Facilities management	2%	<ul style="list-style-type: none"> Cleaning, waste removal, security 	<p>Medium risk</p> <p>Possible migrant labour exploitation of subcontracted labourers through labour hire companies. Also possibility of bonded labour.</p>
Fleet vehicles	2%	<ul style="list-style-type: none"> Fleet vehicles, including repairs, maintenance and fuel 	<p>Low-medium risk</p> <p>Raw materials and production of parts may take place in countries of higher risk.</p>
Other	3%	<ul style="list-style-type: none"> All other suppliers 	<p>Low risk</p> <p>Mostly items such as memberships, insurance, donations and general expenses.</p>

Impact of COVID-19 pandemic on supply chain risks

The COVID-19 pandemic has challenged healthcare supply chains across all geographies, with significant surges in demand for medical and diagnostic consumables and reagents, together with associated products, such as personal protective equipment (PPE). Sonic has used our expansive global network of established suppliers to meet these demand surges, however, continued product shortages and supply chain issues have necessitated occasional sourcing of supplies outside this network. We recognise that supply chain pressures over the period may have increased the risk of modern slavery practices.

Actions to assess and address modern slavery risks

Key milestones

Sonic continues to make steady progress towards our goal of contributing to the eradication of modern slavery.

Sonic’s progress towards the eradication of modern slavery is underpinned by our Core Values and Medical Leadership Principles, which act as a guiding force for our employees around the world, and relate to modern slavery eradication and human rights protections.

2020	2021	2022
Formed the Human Rights and Modern Slavery Working Group	Established supplier categorisation process and enhanced risk-based assessments of our supply chain	Deployed online modern slavery awareness training module in Australia
Established a human rights and modern slavery framework, including risk-based assessments and reporting mechanisms	Introduced media monitoring to alert us to potential risk areas	Issued supplier questionnaires (round 3)
Reviewed and updated policies to incorporate modern slavery obligations	Continued supplier due diligence (round 2 questionnaires)	Established due diligence procedures for high-risk Tier 2 suppliers
Conducted internal awareness briefings to key employee groups	Conducted further briefings and updates to key employee groups and suppliers	Updated Supplier Policy to require supplier agreement to modern slavery legislation adherence
Audited Sonic divisions to understand and check adherence to relevant legislation	Appointed a Director of Sustainability and a Sustainability Manager	Continued modern slavery discussions in business review meetings with key suppliers
Began supplier due diligence process, including questionnaires (round 1)		
Submitted first Modern Slavery Statement		

The Sonic Healthcare Human Rights and Modern Slavery Working Group

The Sonic Healthcare Human Rights and Modern Slavery Working Group is tasked with overseeing and managing Sonic's actions and responsibilities related to identifying, remedying and removing instances of modern slavery and human rights abuse from our operations and supply chains.

Working within the Board-approved risk-management framework, the group meets monthly to review:

- the effectiveness of current activities
- progress to targets for set activities
- supplier risk data, including supplier questionnaires and market intelligence
- new and emerging modern slavery risks
- incidents reported by staff (workplace reporting).

The Group includes senior group executives with representations from management, procurement, operations, culture, finance and communications, and works collaboratively and within the framework of the Global Sustainability Steering Committee.

Workplace reporting processes

Sonic is committed to protecting and respecting human rights across our operations and supply chains.

Consistent with our Core Value of 'Demonstrating responsibility and accountability', Sonic has established reporting procedures and mechanisms where staff and third parties can report concerns about misconduct and illegal acts, including possible instances of modern slavery and human rights breaches. These potential breaches can originate within our own operations or can relate to incidents that are believed to exist within organisations in our supply chains.

Once a matter is reported to the Human Rights and Modern Slavery Working Group, preliminary enquiries are made to understand the issues and determine the best course of action, through communication with both the person reporting the incident and the relevant managers involved.

Depending on the initial assessment, as well as the nature of the matter, Sonic will make further assessments and take appropriate action, in accordance with the confidentiality obligations outlined in our [Global Whistleblower Policy](#).

This policy is designed to protect and support people who raise concerns about wrongdoing within the company, without fear of being subjected to victimisation, harassment or discriminatory treatment. The Whistleblower Policy has been communicated to employees and other key stakeholders and is accessible on the Sonic Healthcare website.

Grievances and remediation processes

Where instances of supplier misconduct are identified, Sonic's approach is to engage with the relevant supplier, to discuss possible breaches and ultimately to provide a positive outcome for affected workers. Sonic has developed a number of processes to enhance positive engagement with suppliers, such as site audits, communication forums, contractual undertakings to abide by the requirements of the [Sonic Supplier Policy](#), other relevant policies and the Modern Slavery legislation. If these processes do not result in a change in supplier behaviour, and if the misconduct is sufficiently serious, we may choose to no longer engage the supplier.

Given the geographical diversity of our sourcing countries and the varied nature of our supplier risk profiles, we will continue to evolve our approach to identifying and dealing with such issues.

As outlined in our Supplier Policy, we reserve the right to report supplier violations, non-conformances and subsequent actions in Sonic's annual Sustainability Report and/or Modern Slavery Statement.



Supplier engagement

Supplier risk assessment and due diligence process

Supplier risk assessment questionnaires are Sonic's primary means for gathering information about the human rights protections offered by existing and prospective suppliers. A willingness to participate in these due diligence activities is a key requirement for supplying goods and services to Sonic, as outlined in our [Supplier Policy](#).

The supplier's response is used to calculate a risk score, using numerous factors, including (but not limited to) the:

- supplier's industry category
- supplier's country of operation
- existence and location of downstream suppliers
- existence and types of documented policies relating to human rights protections in operations and supply chains, and whether they report under a modern slavery or human rights legislative framework
- procedures to identify modern slavery risks and mitigation actions.

Where responses indicate a higher level of risk, Sonic performs further due diligence. These detailed assessments seek to improve visibility of the supplier's operations and supply chains, and may be conducted via desktop analysis or by in-person site audits, the latter of which may be conducted by a Sonic representative or by a nominated independent third party.

Sonic may request to undertake these comprehensive supplier assessments regardless of the supplier's survey response, in order to satisfy ourselves about the modern slavery risks associated with the products and services we are procuring. Higher-risk product/service suppliers are generally assessed with greater regularity than lower-risk suppliers, and with a greater level of detail.

Sonic has sent a supplier due diligence questionnaire to 499 suppliers to date, representing approximately 47% of total supplier spend. Of the 499 suppliers sent the questionnaire, 212 have so far responded and have been satisfactorily cleared, representing nearly 40% of total supplier spend. The outstanding due diligence questionnaires, which are mostly from our more recent due diligence questionnaire round (i.e. phase 3), are in the process of being followed up and assessed.

In FY2022, Sonic performed a greater level of due diligence on suppliers from the following categories:

- PPE (including gloves)
- uniforms
- cleaning services
- hybrid vehicles
- solar panels.

Sonic is satisfied with the information received from suppliers of these product and service categories, however, more detailed and frequent due diligence efforts are ongoing in these areas.





Modern slavery contract clauses

Standard contractual clauses relating to modern slavery and Sonic's expectations of the contracted suppliers have been developed and will be inserted into all new Sonic contracts in 2023.

Compliance with Sonic's Supplier Policy

Sonic's Global [Supplier Policy](#) makes specific reference to modern slavery risks. All suppliers are required to read, understand and agree to implement the terms of the Supplier Policy before they are accepted for contractual negotiations.

The policy details the expectations of suppliers, including addressing modern slavery risks, and requires suppliers to:

- not use any form of bonded labour, slave labour or illegal forms of child labour
- maintain a blame-free work environment, where employees are encouraged to report misconduct, illegal or inappropriate behaviour, free from any threat of reprisals or other adverse consequences
- provide and support freedom of association for employees to join trade unions and other employee representative groups, and for those groups to be allowed to bargain collectively on behalf of employees
- employ only those individuals with a legal right to work in that jurisdiction

- comply with all relevant laws and regulations in relation to legal minimum rates of pay and other conditions of employment for workers, such as fair working hours, meal and rest breaks and other conditions designed to enhance employee health and safety
- prohibit physical abuse, the threat of physical abuse, sexual or other harassment and verbal abuse or other forms of intimidation in both the workplace and in relationships with customers
- treat staff fairly and equitably, including providing written confirmation of their terms and conditions of employment
- ensure all employee entitlements and prescribed conditions of employment under relevant laws and regulations are adequately implemented and accounted for.

Business review meetings

Business review meetings are held regularly with major suppliers. These take place at a national level for all suppliers, and at a global level for global suppliers. Modern slavery is a standing agenda item at these communicative and collaborative meetings, and suppliers are expected to provide updates from their organisation on activities relating to modern slavery risks and associated human rights issues.

Our policies

As part of our global commitment to eliminate modern slavery and human rights abuse, we perform ongoing reviews of our key policies to ensure compliance with the Australian and UK modern slavery legislation, as well as satisfying our own expectations. Our policies, statements and charters are regularly reviewed to ensure they remain relevant and updated for new requirements, emerging trends and risks. These documents include:

Policy	Overview
Board Charter	Outlines the functions reserved for the Board and those delegated by the Board to management
Code of Conduct	Describes our shared values and sets out the standards of behaviour expected of all those who represent Sonic and act on its behalf
Labour Standards & Human Rights Policy	Describes our commitment to respecting human rights and upholding labour standards, and is aligned with the principles established within the Universal Declaration of Human Rights, and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work
Supplier Policy	Outlines our requirements and how we will support all suppliers, service providers and any other agents in Sonic's supply chain to adopt an ethical and sustainable approach to all business practices
Global Whistleblower Policy	Supports the reporting of misconduct, illegal acts or any improper state of affairs relating to Sonic's businesses

The full suite of policies, charters and other documents can be found online at: www.sonichealthcare.com/policies

These policies, charters and codes have been reviewed against the following best practice references, to ensure Sonic's policy approach is in line with expectations:

- [ILO Declaration on Fundamental Principles and Rights at Work](#), produced by the International Labour Organization
- [Commonwealth Modern Slavery Act 2018 - Guidance for Reporting Entities](#), produced by the Department of Home Affairs, Australian Government
- [Ethical Procurement for Health: Workbook 2.0](#), developed as a partnership between the Sustainable Development Unit for the Health and Social Care Sector, British Medical Association, Ethical Trading Initiative, and the Department of Health
- [Beyond compliance: Effective reporting under the Modern Slavery Act - A civil society guide for commercial organisations on the transparency in supply chains clause](#), produced by CORE (Corporate Responsibility) Coalition, 2016
- [Transparency in Supply Chains etc. A practical guide](#), produced by the Home Office of the UK Government
- [The FTSE 100 Modern Slavery Statement benchmark methodology](#), published by the Business and Human Rights Resource Centre in the UK

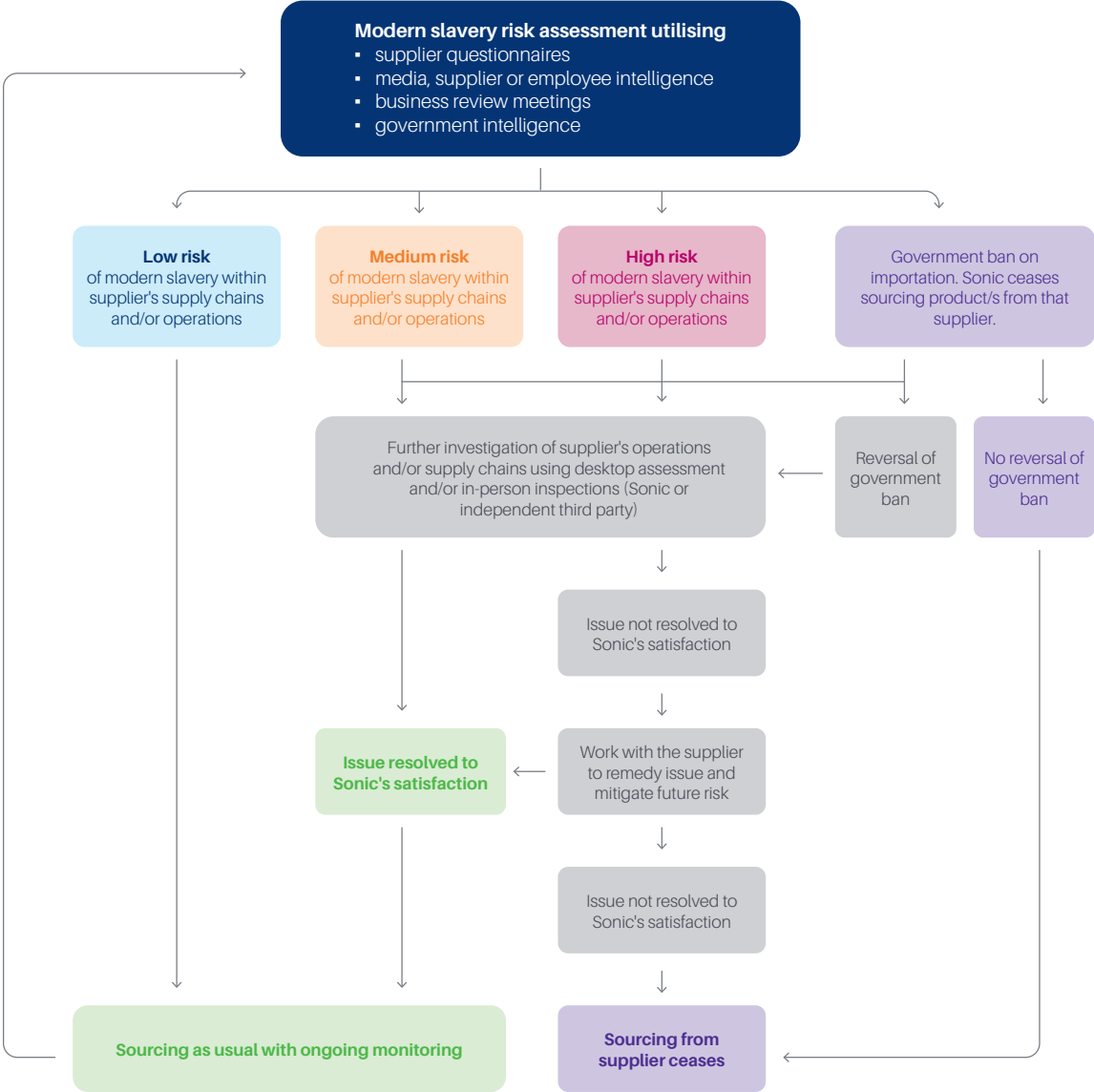
Our Code of Conduct and our Labour Standards & Human Rights Policy state that we will not accept any form of slavery and prohibit the use of all forms of forced labour, including bonded labour and slave labour.

Monitoring for new and emerging risks

Sonic has established media monitoring processes, where potential incidents of modern slavery are reported to the Sonic Human Rights and Modern Slavery Working Group, which investigates all reports for relevance to Sonic and its supply chains. Results of media and internet monitoring are a standing agenda item at the working group meetings.

In January 2022, Sonic’s media monitoring processes alerted us to allegations of forced labour practices by one of the largest global suppliers of disposable gloves. As a result, Sonic immediately sought information from all divisions globally, to determine whether we procure any products from the supplier in question. Sonic divisions did not have any affiliation with the supplier and further investigations were halted. However, the alert raised issues of possible modern slavery violations from other suppliers in the same industry. Sonic undertook a full review of Tier 1 and Tier 2 suppliers of gloves to its laboratories. Suppliers were asked to submit audits on factories manufacturing disposable gloves, as well as reports detailing their commitment to modern slavery eradication. Based on these audits and reports, Sonic is satisfied that our sources for manufacturing and supplying gloves are free from modern slavery violations. However, as certain sections of this industry have been found to be in breach of modern slavery regulations, Sonic is watching and communicating closely with suppliers and authorities.

Modern slavery risk assessment process summary



Beyond our own operations and supply chains

Sonic's commitment to eradicating modern slavery goes beyond our own operations and supply chains, and includes working with vulnerable communities who could be at higher risk of modern slavery. This involvement reflects our commitment to Medical Leadership, and the accompanying principle of Company Conscience and the need to medically support people in need.

Sonic Healthcare and the Sonic Healthcare Foundation provides vital medical support for hospitals and medical centres in some of the poorest regions of our world, such as Ethiopia and the Democratic Republic of Congo. Our help begins with Sonic staff travelling to Africa to set up facilities such as pathology laboratories and radiology clinics, and to train local staff. This on-the-ground support is supplemented by regular shipments of medical equipment, reagents and PPE. It also extends to fundraising, refugee support, medical and community training, and up-skilling of women in these regions, to achieve greater economic self-sufficiency in instances where they may otherwise be shunned by their families or communities because of medical conditions or sexual violence. We also provide clothing, books and pens for students, and subsidise the payment of teachers' salaries to facilitate the education of vulnerable children. These activities help to break the cycle of poverty and remove women and children from risk situations.

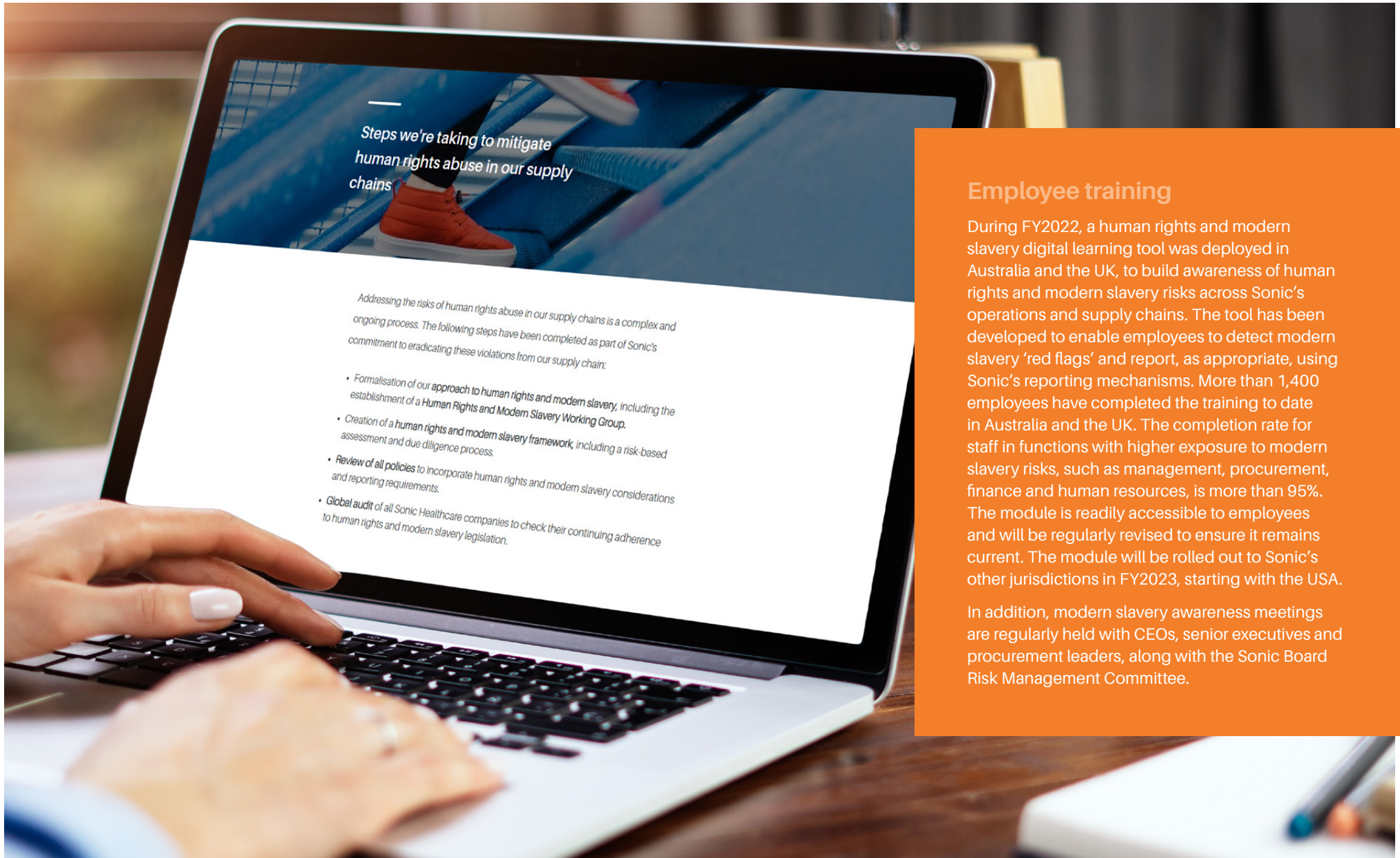
In Australia, we provide resources and support for medical checks of indigenous young Australians, in partnership with organisations such as the Clontarf Foundation.



Actions to assess our effectiveness

Sonic is committed to the elimination of all forms of modern slavery from within our operations and supply chains. An integral component of this commitment is an ongoing review of the effectiveness of the actions taken to assess and address actual or potential human rights or modern slavery risks and violations.

Area	Activity	Measure of effectiveness
Policies	<ul style="list-style-type: none"> Regular review and updating of policies in relation to human rights and modern slavery 	<ul style="list-style-type: none"> Relevant policies reviewed at least annually and updated where appropriate
Employee engagement and training	<ul style="list-style-type: none"> Provision and dissemination of an online training module directed at relevant employee groups 	<ul style="list-style-type: none"> Number and proportion of employees in key functional areas who have completed the online module and/or other human rights and modern slavery training
Supplier engagement	<ul style="list-style-type: none"> Supplier risk assessment and due diligence processes 	<ul style="list-style-type: none"> Number of surveys satisfactorily completed by suppliers Proportion of spend covered by completed supplier questionnaires
	<ul style="list-style-type: none"> Contractual clauses 	<ul style="list-style-type: none"> Inclusion of human rights and modern slavery clauses in new contracts
	<ul style="list-style-type: none"> Formal discussion of modern slavery issues with suppliers 	<ul style="list-style-type: none"> Inclusion of human rights and modern slavery issues as a standing agenda item in all formal supplier business review meetings
Reporting mechanisms	<ul style="list-style-type: none"> Accessibility of reporting mechanisms, grievance and remediation processes 	<ul style="list-style-type: none"> Reporting mechanisms established and maintained in all Sonic businesses
Monitoring	<ul style="list-style-type: none"> Media monitoring for new and emerging operational and supply chain risks 	<ul style="list-style-type: none"> Number of alerts escalated to the Human Rights and Modern Slavery Working Group for assessment
Governance	<ul style="list-style-type: none"> Effectiveness of the Human Rights and Modern Slavery Working Group 	<ul style="list-style-type: none"> Number of meetings held during the year Completion and lodgement of the annual Modern Slavery Statement



Employee training

During FY2022, a human rights and modern slavery digital learning tool was deployed in Australia and the UK, to build awareness of human rights and modern slavery risks across Sonic's operations and supply chains. The tool has been developed to enable employees to detect modern slavery 'red flags' and report, as appropriate, using Sonic's reporting mechanisms. More than 1,400 employees have completed the training to date in Australia and the UK. The completion rate for staff in functions with higher exposure to modern slavery risks, such as management, procurement, finance and human resources, is more than 95%. The module is readily accessible to employees and will be regularly revised to ensure it remains current. The module will be rolled out to Sonic's other jurisdictions in FY2023, starting with the USA.

In addition, modern slavery awareness meetings are regularly held with CEOs, senior executives and procurement leaders, along with the Sonic Board Risk Management Committee.

Consultation and future initiatives

This Modern Slavery Statement has been prepared by Sonic Healthcare in consultation with each Sonic division and controlled business entity globally.

This consultation involved engaging with the Global Sustainability Steering Committee, divisional CEOs and their key managers in areas such as procurement, operations, finance and human resources. Each Sonic division also participated in an internal risk assessment and policy compliance survey. An online awareness training module is also being rolled out for mandatory completion by all staff in management, procurement, finance and human resources.

Sonic is committed to continuing global education and consultation about the risks of modern slavery. Matters relating to modern slavery are included in management meetings, both local and global. Additionally, the Human Rights and Modern Slavery Working Group, which convenes monthly, includes Sonic Healthcare global executives covering the areas of procurement, communications, culture, operations and finance. Modern slavery awareness, emerging risks, incident identification and program initiatives and actions are standing agenda items in the monthly Global Procurement meeting and the Global Sustainability Steering Committee meeting.

Future initiatives

Sonic is committed to continuous improvement of our modern slavery risk assessment framework, as well as the processes used to identify and manage modern slavery risks. Future improvement initiatives will focus on the following key areas:



In addition to the initiatives listed above, we will continue to review our company-wide policies and re-align as required, and to train our staff and other stakeholders in those policies. We will also maintain and strengthen our high levels of engagement with suppliers, in order to continually improve our processes and gain deeper insights into our supply chains.



SONIC
HEALTHCARE
LIMITED