

MODERN SLAVERY STATEMENT

JULY 2022 - JUNE 2023

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. Similarly, the UK Modern Slavery Act (2015), requires certain commercial organisations publish an annual statement setting out the steps they take to prevent modern slavery in their business and supply chains. During the period covered by this Modern Slavery Statement, Reynard (a subsidiary of Device Technologies), commenced trading (via website) in the United Kingdom. Actions to address modern slavery risks and their effectiveness must 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 2022 to 30 June 2023.

At Device Technologies Australia Pty Ltd and all subsidiaries of Device Technologies Australia Pty Ltd (**Device Technologies**), 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, Device Technologies does not tolerate any form of exploitation through slavery, servitude, any type of forced or compulsory labour or human trafficking.

OUR COMMITMENT

'At Device Technologies 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.'

Michael Trevaskis
Chief Executive Officer - Device Technologies Group



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 1000 highly skilled staff across Australia, New Zealand and 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 technology 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 organisations with a distinctive competitive advantage, has delivered top-quartile returns.

Under Navis' ownership and direction, Device Technologies maintains a strong focus on achieving strong Environment, Social and Governance outcomes.

200+ BRANDS REPRESENTED



30,000+ PRODUCTS



BUSINESS STRUCTURE

Device Technologies employs approximately 1000 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 90 employees based in offices in Singapore, Thailand, Vietnam, Philippines, Hong Kong and Malaysia.

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

- Advanced Skin Technology NZ Limited
- Advanced Skin Technology Pty Ltd
- BirthBeat Pty Ltd
- Device Technologies New Zealand Ltd
- Device Technologies Private Limited (Singapore)
- DLC Vet Pty Ltd
- DTG Medical Pte Ltd (Singapore)
- Haines Medical Australia Pty Ltd
- Healthcorp Pty Ltd
- HospEquip Pty Ltd
- Lyka Smith Pty Ltd
- Matrix Surgical Pty Ltd
- MedEd Supplies ANZ Pty Ltd
- Medical Design Innovations Pty Ltd
- Medical Sales and Service Pty Ltd
- Medisound Pty Ltd
- Reynard Health Supplies Pty Ltd
- Reynard Health Supplies Ltd (UK)
- Reynard Health Supplies Ltd (NZ)

Subsidiaries underneath the Device Technologies banner are not required to provide individual Modern Slavery Statements. However, Device Technologies has taken the view that providing clarity of individual businesses and their respective risks and actions is appropriate.

The trading entities above are subsidiaries of Device Technologies and have been consulted in the development of this Modern Slavery Statement. Consultation consisted of individual discussions with the most senior business representative of each business and covered the identification of specific modern slavery risks and the development of appropriate actions. Where subsidiaries have discrete modern slavery risks, these have been identified within this statement.

Most subsidiaries have significantly integrated into Device Technologies and are bound by the same overarching policies and systems which provides comfort that modern slavery risks are being managed appropriately.

Operations (staff, contracted sales teams, agents, cleaners, security etc)

Device Technologies 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' workforce is employed within Australia/NZ.
- Device Technologies maintains small offices in Thailand, Vietnam, Philippines, Malaysia, Hong Kong and Singapore. As well as employing our own staff, in Vietnam and Macau, Device Technologies engages with sales agents to distribute product on our behalf.
- Device Technologies maintains its chief sales and marketing and support functions in Belrose, NSW.
- Warehouse locations in Australia and New Zealand are staffed by Device Technologies employees. Logistics and warehouse services in Singapore, Thailand, Malaysia, Vietnam, Philippines and Hong Kong are provided by third parties.



To facilitate delivery of medical device technology to our customers, Device Technologies maintains our own on-premise warehousing in Australia and New Zealand 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 Technologies acquires not for resale goods and services to enable its core business functions. 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 and warehousing 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

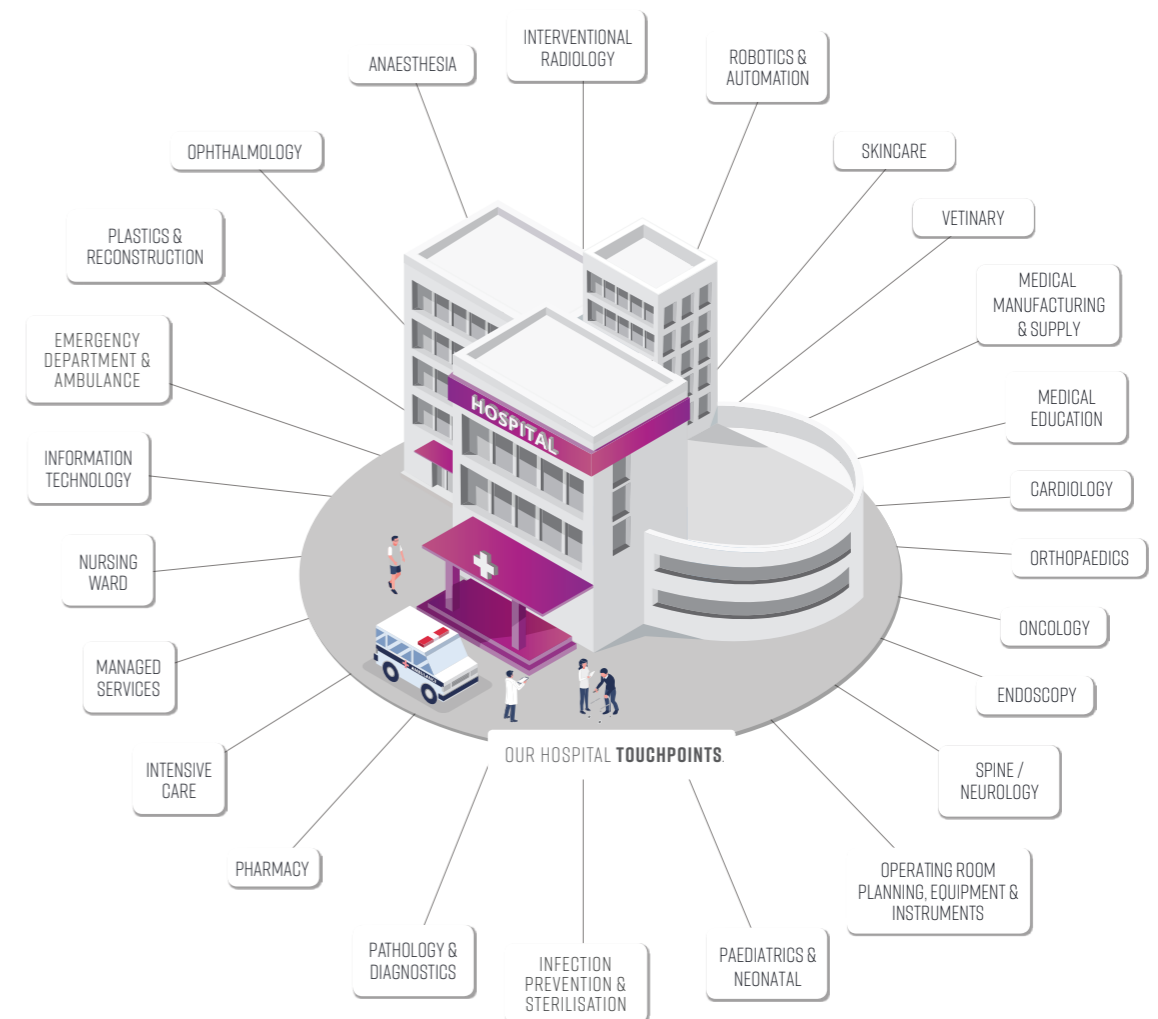


VETERINARY

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

Device Technologies has assessed the overall risk of modern slavery in its own operations and tier one supply chain as low.

Device Technologies as a distributor of medical devices

The suppliers of products that are distributed by Device Technologies are predominantly ISO 9001 accredited organisations that have policies and practices in place to manage modern slavery risk in their supply chain.

Device Technologies' operations in Asia is largely sales distribution. As a professional service, the risk of modern slavery is comparatively low against other industries. Aside from sales agents in some jurisdictions, Device Technologies employs its own staff.

Device Technologies recognises that suppliers of medical device technologies have complex, multi-tiered supply chains which may present a higher risk of modern slavery.

Device Technologies as an employer

Device Technologies takes a no-tolerance approach to modern slavery in all its forms. Device Technologies meets modern slavery and employment law requirements in all jurisdictions in which we operate.

Device Technologies as a manufacturer

Lyka Smith are at the frontier of 3D printing technologies and provide medical industry professionals with fully customised parts, devices and implants. Based in Melbourne, Australia, Lyka Smith produce bespoke, patient-specific solutions for a variety of surgical options ranging from orthognathic and trauma, to mandibular cancer reconstruction and guided dental surgery.

Medical Design Innovations (**MDI**) is the only other Device Technologies entity with direct manufacturing capability. MDI have a manufacturing plant based in Brisbane, Australia and consists of a full fabrication department and assembly line. MDI also has a dedicated team of design engineers, draftsman, installers and service technicians. Components are sourced locally in Australia and imported, predominantly from Asia.

Aside from the Lyka Smith and MDI businesses, Device Technologies does not own manufacturing facilities nor directly employ those working in manufacturing. However, Device Technologies does source products locally and from overseas factories/manufacturers who do not have a presence in Australia. This contract manufacturing model is applicable to a number of Device Technologies subsidiaries as well as Device Technologies' own limited private label range of products. Subsidiaries of note (where this practice is more prominent in their product offering), are described below:

Advanced Skin Technology (**AST**)

Advanced Skin Technology (AST), is an entity within Device Technologies which supplies skincare products.

AST's first tier supply chain is primarily located within the USA 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, largely based in Asia), 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. DLC 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.

Device Technologies - Olie

Device Technologies has a small number of products under the private label Olie brand. These products are manufactured by contracted third parties to Device Technologies in Australia, Europe, and Asia.

Reynard

Reynard were acquired by Device Technologies in July 2022 and supply a wide range of customer care and products to support cleaning needs and infection control within the healthcare environment. Products are primarily manufactured in China. Reynard has offices in the United Kingdom, Australia and New Zealand and has recently commenced website sales in the UK. Reynard hold a SEDEX membership to provide additional clarity on modern slavery risks within their supply chain.

Device Technologies as a consumer of not for re-sale goods and services

The vast majority of goods and services that Device Technologies 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.

RISK ASSESSMENT SUMMARY

Risk Description	Finding	Our Risk Exposure
Casual or contract workers engaged directly by Device Technologies	Device Technologies' workforce is almost all permanent, with only a small percentage (less than 1%), of casual or contracted labour.	Low
Casual workers under the age of 18	Device Technologies employs very few casual employees under the age of 18.	Low
Migrant workers	Device Technologies has very few employees on temporary visa working arrangements.	Low
Seasonal workforce fluctuation	Device Technologies' operations are not seasonal. There is consistent workforce turnover during the reporting period.	Low
Freedom of association	Device Technologies employees operate under an Enterprise Bargaining Agreement or contracted salary above award rates.	Low
External auditing	Device Technologies holds current ISO9001 certification and is audited to financial accounting standards. Additionally, Device Technologies participated in an EcoVadis assessment during the period. No independent responsible sourcing audit has been undertaken.	Low
Sector Risk	Device Technologies operates in high-risk sectors including: <ul style="list-style-type: none"> • Manufacturing • Wholesale and Trade As primarily a distributor, direct tier one manufacturing risk presents as a lower likelihood for Device Technologies A tier one supply chain map has been developed against the Global Slavery Index. Approximately 5% of Device Technologies sales come from high risk countries.	Medium
Services engaged by Device Technologies	Device Technologies relies on services including recruitment, legal, cleaning services, construction, property maintenance waste disposal and equipment maintenance. Whilst recruitment, construction and cleaning services are considered high risk, Device Technologies generally has long term relationships with small family businesses or recognised service providers with strong human rights policies.	Low

4.0 RISK MANAGEMENT ACTIONS AND EFFECTIVENESS

The impact of Covid-19 limited Device Technologies' ability to physically visit supplier premises during the period to conduct inspections and assess modern slavery risk.

The actions described below have been implemented across Device Technologies businesses, including subsidiaries and an assessment of their effectiveness provided:

Supplier Code of Conduct

Device Technologies has implemented a Supplier Code of Conduct which requires suppliers to actively certify their compliance with governance requirements including modern slavery and human rights. The Supplier Code of Conduct enables Device Technologies to obtain further confidence that suppliers have adequate procedures in place to manage modern slavery risk. Alongside contractual controls, the Supplier Code of Conduct also permits Device Technologies to assess the effectiveness of a supplier's approach to managing modern slavery risk by allowing for desktop and/or onsite audits. The Supplier Code of Conduct has been effectively implemented for all new supplier relationships and is being applied to circumstances where Device Technologies refreshes its position with existing suppliers as supply contracts are renewed. Very few third parties have raised concerns about being bound by the Device Technologies Supplier Code of Conduct, and none have raised concerns regarding requirements obliging them to comply with the modern slavery obligations.

Modern Slavery and Human Rights Policy

In conjunction with the Supplier Code of Conduct, the Modern Slavery and Human Rights Policy establishes Device Technologies' expectations of both our business and our suppliers, and acts to provide confidence that modern slavery risk is being managed effectively within our supply chain. The Modern Slavery and Human Rights Policy is available for all third parties on our external facing Policy Library (<http://www.device.com.au>). The Modern Slavery and Human Rights Policy is embedded within the Supplier Code of Conduct and is effectively communicated as part of all new supply relationships. Existing suppliers reference the Modern Slavery and Human Rights Policy from the Policy Library and will be formally bound as the Supplier Code of Conduct is progressively implemented.

Contractual Controls

Device Technologies' Contract Execution Policy drives consistency of baseline contractual protections and requirements for all customer and supplier relationships. This Policy applies across all supplier interactions and includes subsidiary business engagements. Where Device Technologies contracts are used with suppliers, contractual provisions are more specific in relation to management and notification of modern slavery risks identified within the supplier's business and/or supply chain. Where a third party contract is executed, reciprocal clauses are included to ensure the Device Technologies must be made aware of modern slavery risk.

Additionally, specific clauses allowing for audit rights have been included as appropriate within contracts to allow for 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 are being implemented. This approach has been effective for contracts handled directly by the legal team, however, an improvement opportunity lies with contracts that are handled outside the legal team or directly by subsidiary businesses.

Device Technologies has yet to be notified of any modern slavery risk through its supply chain relationships. Whilst audit clauses have been included in contracts, few site visits have been conducted over the period.

Risk Steering Committee

Device Technologies recognises that modern slavery risk cannot be assessed or addressed adequately by one functional area. As such, the Device Technologies Risk Steering Committee (RSC), comprised of representatives from: Legal, Commercial & Facilities, Finance, IT, Sales and Marketing, Regulatory & Quality, People & Culture and Supply Chain continues to have ownership of this risk.

The RSC meets on a monthly basis and, amongst other topics, set the direction to manage modern slavery risk and has oversight of the effectiveness of the control framework.

Enhanced Due Diligence

As a part of our approach to acquisitions and/or business partnering in Asia, Device Technologies selectively 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 our approach to managing risk and ultimate decision regarding business engagement with the parties the subject of the enhanced due diligence.

Typically, enhanced due diligence is conducted on third party sales agents in Asia, an area where Device has limited on-the-ground visibility. These reports provide for in-market intelligence and allow for greater insight into modern slavery risks. There were no modern slavery or human rights concerns raised by the enhanced due diligence activities conducted during the period.

Navis oversight

Navis have clear expectations of Device Technologies and how risks such as modern slavery are identified, treated and escalated. Device Technologies provides frequent reports to Navis to demonstrate ongoing compliance with relevant requirements and management of risk. The frequency of Compliance Committees of the Board has been increased to meeting quarterly.

Escalation Mechanisms

Device Technologies has longstanding escalation mechanisms in place, whereby through commercial avenues (or through the formal Whistleblower channel), employees or suppliers can escalate concerns regarding wrongdoing – including but not limited to any modern slavery risk. The whistleblower program is made available to all third parties and is accessible via the Device Technologies public facing website. No claims as to modern slavery risk have been received. An assessment of whistleblower usage was conducted and whilst not narrowed to modern slavery matters, the assessment indicated that the usage of the whistleblower program is below average.

Employee Training

All Device Technologies employees are provided with mandatory awareness training on modern slavery. The online learning module requires completion during induction for new employees. Dedicated refresher training will be scheduled for all employees on a two year cycle.

Third Party Due Diligence Screening and Third Party Questionnaires

Device Technologies has implemented a system to issue third party questionnaires and conduct due diligence screening on all new suppliers prior to formalising a business relationship. Amongst various other topics, the questionnaire requires the supplier to respond to a number of questions designed to assess the risk of modern slavery and the maturity of their current practices. In conjunction with the due diligence screening (against both the entity and name key individuals), this process allows Device Technologies to make an informed judgement on modern slavery risk with that supplier and, where necessary, implement appropriate mitigations. The Device Technologies Third Party Oversight Policy articulates these requirements.

Employee Code of Conduct

Device Technologies revigorated the Employee Code of Conduct during the period. Modern slavery awareness content is included and all staff were required to complete an online module supporting the Code of Conduct document. This content supplements the discrete learning module on modern slavery also delivered to all staff upon commencement.

Private Label Manufacturer Assessment

Under the direction of the Head of Strategic Sourcing, a vendor evaluation form featuring a modern slavery assessment and discrete Slavery and Human Trafficking Declaration has been implemented for all new private label suppliers.

Ethical Audit Trial

An ethical audit template was developed and tested during the period. Whilst no modern slavery risks were identified during the trial, useful feedback about the content of the ethical audit template, the process to implement and skills required by the auditors were obtained and assessed by the RSC.

Tier One Supply Chain Map

During the reporting period, a map of Device Technologies' purchase order value was developed which contrasted against the Global Slavery Index. Results show that approximately 5% of Device Technologies purchase order value is made through high risk countries. This reflects contract manufacturing activity being undertaken largely in China. The tier one supply chain map is an effective tool to understand risk, however, the limitation is a lack of information from certain subsidiary businesses where they have not yet been integrated into relevant systems.

5.0 NEXT STEPS

The Device Technologies RSC anticipates the following (additional) actions to be progressed and/or completed during the next reporting period to drive further risk reduction for modern slavery.

Third Party Questionnaires and Due Diligence Screening

Device Technologies will continue to embed the application of the Third Party Oversight Policy, requiring all new third parties and third parties whom are due for contract renegotiation to respond to a questionnaire containing modern slavery questions. Upon receipt of this information, Device Technologies will continue to assess and take actions as appropriate to address modern slavery risk.

Employee Code of Conduct

The Device Technologies Employee Code of Conduct, will be re-issued during the next period and issued to all employees, via e-learning. The availability of escalation mechanisms (such as the Whistleblower Policy), will also be promoted.

Supplier Code of Conduct

Device Technologies will continue to roll-out the Supplier Code of Conduct for new third parties and capture existing third parties where the contractual relationship is due for renewal.

Approach to Ethical Audits

Device Technologies will work to assess and mature our approach to managing ethical audits in our supply chain. Work to assess the suitability of industry ethical audit bodies (such as SEDEX), will be explored.

Modern Slavery Awareness Training

In alignment with our compliance training matrix, all existing staff who had previously completed modern slavery awareness training two years ago, will cycle through to refresher training. This will be conducted via e-learning module.

Contract Execution Policy Training

Device Technologies will launch training to all Managers designed to increase their awareness of the Contracts Execution Policy. This Policy contains specific requirements and clauses for managing modern slavery risk and reduce risk where contracts are handled outside of the Device Technologies' Legal function.

For further information please contact Device Technologies

Compliance & Risk Manager at compliance@device.com.au

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AUS 📞 **1300 DEVICE** (338 423)
customers@device.com.au
www.device.com.au

NZ 📞 **0508 DEVICE** (338 423)
customers@device.co.nz
www.device.co.nz

