

# EMPOWERING PEOPLE WITH TECHNOLOGY

SIEMENS



Modern Slavery Statement  
2021

This statement covers the activities of Integral Diagnostics Limited ABN 55 130 832 816 and its controlled entities to understand and implement actions to minimise the risk of modern slavery and human trafficking in our operations and supply chain.



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## 1. THE REPORTING ENTITY

### Introduction

Integral Diagnostics' (IDX) Board and management are committed to the management of modern slavery risks within IDX's supply chain. IDX's vision of providing a healthier world by delivering the best health outcomes for our patients is strongly aligned to our beliefs. We have a responsibility to our key stakeholders to ensure that we thoroughly assess and understand our supply chain to identify areas of risk of modern slavery. We also have a responsibility to work with our suppliers over time to evaluate those risks and how best they can be mitigated against. This is to mitigate the risk of modern slavery within our supply chains, and, if identified, remove modern slavery from our supply chain.

### Our Business

IDX is a healthcare group providing diagnostic imaging services to patients and referrers including general practitioners, medical specialists and allied health professionals across Australia and New Zealand. We provide our services through a network of clinics, including multiple hospital sites, and operate under various brands in the different geographic areas.

In FY21 we engaged with 35,200 referrers and saw almost 800,000 patients. Our combined clinical group is one of the largest radiology providers across Australia and New Zealand. Our team of approximately 1,524 radiologists and qualified technical, nursing and support staff are committed to providing the highest level of diagnostic imaging and patient care.

## 2. REPORTING ENTITIES STRUCTURE, OPERATIONS AND SUPPLY CHAINS

### a) Structure

Integral Diagnostics Limited is an Australian public company, limited by shares, listed on the Australian Stock Exchange (ASX) with the ASX code IDX, ACN 130 832 816.

IDX has a number of subsidiaries in Australia and New Zealand and operates as a single economic entity.

IDX is headquartered in Melbourne, Victoria, Australia, the registered address is Suite 9.02, Level 9, 45 William Street, Melbourne 3000. The Board of IDX is supported by a unified management team that has oversight and manages the operations of IDX. Shareholders of IDX have economic and voting rights with respect to the group as a whole.

### Subsidiary entities

The following entities are covered by this Modern Slavery Statement:

- Lake Imaging Pty Ltd Australia
- Radploy Pty Ltd Australia
- Radploy 2 Pty Ltd Australia

- Radploy 3 Pty Ltd Australia
- Radploy 4 Pty Ltd Australia
- Global Diagnostics (Australia) Pty Ltd Australia
- SCR Corporate Pty Ltd Australia
- RAD Corporate Pty Ltd Australia
- Integral Diagnostics No. 1 Pty Ltd Australia
- Imaging Queensland Pty Ltd Australia
- Queensland Nuclear Medicine Pty Ltd Australia
- Advanced Women's Imaging Pty Ltd Australia
- Imaging Queensland IP Pty Ltd Australia
- Radiology 24/7 Pty Ltd Australia
- Sunshine Coast Radiology Pty Ltd Australia
- SC Radiology Pty Ltd Australia
- Central Queensland Radiology Pty Ltd Australia
- CQ Radiology Pty Ltd Australia
- IQ Radiology Pty Ltd Australia
- IQ Radiology Services Pty Ltd Australia
- Integrated Pain Management Pty Ltd Australia
- Bodyscreen Pty Ltd Australia
- Specialist Radiology Group Limited New Zealand
- Trinity MRI Limited New Zealand
- Ascot Radiology Limited
- Insight Radiology Limited
- Ascot at Mauranui Limited
- Integral Diagnostics New Zealand Limited

### b) Operations

As at 30 June 2021, IDX operated across 67 locations in four Australian states and in Auckland, New Zealand.

IDX's operations include the following key areas:

1. The provision of diagnostic imaging services and healthcare to patients in Australia and New Zealand.
2. The direct employment of workers in the provision of healthcare and support functions.
3. Leasing and fit-out of locations used for clinical services and corporate functions, including ongoing repairs and maintenance.
4. The purchase, maintenance and repair of medical equipment used in diagnostic imaging.
5. The purchasing of medical consumables and equipment, including uniforms, personal protective equipment and pharmaceuticals.
6. The engagement of business-related and professional services such as the use of cleaning contractors and professional advice providers.

IDX's operations, its locations, core markets and structure are outlined in detail in our Annual Report. The table following summarises our operations across our major brands and the data is current as at 30 June 2021.

## As at 30 June 2021 IDX Operated in Key Geographical Markets



	Lake Imaging	South Coast Radiology	Apex Radiology	Specialist Radiology Group Trinity MRI	Imaging Queensland	IDX Corporate	Total IDX
<b>Geographic market</b>	Victoria	Queensland and NSW	Western Australia	New Zealand	Queensland	IDX Corporate	
<b>Core markets</b>	Ballarat, Geelong, Warrnambool and outer western areas of Melbourne	Gold Coast, Toowoomba and Mackay	South West Western Australia	Auckland	Sunshine Coast, Rockhampton and Gladstone	Melbourne and Geelong and QLD	
<b>Sites</b>	19	14	5	12	17		<b>67</b>
<b>Comprehensive sites<sup>1</sup></b>	6	7	2	5	7		<b>27</b>
<b>MRI machines</b>	8	8	2	6	7		<b>31</b>
<b>MRI licences</b>	4 full 0 partial	4 full 2 partial	2 full 0 partial	N/A	3 full 2 partial		<b>13 full 4 partial</b>
<b>PET scanners</b>	2	2	1	1	-		<b>6</b>
<b>Employed radiologists<sup>2</sup></b>	46	37	13	40 <sup>3</sup>	21		<b>157</b>
<b># of employees<sup>4</sup></b>	389	403	164	172	310	86	<b>1,524</b>

Note: Reflects current data as at 30 June 2021.

1. Comprehensive sites include a range of radiology equipment including MRIs and CTs and are located with or near major specialist referrers.
2. Relates to employed radiologists only. In addition, IDX has had 80 contractor radiologists provide service over FY21.
3. Consistent with the New Zealand private radiology model, all doctors work across the public and private sector and meet the criteria to be classified as contractors but are on terms and conditions similar to IDX employed radiologists.
4. This number represents the number of employees on employment contracts on either part-time or full-time arrangements, it does not represent the number of full-time equivalent employees or individual casual/contract arrangements. In addition, there are 86 employees in the corporate office (including IDX) totalling 1,524 employees.

IDX's centralised shared services function supports the overall business in areas such as finance, risk management, health and safety, privacy, assurance, human resources, technology, commercial development, procurement, governance, strategy and compliance.

Further to the above, IDX's shared services function has enabled the centralisation of key vendor relationships and procurement activities. This ensures a consistent relationship with the key vendors and enables the group to negotiate better qualitative and quantitative outcomes for the organisation. These activities cover operational expenditures such as medical consumables and IT equipment and services, as well as our larger capital procurement activities.

IDX has established an Environmental, Social and Governance (ESG) Committee to formalise our approach to our ESG responsibilities and subsequent action plans. The committee comprises an executive, members of the senior management team and operational personnel.

The committee provides strategic oversight of our ESG approach, including on, modern slavery. IDX's ESG Statement can be found via the IDX website ([www.integraldiagnostics.com.au](http://www.integraldiagnostics.com.au)).

### c) Supply Chain

IDX's supply chain has not materially changed from FY20 and includes the provision of goods and services from companies across various countries. These include:

- Australia >91%
- Canada <2%
- New Zealand <1%
- UK <1%
- USA <1%
- Israel <1%
- Philippines <1%

### *Products provided to IDX by suppliers*

The key products in IDX's supply chain sourced directly from suppliers include:

- The purchase and maintenance of medical/diagnostic imaging equipment such as Positron Emission Tomography (PET), Magnetic Resonance Imaging (MRI), Computed Tomography (CT), ultrasound and X-ray equipment.
- The purchase of medical consumables, including personal protective equipment, cleaning products, needles, syringes, contrast and radiopharmaceuticals.
- The purchase of uniforms and patient gowns.
- The purchase of electronic equipment other than medical equipment, such as computers and equipment for office staff, network infrastructure, office furniture and stationery.

### *Services provided to IDX by suppliers*

The key services provided to IDX sourced directly from suppliers include:

- Repair and maintenance of medical and other equipment.
- Fit-out, repair and maintenance of IDX clinics and offices.
- Outsourced services such as IT support and typing.
- The use of professional services firms for accounting, transactional and other operational advice.
- Cleaning services.

### *Products and services used by indirect suppliers in IDX's supply chains*

IDX's suppliers provide products with components and material sourced from multiple countries in the production of their goods. For example, in the production of diagnostic imaging equipment, the following materials are used:

- Plastics
- Metals
- Computer components

Other examples of products sourced from components or materials sourced further down IDX's suppliers' production chains include:

- Textiles used in uniforms, gowns and personal protective equipment.
- Chemical substances used in pharmaceuticals and other consumables.
- Plastic products and other materials used in the production of products and stationery.

## **3. DESCRIPTION OF RISKS OF MODERN SLAVERY PRACTICES IN OUR OPERATIONS AND SUPPLY CHAINS**

### **IDX's Operations**

During the FY21 financial year, IDX has not directly caused or contributed to modern slavery risks through its operations.

IDX is committed to ensuring that all of its labour practices are consistent with Australian and New Zealand legislation and regulatory requirements, and reviews its policies regularly to ensure compliance. IDX's own review of its practices is further supported by the engagement of independent experts on human resources and labour law matters as well as through the engagement of professional internal and external audit providers. In FY21, targeted audit reviews were conducted on staff pay, which did not uncover any issues related to modern slavery concerns.

### **IDX's Supply Chain**

IDX's procurement and supply chain activities can be broken down into two broad categories when assessing modern slavery risks:

1. Direct onshore and on site activities – where IDX's engagement of vendors for goods and services may present risks of labour rights violations.
2. Supply chain activities – where IDX's procurement of goods in certain categories is at risk from being sourced from countries or regions with histories of poor labour rights, human rights or legal system issues and corruption.

The inherent risks across those categories, relevant to IDX include:

1. Underpayment and exploitation of migrant workers in service subcontracting.
2. Labour conditions and child labour in the supply chain of manufactured goods.
3. Labour rights in offshored financial and business services.
4. Underpayment, indentured workers and exploitation of migrants in the supply of travel hospitality and entertainment services.

Further to the above, without active consideration of these risks in IDX's procurement activities, there exists the risk that IDX may inadvertently incentivise modern slavery practices by making decisions based solely on the lowest cost of goods.

IDX's analysis of the risks against each vendor category, using the methodology outlined in section 4 below, determined that our 14 vendor categories with the highest likelihood of a link to modern slavery risks in FY21, as outlined in FY20 remain:

### Direct Onshore

Category name	Type of risk
Cleaning	Lower-skilled labour using irregular or migrant workers particularly vulnerable to exploitation.
Film Delivery/Couriers	Lower-skilled labour using irregular or migrant workers particularly vulnerable to exploitation.
Laundry and Dry Cleaning	Lower-skilled labour using irregular or migrant workers particularly vulnerable to exploitation.

### Supply Chain

Category name	Type of risk
Consumables	Labour rights and governance in the overseas supply chain of chemical products.
Radiopharmaceuticals	Labour rights and health and safety and governance in the overseas supply chain of chemical, plastic and metal products.
Contrast	Labour rights and governance in the overseas supply chain of chemical products.
Needles and Syringes	Labour rights and health and safety and governance in the overseas supply chain of chemical, plastic and metal products.
Pharmaceuticals	Labour rights and governance in the overseas supply chain of chemical products.
Film	Labour rights and health and safety and governance in the overseas supply chain of chemical, plastic and metal products.
Freight	Low-skilled labour vulnerable to exploitation.
Medical Equipment	Labour rights and health and safety in electronics and medical equipment supply chains.
Staff Gifts	Risks from manufacturing of metal and plastic products and the extraction of raw materials in high-likelihood countries.
Contractors/ Labour Supply – Typists	Risk of unfair working conditions for people when operations are outsourced, potentially offshore.
Computer Expenses	Labour rights and health and safety and governance in electronics supply chains.

## 4. ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

Building on the risk assessment process conducted in FY20, IDX has reviewed its supply chain data and confirmed that there are no material changes to IDX's supply chain or supply chain risks in FY21.

The risk assessment process undertaken in FY21 validated the assessment in FY20 and looked at our largest suppliers by category and geography. The assessment gave consideration to:

- The type of goods and services being procured.
- The geographical locations in which those vendors operate.
- The size and volume of transactions with vendors.
- The distance from the risk or control that IDX can have over the supply chain.
- Approaching identified vendors to proactively seek assurances on how they were managing the risk of modern slavery within their own supply chains.

### Actions Taken in FY21

#### What we said we would do:

Ongoing collaborative work with suppliers to understand and manage modern slavery risks	✓
Enhanced training and guidance for staff	✓
Improvements to our vendor screening and approval processes	✓

During the FY21 financial year, IDX undertook the following actions to better understand its supply chain as well as support and encourage suppliers to improve their downstream modern slavery practices.

IDX's risk framework and governance structure ensures decision-making at all levels of the organisation considers risks.

### Direct Engagement With Top Suppliers

As a result of our supply line assessment in FY20, IDX directly engaged with all vendors that were assessed to have “very high” risks of modern slavery practices, as well as our 10 largest suppliers, to understand how they were managing modern slavery risks within their supply chain. Building on that in FY21, IDX has now directly contacted and engaged with its largest 33 (out of 1,458) suppliers, representing 34% of our total vendor spend.

Each of these suppliers has been asked to sign and return to IDX:

- A joint attestation where both parties agree to manage modern slavery risks within their supply chains and notify the other party of any risks or issues that arise.
- A survey of the vendors to better understand the modern slavery risks that exist within their operations and supply chains, including whether they:
  - Have a modern slavery policy or process.
  - Have someone with direct responsibility within their organisation for modern slavery.
  - Screen suppliers for modern slavery risks.
  - Have a written process for dealing with modern slavery risks or incidents as they arrive.
  - Undertake any other due diligence with respect to modern slavery.
  - Provide training to their staff on modern slavery.
  - Undertake checks to ensure child labour is not being used within their organisation or suppliers.
  - Have written contracts in place for all employees, including ensuring the contracts are in a language employees understand and clearly state things such as hours of work and wage rates.
  - Take any other steps to combat modern slavery not covered by the survey.
  - Have ever been found to have breached modern slavery legislation.

This attestation and survey process has allowed IDX to continue to reinforce its expectations of suppliers while also getting a clearer picture of the strength of controls that exist within its supply chain.

We have received responses from 90% of contacted suppliers, either through a completed attestation or a copy of their own modern slavery statement. Where we are yet to receive a response, we will continue to engage with these suppliers and over time consider non-responses in our assessment of risk and potential future actions.

IDX is committed to educating suppliers of its expectations and improving processes where gaps or issues are found.

### Training for Management and Staff

IDX has sourced and provided training for managers as well as all staff on IDX’s modern slavery obligations and everyone in the organisations’ whose role it is to manage modern slavery risks. As well as making this training available to all existing staff, IDX has included these training modules in the mandatory orientation process for all new starters.

Our modern slavery training has been made available to 1,611 staff with 1,063 having completed it (65.98%). Further work is underway in FY22 to increase the number of staff who have completed the training.

### Improvements to Vendor Screening and Approval Processes

IDX has reviewed and updated its vendor screening and approval processes in line with our Ethical Supply Chain Policy to ensure that modern slavery considerations are assessed when new contracts or supplier arrangements are reviewed. This includes a specific review of contracts to ensure modern slavery considerations have been addressed and/or the completion of the attestation process described above for new vendors/suppliers.

### Whistleblower Policy

IDX has also strengthened its Whistleblower Policy and guidance to ensure staff understand that modern slavery issues or concerns can be raised through that channel.

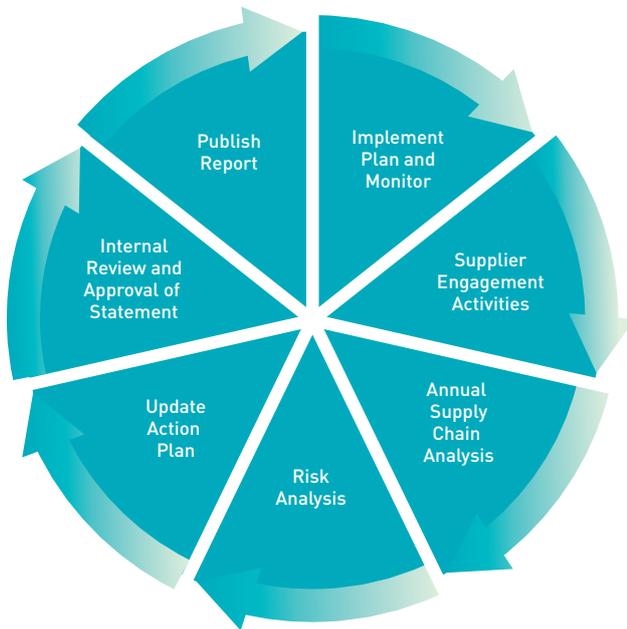
## 5. ASSESSING EFFECTIVENESS OF ACTIONS

IDX is committed to continual improvement of its modern slavery risk processes. IDX will continue to build on its approach each year by:

- Undertaking an annual review of our supply chain to identify modern slavery risks and practices.
- Updating our rolling modern slavery action plan.
- Performing an annual review of key policies to ensure modern slavery risk management remains appropriate.
- Continuing to work with suppliers to encourage improvement in practices.

## Annual Review Cycle

IDX's annual review cycle for assessing modern slavery practices includes:



In addition to the annual review cycle described above, The Board is proactively engaged with any material modern slavery risks or issues.

## 6. GROUP CONSULTATION

Building on the broad consultation that was undertaken in FY20 to inform our longer-term approach to modern slavery, IDX has consulted with key stakeholders and management, across the IDX group, on our approach to managing modern slavery risks. The IDX ESG Committee oversees the group-wide effort on modern slavery and has aligned further activities such as the improvements to our broader supply chain management processes to align with our modern slavery goals and obligations.

The draft modern slavery statement was tested with key roles across the group including senior management, and following consultation and direction from IDX's Audit Risk and Compliance Committee (ARCC) and Board.

## 7. ANY OTHER RELEVANT INFORMATION

### COVID-19

During COVID-19 and in particular in FY20, like many organisations, IDX faced supply chain interruptions and needed to consider alternative suppliers for items such as Personal Protective Equipment (PPE), medical consumables

and in some cases its equipment. In FY21, supply chain interruptions and challenges were significantly reduced and IDX has been able to re-engage the majority of its supply chain activity with its preferred and regular suppliers. Where additional stocks of PPE or other medical consumables have needed to be sourced from alternative supply chain sources, IDX ensures that all suppliers of PPE and medical consumables held Therapeutic Goods Administration (TGA) or equivalent certification and tested alternative suppliers with existing vendors to assess quality and reputation.

## 8. LOOKING FORWARD

As part of IDX's continual improvement activities for modern slavery, a number of key initiatives have been identified for FY22 and beyond. IDX is committed to building the maturity of our ESG program including our modern slavery and ethical supply chain activities.

Key actions for FY22 outlined in our statement include:

- Ongoing collaborative work with suppliers to understand and manage modern slavery risks, including ensuring that all new suppliers undertake modern slavery attestations and provide survey responses.
- Greater focus on engaging with vendors where there is direct onshore supply chain risks such as cleaning.
- Continued training and guidance for staff.
- Further improvements to our vendor assurance and approval processes.
- Further integration of third-party risk assessment and supplier attestations into IDX's risk and incident management platform.
- Further enhance incident management, whistleblower and grievance processes to encourage notification of modern slavery issues or concerns.

Performance against our modern slavery plan will be continually reviewed for improvement opportunities within IDX to ensure that these actions continue to be an integrated way of doing business at IDX.

Approved by the Board 22 December 2021

**Helen Kurincic**

Board Chair

Integral Diagnostics Limited



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