

4Cyte Pathology Pty Ltd (ABN12 619 244 852)

Modern Slavery Statement

1 July 2022 to 30 June 2023

Legislation: *Modern Slavery Act 2018* (Cth) (Modern Slavery Act)

Reporting Year: 3

Reporting Period: 1 July 2022 – 30 June 2023 (Financial Year 2023)

19 December 2023

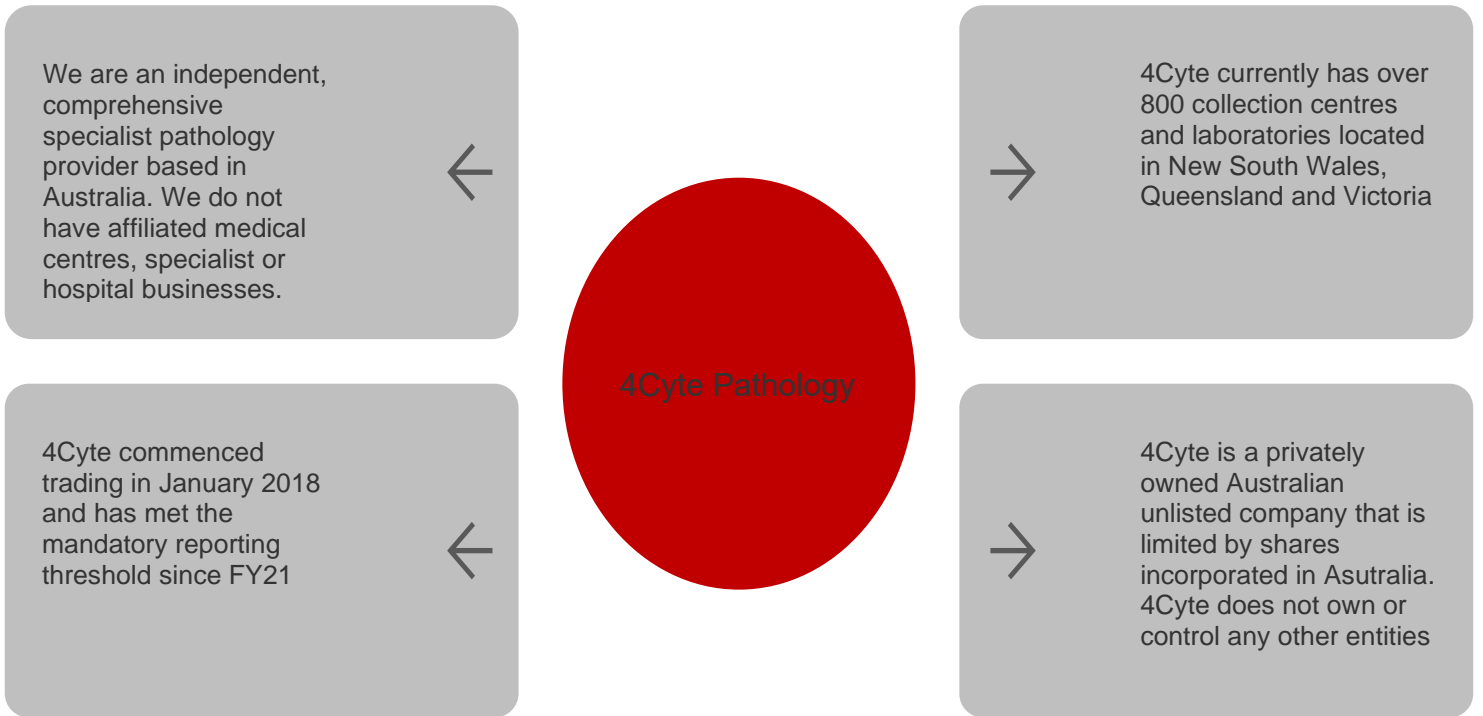
1. Criterion 1: Identify the reporting entity

- The reporting entity is 4Cyte Pathology Pty Ltd ABN 12 619 244 852 (referred to as **we, us, our** in this Statement).
- 4Cyte is a reporting entity under the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**) and this modern slavery statement (**Statement**) covers the financial year ending 30 June 2023.
- This is our third reporting period under the Modern Slavery Act and we continue to use the Commonwealth Modern Slavery Act Guidance for Reporting Entities (**Government Guidance**) available on the Modern Slavery Register website to help us prepare this Statement and inform our approach to reporting on the risks of modern slavery in our operations and supply chains and the actions we are taking to address those risks.
- In our first statement we outlined an indicative 2 year roadmap of the work we set out to achieve. We are pleased to report that we have progressed a number of key items. In the next reporting period we will aim to focus on implementing and integrating these measures as well as progressing other items in our roadmap.

2. Criterion 2: Describe the reporting entity's structure, operations and supply chains

2.1 Our Structure

4Cyte currently has over 800 collection centres and laboratories located in New South Wales, Queensland and Victoria. Our main laboratory is located in Sydney and we have branch laboratories in Melbourne and Brisbane. To support its operations, 4Cyte engages approximately 1,700 employees based in its laboratories and collection centres in Australia. We employ staff directly and/or via accredited employment agencies. All staff are paid in accordance with statutory requirements.

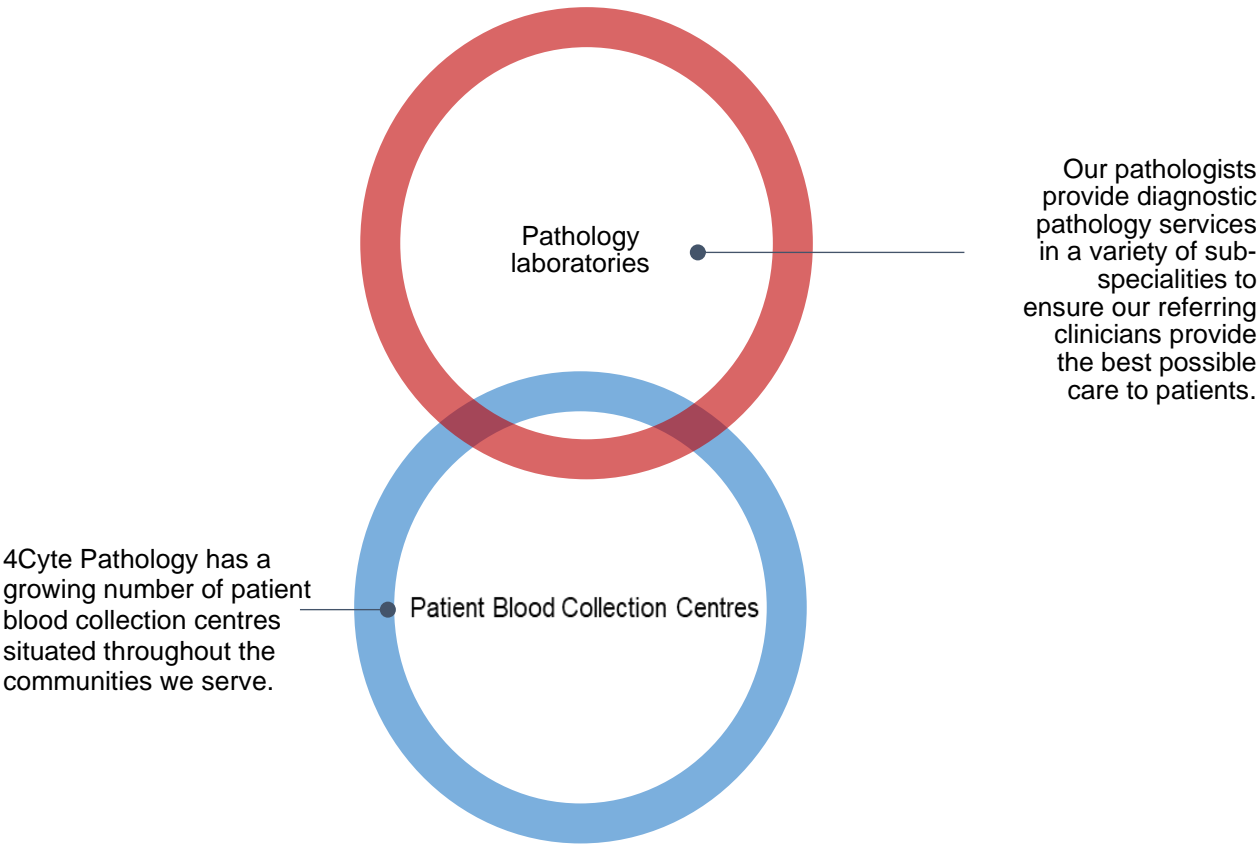


2.2 Our Operations

4Cyte provides a comprehensive range of services including:

- chemical pathology;
- cytology;
- haematology;
- histopathology;
- Immunology;
- serology;
- microbiology; and
- molecular diagnostics.

Our **key operations** involve:



2.3 Our Supply Chains

2.3.1 4Cyte’s supply chain comprises more than 1,000 suppliers, however, we procure approximately 90% of goods/services from our top 70 suppliers.

2.3.2 The majority of these suppliers are Australian companies that partner with and source from reputable international suppliers and brands. However, we also procure goods/services from companies with headquarters in the USA, Germany, UK and Canada.

2.3.3 We procure goods and services in the following **key categories**:

Operations	Supply Chains
Information technology	Information technology equipment and services and software
Medical Products and Services	Specialised laboratory equipment Laboratory reagents and consumables Medical consumables

Operations	Supply Chains
	Medical equipment Pharmaceuticals Independent services including all pathology professionals
Professional Services	Legal and financial advisory Recruitment and administrative support
Facilities management and Transport	Logistics (including air charters) Travel and transport Medical and non-medical waste management

3. Criterion 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity.

- 3.1.1 In this section we identify the 'risks of modern slavery practices', meaning the potential for 4Cyte to cause, contribute to, or be directly linked to modern slavery through our operations and supply chains.
- 3.1.2 During this reporting period we have not been made aware of any specific incidents of modern slavery.
- 3.1.3 In our foundation reporting year, 4Cyte conducted a high-level thematic review based on the Government Guidance, of our key suppliers in order to identify the possible risks of modern slavery in our operations and supply chain. In conducting this review we have also looked at:
- The Australian Council of Superannuation Investors 'Modern Slavery Risks, Rights and Responsibilities Report' (**ACSI Report**); and
 - The Global Slavery Index 2018 of the Minderoo Foundation (**Global Slavery Index**).

The risks we identified in our foundational year continue to be the focus of our efforts as we aim to take a prioritised approach in line with the Government

Guidance. In this Statement we have also outlined risks in our operations. See section 3.3 below.

3.2 Identified Risks in our Supply Chains

3.2.1 4Cyte acknowledges that specific industries and products carry more risks than others and that the geographical locations of some suppliers as well as that of their supply chains and operations can increase the modern slavery risks involved.

3.2.2 We have identified the following **key risks**:

Sector and industry risks	Product and services risks
<p>4Cyte engages with suppliers in industries that are considered 'high risk' by the Government Guidance. These include:</p> <ul style="list-style-type: none"> • Cleaning: The cleaning sector is high risk because it tends to rely on the use of foreign workers or temporary or unskilled labour to carry out functions which are not immediately visible because the work is undertaken at night-time or in remote locations • Life Science Sector: the independent ACSI Report identifies the broader life sciences sector faces significant human rights challenges in pharmaceuticals, medical device manufacturing, as well as bio-technology. These include workers' exposure to toxic materials, unfair wages, failure to obtain proper consent in clinical trials and forced labour in production of raw materials for medical devices 	<p>According to the ACSI Report, the health sector faces its highest modern slavery risks in the procurement of medical goods, including:</p> <ul style="list-style-type: none"> • electronics; • Personal Protective Equipment including: <ul style="list-style-type: none"> - gloves - gowns - glasses - face shields • surgical equipment; and • medical supplies <p>Of particular note is the glove manufacturing industry: Suppliers in the glove manufacturing industry have reportedly violated labour rights by pressuring workers with severe production targets, withdrawal of wages, recruitment fees worth the same as three months of pay, sub-standard working conditions and confiscation of identification documents.</p>
Entity risks	Geographic risks
<p>We understand that modern slavery risks can be entity based. However, 4Cyte engages with large scale, reputable suppliers and upon conducting a review of our top suppliers, have learned that many of these are reporting entities themselves for the purposes of the Modern Slavery Act.</p> <p>Many of our suppliers have their own ethical sourcing strategies. However, we acknowledge that this is an area in which we are able to take a more detailed approach to risk assessment in years to come. This may involve the circulation of supplier surveys in order to assess any entity-based risks in more detail.</p>	<p>We know that suppliers from certain countries have higher risks of modern slavery.</p> <p>We have, identified companies in our supply chain that have manufacturing sites in Costa Rica, the Dominican Republic, Puerto Rico, Singapore, China, Scotland, Hungary, Belgium, Italy, Ireland, Germany, the UK, Bosnia, Israel, Spain, and France.</p> <p>The Global Slavery Index ranks countries based on the government response to modern slavery. The Index identifies 10 countries that are taking the least action against modern slavery risks – 4Cyte has not identified that any of its suppliers operate in those countries.</p> <p>However, some of our suppliers have manufacturing plants in countries that are considered high risk in</p>

terms of modern slavery such as China and the Dominican Republic.

We also note that whilst the majority of our suppliers are based in Australia, according to the [ACSI report](#), many Australian health care companies source their workers and goods from Asia, where low-cost labour is widespread.

Nevertheless, a many of the countries that our suppliers operate in are considered to be taking the considerable action against modern slavery (e.g. United States, France, Spain and Belgium and the United Kingdom).

In accordance with the Government Guidance, we aim to take a prioritised, risk-based approach. Accordingly, we will be focusing our attention on the higher risk areas including:

- Personal Protective Equipment with a particular focus on gloves; and
- Suppliers with manufacturing sites in high risk areas.

3.3 Our operations – employment of direct / permanent workers

We did not identify any significant risks in connection with the employment of our direct/permanent workers nor any potential for us to *cause* or *contribute* to modern slavery risks through our employment practices. All of our employees are employed in Australia which has been identified in the Global Slavery Index 2018 as having a relatively low prevalence of modern slavery. We regularly assess and ensure that our employment agreements and practices are compliant with all laws in the applicable jurisdictions. Further, all casual or contract staff we engage are paid in accordance with at least the minimum defined pay rates for their classification.

4. Criterion 4: Describe the actions taken by the reporting entity to assess and address these risks, including due diligence and remediation processes

- 4.1 In 4Cyte's third reporting period under the Modern Slavery Act, we continued to make progress and improve upon the actions taken in earlier reporting periods.
- 4.2 In our last statement we set out our goals for actions we aimed to achieve over the course of the next reporting periods in order to better assess and address modern slavery risks in our operations and supply chains.
- 4.3 During this reporting period, we have progressed a number of key actions in line with our Anti-modern slavery compliance goals. We will continue to take a targeted approach over the next few years which is aimed at addressing the key risks we have identified in a prioritised, risk-based manner.
- 4.4 In our second reporting period, and prior to submitting this Statement, we have focussed on:



Internal Assessment: We continue to use our initial internal risk to inform our approach of the steps we are taking. The foundational high-level review of our procurement and supply chains which identified areas of higher risk, has informed our approach to the steps we have taken during this reporting period and intend to progress in FY24.



Review of our Contractual Measures: We have amended our standard procurement agreement to include the Australian Government model modern slavery clauses.



Supplier Code of Conduct: In this reporting period, we informed our procurement team of the need to submit to vendors the Supplier Code of Conduct which we have developed. Our Supplier Code of Conduct is aligned with the Government Guidance's recommendation for entities to work with suppliers to remediate issues and prioritise reducing harm to victims.



Training and education: In this reporting period, we rolled out training resources and presentations targeted for key staff including our procurement team. This is a step we are taking to continuously improve our awareness about modern slavery within 4Cyte. As well as improving general awareness about modern slavery risks, this training is also designed to educate our key staff on how to identify and escalate modern slavery risks and the steps that 4Cyte will be taking to assess and address modern slavery risks. We intend to continue delivery of this training in future reporting periods.



Policy: We understand from the Government Guidance that we are able to respond more effectively if we have a pre-agreed process or policy in place to guide our actions. Our Anti-Slavery and Anti-Human Trafficking Policy has been circulated to all staff. This Policy sets out our commitment to addressing modern slavery risks and makes clear how staff can raise an issue or concern.

5. Criterion 5: Describe how the reporting entity assesses the effectiveness of these actions

5.1 4Cyte understands the importance of being able to objectively assess the effectiveness of the actions we take to assess and address modern slavery risks.

5.1.1 In this reporting period, we have taken learnings from our earlier reporting periods and focussed on identifying the risks of modern slavery in our operations and supply chains and begun to implement changes to our current policies and processes to better assess and address modern slavery risks in our operations and supply chains. 4Cyte currently has a risk management framework to review and monitor risks in our business operations, however we plan to have more advanced mechanisms in place to specifically address the risk of modern slavery as our compliance strategy develops and matures.

- 5.1.2 We will continue to conduct internal assessments of our existing policies and procedures in order to ensure we are able to identify and respond to modern slavery risk. We will ensure that our engagement with our top suppliers is ongoing, active and secure. This will allow us to circulate supplier surveys that will give us a more granular understanding of the potential risks in our supply chains.
- 5.1.3 In respect of this reporting period, we took meaningful steps in line with our Anti-modern slavery compliance roadmap to begin delivering on the KPIs which we set out for ourselves over the FY22 and FY23 reporting period in our last statement.
- 5.1.4 In particular we achieved the following progress in respect of our KPIs:
- (a) delivered training to key staff involved in procurement;
 - (b) ensured all employees have read and understood what is required of them under our Anti-Slavery and Anti-Trafficking Policy;
 - (c) started implementing our Supplier Code of Conduct; and
 - (d) updated our standard procurement agreement to include Australian Government model modern slavery clauses.
- 5.1.5 4Cyte understands that key performance indicators (KPIs) are an effective way to measure how effective we have been in identifying and mitigating modern slavery risks in our business or supply chain. Our KPI's for FY24 intend to build on our progress so far and include the following:

Goals for FY24

- (a) Drafting a supplier survey which includes a number of questions specifically targeting potential modern slavery indicators that can be circulated to our key suppliers;
- (b) Drafting a targeted pre-screening questionnaire for prospective suppliers; and
- (c) Consider the development of a modern slavery incident response guide.

6. Criterion 6: Describe the process of consultation with any entities the reporting entity own or controls

4Cyte does not own or control any other entities and is not making a joint Statement. Accordingly, we were not required to consult with any other entities in giving this Statement.

7. Criterion 7: Provide any other relevant information

7.1 Looking Ahead:

- 7.1.1 We have a defined plan of the goals we hope to achieve with our Anti-modern slavery compliance roadmap which were informed by our initial risk mapping exercise conducted in our first reporting period and the Government Guidance.
- 7.1.2 This Statement outlines the number of keys steps taken during the reporting period such as developing training and education materials, drafting an Anti-modern Slavery Policy and drafting a Supplier Code of Conduct.

7.1.3 For the next reporting period (FY24), we hope to continue our progress including to integrate key measures and report on that progress.

MODERN SLAVERY ACT 2018 (CTH) – STATEMENT ANNEXURE

Principal Governing Body Approval

This modern slavery Statement was approved by the board of 4Cyte Pty Ltd in their capacity as *principal governing body* of 4Cyte Pty Ltd (ABN 2 619 244 852) as defined by the Modern Slavery Act 2018 (Cth) on [insert] 2023.

Signature of Responsible Member

This modern slavery Statement is signed by a *responsible member* of 4Cyte Pty Ltd (ABN 2 619 244 852) as defined by the Act on 19/12/2023 :



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Andrew Kenneth Duff (Dec 19, 2023 09:49 GMT+11)

Andrew Duff

Chairperson, 4Cyte Pathology Pty Ltd

Mandatory Criteria

Please indicate the page number/s of your Statement that addresses each of the mandatory criteria in section 16 of the Act:

Mandatory Criteria	Page number/s
a) Identify the reporting entity.	2
b) Describe the reporting entity's structure, operations and supply chains.	2-4
c) Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	5-7
d) Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	7-8
e) Describe how the reporting entity assesses the effectiveness of these actions	8-9
f) Describe the process of consultation on the development of the Statement with any entities the reporting entity owns or controls	9
g) Any other information that the reporting entity, or the entity giving the Statement, considers relevant. **	9-11

4Cyte Modern Slavery Statement FY23

Final Audit Report

2023-12-18

Created:	2023-12-18
By:	James Willison (james.willison@4cyte.com.au)
Status:	Signed
Transaction ID:	CBJCHBCAABAAQsmREHKqME-PRyPhd_jCCLCSddmhMSEh

"4Cyte Modern Slavery Statement FY23" History

-  Document created by James Willison (james.willison@4cyte.com.au)
2023-12-18 - 10:06:53 PM GMT- IP address: 155.190.55.6
-  Document emailed to Andrew Kenneth Duff (andrewduff2540@gmail.com) for signature
2023-12-18 - 10:06:56 PM GMT
-  Email viewed by Andrew Kenneth Duff (andrewduff2540@gmail.com)
2023-12-18 - 10:18:19 PM GMT- IP address: 172.225.156.47
-  Document e-signed by Andrew Kenneth Duff (andrewduff2540@gmail.com)
Signature Date: 2023-12-18 - 10:19:04 PM GMT - Time Source: server- IP address: 101.190.159.98
-  Agreement completed.
2023-12-18 - 10:19:04 PM GMT