



Advara
HeartCare

Modern Slavery Statement

2022 - 2023



Introduction

This joint statement is made on behalf of HeartHealth Holdco Pty Ltd and its controlled subsidiaries ('**Advara HeartCare**' or '**Group**') with respect to the reporting period ending 30 June 2023 (**Reporting Period**).

This statement sets out the steps that Advara HeartCare has taken to detect and mitigate the risk of modern slavery within its operation and supply chains.

This statement is made pursuant to sections 13 to 16 of the Australian Modern Slavery Act 2018 (**Act**).

This is the first Modern Slavery Statement submitted by HeartHealth Holdco Pty Ltd.¹ FY23 has been a transitional year for Advara HeartCare as we have described in this Statement. The focus has been on 'standing up' our new corporate group and ensuring that processes and policies are properly embedded and integrated across the Group and the Group's new and expanded systems.

The entities that make up the Group (and that report under this Statement) are listed in Attachment A. Whilst not all of Advara HeartCare's subsidiaries are reporting entities for the purposes of the Act, we have adopted a "whole of business" approach to modern slavery initiatives, as part of our commitment to action. This Statement voluntarily reports on the activities of all other controlled subsidiaries on that basis.

There is still work to be done, and we are committed to expanding our efforts and capability to ensure the detection and prevention of modern slavery within our business and supply chains.

We also know that a key goal of the *Australian Government's National Action Plan to Combat Modern Slavery 2020-2025* is to promote a collaborative

response, built on common and broad participation. We are committed to both learn and inform as we evolve our approach.

This joint statement is made pursuant to section 14(1) of the Act. This statement has been approved by the Board of HeartHealth Holdco Pty Ltd (as the parent entity) on 14 December 2023. It is signed by Angus Stuart as Director and Chair of the Board of HeartHealth Holdco Pty Ltd.



Angus Stuart
Chair of the Board



¹Some of the controlled entities have previously reported via a joint statement under previous ownership. See Attachment A.

About Advara HeartCare

We are a purpose-driven organisation – our purpose is to improve Australia’s heart health today, for the impact on tomorrow and for generations to come.

Advara HeartCare is the largest stand-alone cardiology provider in Australia. Since 2006, Advara HeartCare has positively impacted the lives of over 500,000 patients and their loved ones a year through our model of individualised care.

The values that guide our actions

Our values are the product of a company-wide conversation in late 2022.

We stand for relationships built on care and empathy, and outcomes achieved by clinical expertise, collaboration and innovation.



We care: We have empathy for our patients and listen to understand. We’re considered in our actions and interactions with patients, peers and partners. We approach all situations with support, compassion and kindness, and an understanding that no two people or their experiences are the same.

We advance: We’re committed to always advancing and improving our care. We take initiative, remain curious and innovate to deliver world-class patient care.

We work together: Advancing care can’t be done alone. We need to do this together, in parallel with each other, our patients and our partners. We continuously collaborate and work with the skills of those around us. We’re unified and motivate others to succeed because every little win is a win for us all.

We deliver: We follow through on what we say we’ll do. We measure our outcomes to hold ourselves accountable for our actions and deliver world-leading patient outcomes. We’re agile in our approach, which enables us to continually deliver for our patients, referrers, partners and each other.

Operations

Our primary operating activity is the provision of clinical cardiology, sleep and respiratory services. Our network of clinics was founded in 2006 and has grown to over 70 clinics covering a broad geographical region in Australia (Vic, Qld, WA, SA and NSW). In addition, our clinical staff attend satellite sites and other third-party clinics to make care accessible to as many patients as possible. We also have an ancillary Clinical Insights capability dedicated to research and data services.

This network was acquired by Adamentem Capital (through its investment vehicle HeartHealth Holdco Pty Ltd) in October 2022.

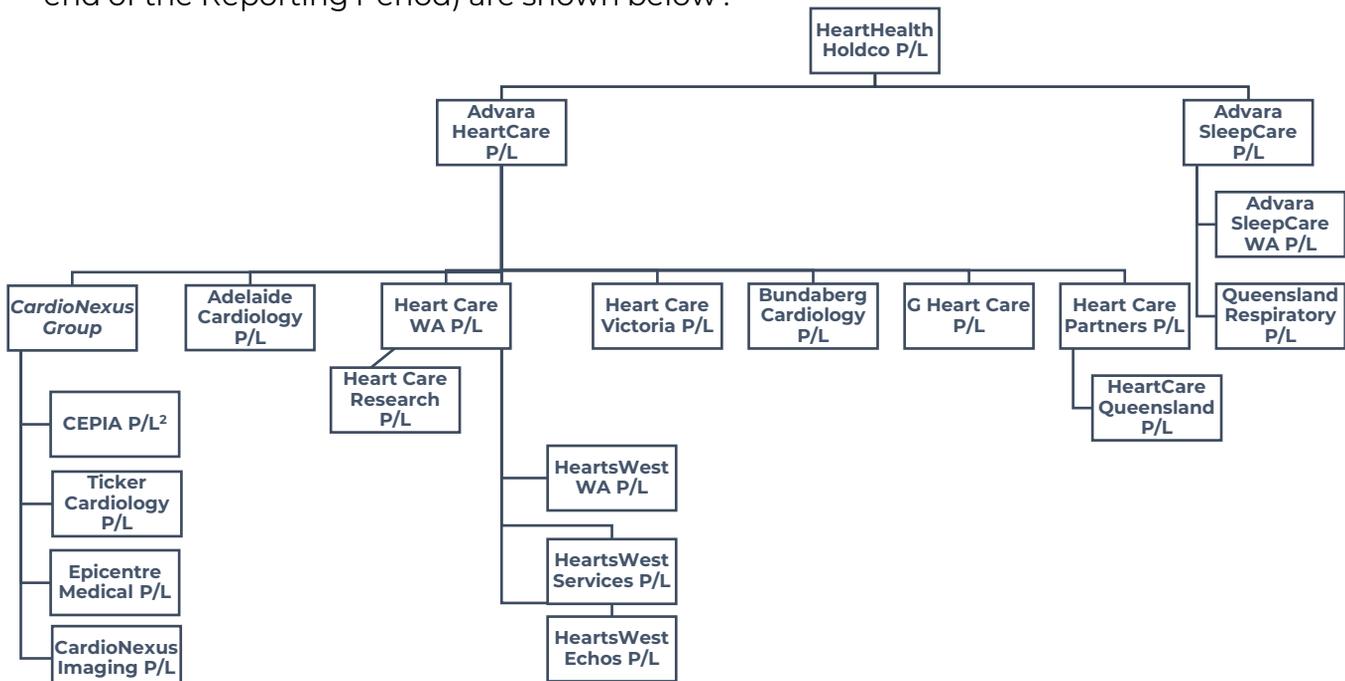
At that time the CardioNexus group also joined the network. This group is headquartered in Queensland and focused on delivering flexible cardiac diagnostic solutions from third party and remote locations. Its activities also include software development (TickerCardiology) and cardiac electrophysiology education and training (the CEPIA business).

A significant focus over the Reporting Period was establishing a stand-alone corporate function, systems and suppliers for the new corporate group, alongside the necessary integration activities.

At the end of the Reporting Period, the Group had 700 permanent employees, with 87% permanent and the remaining retained on a casual basis. Most staff are engaged directly rather than on an indirect or labour hire basis.

Structure

Our main operating entities (following the acquisitions described above and at the end of the Reporting Period) are shown below¹.



¹ This shows main operating entities only. See Attachment A for full list of entities reporting under this Statement.

² Cardiac Cardiac Electrophysiology Institute of Australasia Pty Ltd.

Governance

Risk management & responsibilities

As a provider of healthcare to the Australian community, we operate under a strong corporate governance framework.

Advara HeartCare's Risk Management Framework sets out the process for identifying, analysing, evaluating and monitoring risks arising across the Group. Through this process, modern slavery has been identified and is monitored by our Board as a specific risk.

The Board has delegated responsibility for the overall management of modern slavery risks in our business to the General Counsel and the Head of Procurement.

The General Counsel is responsible for identifying, monitoring and reporting on modern slavery risks and impacts to the Board, and overseeing the implementation of the risk controls specified in the Risk Management Policy.

The Head of Procurement has day-to-day responsibility for assessing and managing modern slavery risks and impacts across our operations, including overseeing the implementation of the Procurement Policy, managing supplier due diligence, and measuring progress.

Policies

During the Reporting Period, our risk management framework as it applies to modern slavery risks – and the steps to be taken to reduce the risk of modern slavery in our operations – was supplemented by a number of other key internal policies. These included:

- ✓ **Procurement Policy:** seeks to ensure we have consistency and visibility in our approach towards procuring goods and services, and good governance around our purchasing decisions and how we manage our suppliers.
- ✓ **Whistleblower Policy:** encourages and empower our people to raise concerns, including in relation to modern slavery issues,.
- ✓ **Diversity & Inclusion Policy:** outlines our zero-tolerance approach to unlawful discrimination, including that no employee is adversely treated based on being or not being an officer or member of an industrial association or union.
- ✓ **Code of Conduct:** our minimum standards to help create a positive workplace.
- ✓ **Bulling, Harassment, Discrimination and EEO Policy** and **Safety and Quality Management Policy:** outline our commitment to a safe workplace (in their respective focus areas) including our responsibilities to our workforce.
- ✓ **Grievance Resolution Policy:** seeks to ensure clear and fair processes for employees to deal with any concerns or complaints.

Development of robust group policies was a strong focus of our 'stand alone' activities in the Reporting Period, and key policies have been actively promoted both individually and as part of our ESG framework (see p 9).

Our supply chain

Advara HeartCare sources a wide range of goods and services across its operations. This encompasses products and services used in the provision of clinical care, as well as goods and services with respect to our corporate and business needs.

Our key supply chain classes are:

- Medical consumables, medical equipment and associated maintenance services
- IT hardware and software (and third-party support services), telecommunication services
- Corporate business products, services and technology, including insurance, corporate travel services, and professional services (including legal and accounting)
- Facilities management and property related services, including cleaning, linen, and repairs and maintenance.

Advara HeartCare draws from both domestic and international suppliers to ensure the provision of quality products and services with a whole-of-life focus.

An overview of our supply chain for the Reporting Period is below.



649 active suppliers
in direct supply chain



Total supplier spend of
\$44+ million



99% of suppliers
headquartered in
Australia, Europe, US,
NZ or Canada



Top 30 suppliers
make up **50%** of total
spend

Assessing modern slavery risks

Assessment process

Advara HeartCare first assesses the degree of inherent modern slavery risk. This considers:

Product / service – is there a prevalence of modern slavery risk associated with the goods or services being provided?

Sector and industry – is there a prevalence of modern slavery risk in the industry or sector within the country where the supply chain resides?

This approach allows us to draw upon the Minderoo Foundation's Walk Free Initiative Global Slavery Index and other resources as needed.

For our supply chain, the assessment then considers the supplier questionnaire, which is designed to identify a range of modern slavery risks including through information on supplier's supply chain relationships, employment conditions, and own compliance and reporting measures.

We intend more closely adopt the UN Guiding Principles framework of "Cause, contribute to, or be linked" now that the Group, moving forward, will be better positioned to understand its supply chains, particularly secondary supply chains.

Findings

Advara HeartCare has assessed its operations as having a relatively low modern slavery risk. This is for reasons including:

- All our operations are based in Australia. This means we have a high level of control over our workplace environments and they meet Australian statutory and regulatory requirements
- Most staff are engaged directly by Advara HeartCare (with relatively minimal labour hire), and our employee remuneration and entitlements meet or exceed Australian minimum employment conditions.

This means our focus is on identifying and addressing any material risks of modern slavery in our external supply chains. We are not currently aware of any realised material issues (other than inherent risks) in this respect – noting:

- We identified certain procurement categories with known or potential modern slavery risk – medical consumables, uniforms, technology support services, and certain facilities management services (cleaning, security, and linen). However, no specific concerns were identified
- Most of our suppliers are based in Australia or other countries where modern slavery is not classified as high risk based on geography. For the couple that do operate in a higher-risk jurisdiction, whilst there is an inherent increased risk of modern slavery in the extended supply chain, no specific concerns were identified.

Addressing modern slavery risks

Advara HeartCare is committed to addressing the risk of modern slavery within our business and working in partnership with suppliers and stakeholders to influence change.

The Reporting Period was a unique year for Advara HeartCare with the clinic network transitioning to a new 'stand alone' structure and supplier management systems from October 2022 alongside the integration of CardioNexus. With respect to modern slavery, the priority was ensuring strong and consistent foundations across the Group, particularly with respect to embedding governance and processes. Related to this, there was also a focus on ensuring modern slavery was 'front of mind' in the engagement of key new group suppliers, in industries considered as having an inherent level of potential modern slavery risk.

The key actions included:

Due diligence of new suppliers	<p>Advara HeartCare has a modern slavery supplier questionnaire that was distributed to all new suppliers engaged under our new systems.</p> <p>The questionnaire was completed and reviewed in respect of suppliers in industries where there is a prevalence of modern slavery risk associated with the goods or services being provided, this included new vendors for medical consumables, uniforms, and facilities management services.</p> <p>The questionnaire is designed to identify the suppliers at risk of modern slavery based on a score / rating system.</p> <p>Further investigation may be undertaken depending on the level and nature of risk, as assessed through our general assessment process (p 7) and the questionnaire responses.</p> <p>The above due diligence activities are embedded in our supplier onboarding processes.</p>
Standard contractual clauses	<p>Advara HeartCare's standard contracts and supplier terms and conditions include modern slavery provisions (other than for certain individual staff engaged on a contracting basis). These include:</p> <ul style="list-style-type: none">• Requirements to take reasonable steps to identify, assess and address risks of modern slavery in the supplier's own supply chains, and take mitigation actions where required• Requirement that the supplier complies with the Act• Reporting and notification requirements in relation to modern slavery risks and incidents that become known to the supplier during its engagement. <p>We also required these clauses are included in all other supply contracts (i.e. supplier's terms) where practicable to do so.</p>

<p>Rationalisation of supply chains</p>	<p>The formation of the corporate group in October 2022 necessitated the procurement of several new Group-wide suppliers.</p> <p>This was an opportunity to consolidate suppliers in categories of risk, which we did with respect to medical consumables, facilitates management and technology support services. This allowed us to reduce modern slavery risk in key areas and also partner with high-calibre organisations that are experienced in managing the complex supply chains associated with these industries.</p>
<p>Disclosure & grievance mechanisms</p>	<p>Advara HeartCare encourages all its people to act with honesty and integrity and is committed to a culture of compliance and ethical behaviour generally. As a healthcare organisation, ethics and principles of disclosure and transparency, are embedded in our professional duties and the way we work.</p> <p>Staff and suppliers had continued access to incident and risk management reporting mechanisms, as well as grievance processes, throughout the Reporting Period.</p> <p>We also adopted a new Group whistleblowing framework with two internal whistleblowing protection officers. Should staff or our suppliers feel uncomfortable raising concerns through regular business channels, protected disclosures can be reported through this mechanism.</p>
<p>Employee tools</p>	<p>A critical component of any modern slavery strategy is employee awareness of the key signs of modern slavery, particularly amongst staff in roles that have heightened exposure to suppliers’ practices and supply chains.</p> <p>During the Reporting Period, staff had access to an intranet page dedicated to the management of human rights and modern slavery risks, and associated tools and resources.</p> <p>We also commenced planning for the preparation and delivery of modern slavery training. We intend to deploy this training in 2024 alongside a general awareness campaign.</p>
<p>ESG focus</p>	<p>There was also a strong organisational focus on ESG during the Reporting Period, meaning that good governance, compliance and social responsibility more generally have been ‘front and centre’ of our business priorities, initiatives and staff communications.</p>

Future actions

In FY24 Advara HeartCare will build upon the foundations of this first Modern Slavery Statement by strengthening its governance and due diligence processes, and engaging more closely with suppliers and other stakeholders.

It is anticipated that key action items will include:

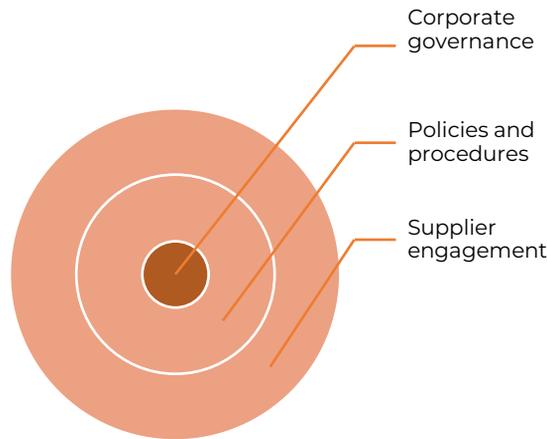
MS Action Plan	We intend to adopt a MS Action Plan which will include initiatives with respect to diligence and review of suppliers, review and adoption of policies designed to address risks of modern slavery and development of an effectiveness framework.
Due diligence of new suppliers	We will review and refine our questionnaire to align with best industry practice and following feedback from new suppliers.
Existing suppliers	We intend to review / map our existing key suppliers across the business and increase our visibility over suppliers' ongoing practices.
Policies	With respect to policies: <ul style="list-style-type: none"> • Introduction of a new Anti-Bribery, Corruption & AML Policy to formally prohibit bribery and related corrupt activities and include relevant safeguards • Ongoing review of existing policies for compliance with modern slavery legislation and other key resources such as the UN Guiding Principles on Business and Human Rights.
Training	Roll-out of staff awareness training alongside a general awareness campaign.
Whistleblowing program	Engagement of an external provider of whistleblowing services, to further facilitate the identification of modern slavery incidents (in accordance with our Whistleblower Policy) and otherwise enhance our oversight.



Effectiveness

Advava HeartCare has established initial Group indicators to measure the effectiveness of its actions.

During this Reporting Period, we focused on embedding group processes and gaining a better understanding of our modern slavery risks. At this stage, we are unable to assess as a group against more detailed metrics. However, a key focus of FY24 will be our approach to assessing effectiveness, as noted on p 10. We envisage the first phase (FY24 + 25) will be focused on adoption of more detailed metrics, establishing baseline numbers, and embedding a cross-functional approach to assessing effectiveness on an annual basis.



Initial indicators

Corporate governance	Application of Risk Management Framework	The Board has identified and monitors modern slavery risks as a corporate risk and has implemented a delegation of responsibility for monitoring and mitigating modern slavery risks
Policies & procedure	Policy and procedure reviews	Relevant policies, procedures and practices reviewed in line with prescribed timelines
	Grievance mechanisms	No modern slavery grievances were raised
Supplier engagement	Supplier questionnaire process	Questionnaire process embedded in new supplier onboarding
	Inclusion of standard clauses in new contracts where practicable	Achieved

*Does not include individual staff engaged directly on a contractor basis.

Consultation

The Group operates under a common and consistent governance framework.

This Statement was prepared by our internal group Legal team, with contributions from relevant group functions, including Procurement and People & Culture.

As part of the development of this Statement, we actively engaged and consulted with all entities we own or control. This included consultation with Management, shareholders and directors to discuss the matters the subject of this Statement. We note in particular that one or more directors from each entity covered by this Statement have reviewed and contributed to this Statement.

This has ensured awareness throughout the Group with respect to modern slavery risks and initiatives.

References

Mandatory criteria	Page
Identify the reporting entity	2
Describe the reporting entity's structure, operations and supply chain	4 to 6
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls	7
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes	8 and 9
Describe how the reporting entity assesses the effectiveness of these actions	12
Describe the process of consultation that any entities that the reporting entity owns or controls	13
Provide any other relevant information	10 and 11

Attachment A

'Group' entities

Entity	ACN	Previously reported
HeartHealth Holdco Pty Limited*	659 881 562	
HeartHealth Midco A Pty Limited*	659 882 265	
HeartHealth Midco B Pty Limited*	659 882 710	
HeartHealth Bidco Pty Limited*	659 883 020	
Advara HeartCare Pty Ltd *	111 943 830	✓
Advara SleepCare Pty Ltd	155 463 282	✓
ACPL Cathlab Pty Limited	148 060 520	✓
Adelaide Cardiology Pty Limited	115 967 649	✓
Advara SleepCare WA Pty Ltd	165 755 760	✓
Bundaberg Cardiology Pty Ltd	139 116 779	✓
G Heart Care Pty Ltd	603 395 437	✓
Greater Valley Echo Pty Ltd	112 251 500	✓
Heart Care Partners Pty Ltd	111 296 201	✓
Heart Care Queensland Pty Ltd	111 980 397	✓
Heart Care Research Pty Ltd	103 238 133	✓
Heart Care Victoria Pty Ltd	124 315 886	✓
Heart Care Western Australia Pty Ltd	127 418 526	✓
Hearts West Echos Pty Ltd	131 701 721	✓
Hearts West Services Pty Ltd	118 913 189	✓
Hearts West WA Pty Ltd	118 913 198	✓
Queensland Heart Clinic Pty Ltd	067 410 011	✓
Queensland Respiratory Laboratory Pty Ltd	010 798 731	✓
Cardionexus Pty Ltd	118 213 899	
Cardiac Electrophysiology Institute of Australasia Pty Ltd	150 254 596	
Cardionexus Imaging Pty Ltd	125 305 991	
TickerCardiology Pty Ltd	610 629 760	
Epicentre Medical Pty Ltd	116 227 377	
Mazevo Health Pty Ltd	655 471 471	
Cardionexus Holdings Pty Ltd	632 537 743	

*Required to report under the Act.