



SONIC  
HEALTHCARE  
LIMITED

# Our Commitment to Human Rights 2024

Modern Slavery Statement

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## About 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, Australia. The 2024 Modern Slavery Statement (Statement) has been published in accordance with the Australian *Modern Slavery Act 2018 (Cth)* and the United Kingdom Modern Slavery Act 2015 (UK).

The Statement sets out the actions Sonic has taken to assess and address modern slavery and human rights risks and any potential incidents in our domestic and global operations and supply chains during year ended 30 June 2024.

This Statement assumes the definition of modern slavery to include the trafficking of people, slavery, servitude, forced labour, debt bondage, deceptive recruiting for labour or service, and the worst forms of child labour (as defined in Article 3 of the ILO Convention).

This Statement was approved by the Sonic Healthcare Board on 11 November 2024 and is signed by the Chief Executive Officer of Sonic Healthcare Limited, who is also a member of the Board. This Statement is published on our [website](#) and will be lodged with the Australian Government's Modern Slavery Statements Register.

## Entities covered by this Statement

Sonic makes this single joint Statement on behalf of itself and each Australian reporting entity (listed below), as defined in Section 5 of the Australian Modern Slavery Act:

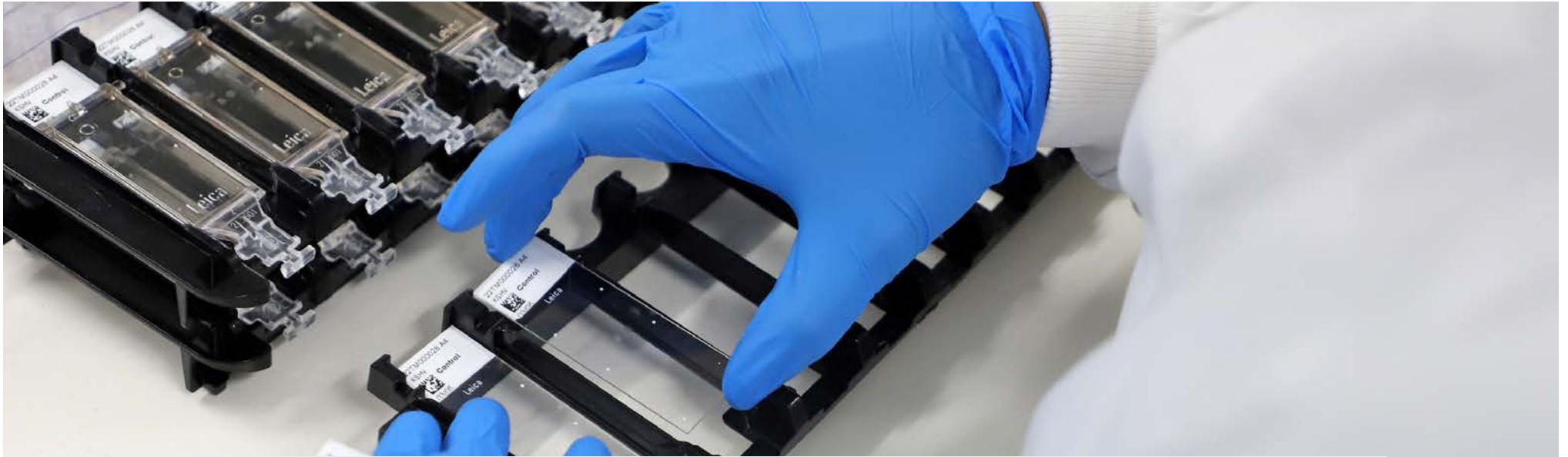
- Sonic Healthcare Services Pty Limited
- Douglass Hanly Moir Pathology Pty Limited
- Clinpath Laboratories Pty Limited
- Clinpath Pathology Pty Limited
- Melbourne Pathology Pty Limited
- Sullivan Nicolaides Pty Limited
- Queensland X-Ray Pty Limited
- SKG Radiology Pty Limited
- Sonic Clinical Services Pty Limited
- IPN Medical Centres Pty Limited
- Sonic HealthPlus Pty Limited

This Statement also fulfils the requirements of Section 54 of the Modern Slavery Act 2015 (UK), and has been prepared and published on behalf of:

- The Doctors Laboratory Limited (Sonic's primary UK subsidiary)
- Health Services Laboratories (to the extent it provides support to The Doctors Laboratory Limited and carries on a business in its own capacity).

In addition to the above reporting entities, this Statement also covers all other entities ultimately controlled by Sonic, a full list of which can be found in the Consolidated Entity Disclosure Statement on pages 145 to 154 of Sonic's [Annual Report 2024](#).

For the avoidance of doubt, this Statement does not cover Sonic's joint ventures in which Sonic does not have operational control.



## Consultation

This Statement has been prepared by Sonic Healthcare in consultation with each Sonic division across all countries of operation. This consultation is based on input from the Sonic Global Human Rights Committee, which includes senior management representation from every country of operation. The Global Human Rights Committee meets formally twice a year to discuss key topics relating to modern slavery in our global operations and supply chains, such as higher risk product categories in our supply chains, and to agree on the content of our Statement.

In addition to these dedicated meetings, members of the Global Human Rights Committee meet monthly discuss a range of topics, including any new intelligence on current or emerging modern slavery risks in our supply chains, progress on any corrective actions undertaken by any of our suppliers, employee training and identification of any process improvements that can be implemented to improve the effectiveness of our modern slavery actions. For more information refer to page 11 - Our structure and operations.

Our consultation process also includes input from Sonic Healthcare's Board of Directors which oversees and approves the content of this Statement.

## Acknowledgement of Country

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.

Sonic Healthcare recognises the ongoing vigilance required to tackle modern slavery in all its forms.



## CEO's Message

Sonic Healthcare recognises the ongoing vigilance required to tackle modern slavery in all its forms. As a healthcare company, people are at the heart of everything we do. This extends from staff, to referring doctors and patients, and to those involved in our supply chains.

During FY2024, we continued to build upon our existing human rights awareness foundations, working with staff and suppliers to ensure a high-level understanding of what constitutes modern slavery, what to look for and how to report any suspicions. This included training modules, face-to-face meetings and contractual clauses in supplier agreements.

With operations in seven countries, Sonic has extensive supply chains, with more than 16,000 Tier 1 suppliers. Our risk-based approach includes focusing on suppliers in higher-risk categories, such as disposable glove manufacturers and cleaning suppliers. This adds to regular surveillance through media monitoring and discussions with peers to ensure we stay abreast of potential instances of modern slavery within our supply chains. Sonic will continue to invest in systems and processes that optimise the proactive management of these risks.

On behalf of the Board of Sonic Healthcare, which has approved this Statement, I am pleased to present it for your reading.

**Dr Colin Goldschmidt**  
CEO - Sonic Healthcare  
11 November 2024



# Introduction

Sonic Healthcare is a leading international healthcare company with specialist operations in pathology/laboratory medicine, radiology, general practice medicine and corporate medical services.

We are committed to clinical and operational excellence in the delivery of medical services to doctors and patients alike.

Our diagnostic and clinical services are provided by more than 2,000 pathologists, radiologists and general practitioners and almost 17,000 medical scientists, radiographers, sonographers, technicians and nurses, all of whom are led by highly experienced medical personnel, from Board level through to the management of our local practices.

Our staff are supported by ongoing investments in state-of-the-art medical technologies and facilities, as well as secure proprietary information systems that are customised to meet the specific needs of our organisation and its stakeholders. This is backed by a firm commitment to maintaining uncompromising ethical standards in business management and medical practice.

## Medical Leadership

Medical Leadership – leaders who understand and respect doctors and the medical profession – is the primary tenet of Sonic’s success. It permeates our entire organisation and inspires our people to deliver superior healthcare outcomes for both doctors and patients.

Our leaders are medical doctors or experienced healthcare professionals who are passionate about healthcare and the ethical, respectful and caring approach it requires. They prioritise service, patient safety and quality and are empowered to act in the best interests of clinicians and patients. This is reinforced by strong clinical governance, which is embedded into each of our healthcare businesses.

Medical Leadership is enshrined in Sonic’s corporate culture and reflects our understanding that medicine is a profession rather than a business. This ethos is embraced by Sonic people at all levels of our organisation, who understand the vital role they play in delivering our high-quality medical services.

## The Sonic Difference

Sonic Healthcare is different. From the way we go the extra mile for our doctors and patients, to the care and respect with which we treat each other as colleagues, the Medical Leadership culture that makes Sonic Healthcare unique and inimitable has been nurtured over 35 years.

Sonic’s culture is codified into four different elements – Medical Leadership, Core Values, Medical Leadership Principles and our Federated Model. Collectively, these are known as ‘The Sonic Difference’.

Together with our passionate and committed people – who exemplify The Sonic Difference and everything that it stands for – these four elements have seeded Sonic’s culture and been the foundations of our historical success, helping to solidify our well-earned reputation for medical excellence and being a highly desirable place to work.



## Medical Leadership Principles

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

Sonic’s Medical Leadership Principles provide our people with clear guidelines on how to interact with our external stakeholders – doctors, patients, other customers and our local and global communities – to ensure we provide the highest standards of clinical and operational excellence for the doctors and patients we serve. They also reflect our deep understanding of the special complexities, obligations and privileges of medical practice.

Our Medical Leadership Principles are endorsed by the Sonic Board and provide all Sonic staff with clear guidelines about the interaction between Sonic’s people and its external stakeholders.



**SONIC HEALTHCARE**

### Core Values

- Commit to service excellence**  
To willingly serve all those with whom we deal, with unsurpassed excellence.
- Treat each other with respect and honesty**  
To grow a workplace where trust, team spirit and equity are an integral part of everything we do.
- Demonstrate responsibility and accountability**  
To set an example, to take ownership of each situation to the best of our ability and to seek help when needed.
- Be enthusiastic about continuous improvement**  
To never be complacent, to recognise limitations and opportunities for ourselves and processes and to learn through these.
- Maintain confidentiality**  
To keep all information pertaining to patients, as well as professional and commercial issues, in strict confidence.

## Our Core Values

Sonic’s Core Values were developed by our staff more than 20 years ago, and act as guiding principles for how we conduct ourselves as an organisation.

Our Core Values set the standard for the collegiate and supportive way in which we behave towards one another, 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 and patients.

Since their inception, Sonic’s Core Values have been embraced by Sonic people around the world as a unifying code of conduct. They are the blueprint for our interactions with colleagues and customers, and the yardstick by which we measure the performance of our duties.

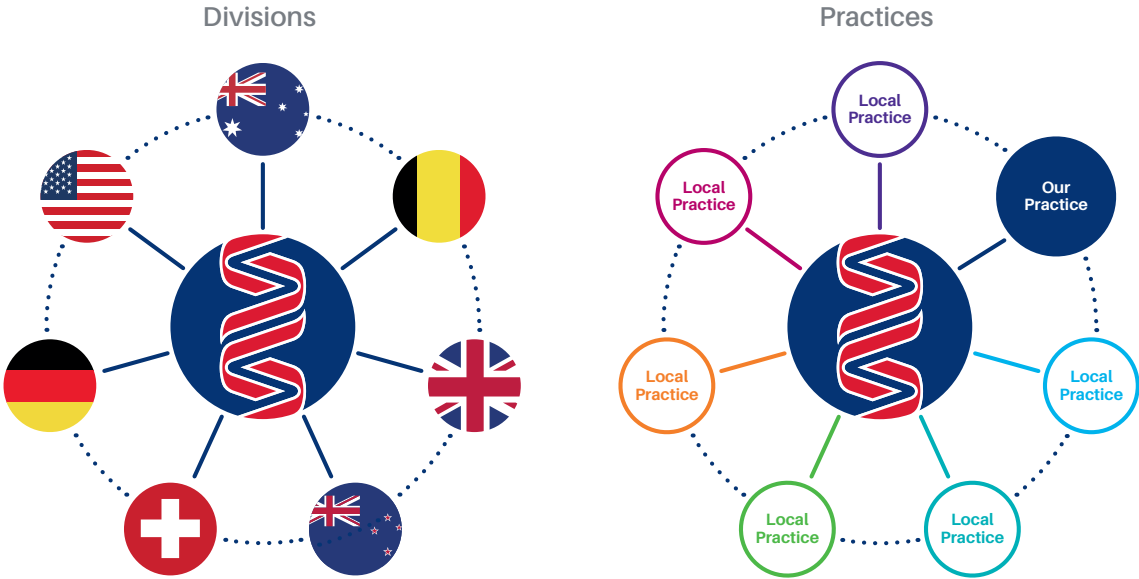
These five key principles form an integral component of our Code of Conduct and Ethics.

### Our Federated Model

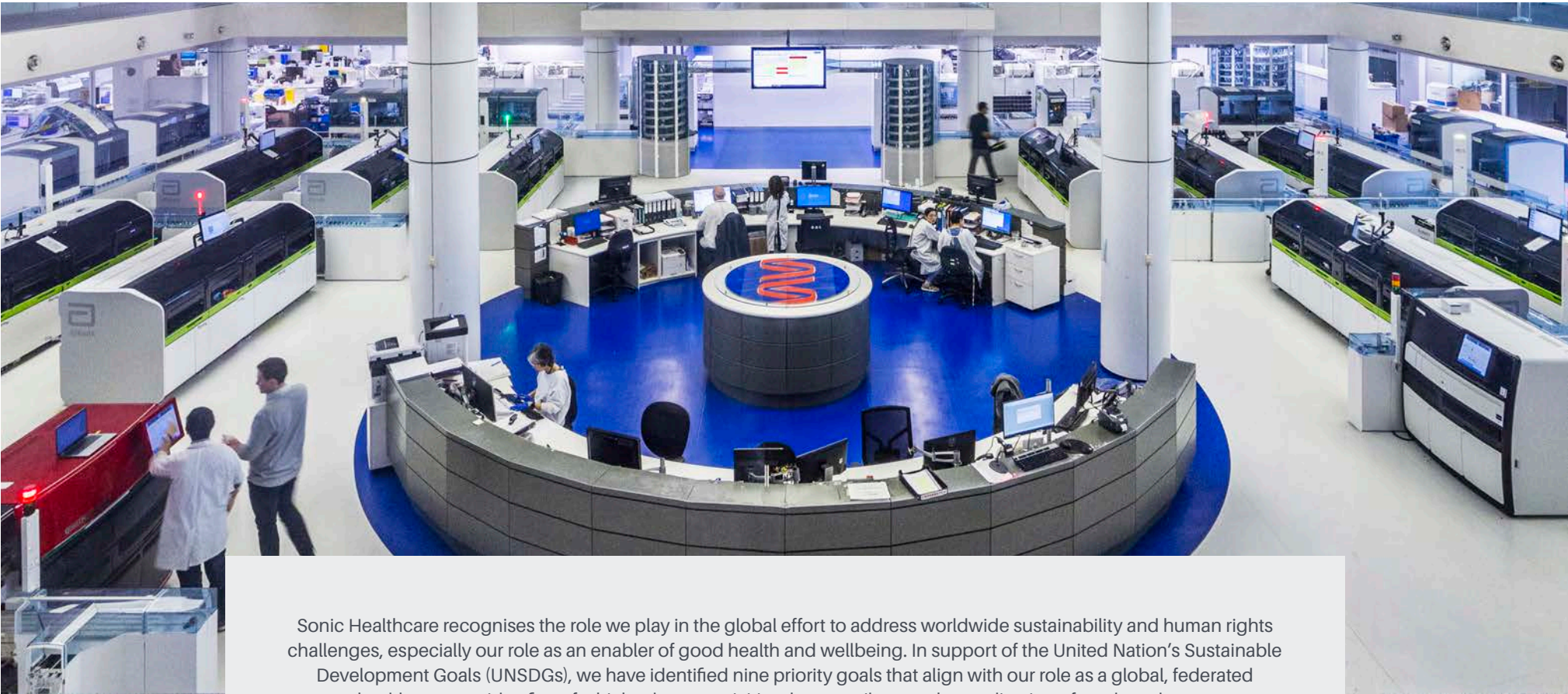
Sonic’s federated management structure unites our global businesses under the shared objectives of Medical Leadership, while giving them the autonomy to meet the specific needs of their local referring doctors and patients.

This model favours retention of local management teams, with localised branding and service provision. Backed by Sonic’s global resources, this approach has been integral to our ongoing success, preserving the foundation brand names of our organisations and their long-term goodwill.

Our federated structure also fosters the opportunity to share knowledge and experience, allowing us to develop synergies and establish best practices, further strengthening the foundations for Sonic’s continued growth and prosperity into the future.



# SUSTAINABLE DEVELOPMENT GOALS



Sonic Healthcare recognises the role we play in the global effort to address worldwide sustainability and human rights challenges, especially our role as an enabler of good health and wellbeing. In support of the United Nation’s Sustainable Development Goals (UNSDGs), we have identified nine priority goals that align with our role as a global, federated healthcare provider, five of which relate to activities that contribute to the eradication of modern slavery.

For further information on how we align to the UNSDGs, please refer to our [Sustainability Report 2024](#)





## Our services

Sonic Healthcare provides high-quality pathology/laboratory medicine, radiology, general practice and corporate medical services.

With almost 3,500 locations globally, we deliver accessible, affordable services to 131 million patients each year in a professional environment that emphasises accuracy, reliability and safety. We operate within an ethical framework that always focuses on the doctors and the patients we serve.

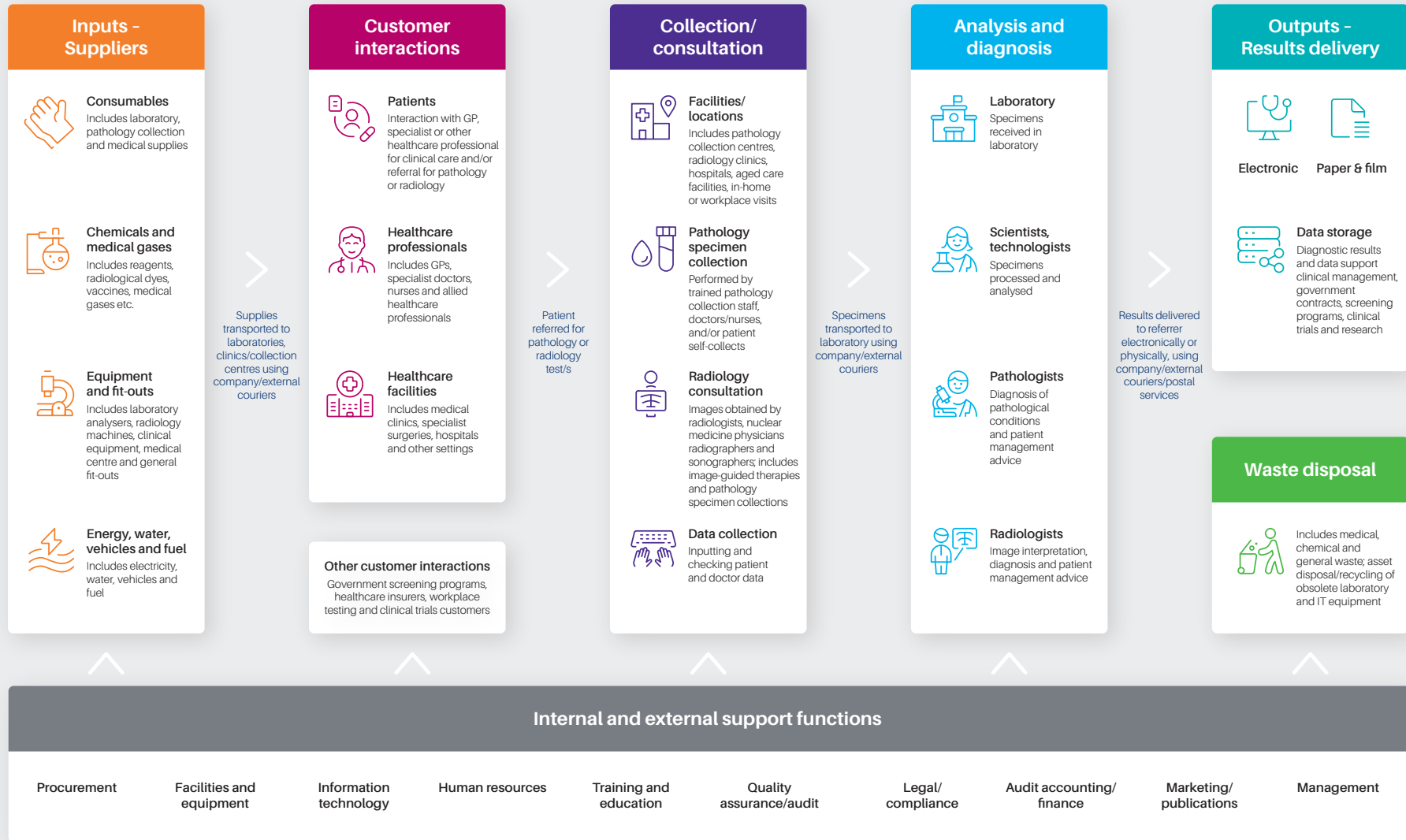


Target 3.4



# Our value chain

The diagram below represents the key elements, services, stakeholders and support functions in our value chain.



# Our structure and operations

Sonic Healthcare provides high-quality pathology/ laboratory medicine, radiology, general practice and corporate medical services. Headquartered in Sydney, Australia, we have grown to become one of the world's leading healthcare companies, with operations in Australia, USA, Germany, Switzerland, UK, Belgium and New Zealand.

Our federated operating structure reinforces the identity and management of each local operation, which has its own CEO (or President) and management team. When Sonic acquires businesses, the acquired business 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.

Our federated structure also fosters the opportunity to share knowledge and experience, allowing us to develop synergies and establish best practices, further strengthening the foundations for Sonic's continued growth and prosperity into the future.

## Structure of Sonic entities

Sonic's federated structure is complemented by a strong culture of collaboration, intercompany communication and best-practice sharing. A team of executives in Sonic's Global Office in Sydney, Australia, maintains organisation-wide leadership responsibilities to ensure that relevant matters are managed in a Group-wide manner, and to optimise synergies and improve organisational performance.

In FY2024, Sonic employed almost 42,000 people who proudly delivered high-quality medical and diagnostic services to 131 million people across numerous communities.

### Focusing on our people, serving our communities






<sup>1</sup> Includes CEO or head of each reporting business unit and their executive management teams.



## Our operating segments

Sonic is divided into three functional divisions:

Operational segment	Overview of services
 <p><b>Pathology/Laboratory Medicine</b> 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><b>Radiology</b> Australia</p>	<p>Radiology is the branch of medicine that uses non-invasive technologies to create images of 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><b>Clinical Services</b> Australia</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.</p> <p>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>

## Our workforce

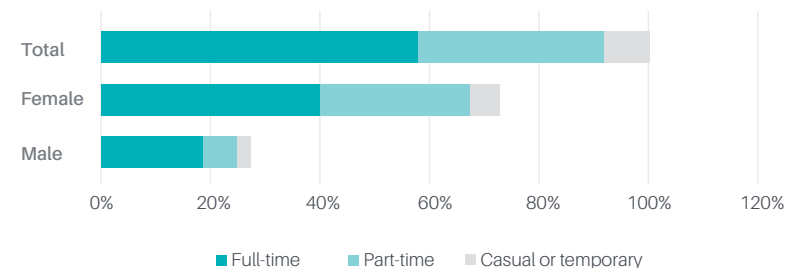
As a global organisation, Sonic recognises the important role we play in contributing to our communities. This starts with our commitment to our people, ensuring they work in an environment that is safe, equitable and rewarding. The majority of Sonic’s employees are employed on a full-time or part-time basis, with a relatively small proportion employed on a casual or temporary basis.



**40%**  
Women in executive leadership positions<sup>1</sup>

<sup>1</sup> Includes CEO or head of each reporting business unit and their executive management teams.

### Status of employment





## Our supply chains

Sonic has extensive supply chains, with more than 16,000 direct (Tier 1) suppliers, providing goods and/or services to the Sonic Group across our seven countries of operation. The graph to the right illustrates Sonic's spend proportion by product/service category. Our supply chains are largely focused on sourcing specialised medical supplies and equipment that support the provision of high-quality diagnostic testing and medical procedures.

The combined categories of specialised medical equipment (and associated maintenance and repairs) and medical supplies account for approximately 44% of Sonic's supply chain spend. These categories have been the primary focus of our deep dives into compliance with human rights and modern slavery legislation.

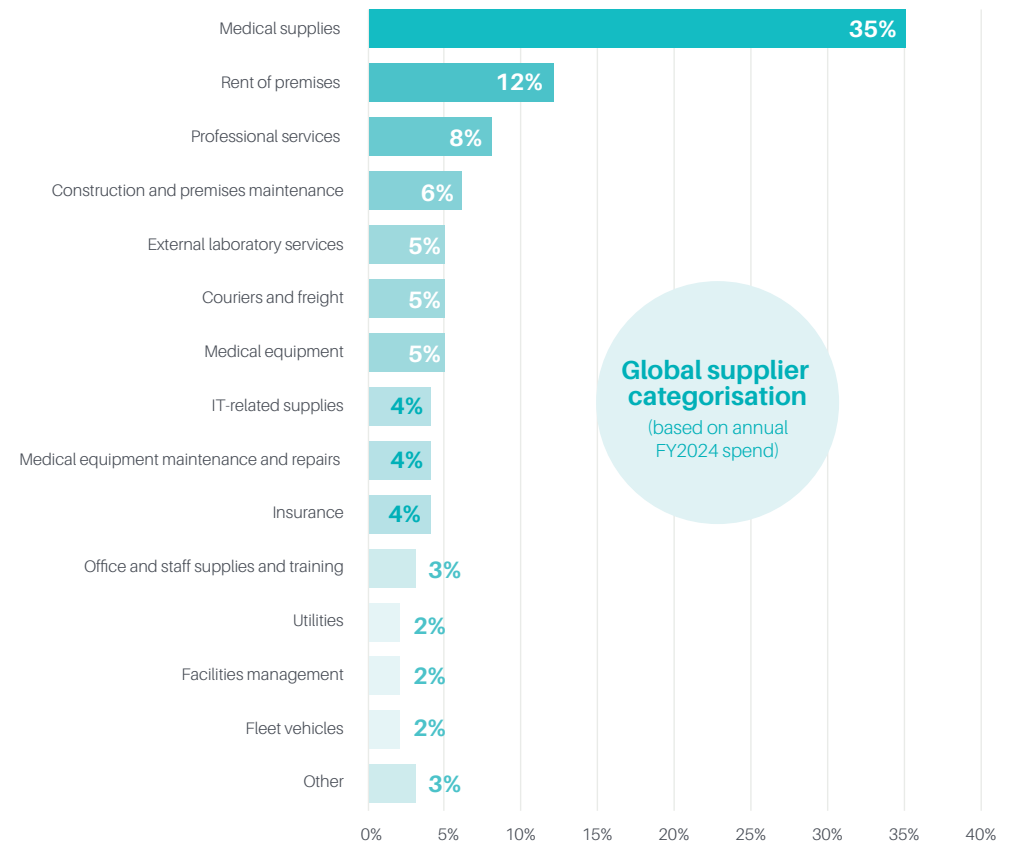
Sonic also sources ancillary goods and services, some of which fall into higher-risk categories of modern slavery. These categories include IT supplies and services, facility services and maintenance, construction, fleet vehicles and logistics. While these categories comprise a relatively small overall spend, they are becoming the subject of more detailed modern slavery due diligence exercises.

Although Sonic has a large number of suppliers, a large portion of our spend is consolidated to 20 reputable, multinational, Tier 1 medical consumable and equipment suppliers. These suppliers are predominantly headquartered in countries with a low risk of modern slavery, including the USA, UK, Italy, Switzerland and Japan. Sourcing from these suppliers is typically via long-term supply contracts. While Tier 1 suppliers of these products and services are based in low-risk countries, associated Tier 2 suppliers may be located in countries with higher inherent risks of human rights violations.

Investigations during the year have included a 'deep dive' into the Tier 2 supply chains of selected personal protective equipment (PPE) used in Sonic's operations – specifically the manufacture and supply of disposable gloves.

More extensive due diligence was undertaken this year on one of our major suppliers of disposable gloves. See case study on page 22 for further information.

## Relative spend proportion by product/service category



### Sonic's countries of operation, employee numbers and proportional supplier spend

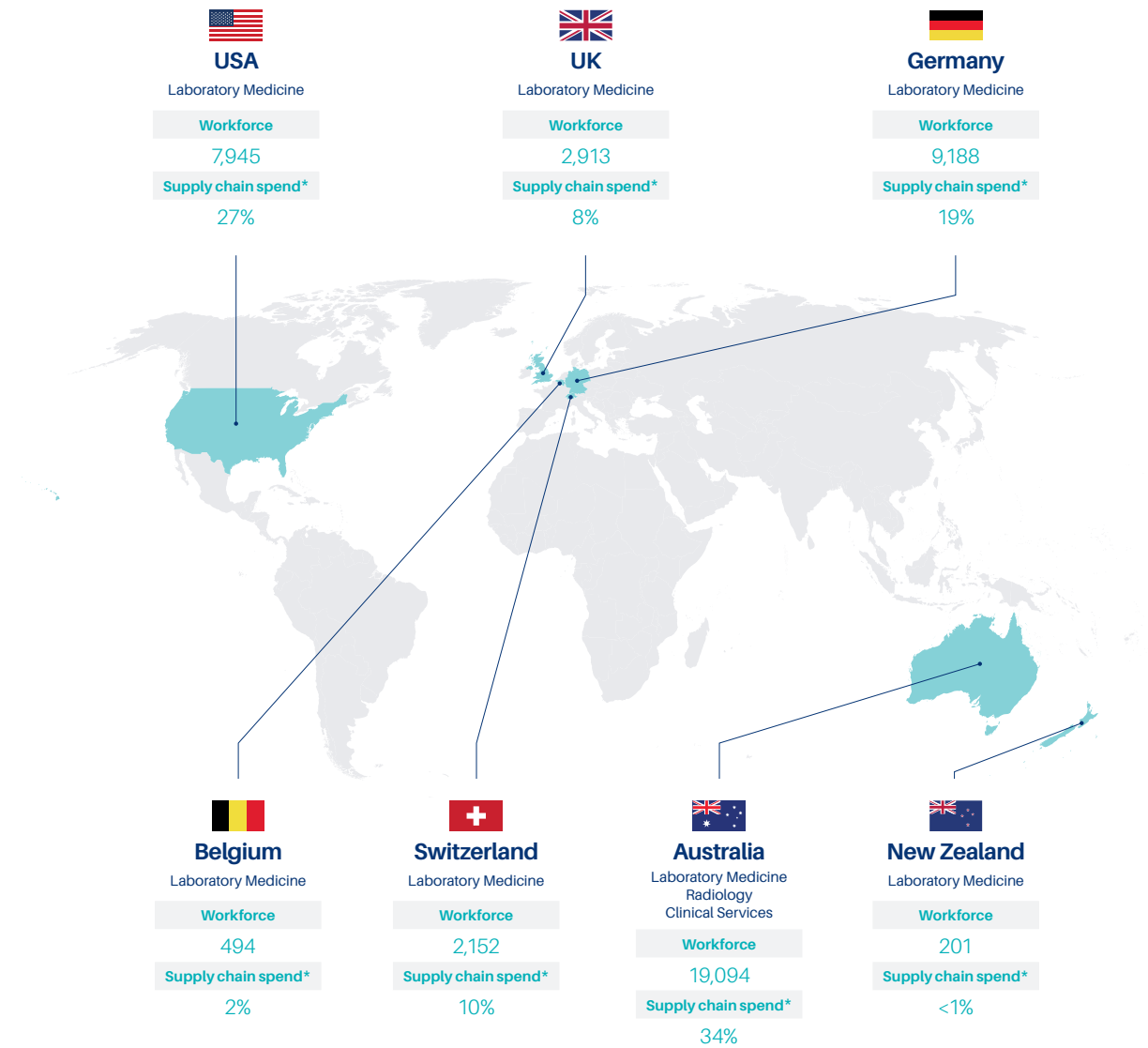
The map to the right shows Sonic's spend proportion by Tier 1 supplier location (country). It demonstrates that our goods and services are provided in jurisdictions with a low risk of modern slavery, noting that this represents the location of the supplier, not necessarily the country where the products were manufactured.

#### 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 2023 Dataset, Walk Free](#)



\*Represents the country's proportion of Sonic Healthcare's global supplier spend.

# Risks of modern slavery in our supply chains and operations

Sonic is committed to identifying possible instances of modern slavery within our operations and supply chains, and uses a risk management framework to identify and manage these risks.

## Principles used to guide Sonic’s approach to modern slavery risks



### The risk of modern slavery in our operations

Sonic entities operate in countries with a low risk of human rights violations and modern slavery practices. Using the United Nation’s Guiding Principles on Business and Human Rights, we have determined that the risk of Sonic causing, or contributing to, modern slavery within our own operations is very low.

Ongoing internal monitoring and auditing of our operations and employment practices helps to minimise the chances of human rights violations or instances of modern slavery in our workplaces. Our terms and conditions of employment also comply with the following regulations:

- international human rights conventions and treaties
- country-specific statutory labour laws and regulations
- global Sonic codes and policies covering conduct, human rights, workplace health and safety and modern slavery
- local employment policies and procedures historically developed in consultation with employees.

Our [Global Whistleblower Policy](#) encourages employees and stakeholders to report incidents or concerns relating to substandard terms and conditions of employment, human rights violations or modern slavery practices. To date, we have not received any reports of these types of matters within our operations.

While the risk of modern slavery occurring within our operations is low, we are committed to ensuring that we remain vigilant in our monitoring for emerging risks.

Using the United Nation’s Guiding Principles on Business and Human Rights, we have determined that the risk of Sonic causing, or contributing to, modern slavery within our own operations is very low.







### The risk of modern slavery in our supply chains

Sonic recognises that we may be directly linked to adverse human rights impacts as a result of our business relationships with our more than 16,000 direct (Tier 1) suppliers across our seven countries of operation, in addition to the many thousands of Tier 2 suppliers (and beyond) with whom we do not have a direct relationship.

We use a multi-faceted risk assessment framework to assess the risk of modern slavery within our supply chains. This includes the following information sources:

- supplier human rights/modern slavery questionnaires
- employee (and other stakeholder) reports of potential or actual instances of modern slavery or other human rights violations
- media monitoring for adverse events and tracking of various government sanctions lists, for example, the US Customs and Border Protection Withhold Release Order and Findings List
- periodic validation of supplier adherence to Sonic’s Supplier Policy through supplier business review meetings, along with desktop assessments and supplier site inspections.

Given the increasing complexity with assessing modern slavery risks deeper in supply chains, we are now focusing and prioritising our efforts on higher-risk supply chain categories, such as medical consumables, cleaning services, transport and logistics and waste services.

The table on the following pages lists the product and service categories procured by the Sonic Group in FY2024, together with their risk rating, based on industry and geography. While these categories are procured from reputable Tier 1 suppliers in low-risk jurisdictions, there are inherent risks of modern slavery activities further along the supply chains over which we do not have direct control, yet seek to actively monitor.

Supplier risk assessment

Main supply chain categories	Spend	Products and services	Risk rating based on industry and geography
Medical supplies	35%	<ul style="list-style-type: none"> <li>Medical consumables, reagents and chemicals</li> <li>Personal protective equipment (PPE)</li> <li>Disposable gloves</li> </ul>	<p><b>Low risk</b></p> <p>Sonic’s Tier 1 suppliers are mostly headquartered in USA, Europe, UK, Japan and Australia. These businesses are large and many have satisfactorily completed modern slavery questionnaires.</p> <p><b>Medium-high risk</b></p> <p>Sonic sources a significant volume of disposable gloves from reputable Tier 1 healthcare consumable suppliers across all regions of operation. There is a noted higher risk of adverse human rights impacts, particularly labour violations, in the manufacturing (Tier 2 and beyond suppliers) of disposable gloves. Workers in this industry are vulnerable to exploitative practices, such as substandard living conditions (where employee accommodation is provided), excessive working hours that may be exacerbated during high periods of demand, such as pandemics, possible confiscation of identity documents and potential restriction of movement. These workers are also vulnerable to debt bondage where they are charged excessive recruitment fees by a third-party labour hire firm to secure employment, which they may be unable to repay.</p>
Rent of premises	12%	<ul style="list-style-type: none"> <li>Premises rent and related costs paid to our landlords</li> </ul>	<p><b>Low risk</b></p> <p>Suppliers are based within our seven countries of operation. There are possible Tier 2 risks if landlords’ charges include cleaning and other related facility services (refer to risks noted in facilities management category).</p>
Professional services	8%	<ul style="list-style-type: none"> <li>Legal and accounting firms, professional consultants and contractors, such as specialist medical locums, marketing, HR/recruitment firms and IT</li> </ul>	<p><b>Low risk</b></p> <p>Suppliers are based within our seven countries of operation and most engagements of temporary workforce and contractors relate to medical and other professionals.</p>
Construction and premises maintenance	6%	<ul style="list-style-type: none"> <li>Building contractors and professionals used for the construction and maintenance of premises</li> </ul>	<p><b>Medium risk</b></p> <p>Construction and maintenance only occurs in Sonic’s seven countries of operation. However, third-party outsourcing of property maintenance may impose a risk of migrant labour exploitation.</p>
External laboratory services	5%	<ul style="list-style-type: none"> <li>Testing outsourced to third-party specialist medical providers</li> </ul>	<p><b>Low risk</b></p> <p>Suppliers are based within our seven countries of operation.</p>
Couriers and freight	5%	<ul style="list-style-type: none"> <li>Third-party couriers, freight, postage and mail services</li> </ul>	<p><b>Medium risk</b></p> <p>Freight and transport services, including shipping, distribution and storage. Groups include seafarers, drivers, port and other workers.</p> <p>Local postage and mail services are considered low risk.</p>

Supplier risk assessment (continued)

Main supply chain categories	Spend	Products and services	Risk rating based on industry and geography
Medical equipment	5%	<ul style="list-style-type: none"> <li>Medical equipment purchased</li> </ul>	<p><b>Low risk</b></p> <p>Suppliers are mostly headquartered in USA, Europe, UK, Japan and Australia. These businesses are large and most have satisfactorily completed modern slavery questionnaires.</p>
IT-related supplies	4%	<ul style="list-style-type: none"> <li>Computer hardware and consumables, software, including usage and maintenance, managed print and other IT services and supplies</li> </ul>	<p><b>Medium risk</b></p> <p>Raw materials and the manufacture of consumables may take place in higher-risk geographies.</p>
Medical equipment maintenance and repairs	4%	<ul style="list-style-type: none"> <li>Medical equipment repairs and maintenance</li> </ul>	<p><b>Low risk</b></p> <p>Suppliers are based within our seven countries of operation.</p>
Insurance	4%	<ul style="list-style-type: none"> <li>Normal business and commercial insurances</li> <li>Employment-related insurances</li> </ul>	<p><b>Low risk</b></p> <p>Suppliers are based within our seven countries of operation.</p>
Office, staff supplies and training	3%	<ul style="list-style-type: none"> <li>Stationery, office equipment and consumables, staff amenities, uniforms, cleaning products</li> <li>Staff training</li> </ul>	<p><b>Predominantly low risk</b></p> <p>Tier 1 suppliers (mainly distributors) are deemed to be low risk.</p>
Utilities	2%	<ul style="list-style-type: none"> <li>Electricity, gas, water, telephone and data services</li> </ul>	<p><b>Low risk</b></p> <p>Suppliers are based within our seven countries of operation. However, increased risks may be associated with Tier 1 utility providers using call centres outside Sonic’s low-risk countries of operations.</p>
Facilities management	2%	<ul style="list-style-type: none"> <li>Cleaning</li> <li>Security</li> <li>Waste removal</li> </ul>	<p><b>Medium risk</b></p> <p>Possible exploitation of migrant workers subcontracted through labour hire companies. There is also a possibility of bonded labour.</p> <p>Sonic relies on external suppliers for the provision of cleaning services for its facilities. Sonic uses reputable Tier 1 suppliers in each country of operation for this purpose. This category presents a higher risk of modern slavery for a number of reasons, including the industry’s reliance on migrant labour, visa holders and subcontractors. These workers are vulnerable to coercive and/or exploitative labour practices, including debt bondage.</p>
Fleet vehicles	2%	<ul style="list-style-type: none"> <li>Fleet vehicles, including repairs, maintenance and fuel</li> </ul>	<p><b>Low-medium risk</b></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"> <li>All other suppliers</li> </ul>	<p><b>Low risk</b></p> <p>Includes items such as memberships, donations, advertising, marketing, hire equipment, licence fees and general expenses.</p>

# Actions taken to assess and address modern slavery risks

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

Our efforts are underpinned by our Core Values and Medical Leadership approach, which act as guiding principles for our employees around the world, and relate to modern slavery eradication and human rights protections.

## Summary of key actions for FY2024





## Action 1: Further expansion of supplier due diligence program

Sonic's Supplier Human Rights/Modern Slavery Questionnaire collects information about the operations and supply chains of Sonic's Tier 1 (direct) suppliers, as well as selected higher-risk suppliers beyond Tier 1 (indirect suppliers, such as manufacturers). The questionnaire facilitates due diligence on the following matters:

- product/service category, as supplied to Sonic
- country of origin of key products and services supplied
- whether the supplier has become aware of any actual or potential risks in their supply chains and the nature of those risks
- the presence and nature of policies aimed at identifying and mitigating modern slavery and human rights violations within the supplier's domestic and global operations and supply chains
- whether the supplier's contracts with their own suppliers contain clauses to ensure compliance with relevant policies and/or legislation on modern slavery, labour standards and human rights
- whether the supplier has procedures to monitor compliance with documented policies and any relevant modern slavery legislation
- whether the supplier has whistleblower mechanisms in place that are accessible to employees, suppliers, consultants and subcontractors, to anonymously raise concerns related to labour conditions or workplace grievances
- whether education and training in relation to modern slavery and human rights is provided to employees and other stakeholders.

In addition, the questionnaire seeks confirmation of the following:

- compliance with Sonic's Supplier Policy
- compliance with Sonic's Labour Standards and Human Rights Policy
- that all employees and subcontractors of the supplier are engaged on the basis that they have freely chosen employment and that the conditions of work are not in violation of modern slavery or human rights legislation.

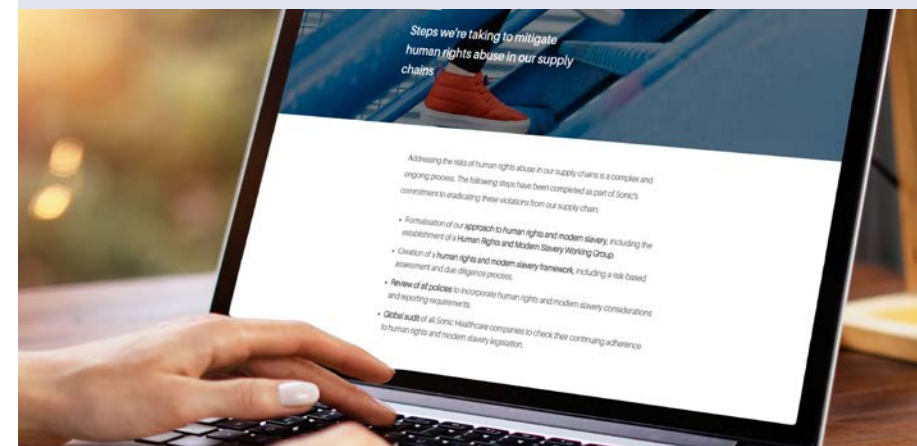
Each supplier's response is collated, assessed and assigned a risk score. This risk score then informs the type of follow-up required.

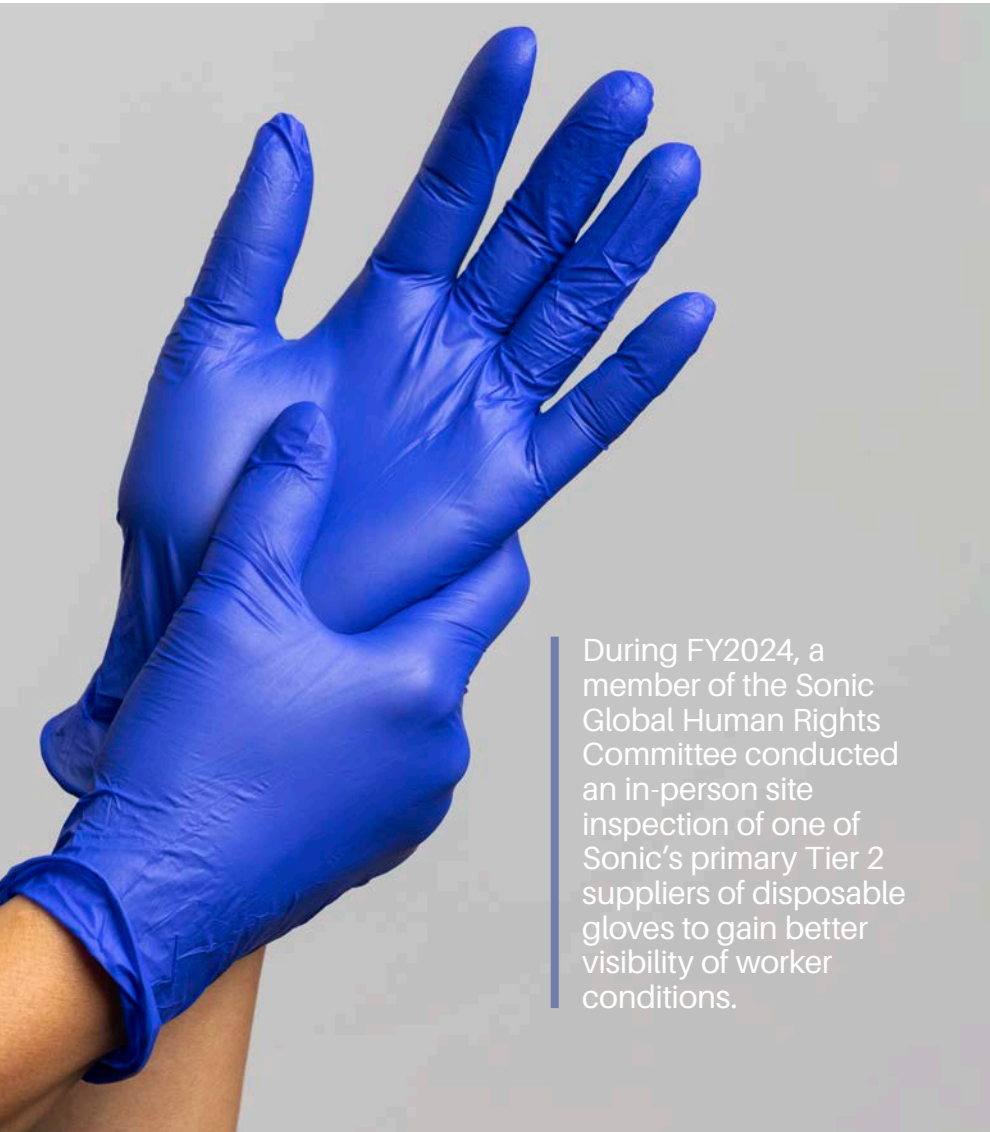
Certain suppliers elect to provide their own Modern Slavery Statement in lieu of completing the Sonic questionnaire. In these instances, the supplier is asked to provide the statement that relates to their local jurisdiction. To date, more than 360 Tier 1 and certain higher-risk Tier 2 suppliers have provided Sonic with reasonable evidence of their efforts to assess and address modern slavery within their operations and supply chains, either by way of completing the questionnaire or by providing a copy of their Modern Slavery Statement, or both. These suppliers represent approximately 40% of Sonic's global spend.

## Action 2: Continued expansion of employee awareness and capability

Sonic uses an interactive online learning module to educate employees about modern slavery and broader human rights issues across our seven countries of operation. This learning tool builds awareness among our employees, enabling them to better detect modern slavery risks and escalate them, as appropriate, using Sonic's reporting mechanisms. More than 11,000 employees across seven countries have completed this training to date, with a completion rate of >95% for staff in roles where there is a higher exposure to modern slavery risks, such as management, procurement, finance and human resources. The learning module was updated in FY2024 to include knowledge check questions.

Representatives from the Sonic Global Human Rights Committee present annually to the Sonic Healthcare Board on potential modern slavery risks within our operations and supply chains, the actions implemented to mitigate those risks and the actions taken to remedy any potential incidents of modern slavery. The presentation also serves to educate the Board on human rights and modern slavery legislative changes, obligations and emerging risk areas.





During FY2024, a member of the Sonic Global Human Rights Committee conducted an in-person site inspection of one of Sonic's primary Tier 2 suppliers of disposable gloves to gain better visibility of worker conditions.

### **Case study: In-person site inspection of key disposable glove supplier**

The procurement of disposable gloves poses a relatively high risk of modern slavery in Sonic's supply chains due to the prevalence of modern slavery risk factors in the industry.

During FY2024, a member of the Sonic Global Human Rights Committee conducted an in-person site inspection of one of Sonic's primary Tier 2 suppliers of disposable gloves to gain better visibility of worker conditions. The site visit followed a program of work and included an assessment of the manufacturing plant and workers' accommodation, including:

- available space (per worker)
- cleanliness, lighting and ventilation of designated areas
- access to fresh produce and kitchen facilities
- access to bathroom and laundry facilities
- access to outdoor and entertainment areas.

Several employees were also interviewed and questioned on various employee safety and wellbeing matters, including:

- safety and hygiene standards of designated working and living areas provided
- provision of medical care by the employer
- freedom of movement and ability to contact family and friends when off-duty
- pay conditions, including whether employees are always paid in-full and on-time
- whether they had paid a recruitment fee at any point
- whether they had freedom of association and could freely contact a nominated workers' representative
- whether they had unimpeded access to their identity documents
- whether they were working excessive overtime
- the minimum age requirement to work at the premises.

No obvious indicators of modern slavery were apparent from the inspection conducted.

### Action 3: Provision of sound governance and oversight

The Sonic Global Human Rights Committee oversees Sonic’s Modern Slavery activities under the guidance of the Board. This committee has four major functions:

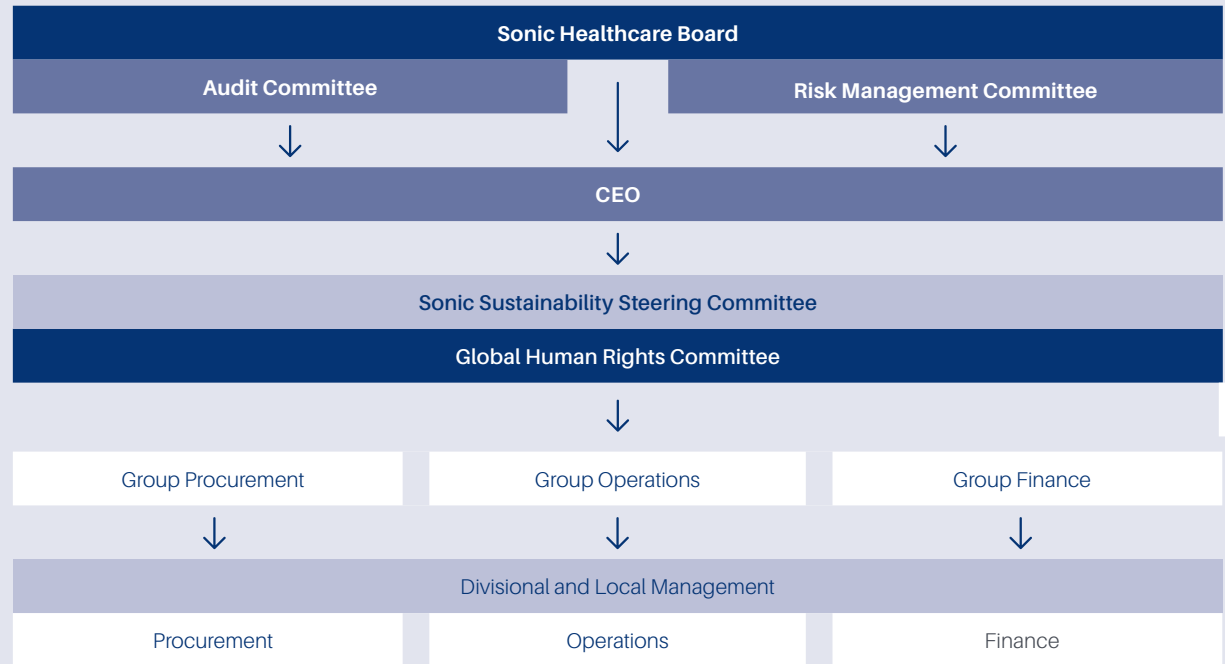
1. To review human rights risks in our supply chains and operations.
2. To oversee compliance with relevant policies, processes and systems across our operations and supply chains.
3. To oversee the implementation of any remediation actions and determine the effectiveness of such actions.
4. To ensure that we meet our global reporting requirements on human rights and modern slavery matters.

The Sonic Global Human Rights Committee includes senior group executives with global responsibilities in management, procurement, operations, workforce, culture, communications, finance and legal, together with senior managers from all countries of Sonic operations.

Working within the Board-approved risk management framework, sections of the Global Human Rights Committee meet monthly to review the effectiveness and progress of current activities, and to track processes for receiving, evaluating and acting upon supplier risk data, including:

- supplier questionnaires
- market intelligence
- new and emerging modern slavery risks
- alleged incidents
- inspections and other due diligence activities.

The Committee works collaboratively within the framework of the Sonic Sustainability Steering Committee and reports to the CEO and the Board of Directors.



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 specific to modern slavery, while others relate to more general human rights requirements. These include Sonic’s Board Charter, Code of Conduct and Ethics, Labour Standards and Human Rights Policy, Global Whistleblower Policy and Supplier Policy (refer to page 24 of this Statement for further detail).

## Action 4: Updated policies

As part of our global commitment to eliminate modern slavery and human rights infringements in our own organisations and supply chains, Sonic performs ongoing reviews of our key policies to ensure compliance with Australian and UK modern slavery legislation and other human rights laws at a minimum, in addition to satisfying our own standards and expectations. Our policies, statements and charters are reviewed regularly to ensure they are current and incorporate any new requirements and emerging risks. These documents include:

Policy	Overview
<a href="#">Board Charter</a>	Outlines the functions of the Board and those delegated by the Board to management.
<a href="#">Code of Conduct and Ethics</a>	Outlines our corporate values and defines the standards of behaviour expected of everyone who represents Sonic and acts on its behalf.
<a href="#">Labour Standards and Human Rights Policy</a>	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.
<a href="#">Supplier Policy</a>	Articulates Sonic's requirements of suppliers in relation to ethical conduct, implementation of environmentally sustainable business practices, where possible, and integrating social responsibility, among other matters. Includes contact information for companies or individuals wishing to raise concerns.
<a href="#">Global Whistleblower Policy</a>	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](http://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](#), 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, UK
- [Guiding Principles on Business and Human Rights](#), produced by the United Nations Human Rights Office of the High Commissioner

Our [Code of Conduct and Ethics](#) and our [Labour Standards and Human Rights Policy](#) state that we do not accept any form of slavery and prohibit the use of all forms of forced labour, including bonded labour and slave labour.





### **Action 5: Improved supplier compliance and selection process**

Sonic's [Supplier Policy](#) outlines our commitment to procuring high-quality, innovative products and services that demonstrate whole-of-life value for money. When selecting a supplier, we undertake an assessment of the products' and services' environmental impact, as well as the prospective supplier's commitment to sustainability principles and practices. This includes reviewing suppliers' environmental, social and governance (ESG) policies and credentials, and their compliance with global human rights laws. This is also included in our periodic review of key supplier compliance, and a project is underway to implement an automated system to efficiently and effectively manage these supplier responses.

Contractual clauses relating to human rights (modern slavery) and sustainability are included in key supplier contracts as a means of strengthening suppliers' compliance with Sonic's [Supplier Policy](#). These clauses are being progressively included in contracts relating to medical supplies, medical equipment and facilities maintenance.

Sonic believes that mutually beneficial partnerships are built on trust, transparency and a sense of shared commitment. We encourage suppliers to be open and honest about their modern slavery risks so we can assist them to comply with our [Supplier Policy](#). We frequently engage with key suppliers and have two-way discussions about challenges they may face in the management of their modern slavery risks.

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 visiting and inspecting the manufacturing sites of major or high-risk suppliers.

## Action 6: Monitoring for new and emerging risks

Sonic has media monitoring and sanctions list-scanning processes in place to alert us to suspected or actual incidents of modern slavery within our supply chains or operations, and to modern slavery risks more generally. When relevant to Sonic’s operations and/or supply chains, these are reported to the Sonic Global Human Rights Committee which determines whether further action is required of Sonic and, if so, the specific actions that are needed. All decisions are contextualised according to Sonic’s level of involvement, as defined by the UN Guiding Principles continuum of involvement.

Adverse media and sanctions list monitoring has been particularly helpful in providing us with intelligence on disposable glove and solar panel manufacturing risks, prompting us to undertake extended due diligence on suppliers in these product categories.



## Grievance mechanisms and remediation

Consistent with our Core Value of ‘Demonstrating responsibility and accountability’, Sonic supports the reporting of misconduct, illegal acts or any improper state of affairs relating to Sonic’s businesses.

Sonic’s jurisdictional-based whistleblower arrangements and Global Whistleblower Policy have been implemented to support people to raise concerns about wrongdoing within Sonic, with formal protection from victimisation, harassment or discriminatory treatment. Examples of information that can be disclosed under Sonic’s Global Whistleblower Policy include concerns about working practices or situations that would be considered a breach of Sonic’s Labour Standards and Human Rights Policy, especially any activity or situation that could be considered to be a form of modern slavery. Disclosures may be made anonymously.

All whistleblowers who disclose their identity while making a relevant disclosure are afforded confidentiality protection in respect of their identity.

Sonic’s grievance mechanisms are readily available to Sonic and its various stakeholders, including:

- an officer of Sonic
- an employee of Sonic (whether permanent, part-time, fixed-term or temporary)
- an individual who supplies goods or services to Sonic (or an employee of a person who supplies goods or services to Sonic), including contractors, consultants and secondees
- a relative, spouse or dependant of any of the above persons
- a dependant of a spouse of any of the above persons.

Upon receiving a disclosure, Sonic will make preliminary enquiries. Based on that assessment, and depending on the nature of the matter, Sonic will determine the appropriate action/s in response to the disclosure. Where reported or actual instances of adverse human rights impacts occur within our supply chains, Sonic’s approach is to liaise with the relevant supplier to understand the nature and details of the impacts, and ultimately engage with the supplier to assist in remediation with an objective of providing a positive outcome for affected workers. If these processes do not result in the desired change in supplier conduct, and if the misconduct is sufficiently impactful, Sonic reserves the right to end our business relationship with the supplier.

### Peer collaboration and external stakeholder engagement

Sonic continued to collaborate productively with industry peers during FY2024. Discussions about common challenges associated with the identification of human rights and environmental issues within our supply chains led to valuable knowledge sharing about supplier screening services and tools.



### Independent assessment

Sonic's standing as a socially responsible company is evidenced by the ratings we receive in various independent assessments of environmental, social and governance practices. These include:



Detailed



Prime



Global Index  
Australia 30 Index



AA - Leader

# Assessing the effectiveness of our actions

As part of our commitment to eliminating all forms of modern slavery within our operations and supply chains, we regularly review the effectiveness of our actions to assess and address actual or potential human rights or modern slavery risks and violations.

We use the following activities to measure the effectiveness of our actions:



Ongoing refinement of our online human rights and modern slavery training module to ensure it is fit for purpose and accessible to employees, allowing us to continually build awareness amongst our employees.



Benchmarking our actions to best practice and industry standards to identify improvement opportunities.



Monitoring training completion to ensure high completion rates (95%) in key roles where employees have a greater ability to detect modern slavery risks.



Continuing to use the Sonic Global Human Rights Committee to monitor our progress against our stated actions.



Continuing to use the Human Rights/ Modern Slavery Supplier Questionnaire as a foundational activity to gather information on our suppliers' operational and supply chain processes. We also engage regularly with suppliers to ensure that the questionnaire is fit for purpose.



Continuing to use findings from our internal audits, as conducted by our Business Assurance team, to further enhance our operational processes.



Supplier monitoring to ensure they are progressing any actions to which they have committed.



Using feedback from stakeholders, such as investor groups, to drive continuous improvement in our modern slavery approach.



Regular reviews and updating of policies relating to modern slavery to ensure they capture changes to relevant regulations.

**No actual instances of modern slavery were detected in our operations or supply chains during this reporting period. This does not mean that instances of modern slavery do not exist; therefore, we remain committed to vigilant monitoring and to continually evolving our systems and processes.**



# Future initiatives

In line with the ongoing evolution of our modern slavery risk management framework, future improvement initiatives will focus on the following key areas.

## Summary of key initiatives for FY2025

1

Progress our supplier management process review program.

2

Continue to perform additional due diligence on suppliers from higher risk industries and/or geographies.

3

Continue to verify compliance of suppliers' obligations to Sonic's key policies and modern slavery legislation more generally.

4

Expand our program of site inspections for selected Tier 1 and 2 suppliers.

5

Continue to build awareness and capacity among our smaller suppliers who may lack formal policies and procedures for the management of modern slavery risks.

6

Expand the rollout of the modern slavery training module to more employees.

In addition to the initiatives listed above, we will continue the ongoing review of our company-wide policies and realign as required. 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.

# Appendix

## Addressing the Australian MSA and UK MSA reporting criteria

Modern Slavery Act mandatory reporting criterion - Australia	Modern Slavery Act mandatory reporting criterion - UK	Reference in this Statement
<ul style="list-style-type: none"> <li>Identify the reporting entity.</li> </ul>	<ul style="list-style-type: none"> <li>Not required.</li> </ul>	Section 1, <a href="#">page 2</a>
<ul style="list-style-type: none"> <li>Describe the reporting entity's structure, operations and supply chain.</li> </ul>	<ul style="list-style-type: none"> <li>Organisation's structure, its business and its supply chains.</li> </ul>	Section 2, <a href="#">pages 11-14</a>
<ul style="list-style-type: none"> <li>Describe the risks of modern slavery practices in the operations and supply chain of the reporting entity and any entities it owns or controls.</li> </ul>	<ul style="list-style-type: none"> <li>Parts of the organisation's business and supply chains where there is a risk of slavery and human trafficking taking place, and the steps it has taken to assess and manage that risk</li> </ul>	Section 3, <a href="#">pages 15-19</a>
<ul style="list-style-type: none"> <li>Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls, to assess and address risks, including due diligence and remediation processes.</li> </ul>	<p>The steps the organisation has taken during the financial year to ensure that slavery and human trafficking are not taking place in any of its supply chains, and in any part of its own business.</p> <ul style="list-style-type: none"> <li>Organisation's policies in relation to slavery and human trafficking; its due diligence processes in relation to slavery and human trafficking in its business and supply chains; the training about slavery and human trafficking available to its staff.</li> <li>Organisation's effectiveness in ensuring that slavery and human trafficking are not taking place in its business or supply chains, measured against such performance indicators as it considers appropriate.</li> <li>The training about slavery and human trafficking available to its staff.</li> </ul>	Section 4, <a href="#">pages 20-27</a>
<ul style="list-style-type: none"> <li>Describe how the reporting entity assesses the effectiveness of such actions.</li> </ul>	<ul style="list-style-type: none"> <li>Not required.</li> </ul>	Section 5, <a href="#">page 28</a>
<ul style="list-style-type: none"> <li>Describe the process of consultation with any entities the reporting entity owns or controls and, for a reporting entity covered by a joint statement, the entity giving the statement.</li> </ul>	<ul style="list-style-type: none"> <li>Not required.</li> </ul>	Section 1, <a href="#">page 3</a>
<ul style="list-style-type: none"> <li>Include any other information that the reporting entity, or the entity giving the statement, considers relevant.</li> </ul>	<ul style="list-style-type: none"> <li>Not required.</li> </ul>	Section 6, <a href="#">page 29</a>



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