

MODERN SLAVERY STATEMENT

JULY 2019 - JUNE 2020

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 2019 to 30 June 2020.

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 900 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 organizations with a distinctive competitive advantage, has delivered top-quartile returns.

200+
BRANDS
REPRESENTED



30,000+
PRODUCTS



BUSINESS STRUCTURE

Device Technologies Group employs approximately 900 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 10 employees based in offices in Singapore and Thailand as well as sales representation in the USA and Fiji.

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

- Device Technologies New Zealand Ltd
- Device Technologies Private Limited (Singapore)
- Advanced Skin Technology
- Aspect Skin Care International
- Auspect Skincare International
- 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

All subsidiaries above are a part of Device Technologies Australia Pty Ltd and have been consulted in the development of this modern slavery statement. Where certain subsidiaries have discrete modern slavery risks, these have been identified within this statement.

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.
- There are contracted sales distributors utilised in Singapore & Thailand



- Device Technologies Group maintains its chief sales and marketing and support functions in Belrose, NSW.
- Warehouse locations are 6 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 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 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

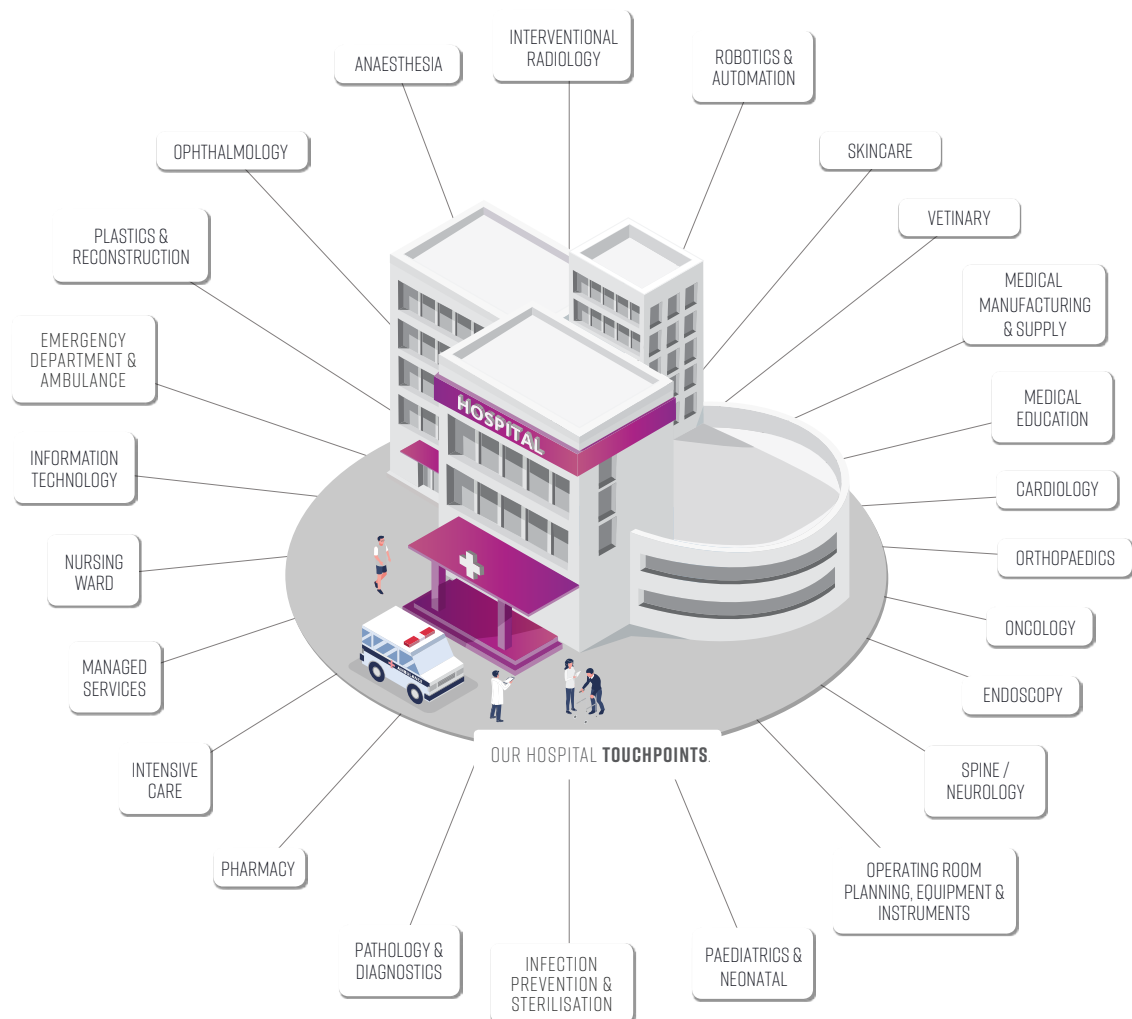


VETERINARY

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 predominantly large multi-national businesses with well-established policies and practices to manage modern slavery risk in their supply chain. As such, for the majority of products in the first tier of DTG's supply chain the risk of modern slavery is deemed low.

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 and professions.

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 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 model is applicable to a number of DTG subsidiaries. DTG subsidiaries of note (where this practice is more prominent in their product offering), is 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), 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

Supplier Code of Conduct

DTG commenced development of a Supplier Code of Conduct, which will require suppliers to actively certify their compliance with DTG governance requirements including modern slavery and human rights. The formalisation of this Supplier Code of Conduct will permit DTG to obtain further confidence that suppliers have adequate procedures in place to manage modern slavery risk. Alongside contractual provisions, the Supplier Code of Conduct will also permit 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.

Modern Slavery and Human Rights Policy

DTG has drafted a Modern Slavery and Human Rights Policy to be released during the next reporting period. In conjunction with the rollout of the Supplier Code of Conduct, this policy will establish DTG's expectations of our suppliers and acts to provide DTG with confidence that modern slavery risk is being managed effectively within our supply chain.

Contractual Controls

As a product distributor, DTG is often bound by the contractual provisions of our international suppliers, which themselves have strict requirements of us in relation to modern slavery risk. In circumstances where our contracts are in place, we have contractual provisions which require that all relevant laws are adhered to. In more recent contracts, modern slavery is directly referenced – however, this is not consistently applied.

Risk Steering Committee

DTG recognised that modern slavery risk could not 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, Regulatory, People & Culture and Supply Chain has ownership. The RSC sets the direction to manage modern slavery risk and has oversight of the effectiveness of the control framework.

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.

Navis oversight

As part of the acquisition of DTG by Navis, Navis conducted an audit of DTG's operations to understand risks inherent within the business' practices. At the time the audit was conducted there was no identified modern slavery risk.

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.

Escalation Mechanisms

DTG has longstanding escalation mechanisms in place, whereby through commercial avenues (or more recently 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.

Advanced Skin Technology (AST)

AST wrote to all suppliers in mid-2019 communicating requirements regarding modern slavery. This was reinforced during a face-to-face presentation in November 2019, articulating AST's expectations for management and reporting of modern slavery risk within the supplier's supply chain.

AST has received proactive verification from suppliers following their site visits to factories (DTG's tier 2/3 supply chain), asserting that the risk of modern slavery was low and being managed adequately.

Haines Medical

Haines undertakes supplier factory visits where various risk factors (including modern slavery), are assessed. Additionally, Haines has developed a supplier factory audit assessment which is being progressively implemented.

5.0 NEXT STEPS

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

Supplier Code of Conduct

DTG will issue the aforementioned Supplier Code of Conduct to all third parties requiring compliance to and active acknowledgement of various governance requirements – including our Modern Slavery and Human Rights Policy.

Modern Slavery and Human Rights Policy

The DTG Modern Slavery and Human Rights Policy will be launched externally in conjunction with the Supplier Code of Code (and require supplier's to actively acknowledge compliance to its requirements). The Modern Slavery and Human Rights Policy will also be made readily available both internally via the company intranet and externally via the device.com.au website.

Employee Training

All employees will be provided with mandatory awareness training on modern slavery. This will require completion during the period of induction for new employees and will be refreshed every two years for employees with ongoing tenure.

Contract Clauses

Where DTG contracts are used with suppliers of DTG, contractual provisions will be 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 will be 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 will be used.

Third Party Due Diligence Screening

Due diligence screening, including an assessment on modern slavery risk, will be conducted on DTG's key principal product suppliers during the next reporting period.

Recruitment of Compliance and Risk Manager

Headcount has been approved to recruit a dedicated Compliance and Risk Manager. This role will act to support all subsidiaries across DTG and bring additional focus to managing modern slavery risk across DTG.

For further information please contact Device Technologies Group
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