

# MODERN SLAVERY STATEMENT



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This Modern Slavery Statement ('Statement') is made pursuant to Section 13 of the Modern Slavery Act 2018 (Cth) ('Act') on behalf of Varian Medical Systems Australasia Pty Ltd. ('Varian Australasia'). It covers activities during the reporting period October 1, 2022 to September 30, 2023. The purpose of this Statement is to outline our approach to ensure that Varian Australasia has a robust framework and processes in place to recognise and implement actions to minimise the risk of modern slavery and human trafficking in our business operations and supply chain.

## Company identity and consultations

Varian Australasia is a subsidiary of Varian Medical Systems, Inc. ('Varian'), a leader in developing and delivering cancer care solutions that is focused on creating a world without fear of cancer. Varian Australasia is the distributor of Varian products in the Australasian region and does not own or control any entities. No consultations are required for this Statement.

Varian Australasia's headquarters is in Sydney, Australia and it employs over 100 professionals throughout Australia and New Zealand, most of whom work remotely.

Varian Australasia's scope of work includes sales, installation and service of radiation treatment delivery, simulation, planning, and data management systems. Varian Australasia is committed to operating responsibly and establishing and adhering to the highest ethical standards. We will not tolerate any form of slavery or human trafficking in our business and will only work with suppliers that are aligned to our company values.

**Varian is the world's leading manufacturer of medical devices and software for treating cancer and other medical conditions. Our products include linear accelerators, afterloaders and a broad range of accessories and interconnected software tools for planning, verifying and delivering leading edge treatments in the fight against cancer and other diseases.**

**On April 15, 2021 Varian, Inc and Siemens Healthineers combined becoming one company. As a united company we have established the most comprehensive portfolio—from in-vitro diagnostics and best-in-class imaging to therapy and follow-up care—addressing the complete cancer care continuum. We remain resolute in maintaining exceptional service levels, innovative culture with a focus on patient care as well as the future opportunities to accelerate our global patient impact and transform oncology.**

## Company structure, operations, and supply chain

Varian Australasia has a simple supply chain that involves purchasing products and services required for the scope of our work. Our business partners include suppliers from the following sectors: manufacturing, property services (waste management, office supplies, office cleaning), logistics, marketing, calibration services, construction services, travel consultants, staff training, and communication and IT equipment.

Varian’s direct suppliers are established in the following locations:

ITEM	COUNTRY OF ORIGIN
Product and Parts	Legal Manufacturer - Varian Medical Systems, Inc. Palo Alto, USA  Manufacturing Sites: Atlanta USA, Austin USA, Baden/Daettwil Switzerland, Baja Mexico, Beijing China, Budapest Hungary, Haan Germany, Helsinki Finland, Kemnath Germany, Munich Germany, Pune India, Seattle USA, Winnipeg Canada
Calibration Tools	Australia, USA, Malaysia
IT Equipment	Australia, USA
Construction Services	Australia
Ad Hoc Services (i.e. marketing, training, travel) and office supplies	Various locations in Australia/New Zealand

**TABLE 1**

Varian Australasia understands that the environmental, social and governance (ESG) risks relating to suppliers will vary depending on their industry, geographic location and company size. Varian’s procurement function is managed globally by our head company Siemens Healthineers. Varian considers legal compliance and sustainability to be a primary duty and therefore also expect this from our suppliers.

Our procurement team have robust processes in place to mitigate the risk of modern slavery in our supply chain, including written policies and procedures as well as onboarding requirements that apply to suppliers. Our suppliers are categorised, evaluated, approved and monitored dependent on their identified risk. We expect all suppliers to demonstrate their commitment towards the standards and principles stated in the Code of Conduct for Suppliers and Third Party Intermediaries (“Code of Conduct”) and this agreement is documented as part of the supplier onboarding process.



## Risk of modern slavery practices in the operations and supply chains

At Varian, we recognise that slavery and human trafficking can occur in many forms. This can include slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour, and deceptive recruiting for labour or services. Cases of forced labour exploitation in Australia predominantly occur in industries considered at risk including agriculture, construction, domestic work, meat processing, cleaning, hospitality, and food services.

Within Asia and the Pacific, Australia is ranked 26 out of 27 countries in terms of prevalence of modern slavery, and 149 out of 160 countries globally on the Global Slavery Index (GSI)[1]. As a professional service organisation, Varian Australasia considers the risk of local labour exploitation to be low due to minimal involvement in the industries where modern slavery risk is prevalent.

However, global trade and business could expose Varian Australasia to the risk of modern slavery in other countries through the products it imports. Table 2 lists the top five products (according to US dollar value) imported into Australia from countries that are at risk of being produced under conditions of modern slavery[2].

Varian Australasia has a low risk of importing products relying on modern slavery from other countries as we have minimal business volume with industries where such risk is prevalent. However, we understand that some of our products may be at risk in the manufacturing supply chain which are addressed by Varian on a global scale in our Actions to Assess and Address Risks.

PRODUCT AT RISK OF MODERN SLAVERY	SOURCE COUNTRY
Electronics	China, Malaysia
Garments	Argentina, Bangladesh, Brazil, China, India , Malaysia
Solar Panels	China, Ghana, Indonesia, Japan, Russia, South Korea, Taiwan, Thailand
Textiles	India
Cocoa	Côte d'Ivoire, Ghana

**TABLE 2**

1. <https://www.walkfree.org/global-slavery-index/map/>

2. <https://www.walkfree.org/global-slavery-index/country-studies/australia/>



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## Actions to assess and address risks

Varian Australasia seeks to do business with suppliers that have similar values, ethics and sustainable business practices, including those related to human rights. We expect our suppliers to operate in accordance with all applicable modern slavery laws.

Varian has various policies in place to ensure all staff and suppliers meet our core values. Our formal policies are intended to promote ethical and legally compliant business conduct and include the following:

**Code of Conduct.** The Code of Conduct provides an ethical framework to guide our daily interactions with each other, our customers, the patients who use our products, the business community and governments around the world.

**Supplier Code of Conduct.** The Code of Conduct Suppliers and Third Party Intermediaries (“Code of Conduct”) outlines Varian’s expectations for suppliers and includes provisions concerning child labour, slavery and human trafficking. Varian Australasia’s business partners are requested to adhere to the Code of Conduct which sets out the standard of ethical, lawful and sustainable conduct expected from our business partners.

The Code of Conduct is based on the Ten Principles of the United Nations Global Compact. Through the Code of Conduct, Varian’s suppliers commit to minimum standards for the following:

- Legal compliance
- Prohibition of corruption and bribery
- Fair competition, anti-trust laws and intellectual property rights
- Conflicts of interest
- Prohibition of child labour
- Conflict minerals
- Health and safety of employees
- Environmental protection
- Supply chain (2nd tier suppliers) and
- Respect for basic human rights of employees.

## Industry compliance

Varian Australasia is a member of the Medical Technology Association of Australia (MTAA) and comply with the MTAA industry Code of Practice. We are involved in regular audits to ensure compliance with ethical standards and the industry code that addresses several key areas of industry activity.

## Securities and exchange commission (SEC) specialized disclosure (SD) form

Varian publishes an annual SEC SD Form which reports on our use of conflict minerals, defined as tin, tungsten, tantalum and gold (3TGs) to demonstrate due diligence in our supply chain.

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## Sustainability report

As part of the fiscal year 2024 kick-off in October 2023, Varian and Siemens Healthineers AG management announced a refocus on the company's sustainability ambitions. This includes an enhancement of our purpose, by focussing on doing business sustainably. As a leading MedTech company our sustainability commitment includes specific targets in respect of healthcare access, resource preservation and a diverse and engaged workforce.

In our current Sustainability Report, we present our achievements in fiscal year (FY) 2023 and describe how we are meeting our targets. It highlights our key sustainability challenges and opportunities and the many ways in which we are responding to them. Throughout the fiscal year, we focused on elevating our sustainability ambitions to the next level, taking into account feedback from our stakeholders since the beginning of our sustainability journey.

## Disclosure statements

Varian Australasia's main supplier, Varian, is also required to publish a statement to comply with the California Transparency in Supply Chains Act of 2010. Similarly, Varian Medical Systems UK has published a statement to comply with the UK Modern Slavery Act of 2015. Both laws require the respective Varian entities to disclose measures used to track slavery and human trafficking risks in their supply chains.

During the reporting period, our organisation has continued to make preparations for the implementation of the new German Supply Chain Due Diligence Act (SCDDA) which came into effect 1 January 2023.

The aim of the SCDDA is to protect human rights and minimise environmental infringements in the company's operations and supply chain. As part of our obligations under this legislation, the first risk analysis was conducted covering the period 1 January 2023 to 30 September 2023.

## Actions

During the reporting period, Varian Australasia has continued to improve upon our supplier quality management processes. Varian Australasia completed the following activities during FY23 to meet requirements of the Act:

- Evaluated our supplier responses to Modern Slavery questionnaire to identify potential risks.
- Implemented "Ready for Business" (R4B) process for all existing suppliers. R4B activities ensure that existing suppliers, who may have been transacting with Varian Australasia, continue to fulfil minimum supplier qualification requirements, including a documented agreement to adhere to the Code of Conduct.
- Engaged on a global level to promote a culture of respect and protection such as observing Human Rights Day.



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Varian Australasia plans to undertake the following additional and ongoing activities to meet requirements of the Act:

- Implement new global application for Supplier Lifecycle Management (“SLiM”), the single reference point for specific supplier quality management use cases, including sourcing decisions and initial supplier qualification.
- Continue a risk-based assessment of current and future suppliers to identify inherent environmental, social and governance risks.
- Continue to collaborate on global efforts to drive integrity, culture and implement systematic processes and tools to support the effective mitigation of compliance risks.
- Recommend supplier training to equip our business partners to be able to recognise and respond to modern slavery in their own supply chain.
- Continue a gap analysis of Varian Australasia’s current processes against the requirements of the Act.
- An update to the Code of Conduct, version 5.0, is planned for financial year 2024. Significant revisions in this version include explicit reference to freedom of association for workers and protection of whistleblowers.

## Reporting and feedback mechanisms

We encourage all our employees and business partners to promptly come forward with questions or concerns about possible violations of laws, the Code of Conduct, ethical business standards, accounting and auditing standards or Varian policies.

Varian has a whistle-blower policy that allows employees, and other stakeholders, to raise concerns in a safe and confidential manner without the fear of retaliation. Reports can be made via our Let Us Know reporting hotline. The Let Us Know hotline is maintained by an independent company and provides a secure channel to protect the confidentiality of reporters. This service is accessible in several languages 24 hours a day, 7 days a week, via phone or online. Employees are also encouraged to seek guidance when in doubt about their responsibilities under the Code of Conduct, company policies or other applicable laws or regulations.

To promote compliance with the Code of Conduct, Varian maintains a compliance program that investigates potential violations of the Code and takes disciplinary action when necessary. Where a violation is identified, it is investigated in consultation with the appropriate stakeholders. Actions may include referring the matter to the appropriate authorities and may be grounds for disciplinary action which may include termination of contract.

Varian Australasia did not receive any human rights-related complaints from suppliers or employees of suppliers during the reporting period.



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## Assessing the effectiveness of our actions

Several of our processes, including our grievance and reporting mechanisms, help track our performance. To date we have found no incidents of modern slavery in our supply chain. However, we understand that this does not mean that they do not exist. We will continue to explore key performance indicators (KPIs) that will help track the effectiveness of actions to prevent and address modern slavery.

## Training and awareness

Promoting awareness of modern slavery issues to employees through engagement and training will assist in identifying modern slavery and human trafficking issues in our supply chain. Varian Australasian employees complete various ethics trainings, including training on the Code of Conduct annually, and are expected to comply with the requirements of the Code.

Our suppliers are required to inform and train their employees with respect to the requirements of the Supplier Code of Conduct and to implement a process that is communicated to their employees to facilitate reporting concerns or violations of ethics, policy or law without fear of retaliation.

This Statement will be communicated to all Varian Australasian employees and will be reviewed annually by the business to ensure appropriateness and continuing suitability. Varian Australasia considers its Board of Directors to be its principal governing body for the purpose of the Act. This Statement was approved by the Board of Directors of Varian Australasia.



Mar 26, 2024

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