



Modern Slavery Statement

Reporting Period
1 July 2021 to 30 June 2022

i-med.com.au



**I-MED Radiology
Network**

Comprehensive care. Uncompromising quality.

Reporting entity and organisational structure

Overview

This Modern Slavery Statement (**Statement**) is made by Image Holdco Pty Ltd (ACN 623 028 740) (the **Reporting Entity**) pursuant to the Modern Slavery Act 2018 (Cth) (**Act**).

The Reporting Entity is the ultimate holding company of a consolidated group. This Statement is submitted by the Reporting Entity as a joint statement on behalf of its wholly-owned subsidiaries (together, hereafter referred to as the **I-MED Group, Group** or **I-MED**).

This Statement sets out the actions taken by the I-MED Group in assessing modern slavery risks in its operations and supply chains, and the actions it has taken to address, monitor and prevent these, during the period 1 July 2021 to 30 June 2022 (**Reporting Period**).

This Statement has been approved by the Board of the Reporting Entity on behalf of the I-MED Group.



Who is the I-MED Group?

The I-MED Group is a privately-owned and operated national medical imaging and teleradiology provider – its services include X-Ray, PET, CT, MRI, nuclear medicine, ultrasound, mammography and interventional procedures.

The Group has been providing medical imaging services within Australia for over 60 years and performs nearly 7 million patient examinations annually. The Group operates primarily in Australia and comprises nearly 230 clinics across all Australian states and territories, in both metropolitan and regional communities. These sites provide services across a mix of standalone community sites, fully outsourced hospital radiology departments, private and public hospital settings and remotely for various other health-related services. In addition, in the Reporting Period, the Group acquired new operations in New Zealand.





Vision and values

The I-MED Group has a vision to be the most respected and trusted medical imaging specialists in the world. Its primary purpose is to help save lives and reduce uncertainty by delivering high quality services with compassion and respect to its customers. This is at the core of everything that the I-MED Group does in its activities and informs all aspects of its operations.

As part of this vision, and as Australia's largest medical imaging provider, the I-MED Group is a trusted provider not only by providing exceptional service, but by its commitment to operating its operations in a lawful, ethical and socially responsible manner.

A commitment to upholding fundamental human rights is integral to the ethos of its business and intertwined in the I-MED Group's values. These include that:



We deliver the highest quality



We work together



We innovate and adapt



We are compassionate



We connect and communicate

In order to sustain its high standards, I-MED recognises that its people are at the core of who it is, what it does and how it delivers its services to the community. I-MED treats its staff and colleagues as it treats its patients and referrers – with respect, dignity and consideration at all times.

The I-MED Group has a zero-tolerance to modern slavery practices, human trafficking and other unethical practices within its operations. To remain true to its own vision, it seeks to engage only suppliers who it believes are aligned to its vision and values and who uphold those same high ethical and socially responsible standards.

I-MED Group operations and supply chains

Internal operations

Whilst the I-MED Group comprises several corporate entities it operates as a fully integrated business with shared corporate services, staff, IT infrastructure, knowledge and resources in support of the delivery of the Group's operations.

The Group's operations and corporate governance are monitored and overseen by the Board of Directors of the Reporting Entity.

Board of Directors

The Board of Directors is comprised of 3 executive directors and 4 non-executive directors. The Board meets regularly to discuss, plan and oversee the management of the Group.

The Board has 3 committees which support it in delivery of its goals:

- Audit & Risk Committee monitors the overall risk management framework, the financial reporting processes, the compliance processes and oversees the audit program;
- National Clinical Management Committee monitors and reviews the Group's national Clinical Governance Framework; and
- People & Remuneration Committee assists the Board in the oversight of engagement, remuneration, bonuses and incentives paid to staff of the Group.

The Chief Executive Officer, Chief Financial Officer and Chief Medical Officer comprise I-MED's executive directors. Together with the broader senior leadership team, they are responsible for promoting a risk aware and responsible culture and ensuring that there is a systematic process to identify, analyse, evaluate and treat risk.





I-MED Group workforce

The I-MED Group collectively engages more than 4,500 staff nationwide. This includes over 300 radiologists and clinic and support staff (e.g. radiographers, sonographers and administrative staff) and corporate staff (e.g. executive, business unit and operational managers, finance, procurement, human resources, IT and legal staff).

The Group engages the following different types of workers and non-workers:

- Employees and independent contractors: Over 98% of the Group's workers are directly engaged under individual contracts or through one of the Group's sixteen enterprise agreements, depending on the nature of their engagement. The terms and conditions of their engagement are set out in each of those agreement types. Such persons are engaged on either a full-time, part-time or casual basis.
- Labour hire and temporary workers: The Group will occasionally engage a small number of personnel (<1%) via labour hire arrangements or through recruitment agencies. Such persons mainly comprise highly skilled medical staff, or for providing overflow support for certain corporate functions, for short term assignments. Such engagements of labour hire providers are done through contractual arrangements solely with providers who hold appropriate licences (where required). The Group expects that such suppliers to aim for high ethical standards and to operate in an ethical, legally compliant and professional manner at all times, including within their own supply chain.
- University student placements: The Group has several arrangements with universities to provide placements in I-MED Group clinics for their students as part of the students' university courses and to enable them to further their studies. These arrangements are negotiated directly with the relevant university and implemented in accordance with a written contract. Generally, students are not engaged as employees of the Group, as these arrangements are for the benefit of the students and required as part of their university courses. In circumstances where university students who undertake substantive work for the benefit of the Group, they may be offered employment subject to an employment contract.

Staff entitlements

All employees of the Group are employed pursuant to a written common law employment contract which contains their terms and conditions of employment. In this way, the Group ensures that all entitlements and prescribed conditions of employment under relevant laws, regulations and other instruments are appropriately implemented and accounted for.

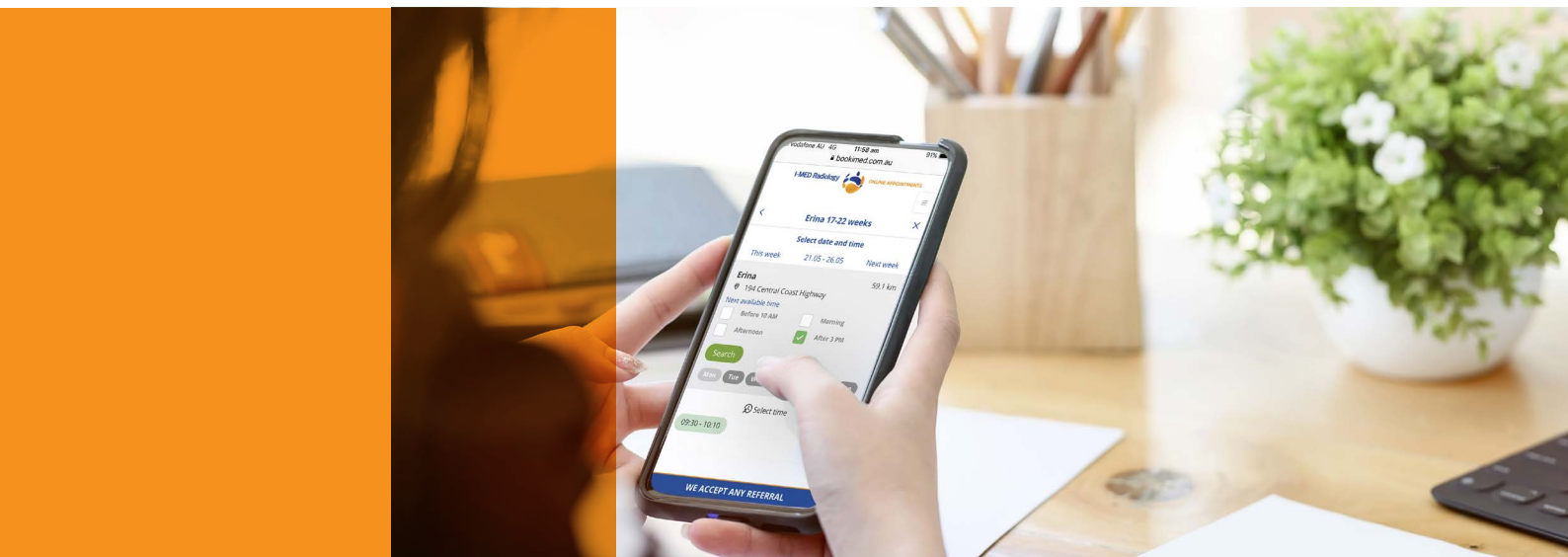
The terms and conditions of employment for employees of the I-MED Group are governed by the National Employment Standards (NES) contained in the *Fair Work Act 2009* (Cth) (**Fair Work Act**), individual common law employment contracts, and where applicable, industrial instruments including enterprise agreements or modern awards.

These industrial instruments contain a number of further terms and conditions of employment in addition to those contained in the employee's employment contract, including in relation to:

- How employees are classified (e.g. full-time, part-time or casual etc)
- Hours of work, including rostering and breaks
- Wages and allowances, including the payment of these entitlements;
- Overtime and penalty rates
- Leave and public holidays
- Consultation in relation to major workplace change and changes to rosters or hours of work
- Dispute resolution mechanisms in relation to matters under the enterprise agreement, modern award or National Employment Standards
- Termination of employment and redundancy
- Individual flexibility arrangements.

Approximately half of the Group's employees are covered by an enterprise agreement, and the majority of others are covered by a modern award, as determined by applicable law.

The I-MED Group's enterprise agreements contain more beneficial terms and conditions than the minimum standards in the applicable modern awards and NES. The I-MED Group bargains these agreements with employees covered by the agreement and their representatives (including industrial organisations). After bargaining, the proposed enterprise agreement is submitted for review and approval by the Fair Work Commission (**Commission**), Australia's national workplace relations tribunal. Only agreements that are considered 'better off overall' than the applicable modern award and the NES are approved by the Commission.



Remuneration and superannuation

In addition to the above, all staff are paid in accordance with their contractual, award or enterprise agreement entitlements. The Group's Payroll Team oversees the payment of all staff in accordance with those entitlements. In addition, the Group undertakes an annual remuneration review process whereby managers review the classifications of staff, to ensure their accuracy. Where applicable, transfers to higher classifications are given effect as and when necessary.

The Group complies with its obligations under the superannuation guarantee legislation. Superannuation contributions are routinely paid prior to the quarterly due date. In addition, prior to every payroll run, an ordinary time earnings (OTE) check is performed by appropriate staff to ensure that the superannuation accrual is calculated correctly before the pay run is closed.

At the end of each quarter, an analysis of the payroll is conducted to review any employees who may not have had super guarantee remitted on their pay. The exceptions are reviewed and analysed and where the payments may be considered OTE, any potential shortfall of superannuation is paid in time to meet legislated payment dates.

Compliance with entitlements and terms of engagement

The Group's Human Resources and Payroll teams monitor updates and amendments to the employment laws applicable to the I-MED Group's workforce, including but not limited to the Fair Work Act and applicable modern awards.

In support of these, the Group has several processes in place to ensure compliance with its obligations under employment laws, including:

- I-MED's Human Resources team provides advice to business stakeholders in relation to the interpretation of, and compliance with, employment contracts, applicable enterprise agreements and applicable modern awards;
- pay rules for each industrial instrument are set up in the Group's workforce management system, KRONOS;
- the I-MED Group undertakes audits of its payroll processes and pay rules to ensure employees are paid in accordance with the contractual terms and, where applicable, the industrial instruments that apply to their employment; and
- the HR, KRONOS, Payroll and Tax teams meet regularly to review and create more efficient processes for ensuring compliance with employment terms and conditions.





Workplace policies and procedures

As referenced above, the I-MED Group has in place a number of policies aimed at helping to assess and address the risk of modern slavery and unethical practices in both its operations and supply chains.

All staff of the I-MED Group are expected to be familiar with and comply with its Code of Conduct and Code of Ethics which establish the Group's core values and principles for how the Group deals with its employees, contractors, customers, suppliers and stakeholders.

The Group has also established a number of workplace policies and procedures which guide its staff to embody its values and set out the expected standards of staff behaviour.

These include the following core policies:

- Code of Conduct
- Code of Ethics
- Labour Standards and Human Rights Policy
- Whistleblower Policy
- Workplace Health and Safety (WHS) Policy
- Diversity and Inclusion Policy
- Workplace Behaviours and Equal Opportunity Policy
- Privacy Policy



Each of these policies allocates responsibility to senior levels of management for their proper implementation, administration and oversight. Their ultimate purpose is to improve the quality of care provided by the Group, and ensure that it remains a best practice organisation that embodies the core organisational vision and values.

In particular, the Workplace Behaviours and Equal Opportunity Policy contains guidelines for staff about appropriate workplace behaviour and conduct, including information on how to raise a grievance in relation to workplace complaints and assurance of how complaints are handled by the Group.

In addition, the Group is committed to continually working towards instilling the principles of its Labour Standards and Human Rights Policy across its people and operations. This Policy is guided by international human rights principles encompassed by the Universal Declaration of Human Rights, including those contained within the International Bill of Rights and the International Labor Organization's 1998 Declaration on Fundamental Principles and Rights at Work.

In particular:

- **Forced labour and human trafficking:** I-MED prohibits the use of all forms of forced labour, including prison labour, indentured labour, bonded labour, military labour, modern forms of slavery and any form of human trafficking.
- **Child labour:** I-MED prohibits the hiring of individuals that are under 18 years of age for positions in which hazardous work is required.
- **Work hours, wages and benefits:** I-MED compensates employees competitively relative to the industry and local labour market, and in accordance with terms of any applicable collective bargaining agreements. I-MED works to ensure full compliance with applicable wage, work hours, overtime and benefits laws.
- **Safe and healthy workplace:** The safety and health of the Group's staff is of paramount importance. Its policy is to provide a safe and healthy workplace and comply with applicable safety and health laws and regulations, as well as internally developed policies and procedures. I-MED works to provide and maintain a safe, healthy and productive workplace.
- **Workplace security:** I-MED is committed to maintaining a workplace that is free from violence, harassment, intimidation and other unsafe or disruptive conditions due to internal and external threats. Security safeguards for employees are provided, as needed, and are maintained with respect to employee privacy and dignity.
- **Freedom of association and collective bargaining:** I-MED respects its employees' right to join, form or not to join a labor union without fear of reprisal, intimidation or harassment. Where employees are represented by a legally recognised union, I-MED is committed to establishing a constructive dialogue with their freely chosen representatives. I-MED is committed to bargaining in good faith with those representatives.
- **Guidance and reporting for employees:** I-MED strives to create workplaces in which open and honest communications among all employees are valued and respected. I-MED is committed to comply with applicable labour and employment laws wherever I-MED operates. I-MED also ensures employees are aware of the Human Rights Policy through training and a certification process. Any employee who believes a conflict arises between the language of the policy and the laws, customs and practices of the place where he or she works, or who has questions about this policy or would like to confidentially report a potential violation of this policy, can raise questions and concerns with local management or the Human Resources team. Employees can also report suspected policy violations by following the process set out in the Workplace Policies Handbook or the Whistleblower Policy.





Training

All staff are expected to familiarise themselves with these workplace policies and procedures and receive training on these when they commence work with the I-MED Group. This training includes, amongst others:

- **Welcome to I-MED Policy** – overview of its vision, purpose and values, employment and benefits information and Human Rights Policy;
- **Workplace policies and procedures** – maintaining a positive work environment, awareness of ethical obligations and all core workplace policies such as the Code of Conduct and Code of Ethics, Whistleblower Policy, etc.
- **Work health and safety induction** – developing an awareness of the WHS requirements and working in a safe manner to protect staff from work related injuries or illness;
- **Equal Employment Opportunity training** – relevant legislation, staff responsibilities and other unacceptable workplace behaviour;
- **Bullying in the workplace training** – the expected standards of behaviour for all workers, what is bullying, what is reasonable management action, how to report workplace bullying and how the Group responds to allegations of workplace bullying; and
- **Sexual harassment in the workplace training** – to help staff recognise sexual harassment in the workplace and know how to promptly report it using the Group's grievance procedure.

Training on core policies is delivered on commencement with I-MED and at least annually thereafter to ensure these principles remain a key priority for staff. In addition, the Group's Whistleblower Policy seeks to promote a culture of integrity by reinforcing the right of all staff to raise any concerns with its operations and supply chains with senior management.

Regulatory environment

In addition to the Group's strong internal governance measures, I-MED operates within a highly regulated healthcare landscape. This spans all areas of its operations from the accreditation of relevant staff, to the licensing of its facilities and equipment, and the regulation and approval requirements of the consumables and equipment it uses.

Supply chains and procurement

The I-MED Group's operations are supported by the procurement of a range of goods and services from third parties. In maintaining its reputation for quality, safety and service excellence, I-MED's responsibility extends to the vigorous management of its supply chain.

Supply categories and spend under management

I-MED expects all of its major suppliers, service providers and any other agents or contracted third parties to adopt an approach to ethical business practices and sustainability that is consistent with the Group's high standards. Suppliers are also expected to promote the same standards in their own supply chains.

Externally procured goods and services include the following main categories:

Goods

- Medical imaging and IT equipment
- Medical consumables and supplies
- Nuclear medicine, contrast and pharmaceuticals
- Uniforms
- Print
- Film
- Office supplies

Services

- Medical imaging equipment servicing
- IT and telecommunications services
- Property leasing (including clinics and office space), utilities and facilities management
- Linen and laundry services
- Medical consultancy (e.g. specialist cardiologists, radiologists)
- Labour hire services
- Travel services



The Group is proud of its management of over 86% of all external procurement spend being managed by the Group’s national Procurement team.

By supply category, these are broken down as follows:

| Category | Spend under management |
|-----------------------------|--|
| Contrast | 100% |
| Film | 100% |
| Travel | 100% |
| Medical equipment | 99% |
| Uniforms | 99% |
| Print | 96% |
| Medical consumables | 94% |
| Nuclear medical consumables | 91% |
| Office supplies | 94% (up from 86% in the previous year) |
| Laundry | 83% |
| IT and Telecommunications | 90% (up from 79% in the previous year) |
| Facilities management | 61% |

Procurement framework and governance

The I-MED Group undertakes the overwhelming majority of its procurement of these goods and services by its Procurement Team. The I-MED Group’s Procurement Team is a centralised business unit which supports the entire Group’s operations. It comprises designated category managers who are specialists in their supply classes and have a deep knowledge of the nuances of their supply categories.

Each category manager is responsible for the day-to-day sourcing and management of the Group’s material third party procurement for that category. As part of this, the Team is also responsible for conducting due diligence of third-party suppliers as a means of identifying and preventing human rights risks to people in its business and value chain. Whilst such due diligence is tailored for category-specific requirements, the Team uses standardised documents and procedures to ensure a consistent approach across its supplier assessments.





Due diligence and supplier obligations

Suppliers forming a key part of the I-MED Group's supply chains undergo a vetting process that is undertaken by the Group's Procurement Team. Their process includes the use of template contractual obligations and standardised audit, reporting and performance monitoring procedures. In addition, the Group has incorporated modern slavery due diligence into its tender processes, including a risk assessment explicitly in connection with modern slavery, for all major new supplier acquisitions.

When engaging these suppliers, the I-MED Group administers its standard 'Supplier Information Pack' which is available publicly on its website and contains the Supplier Code of Conduct, Human Rights Policy, and Supplier Terms and Conditions. As part of these, the Supplier Code of Conduct explicitly sets out the Group's expectations for its suppliers to have a similar approach to treating all individuals with whom they interact, including employees and customers, with respect and dignity. It specifically includes that suppliers must comply with relevant modern slavery legislation, including not to use any form of bonded, slave or child labour and to comply with the Human Rights Policy.

In addition, I-MED expects that all suppliers provide a safe, healthy and comfortable workplace, including that they comply with all relevant workplace health and safety laws and regulations as well as the Group's safety principles. I-MED also expects suppliers to only employ those individuals with a legal right to work in the relevant jurisdiction, comply with all minimum legal payment rates and conditions of work, and to provide and support freedom of association for employees to join trade unions and other employee representative groups. Finally, all suppliers are expected to ensure all employee entitlements and prescribed conditions of employment under relevant laws and regulations are adequately implemented and accounted for.

Annual compliance surveys

Key suppliers are required to report on their corporate social responsibility annually via the Group's Corporate Social Responsibility survey. This includes, amongst others, undertaking a risk assessment directly in relation to modern slavery and human trafficking mitigation strategies. This survey seeks to assess the suppliers' understanding of, and commitment to, labour standards, their risk exposure and any specific approaches they have to address modern slavery risks. In addition, major suppliers undergo formal annual performance reviews encompassing a number of matters, including their compliance with ethical practices and laws.

An action plan may arise out of these reviews which assigns various responsibilities across the Group and relevant supplier, and its implementation is then monitored by the Group's Procurement Team. Where non-compliance is identified, collaborative remedial action is taken – such as sharing knowledge in relation to the types of conduct prohibited by the Act, discussing approaches to ethical and lawful practices, and where necessary, escalated to the Group's Legal Team for further consultation. The Group also reserves a right of audit with its suppliers to monitor their commitments under their contractual obligations and support them to achieve any remedial actions which are required.

Risks of modern slavery and actions taken

I-MED recognises that due to the size of its operations as well as the volume of its external procurement, modern slavery risks may emerge and transform over time.

Key stakeholders – primarily across I-MED’s centralised corporate services teams – assess and manage these risks to ensure that the Group can remain aligned to its values and dynamic in managing modern slavery risks.

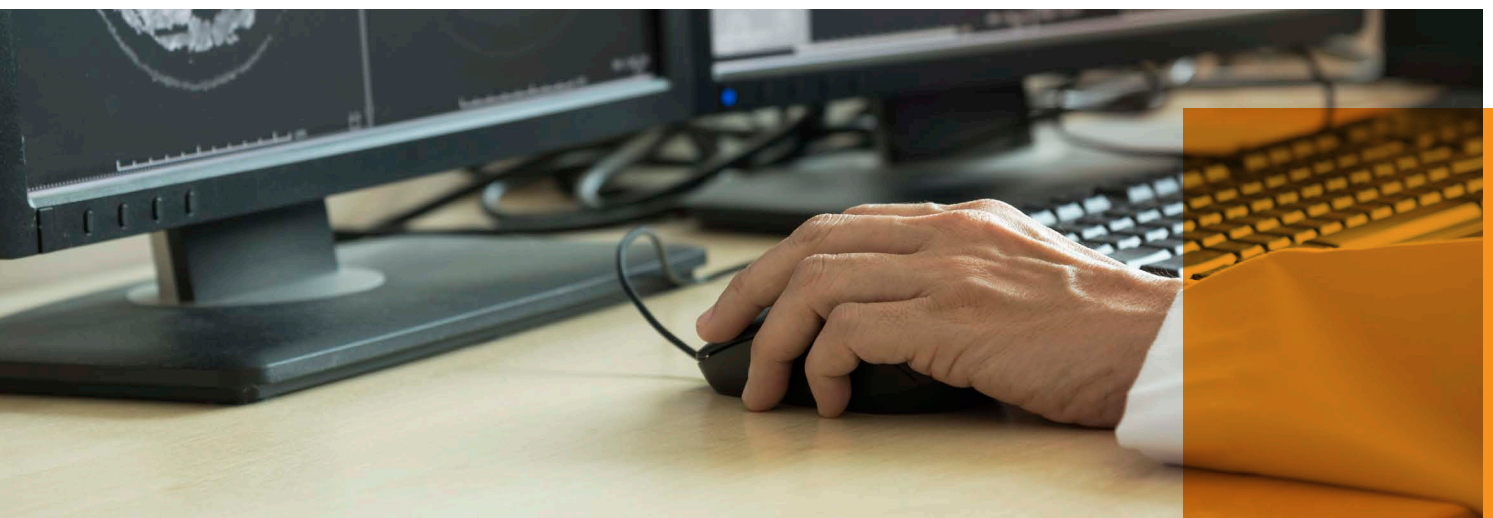
In the Reporting Period, this working group collaborated and identified the following priority risk areas, which it actioned as also outlined in this section:

Managing different legal and national staff employment instruments

Given the Group’s relatively large workforce and the complexities across managing various legal and national instruments, the Group must manage the risk of correctly categorising its workforce and administering different employment entitlements.

I-MED recognises the ongoing risk to remaining abreast of all relevant changes and developments to employment laws, and the need to undertake regular audits of pay rules and awards to ensure compliance with all staff proper legal classifications (if any), and administration of their legal entitlements.

In the Reporting Period, the Group continued to utilise the expertise of its working group across the HR, Payroll and Tax Teams, together with specialist consultants, to manage the above areas of risk. The Group made significant progress to the review commenced in the previous financial year, in respect of system pay rules and rostering. The goal of this review is to ensure that the Group eliminates any risk of inadvertent errors in payments and entitlements (e.g. overtime, weekend and public holiday pay, allowance) which are built into its automatic payroll systems. The Group also nears completion of its review of award classifications, which was also commenced in the prior year.



In addition, the Group acknowledges that although a very small proportion of its workforce, labour hire and temporary worker arrangements pose a potential small risk for practices being inconsistent with I-MED's usual internal practices. In this regard, the Group implemented new processes in the Reporting Period that allow it to better track those workers. In addition, appropriate HR and manager level staff regularly meet to understand the volume of such workers, lengths of assignment and to ensure compliance with employment and other relevant laws.

Finally, in the Reporting Period the Group refined its WHS induction and onboard process with a focus for better preparedness for attendees in its workplaces.

In summary, the risk assessment of the Group's internal operations determined a low risk rating. Significant targeted action is underway with an ongoing focus on monitoring and compliance with robust internal governance.



Outsourced procurement and supply chain

The Group recognises that the procurement of goods or services from third parties implicitly involves reduced control and oversight of third party operations, in contrast with tightly held internal operations.

As part of its annual due diligence processes for suppliers, the Group examined 62 of its key suppliers through its Corporate Social Responsibility survey. These suppliers represent the Group's top suppliers by spend, as well as ongoing significant relationships – and make up over 80% of each procurement category. In addition, the Group acknowledges that in certain industries, a higher proportion of vulnerable workers (e.g. non-English speaking workers, low-skilled workers) are engaged and this may create an opportunity for avoidance of proper legal entitlements (directly or indirectly). As such, certain industries were also included independent of lower spend thresholds.

Through this process, the Group identified some areas of procurement as higher risk than others with reference to:

- 1.** geographical region (e.g. those who are located overseas and are not subject to the Act). Less than half of the suppliers surveyed reported offshore operations in their own supply chain. Of those who did report, offshore operations were mainly in USA, Canada, Brazil, Europe (UK, Germany, Ireland, Spain, Finland, France, Sweden, Belgium, Luxembourg), Middle East, and Asia (Japan, South Korea, Vietnam, China, Thailand, Pakistan, India, Bangladesh, Philippines);
- 2.** industry (e.g. uniform, laundry, goods manufacturing practices); and
- 3.** size of supplier (e.g. those who are not otherwise subject to the Act).

Notwithstanding that, the overwhelming majority of the Group's largest suppliers have significant modern slavery mitigation strategies both within their own operations and across their supply chains.

Of the responses received:

- 85% of respondents were required to and had submitted their own Modern Slavery Statement pursuant to the Act, in the previous financial year;
- 95% of respondents reported conducting background checks and due diligence on outsourced contractors and third parties to ensure they do not have a track record of poor labour practices;
- All respondents reported providing their employees with appropriate contracts and clearly identifying employees' legal entitlements to them;
- All respondents had various policies and procedures in place to address the risks of modern slavery practices within their own operations;
- All respondents reported complying with legal and ethical work practices within their own internal operations;
- All respondents confirmed that they have procedures in place to regularly monitor compliance with applicable regulatory requirements;
- All respondents confirmed that they have mechanisms in place which permit their employees to anonymously raise concerns about their workplace conditions (e.g. whistleblower or similar policies and routes);
- The vast majority of respondents reported conducting due diligence for modern slavery risks within their own supply chains and/or conducting independent audits in respect of them;
- The vast majority of respondents had clearly set out the obligations on third parties to comply with practices consistent with the Act, and consequences for non-compliance with those (e.g. termination and resourcing an alternate supplier);
- Some suppliers used specialised third party consultants to help identify modern slavery risks and map their own supply chains; and
- All suppliers reported not having received any notice of violation in connection with non-compliance within the last 3 years.

In summary, whilst the risk assessment of supplier internal operations determined a low risk rating for most suppliers the Group identified that an element of risk remains throughout suppliers' supply chains and therefore determined the overall risk rating as low to medium.



Next steps and other relevant information

In the next 12 to 24 months, the Group's priorities with regards to modern slavery risk mitigation will be on:

- **Continued supplier due diligence:** The Group will complete the review of suppliers for the Reporting Period, and in obtaining, assessing and evaluating all outstanding responses.
- **Reviewing due diligence processes:** The Group will undertake an assessment of its modern slavery mitigation processes since the commencement of the Act, and review and refine its approach accordingly. As part of this, the Group will also evaluate its current processes for remediation and managing non-compliance including determining transition-out arrangements for suppliers who do not satisfy I-MED's requirements.
- **Focus on review of suppliers with complex supply chains and offshore operations:** As part of its review of supplier due diligence, the Group will evaluate how best to continue to strengthen its assessment of suppliers with complex supply chains and significant offshore operations (either by volume, or by presence in countries that have typically increased exposure to practices which may not be aligned to the Group's).
- **Standardising assessment, management and effectiveness of actions:** The Group will consider introducing clear risk matrices into its regular risk reporting framework, to effect a standardised approach to modern slavery risks in line with other risks across its organisation.





Consultation across the Group

This Statement has been prepared by the Reporting Entity in consultation with the I-MED Group. This consultation involved engaging core stakeholders in areas such as Legal, Procurement, Human Resources, Tax and Payroll. It has been reviewed and approved by the Reporting Entity and Group's Board of Directors.

Approved by the Reporting Entity's principal governing body on behalf of all reporting entities in the I-MED Group

Dr Shrey Viranna
Image Holdco Pty Ltd
Chief Executive Officer and Director

