

MODERN SLAVERY STATEMENT

JULY 2020 - JUNE 2021

APPROVED BY: MICK TREVASKIS, CEO

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1.0 INTRODUCTION

The Australian Government's Modern Slavery Act 2018 (**the Act**) came into force on 1 January 2019 and requires certain entities to produce a statement on modern slavery risks across their operations and supply chain. Additionally, actions to address those risks and their effectiveness must also be disclosed.

This Modern Slavery Statement is made by **Device Technologies Australia Pty Ltd** (ABN 40 058 091 973), 1 Garigal Road, Belrose, NSW 2085 and is prepared for the financial year period 1 July 2020 to 30 June 2021.

At Device Technologies Australia Pty Ltd and all subsidiaries of Device Technologies Australia Pty Ltd (the Device Technologies Group or **DTG**), we believe in the importance of fundamental human rights and promoting an end to modern slavery.

We are strongly committed to ensuring that the products we provide to our customers are sourced and delivered in a way that respect the global standards of human rights.

In addition to our obligation to comply with the Act, we acknowledge our responsibility towards ensuring that our operations and supply chains comply with accepted local and international standards, which are derived from the Act and the principles of the United Nations (UN) Global Compact.

Both as an employer and as a business acquiring products and services, DTG does not tolerate any form of exploitation through slavery, servitude, any type of forced or compulsory labour or human trafficking.

2.0 BUSINESS STRUCTURE, OPERATIONS AND SUPPLY CHAIN

COMPANY OVERVIEW

Australasia's leading independent provider of advanced medical technology & services.

WHO WE ARE

Since 1992, Device Technologies has been dedicated to improving patients lives through leading edge technology and services.

Successfully supplying hospitals and healthcare professionals with the finest medical solutions for their patients, Device Technologies continues to grow, with over 200 trusted brands and over 950 highly skilled staff across Australia, New Zealand and South East Asia.

All products distributed by Device Technologies are compliant with mandatory regulatory requirements. In-servicing and ongoing support is provided as part of the trusted partnership between Device Technologies staff and healthcare professionals.

LEADING THE WAY IN THE MEDICAL TECHNOLOGY FIELD, DEVICE TECHNOLOGIES PROVIDES THE HIGHEST CALIBRE OF MEDICAL SUPPLIES - WITH INNOVATION AND CLIENT CARE AT THE CORE OF ITS VALUES.

DEVICE TECHNOLOGIES MISSION

To deliver superior health outcomes by providing patient access to the best medical systems available worldwide.

OUR VALUES

Here at Device Technologies our values are linked to four key areas of our business: Innovation, Collaboration, Ownership and Good Business.

Foremost, we support innovation and ingenuity. We believe that by collaborating with the best in the business we can deliver the finest technologies and results. Good business relies on intuition and precision and we back every decision with 100% ownership and support.



Delivering
INNOVATION



Taking
OWNERSHIP



Seeking
COLLABORATION



Practising
GOOD BUSINESS

OUR STRATEGY & VISION

PIONEERING POSSIBILITY® - this is at the heart of what we do.

We are initiating solutions for new and better outcomes for doctors and their patients.

We strive for innovation, collaboration, taking ownership, and conducting good business in everything we do. From the consulting room to the operating theatre, the Device Technologies vision is to enable superior health outcomes.

By connecting healthcare professionals with the finest medical technologies and supplies in the market, Device Technologies is helping them to be the best they can be.

Behind every brand distributed by Device Technologies is the knowledge that we are delivering leading technology into the most capable hands. Device Technologies values the relationship with healthcare professionals, guiding the process from concept and delivery to outcome.

NAVIS

Navis Capital partners secured ownership of Device Technologies and their group of companies in January 2019.

Navis Capital Partners was founded in 1998, with their founders sharing a belief that there was an untapped opportunity to create a distinctive investment firm in Southeast Asia. The founders' extensive consulting and professional experience around the region is at the core of Navis' approach.

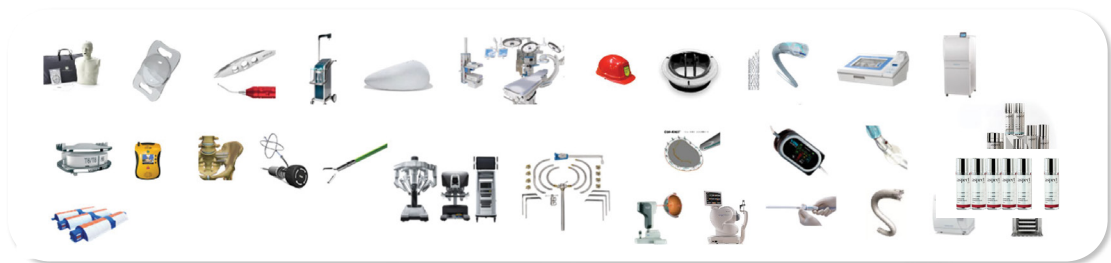
To date, the Navis Asia Funds have completed more than 80 controlling private equity investments, predominantly in Southeast Asia. In addition to these primary investments, Navis has made more than 45 follow-on investments. Navis' 20 years of investing experience, focused on transforming and growing organisations with a distinctive competitive advantage, has delivered top-quartile returns.

Under Navis' ownership and direction, Device Technologies maintains a strong focus on achieving strong Environment, Social and Governance outcomes.

200+
BRANDS
REPRESENTED



30,000+
PRODUCTS



BUSINESS STRUCTURE

Device Technologies Group employs approximately 950 employees across Australia and New Zealand. Offices are located in Sydney (Head Office), Melbourne, Brisbane, Adelaide, Perth and Auckland (NZ).

Additionally, the company also has around 20 employees based in offices in Singapore, Thailand, Vietnam, Philippines and Malaysia, as well as sales representation in the USA and Fiji.

Device Technologies Australia Pty Ltd owns and controls the following notable trading entities:

- Device Technologies New Zealand Ltd
- Device Technologies Private Limited (Singapore)
- Advanced Skin Technology
- Healthcorp Pty Ltd
- Haines Medical Australia Pty Ltd
- HospEquip Pty Ltd
- DLC Vet Pty Ltd
- Matrix Surgical Pty Ltd
- Reid Healthcare Pty Ltd
- Pyramed NZ Ltd
- Medical Design Innovations

Subsidiaries underneath the Device Technologies banner are not required to provide individual Modern Slavery Statements. However, Device Technologies has taken the view that providing clarity of individual businesses and their respective risks and actions is appropriate.

All trading entities above are a part of DTG and have been consulted in the development of this Modern Slavery Statement. Consultation consisted of individual discussions with the most senior business representative of each subsidiary and covered the identification of specific modern slavery risks and the development of appropriate

actions. Where subsidiaries have discrete modern slavery risks, these have been identified within this statement.

Most subsidiaries have significantly integrated into the Device Technologies business and are bound by the same overarching policies and systems which provides comfort that modern slavery risks are being managed appropriately.

Operations (staff, contracted sales teams, agents, cleaners, security etc)

Device Technologies Group primary business involves the importation, distribution and provision of clinical support for medical devices in the markets in which we operate

- The majority of Device Technologies Group workforce is employed within Australia/NZ.
- DTG maintains small offices in Thailand, Vietnam, Philippines, Malaysia and Singapore. As well as employing our own staff, in Vietnam, DT also engages with sales agents.



- Device Technologies Group maintains its chief sales and marketing and support functions in Belrose, NSW.
- Warehouse locations are 7 and are staffed by Device Technologies Group employees.

To facilitate delivery of medical device technology to our customers, Device Technologies Group maintains our own on-premise warehousing in Australia to ensure prompt supply and delivery of all orders.

Supply Chain (Suppliers (incl sub contractors) and their supply chain)

The products Device Technologies distributes are sourced from over 500 active suppliers. Due to the diversity of the products we supply our first tier supply chain is effectively worldwide across the America, Europe and Asia.

In addition to the supply of medical device technology, Device Technology Group acquires not for resale goods and services to enable its core business function. These are mainly in the category of:

- IT technology - laptops, printers, peripherals, software
- Uniforms/promotional attire - limited
- Facilities management - cleaning services, security, maintenance (contracted)
- Utilities - telecommunications, electricity, gas, water
- Dedicated service providers - eg insurance, governance
- Office and warehousing supplies
- Inbound and outbound transport services - local and international
- Professional services - legal, accounting, consulting



OUR SPECIALTIES

In today's healthcare industry, delivering cutting-edge technology is just the tip of the iceberg.

Every product and service we bring to market must be amongst the best of its kind. It must contribute to better patient outcomes and provide support for healthcare staff to deliver enhanced patient care.

Our offerings cover a broad spectrum of specialties, faculties of medicine and surgery from highest-quality consumables to technological advances, such as the da Vinci Surgical System and fully-digital operating theatre.



CARDIOVASCULAR & PULMONARY



CRITICAL CARE



EDUCATION



GASTROENTEROLOGY



HOSPITAL INFRASTRUCTURE



INFECTION PREVENTION



OPHTHALMIC TECHNOLOGY



SKINCARE



MEDICAL MANUFACTURING & SUPPLY



ORTHOPAEDICS



PLASTIC & RECONSTRUCTIVE SURGERY



ROBOTICS



SPINE



SURGICAL INSTRUMENTS



THEATRE EQUIPMENT



ONCOLOGY

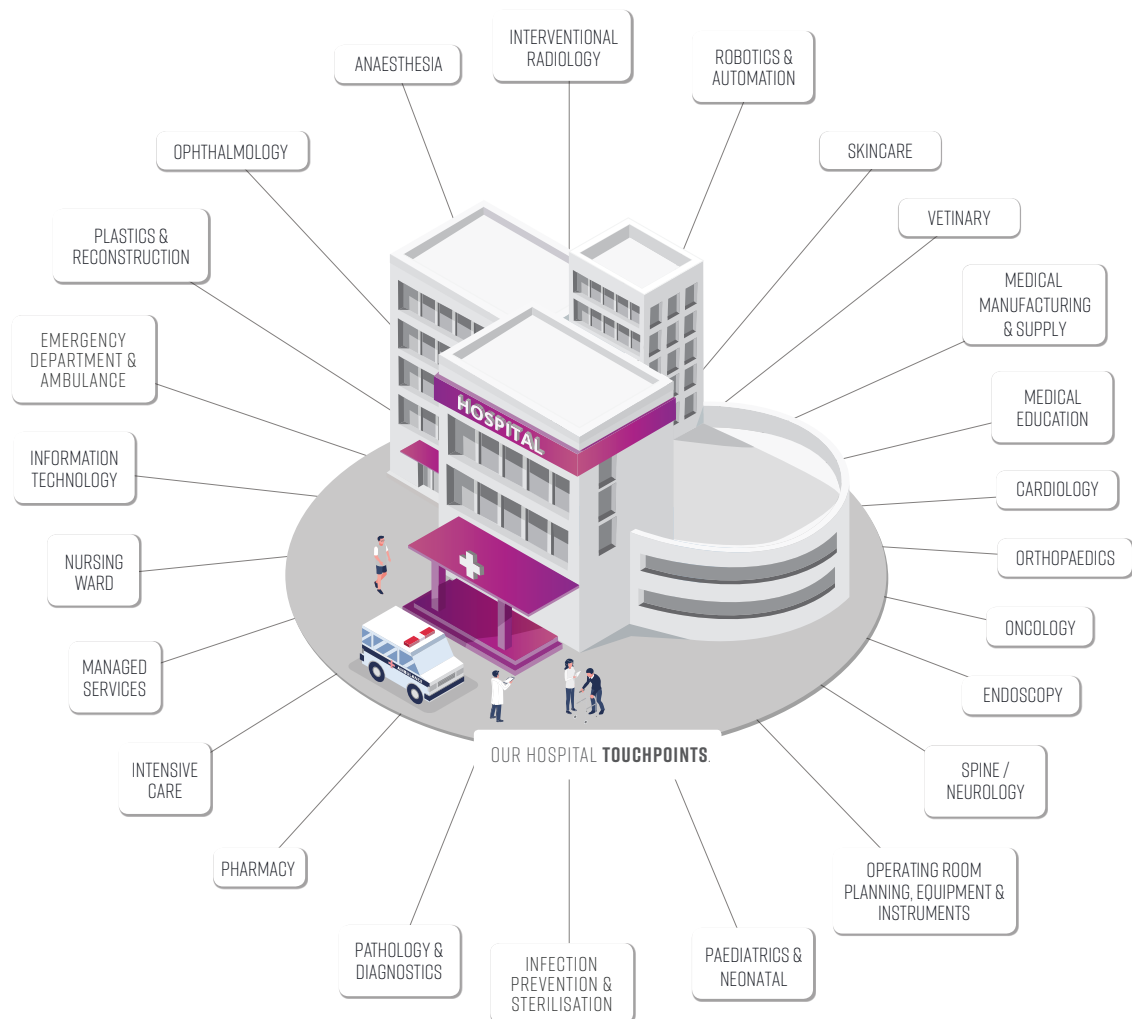


VETERINARY

OUR TOUCHPOINTS

Device Technologies extensive portfolio of products and services reaches virtually every division of the hospital and healthcare sector.

We supply medical professionals and hospitals with the technologies and supplies they require to achieve the best possible outcome for their patients – across the majority of departments.



3.0 RISK OF MODERN SLAVERY PRACTICES

DTG has assessed the overall risk of modern slavery in its own operations and tier one supply chain as low.

DTG as a distributor of medical devices

The suppliers of products that are distributed by DTG are IOS 9001 accredited organisations that have policies and practices in place to manage modern slavery risk in their supply chain.

DTG's operations in South East Asia is largely sales distribution. As a professional service, the risk of modern slavery is comparatively low against other industries, professions and predominantly (Vietnam aside) DTG employs its own staff.

DTG recognises that suppliers of medical device technologies have complex, multi-tiered supply chains which may present a higher risk of modern slavery.

DTG as an employer

DTG takes a no-tolerance approach to modern slavery in all its forms. DTG meets modern slavery and employment law requirements in all jurisdictions in which we operate.

DTG as a manufacturer

DTG acquired Medical Design Innovations (MDI) on 1 April, 2021. MDI has a manufacturing plant based in Brisbane, Australia and consists of a full fabrication department and assembly line. MDI also has a dedicated team of design engineers, draftsman, installers and service technicians.

Aside from the newly acquired MDI business, DTG does not own manufacturing facilities nor directly employ those working in manufacturing. However, DTG do source products from overseas factories/manufacturers who do not have a presence in Australia. This contract manufacturing model is applicable to a number of DTG subsidiaries. DTG subsidiaries of note (where this practice is more prominent in their product offering), are described below.

Advanced Skin Technology (AST)

Advanced Skin Technology (AST), is an entity within DTG which supplies skincare products.

AST's first tier supply chain is primarily located with the USA, France and Australia. This includes the supply of component products and end phase manufacturing. Raw material suppliers (tier two and below) are likely to occur outside of the USA and Australia.

Haines Medical

Haines is a medical manufacturing and supply company based in South Australia with offices in major cities across Australia. Haines is focused on improving healthcare for staff and patients through better disposable and patient single use products. Haines offers over 200 products and are involved in manufacturing (through third parties, largely based in Asia), warehouse and distribution activities.

DLC Vet

DLC Vet is one of the largest and longest serving veterinarian equipment and consumables distributors in Australia and New Zealand. DCL source product from established specialist manufacturers across many countries including: US, India, Pakistan, China, New Zealand, England, Ireland, France, Germany, South Korea and Japan. DLC acts as a distributor for major brands as well as procuring discrete product as part of their range.

DTG as a consumer of not for re-sale goods and services

The vast majority of goods and services that DTG acquires are from established multi-national businesses with strong positions on modern slavery and/or businesses based in Australia/NZ with a low risk of modern slavery.

4.0 RISK MANAGEMENT ACTIONS AND EFFECTIVENESS

The impact of Covid-19 and subsequent travel restrictions limited DTG's ability to physically visit supplier premises and conduct inspections to assess modern slavery risk.

The actions described below have been implemented across all DTG businesses, including subsidiaries.

Supplier Code of Conduct

DTG developed and launched a Supplier Code of Conduct which requires suppliers to actively certify their compliance with DTG governance requirements including modern slavery and human rights. The formalisation of this Supplier Code of Conduct enables DTG to obtain further confidence that suppliers have adequate procedures in place to manage modern slavery risk. Alongside contractual controls, the Supplier Code of Conduct also permits DTG to assess the effectiveness of a supplier's approach to managing modern slavery risk by allowing for DTG to conduct desktop and/or onsite audits. The rollout of the Supplier Code of Conduct has been effectively implemented for all new supplier relationships and is transitioning into where DTG refreshes its position with existing suppliers as supply contracts are renewed.

Modern Slavery and Human Rights Policy

DTG released our Modern Slavery and Human Rights Policy during the reporting period. In conjunction with the rollout of the Supplier Code of Conduct, this policy establishes DTG's expectations of both our own business and our suppliers, and acts to provide DTG with confidence that modern slavery risk is being managed effectively within our supply chain. DTG's Modern Slavery and Human Rights Policy is available for all third parties on our external facing Policy Library (<http://www.device.com.au>). As the Modern Slavery and Human Rights Policy is embedded within the issuance of the Supplier Code of Conduct, it is effectively communicated as part of all new supply relationships. Existing suppliers reference the Modern Slavery and Human Rights Policy from the DTG Policy Library and will be formally bound as the Supplier Code of Conduct is progressively implemented.

Contractual Controls

Where DTG contracts are used with suppliers of DTG, contractual provisions have been updated to be more specific in relation to management and notification to DTG of any modern slavery risks identified within the supplier's business and/or supply chain. Additionally, the inclusion of specific clauses allowing for audit rights have been included as appropriate within contracts to allow DTG to obtain comfort that the supplier has appropriate and effective controls in place. As current contracts expire or are renewed, the updated versions of these contracts with the included modern slavery drafting is being implemented. This approach has been effective for contracts handled directly by the legal team, however, an improvement opportunity lies with contracts that are handled outside the legal team or directly by subsidiary businesses.

Risk Steering Committee

DTG recognises that modern slavery risk cannot be assessed or addressed adequately by one functional area. As such, the DTG Risk Steering Committee (RSC), comprised of representatives from: Legal, Commercial & Facilities, Finance, IT, WHS, Sales and Marketing, Regulatory and Supply Chain continues to have ownership of this risk.

The RSC sets the direction to manage modern slavery risk and has oversight of the effectiveness of the control framework.

Enhanced Due Diligence

As a part of our approach to acquisitions and/or business partnering in South East Asia, DTG undertakes enhanced due diligence – which includes an assessment on modern slavery risk. The results of this enhanced due diligence (conducted by a discrete third party with considerable expertise), are used to inform DTG's approach to managing risk and ultimate decision regarding DTG's engagement with the parties the subject of the enhanced due diligence.

There were no modern slavery or human rights concerns raised by the enhanced due diligence activities conducted by DTG during the period.

Navis oversight

Navis have clear expectations of DTG and how risks such as modern slavery are identified, treated and escalated. DTG provides frequent reports to Navis to demonstrate DTG's ongoing compliance with relevant requirements and management of risk. Additionally, DTG presented our approach to modern slavery and human rights to Navis as part of the annually scheduled Ethics and Compliance Committee.

Escalation Mechanisms

DTG has longstanding escalation mechanisms in place, whereby through commercial avenues (or through the formal Whistleblower channel), employees or suppliers can escalate concerns regarding wrongdoing – including but not limited to any modern slavery risk. No claims as to modern slavery risk have been received.

Employee Training

All DTG employees were provided with mandatory awareness training on modern slavery. During the period, over 80% of employees completed this learning. The online learning module requires completion during induction for new employees and is refreshed every two years for employees with ongoing tenure. Challenges with DTG's Learning Management System resulted in a lower completion rate than desired, however, plans are being implemented to address this.

Third Party Due Diligence Screening

Due diligence screening, including an assessment on modern slavery risk, has been conducted on DTG's top 20 product suppliers (by sales value) as well as a random selection of smaller product suppliers from various jurisdictions around the world. No modern slavery risks were identified.

Recruitment of Compliance and Risk Manager

DTG recruited a Compliance and Risk Manager during the reporting period. This role acted to support all subsidiaries across DTG and bring additional focus to managing modern slavery risk.

5.0 NEXT STEPS

The DTG RSC anticipates the following (additional) actions to be progressed and/or completed during the next reporting period to drive risk reduction for modern slavery.

Third Party Questionnaires and Due Diligence Screening

DTG will implement a system to issue third party questionnaires and conduct due diligence screening on all new suppliers prior to formalising a business relationship with them. The questionnaire will specifically require the supplier to respond to a number of questions designed to assess the risk of modern slavery and the maturity of their current practices. In conjunction with the due diligence screening, this process will allow DTG to make an informed judgement on modern slavery risk with that supplier and, where necessary, implement appropriate mitigations. Where necessary, enhanced due diligence will also be conducted. These requirements will be formally embedded within a Third Party Oversight Policy.

Contract Execution Policy

A Contract Execution Policy will be developed by DTG to drive consistency of baseline contractual protections and requirements for all supplier relationships. This Policy will apply across all DTG supplier interactions and include subsidiary business engagements.

Supplier Code of Conduct

DTG will continue to roll-out it's Supplier Code of Conduct and capture existing suppliers where the existing contractual relationship is due for renewal.

Employee Training

DTG will implement improvements to its internal Learning Management System to ensure that staff awareness of modern slavery risks are refreshed on a yearly basis. Completion reporting and follow-up for staff that do not complete within the required timeframe will be enhanced.

Recruitment of Head of Strategic Sourcing

The appointment of a DTG 'Head of Strategic Sourcing' will ensure that the assessment of modern slavery risk is prioritised within the commercial selection process for new suppliers, and embedded within supplier performance management for ongoing supply relationships.

For further information please contact Device Technologies Group

Compliance & Risk Manager at compliance@device.com.au

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