Corporate Responsibility Report
2021

SONIC HEALTHCARE LIMITED

Contents

About this report

Sonic Healthcare's Corporate Responsibility Report profiles our ongoing commitment to our people, communities and the environment.

As a global company with a federated structure, we combine a local approach to business and sustainability with a commitment to implementing medical and operational best practices around the world.

This report covers Sonic Healthcare's environmental, social and governance performance from 1 July 2020 to 30 June 2021, and complements our 2021 Annual Report and Modern Slavery Statement. It refers to several policies that underpin our corporate governance, and incorporates the United Nations Sustainable Development Goals (SDG).

Independent recognition

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

ACSI	**FTSE4Good**
Detailed	Global Index | Australia 30 Index
ISS ESG▷	**MSCI**
Prime	Rating A

Contact us

For further details on Sonic Healthcare's sustainability strategy, please email us at sustainability@sonichealthcare.com

Cover photo:
COVID-19 vaccine being administered at a Sonic Healthcare Vaccinations facility in Sydney

CEO Message

The last 12 months have been dominated by two global imperatives – COVID-19 and a growing urgency towards improved sustainability in the face of global warming and other environmental threats. Sonic Healthcare has focused on these dual issues while continuing to provide uninterrupted, high-quality medical services to the communities we serve.

COVID-19 has continued to test every facet of Sonic Healthcare's operations during FY2021. COVID-19 PCR testing is complex, exacting and, at times, unrelenting, as our laboratories deal with surging test numbers around the world. In Australia, we also have staff on the frontlines collecting COVID-19 swabs from thousands of patients every day. Globally, our staff have worked tirelessly for more than 18 months, and have been responsible for performing more than 35 million COVID-19 PCR tests to date.

The ongoing demands of COVID-19 have crystallised the importance of Sonic's Medical Leadership culture and our commitment to providing the highest standards of clinical and operational excellence for the doctors and patients we serve. Delivering a vital, time-critical service during times of acute stress has also helped to strengthen the camaraderie between staff as we all band together to 'get the job done'.

In Australia, Sonic Healthcare has also been privileged to play a key role in vaccinating the nation. We are the largest private vaccination provider in the country, through our GP network, dedicated mass vaccination hubs, services to aged care facilities, as well as to high-risk businesses.

In addition to dealing with COVID-19, Sonic has been ramping up efforts to deal with global warming and other environmental issues, together with the social and ethical behaviours expected from corporations.

Sonic Healthcare is guided by a set of Medical Leadership principles that include environmental sustainability, care for our staff, serving underprivileged communities and committing to 100% ethical behaviour at all times. These principles have guided us since our inception and are enmeshed in the fabric of our company.

As a premier global healthcare company with a deep-seated culture and an outstanding reputation, Sonic Healthcare recognises its ongoing obligations in the corporate sustainability space. Over the last 12 months we have formalised and strengthened our sustainability efforts, including the establishment of a Sustainability Steering Committee, which serves as a quasi-board for Sonic's global sustainability/ESG program, and which reports to the Sonic Healthcare Board. The committee includes country and divisional CEOs, Sonic's Sustainability Director and Sustainability Manager, as well as the continued involvement of key Global Office executives. In the coming year, this team will establish and communicate Sonic's ESG aspirations and goals, including our pathway to net-zero greenhouse gas emissions, and will thereafter lead Sonic's ongoing sustainability programs. The new structure is designed to reach all Sonic employees and impact every facet of Sonic's operations in the quest to achieve positive sustainability outcomes.

I hope you enjoy reading about our achievements in 2021.

Dr Colin Goldschmidt
CEO – Sonic Healthcare
October 2021

Overview

As a global organisation, Sonic Healthcare recognises the important role we play in contributing to our communities.

This starts with the commitment to our people, ensuring they work in an environment that is safe, equitable and rewarding. We also contribute to our communities via the provision of vital, accessible healthcare services, together with employment opportunities, contribution to local economies and the payment of taxes.

We acknowledge the individual and collective impacts that we all have on the environment, and are committed to reducing our carbon emissions and waste, and investment in renewable energy.

Underpinning Sonic's social and environmental sustainability is a strong corporate governance framework and a culture of Medical Leadership that promotes integrity and ethical behaviour.

Focusing on our people

38,594
Total employees

52.7%
Women in senior leadership positions

$3,078 M
Total payments to staff[1]

5.3
Lost time injuries per million hours worked (LTIFR)

Serving our communities

138 M
Patient consultations
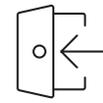
3,365
Patient access points

$613 M
Total taxes paid[2]

$5.4 M
Donations and sponsorships

Sustaining our environment
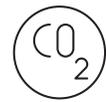
↓ 10.5%
Carbon emission reduction per patient[3]

7.1%
Electric or hybrid motor vehicles in the fleet

912 kW
Installed solar panel capacity

0
Environmental fines or sanctions

1) Total remuneration including superannuation and pension contributions
2) Direct and indirect taxes, levies and duties, including employment-related taxes but excluding taxes paid on behalf of employees and GST/VAT
3) Data available for Australia and UK only

About Sonic

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

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

Headquartered in Sydney, Australia, and listed on the Australian Securities Exchange (ASX), Sonic has grown to become one of the world's leading healthcare providers, with operations in Australasia, Europe and North America.

We employ more than 1,600 pathologists and radiologists, and more than 14,000 medical scientists, radiographers, sonographers, technicians and nurses, all of whom are led by highly experienced medical personnel, from Board level through to the management of our local practices.

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

USA
Pathology/
Laboratory Medicine

**Employees
7,524**

UK
Pathology/
Laboratory Medicine

**Employees
2,580**

Germany
Pathology/
Laboratory Medicine

**Employees
8,208**

Belgium
Pathology/
Laboratory Medicine

**Employees
523**

Switzerland
Pathology/
Laboratory Medicine

**Employees
1,277**

Australia
Pathology/
Laboratory Medicine
Radiology
Clinical Services

**Employees
18,285**

New Zealand
Pathology/
Laboratory Medicine

**Employees
197**

The Sonic Difference

Sonic Healthcare's ongoing success is directly linked to our unique corporate culture, which is defined by three key elements – Medical Leadership, our Core Values and our Federated Model. Collectively, these are known as 'The Sonic Difference'.

Medical Leadership

Medicine is a complex profession that requires insight, sensitivity and a lifelong commitment to learning, in order to provide the best possible patient care and clinical outcomes. Sonic believes that Medical Leadership facilitates the highest standards of clinical and operational excellence by inspiring and empowering our people to be accountable for the delivery of superior healthcare outcomes for both the doctors and patients we serve. This philosophy also reflects a deep understanding of the special complexities, obligations and privileges of medical practice, as well as a respect and appreciation for healthcare professionals.

Through Medical Leadership, we aim to ensure that every person who is part of Sonic Healthcare understands how vitally important their role is in the delivery of high-quality medical services to each and every patient.

Medical Leadership has always been enshrined in Sonic's corporate culture. It reflects our understanding that medicine is a profession rather than a business, and is responsible for our continued global success. We acknowledge the trust that clinicians place in us and strive to mirror their commitment to medical excellence in everything we do.

Our Medical Leadership Principles provide all Sonic staff with clear guidelines about the interaction between Sonic's people and its external stakeholders – doctors, patients, other customers and our local and global communities. Each pillar includes measurable criteria, ensuring that each of our practices remains focused on providing localised medical services of the highest quality.

Medical Leadership

- Personalised Service for Doctors and Patients
- Respect for Our People
- Company Conscience
- Operational Excellence
- Professional and Academic Expertise

Core Values
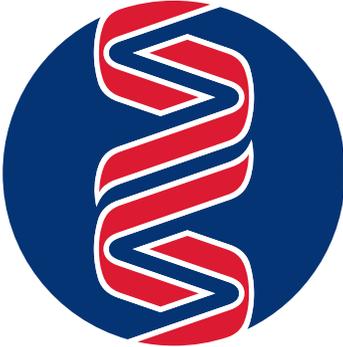
Commit to service excellence
To willingly serve all those with whom we deal, with unsurpassed excellence.

Treat each other with respect and honesty
To grow a workplace where trust, team spirit and equity are an integral part of everything we do.

Demonstrate responsibility and accountability
To set an example, to take ownership of each situation to the best of our ability and to seek help when needed.

Be enthusiastic about continuous improvement
To never be complacent, to recognise limitations and opportunities for ourselves and processes and to learn through these.

Maintain confidentiality
To keep all information pertaining to patients, as well as professional and commercial issues, in strict confidence.

Our Core Values

Sonic's Core Values were developed by Sonic staff in early 2000 to act as guiding principles for how we conduct ourselves as an organisation. They set the standard for the collegiate and supportive way in which we behave towards one another, as well as the professionalism with which we conduct ourselves in our day-to-day duties. Individually, our Core Values articulate our commitment to medical excellence. Collectively, they empower our people to deliver exceptional medical services to doctors and patients.

Since their inception, Sonic's Core Values have been embraced by Sonic Healthcare staff around the world as a unifying code of conduct.

Our Federated Model

Sonic operates under a federated management structure, where individual practices are empowered to deliver personalised services best suited to the needs of clinicians and patients in their local communities. This local autonomy is complemented by the assurance that comes from belonging to a global network of healthcare practices that share a commitment to medical excellence. Sonic's federated approach has been integral to our ongoing success and the preservation of each practice's long-term goodwill.

Sonic's federated structure creates many opportunities to share knowledge and experiences, allowing us to develop synergies and establish best practices. By identifying and embracing these opportunities for collaboration, and by working together in partnership across regional and national boundaries, we strengthen the foundations for Sonic's continued growth and prosperity into the future.

Divisions

Practices
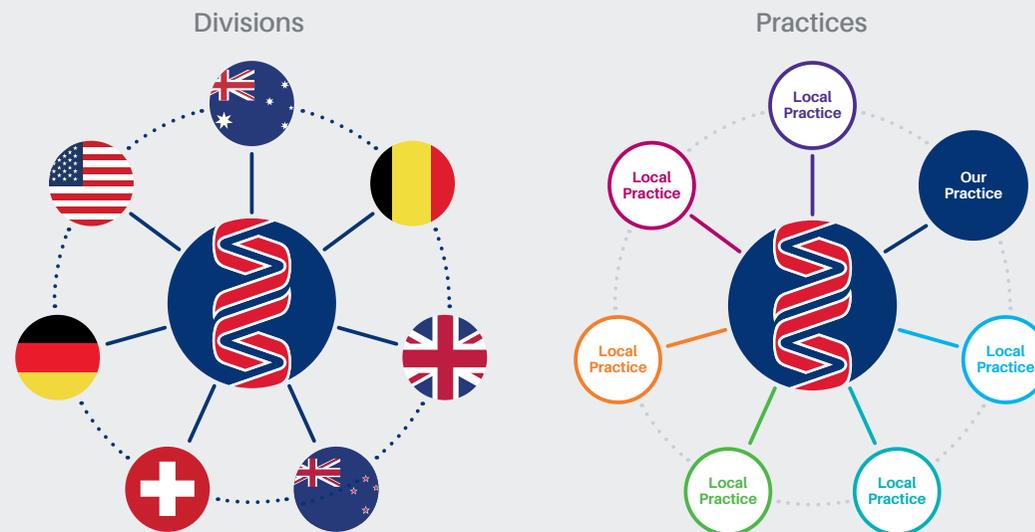
Stakeholders

Stakeholder engagement is an important element of Sonic's approach to sustainability, allowing us to understand differing expectations and to remain focused on current and evolving environmental, social and governance topics that materially affect our global businesses.

This engagement enables us to meet the expectations and needs of employees, customers (our referring doctors, patients, hospitals and clinics), shareholders, communities, governments and other stakeholders, together with our legal, regulatory and moral obligations.

Sonic builds stakeholder trust through transparency and accountability, and our staff are required to engage ethically, honestly and constructively with all stakeholders, wherever they are in the world.

Primary stakeholder groups

CUSTOMERS

Includes patients, health practitioners, hospitals, clinics, governments and companies we engage with to provide our medical services

More than **138 million patient consultations** during FY21

EMPLOYEES

Staff are our most important asset

38,000 employees from diverse backgrounds across seven countries

GOVERNMENTS

Engagement with governments at all levels.

Provision of healthcare services

Provision of health advisory services

SUPPLIERS

Engagement with suppliers to ensure the provision of timely, high-quality equipment, consumables and services.

More than **15,000 suppliers**

Compliance with the Australian and UK Modern Slavery Acts

SHAREHOLDERS AND THE INVESTMENT COMMUNITY

Includes institutional investors, superannuation and pension funds, and individuals, including employees.

82,000 shareholders

COMMUNITIES

Primary care and medical diagnostics underpin the entire healthcare system, making our medical services vital to the health and wellbeing of the communities we serve.

Ongoing engagement with community groups and leaders, charitable and not-for-profit organisations and individuals.

Support of local communities through employment, the provision of high-quality medical services and the purchase of local goods and services.

OVERVIEW

OUR SERVICES

SPECIAL UPDATE:
COVID-19

OUR PEOPLE

COMMUNITIES

ENVIRONMENT

GOVERNANCE

SUSTAINABILITY
METRICS

Our services

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

With almost 3,500 locations globally, we provide accessible, affordable services to more than 138 million patients each in an environment that emphasises accuracy, reliability and safety. We operate within an ethical framework that always focuses on the doctors and the patients we serve.

Pathology/ laboratory medicine

What is pathology/ laboratory medicine?

Pathology/laboratory medicine is the branch of medicine that studies samples of blood, urine, tissue and bodily fluids to identify patients at risk of disease, to determine the cause and nature of disease, and to guide and monitor treatment and progress of disease management.

Medical laboratory test results provide clinicians with the information they need to manage patients in a timely and appropriate way, enabling optimal health outcomes for the individual as well as the community.

Why is it important?

Laboratory medicine informs almost every aspect of modern medicine and is necessary in 70% of all medical diagnoses, including every cancer diagnosis. Such testing provides doctors with vital information about the nature and cause of illness so they can determine the best course of treatment. This can range from understanding which type of antibiotics to prescribe for a particular infection, through to guiding the surgeon to ensure complete removal of a tumour and the required follow-up treatment.

Categories

Biochemistry
The measurement of different chemical substances in the body.

Cytopathology
The study of cells and cell structure to detect cancerous and pre-cancerous changes.

Genetics
The prediction and diagnosis of genetic disorders and cancer using cutting-edge technologies that perform DNA, RNA and chromosome testing.

Haematology
The study of blood cells, blood-producing organs and blood diseases.

Histopathology
The microscopic examination of tissue samples by anatomical pathologists to diagnose cancer and other conditions.

Immunoserology
The measurement of antibody levels and other factors in the blood to assess immune status and diagnose diseases.

Microbiology
The study of disease-causing organisms, including bacteria and fungi.

Molecular pathology
The study of DNA, RNA and proteins for diagnostic and prognostic purposes.

Prenatal testing
Screening for genetic conditions either prior to conception, or during the first and second trimesters of pregnancy.

Toxicology
The testing of bodily fluids to detect the presence of chemicals, drugs or toxins.

Ancillary functions
All technical functions are supported by quality staff in Collection Centres, IT, Couriers, Specimen Reception, Data Entry, Stores, Accounts, Results and Communications.

How does it contribute to the community?

Laboratory medicine is often referred to as the engine room of medicine. Without it, we would still be treating patients based on 'best guesses'. It is impossible to imagine modern medicine without the insights provided by this vital diagnostic service.

Laboratory medicine tests enable earlier and more accurate diagnosis of disease, allowing for earlier and more effective treatments.

Laboratory medicine also allows for monitoring of conditions to see whether treatment is being effective.

More than that, advances in molecular and genetic pathology now give us much more targeted information about how to best treat different forms of cancer and other diseases.

This has obvious positive social and economic outcomes for individuals and society.

Radiology

What is radiology?

Radiology is the branch of medicine that uses non-invasive technologies to create images of the bones, tissues and organs within the human body. These images are interpreted by a radiologist or nuclear medicine physician to identify or monitor diseases or injuries. The findings are then included in a written report to the referring doctor.

Diagnostic imaging technologies include X-rays, computed tomography (CT), magnetic resonance imaging (MRI), ultrasounds, nuclear medicine, positron emission tomography (PET) and more.

Imaging methods are also used to help radiologists perform procedures, such as biopsies, fine needle aspirations and image-guided treatments known as interventional radiology.

Why is it important?

Radiology is central to the practice of modern medicine. It is used for the diagnosis of many serious and life-threatening conditions, including cancer, neurological disorders and orthopaedic soft tissue injuries. The information contained in the image and radiologist's report expands the referring doctor's knowledge of the disease process and guides the treatment of the patient.

Categories

Magnetic resonance imaging (MRI)
Uses a strong magnetic field and radio waves to capture detailed images of the brain, spinal cord, nerves, muscles, ligaments and tendons, and many internal organs of the body.

Computed tomography (CT)
Uses multiple X-ray images to produce detailed cross-sectional slices through the part of the body being investigated. Includes scans of the brain, chest, heart, abdomen, pelvis and spine. CT is especially useful in revealing detailed information about bone fractures in all body regions.

Ultrasound
Uses high frequency soundwaves to create images of a range of body areas, including the abdomen, pelvis, breasts, heart and blood vessels, and muscles and tendons. Also useful in monitoring the progress of pregnancy.

X-ray
The most common form of medical imaging. Useful for examining bones, joints, some spinal conditions, the teeth and jaws, and aids in the diagnosis of many chest and lung conditions.

Mammography
A specific type of breast imaging that uses low-dose X-rays for the early detection of cancer and other breast disease.

Nuclear medicine
Uses a small amount of radioisotope to pick up abnormalities via a special camera. Used to diagnose and treat disease, such as cancer, and can be used to assess all systems of the body.

PET CT
Combines nuclear medicine using positron emitting isotopes and CT, and is particularly useful in the diagnosis and monitoring of cancers.

Interventional procedures
Performed for various reasons, including pain management and screening for disease. Imaging equipment, such as ultrasound, CT or MRI, is used to guide these procedures.

Bone mineral densitometry (BMD)
Uses dual energy X-ray to detail bone health and density. Also used for assessing a patient's body mass index (BMI).

How does it contribute to the community?

Radiology allows many diseases and conditions to be detected at a treatable stage. For example, CT now provides data that assists in the earlier detection and treatment of colon cancer. This allows for earlier and less intensive treatment.

Radiology also helps to target treatments to where they are most needed.

Additionally, radiology is used to monitor the progress of disease and delivery of treatments, and to determine whether those treatments are working effectively. If the treatment is not working as planned, it can be adjusted, changed or stopped. Once treatment has concluded, radiology can help to monitor for any disease recurrence over the ensuing years. This results in cost savings for our health system, and helps patients return to work and family sooner.

General Practice

What is General Practice?

General Practice is the medical discipline that delivers primary healthcare in the community. General Practice is usually the first port of call for patients, and deals with everything, from colds and flu through to acute and chronic illnesses. General Practioners also provide preventive care and health education to patients.

The holistic approach of General Practice aims to consider the biological, psychological and social factors relevant to the medical care of each patient. The discipline is not confined to specific organs of the body and involves treating people with multiple health issues.

Why is it important?

General Practice delivers cost-effective, personalised medical care in a community setting. As the primary setting for people seeking medical advice, it also helps to take the pressure off hospital emergency departments. Patients often develop long-term, trusting relationships with their GPs, returning to them for navigation of their care.

Clinical service businesses

IPN Medical Clinics
The largest operator of medical centres across Australia, with more than 2,000 doctors who run their own practices from one or more of 150 modern, well-established, supported clinics. IPN clinics see more than 7 million patients each year, providing approximately 10 million consultations.

Sonic HealthPlus
Occupational healthcare and general medical services, with clinics in metropolitan, regional and remote locations, protecting the health and wellbeing of families and workforces.

Australian Skin Cancer Clinics
Specialised clinics for the early detection, diagnosis, treatment and management of skin cancer in the primary care setting.

DoctorDoctor
After-hours medical care to patients on behalf of more than 2,000 GPs. DoctorDoctor also uses its call centre function to provide support to other Sonic Clinical Services primary care services.

Precedence Health Care
Specialised software that allows healthcare professionals to create customised care plans for patients with complex health needs, facilitating seamless, integrated and collaborative care by their entire healthcare team.

Sonic Nurse Connect
Community-based healthcare services to support people with acute or chronic, complex health conditions.

How does it contribute to the community?

General Practice is firmly embedded in the community.

It is arguably the most agile and important part of the health system, providing essential care across the complete range of illnesses, including complex chronic conditions, end-of-life care and the increasing prevalence of mental health issues in our society.

General Practice also helps to educate patients, provide vital vaccination services, and safeguard the health of entire families and communities.

OVERVIEW

OUR SERVICES

SPECIAL UPDATE:
COVID-19

OUR PEOPLE

COMMUNITIES

ENVIRONMENT

GOVERNANCE

SUSTAINABILITY
METRICS

Special update: COVID-19

▶ Diane Ghabrial, Scientific Officer, Molecular Biology, Douglass Hanly Moir Pathology, Australia
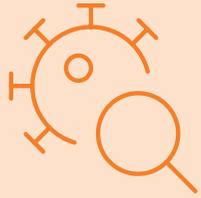
COVID-19 has dominated the global landscape for more than 18 months, shining a spotlight on the critical importance of medical laboratory testing and frontline healthcare services.

From GP consultations, to COVID-19 testing and vaccinations, Sonic Healthcare has been at the forefront of pandemic support – all of which has been powered by our indefatigable people.

The following update highlights some of our key involvements since the beginning of the pandemic.

COVID-19 timeline

Sonic Healthcare practices have made an integral contribution to the pandemic response in many parts of the world, while still maintaining all non-COVID laboratory, radiology and clinical services. Our efforts have included:

- establishing and maintaining testing infrastructure that is of national significance in the countries in which we operate
- supporting public health responses to the pandemic
- establishing and maintaining critical surge testing capacity
- supporting underserved communities
- genomic sequencing (in some countries of operation)
- collection of COVID-19 samples in Australia, including the testing of residents and staff in aged care facilities
- contributing to the recommencement of sporting leagues, travel testing, schools testing and more.

To date, Sonic has processed more than 35 million COVID-19 PCR tests globally.

In Australia, Sonic has proudly contributed infrastructure, resources and expertise to the Australian vaccination program, for both the aged care sector, as well as the general community. We are currently the largest private COVID-19 vaccinator in the country.

DEC 2019 Novel coronavirus first identified in China

JAN 2020 WHO declares a Public Health Emergency of International Concern and publishes comprehensive guidance

SARS-CoV-2 genetic sequence is made publicly available

Berlin Charité Institute of Virology publishes first RT-PCR protocol for diagnostic detection of novel coronavirus

- Sonic Healthcare establishes high-level global meetings to share information and insights relating to the virus
- Sonic Healthcare Germany adapts the Charité Clinic's PCR protocol for SARS-CoV-2 detection by way of a technology transfer to establish COVID-19 testing

FEB 2020 WHO officially names the disease COVID-19 and the virus SARS-CoV-2

- Sonic establishes COVID-19 protection protocols for staff and patients
- COVID-19 PCR testing established in selected Sonic laboratories around the world

MAR 2020 WHO declares a pandemic

Travel restrictions and lockdowns implemented around the world

Surging global demand leads to supply issues for COVID-related equipment, consumables, reagents and personal protective equipment

- Sonic Healthcare diversifies procurement supply chain to ensure continuity of products required to provide COVID-19 PCR testing
- Sonic Healthcare implements working-from-home policy for non-essential staff
- Sonic Healthcare Australia develops a self-collection kit for COVID-19 PCR testing
- Sonic Healthcare Germany joins German national crisis management group
- Sonic Healthcare Australia opens its first drive-through COVID-19 collection centre
- Sonic Healthcare UK starts performing COVID-19 PCR testing for NHS hospitals and the community
- Sonic Healthcare Germany opens first swab collection facility
- Sonic Healthcare USA leadership and other laboratory executives meet with US Government Coronavirus Taskforce
- Sonic Healthcare UK provides services to the first COVID-19 field hospital in London

APR 2020 — Worldwide clinical trials begin for a variety of COVID-19 vaccines

- Sonic establishes COVID-19 PCR testing at all major laboratories around the world
- Selected Sonic divisions commence COVID-19 serology testing
- Sonic Healthcare Australia selected to provide COVID-19 screening and surveillance testing for residents and staff in aged care facilities across Australia
- Sonic Healthcare UK provide COVID-19 PCR testing for key healthcare and essential workers in London, in collaboration with The Francis Crick Institute
- Sonic Healthcare Germany commences testing of the German Soccer League, making Bundesliga the first professional sports league worldwide to return to play
- Sonic Healthcare UK rolls out novel rapid testing platforms to acute NHS hospitals to support management of COVID-safe hospital workflows

MAY 2020

- Sonic Healthcare Germany establishes online solutions for real-time communication of positive PCR results to authorities, crisis control groups, doctors and hospitals
- Sonic Healthcare UK provides COVID-19 PCR testing to facilitate the recommencement of UK Premier League football (soccer)
- Sonic Healthcare Germany commences return-to-work testing

AUG 2020

- Sonic Healthcare UK helps to establish additional COVID-19 PCR laboratory at University College London to test frontline NHS staff
- Sonic Healthcare Germany appointed to perform regular school testing in several states

SEP 2020 — Global COVID-19 deaths reach 1 million

- Sonic Healthcare USA awarded a contract from the US National Institutes of Health (NIH) Rapid Acceleration of Diagnostics Advanced Technology Platforms (RADx-ATP) initiative

OCT 2020

- Sonic Healthcare UK launches self-collected COVID-19 antibody service

DEC 2020 — COVID-19 vaccines authorised or approved for use in several countries

- Sonic Healthcare UK opens a surge testing laboratory, doubling testing capacity
- Sonic Healthcare Germany commences COVID-19 whole genome sequencing
- Sonic Healthcare UK establishes travel testing service

JAN 2021

- Sonic Healthcare Switzerland/Medisupport launches variant-specific PCR testing on positive samples

FEB 2021

- Sonic Healthcare Australia establishes travel testing

MAR 2021

- Sonic Clinical Services starts administering COVID-19 vaccines to the general Australian community

APR 2021

- Sonic Healthcare Vaccinations opens first vaccination hub in Sydney, Australia
- Sonic Healthcare USA commences schools testing in partnership with the Rockefeller Foundation

MAY 2021 — Highly transmissible Delta variant of COVID-19 is officially named (although it is first detected in late 2020)

- Sonic Healthcare UK implements testing for COVID-19 variants of concern

JUN 2021

- Sonic Healthcare USA's Sonic Reference Laboratory begins in-house COVID-19 whole genome sequencing

OCT 2021

- Sonic Healthcare UK provides COVID-19 whole genome sequencing within 72 hours to aid identification of new variants

NOV 2021 — Global COVID-19 cases exceed 240 million

Global COVID-19 death toll exceeds 5 million

- Sonic Healthcare provides more than 35 million COVID-19 PCR tests since the beginning of the pandemic

> "... this has been the most satisfying job I've ever had. It's been so rewarding being part of a project that was so important to the whole community."

Nikkie Salagiannis,
Chief Operating Officer,
IPN Medical Centres

My story: Helping to vaccinate a nation

Nikkie Salagiannis is a whirlwind of positivity and enthusiasm. The Chief Operating Officer for Sonic's IPN Medical Centres and a Registered Nurse, Nikkie embodies the energy and dedication needed to pull off ambitious projects in a very short timeframe.

In February 2021, when the Australian Federal Government approached Sonic Healthcare to assist with administering COVID-19 vaccines to residents in aged care facilities, Nikkie was part of a diverse and dedicated team of Sonic staff who banded together to help improve Australia's lagging vaccination rates.

As with so many elements of the COVID-19 healthcare response, there was no luxury of time to do much planning. Nikkie and her colleagues simply had to respond to the request as quickly as possible.

"The Commonwealth Government approached us on a Thursday to provide aged care vaccinations," Nikkie said. "We completed the training on the Friday and went live on Saturday morning with all hands on deck administering vaccinations." Those 'hands' included senior medical staff within Sonic Clinical Services, such as CEO, Dr Ged Foley, Chief Medical Officer, Dr Gun Soin, and even Sonic Global CEO, Dr Colin Goldschmidt, and Sonic Global Chief Medical Officer, Dr Stephen Fairy.

A few weeks later, Sonic was asked to establish a dedicated community COVID-19 vaccination hub in Blacktown. It was to be the first of five Sonic-run hubs, with the potential to vaccinate between 800 and 2,000 people a day, depending on the venue.

Establishing a large-scale vaccination program is a complex, multi-faceted operation that required input from multiple Sonic divisions.

A 'war room' was established to create a detailed logistical plan that included securing appropriate sites, fitting them out in a COVID-safe manner, and developing clinical protocols to ensure the number of people being vaccinated was maximised without compromising patient safety. New IT systems were developed to facilitate online bookings and upload vaccination certificates to the immunisation register. Scarcity of vaccines in the early days also posed ongoing logistical challenges.

In addition to Sonic staff, the project was supported by St John Ambulance Australia, who provided a large number of nursing and support personnel.

"The most heartwarming part of the project was the camaraderie and communication between everyone, including staff from St John. We were all focused on providing support to the community, and the teamwork allowed candidates to get through as quickly, safely and smoothly as possible."

Working with members of the public was also overwhelmingly positive. "People wanted to be vaccinated. There was a high level of fear and anxiety in the community. When we had a spot available, people were often in tears. They thought they had won the jackpot."

For Nikkie, the role was particularly rewarding.

"I've worked with IPN for 27 years and I love what I do. But this has been the most satisfying job I've ever had, being out there working with the team. It's been so rewarding being part of a project that was so important to the whole community."

Expanding COVID-19 testing availability

COVID-19 has disproportionately impacted underserved patient populations across the world, placing them at higher risk for complications and death as a result of the virus.

Underserved patient populations are people who have difficulty accessing healthcare services due to economic, cultural, language or other barriers, as well as people who face a shortage of readily available healthcare providers. These vulnerable groups often have multiple health problems, pre-existing conditions and limited financial, education, housing and transportation options. People in these groups include minority populations, people with disabilities, new mothers and women with children.

Throughout the pandemic, Sonic laboratories around the world have partnered with local community organisations to provide targeted outreach COVID-19 testing.

Clinical Pathology Laboratories (CPL) in Texas, USA, has been particularly active in this space, working with The University of Texas to reach underserviced communities as part of the RADx grant from the National Institutes of Health.

In conjunction with local community partners, CPL identified five counties in Texas that had difficulty accessing COVID-19 testing, and set up additional testing locations. COVID-19 specimens were also collected in rural homes that lacked access points for testing or transportation. Additionally, CPL worked with inner-city faith organisations to reach African American populations that were historically opposed to testing.

Building a surge laboratory in the UK

In late 2020, as COVID-19 infections started to soar across Europe, Sonic Healthcare UK formed a partnership with University College London to provide a COVID-19 'surge' testing laboratory to support large volumes of community-based COVID-19 testing of swab collections from drive-in centres, walk-in test centres, home collect kits and more.

Working to an extremely tight deadline, and under lockdown conditions, an entire floor of Sonic Healthcare's iconic 'Halo' building in central London was repurposed from office space to a fully functioning laboratory. Concurrently, 100 new staff members had to be recruited and trained – a challenging exercise in normal times, and one that was considerably more difficult under COVID restrictions. By mid-December, the new laboratory was fully operational, having been designed, installed, tested and accredited in record time.

The laboratory runs 24 hours a day, 7 days a week, with three shifts processing between 10,000 and 12,500 COVID PCR tests each day. It is one of the best performing COVID-19 laboratories of its type in the UK, regularly topping the performance charts for overall turnaround time, lab processing time and low invalid rates for sample tests.

▲ Carla Gelle (L) and Emebet Apfel (R), Medical Laboratory Assistants at Sonic Healthcare UK's surge laboratory

COVID-19 research in the USA

Understanding historic COVID-19 infection rates in a community, together with vaccination status and the development of antibodies, provides crucial information for the current and future resourcing of public health efforts to support local communities.

Texas CARES – or the Texas Coronavirus Antibody Response Survey – is a study involving more than 80,000 participants. It aims to understand the human antibody response to SARS-CoV-2, the virus that causes COVID-19.

Participants are required to complete three brief surveys and have three antibody blood tests over a six-month period, provided by Sonic Healthcare's Texas laboratory, Clinical Pathology Laboratories (CPL). The resultant data is being analysed to gain a better understanding of which factors may contribute to differences in individual COVID-19 symptoms and diagnosis.

Texas CARES is managed by a collaborative team from the University of Texas Health Science Center at Houston (UTHealth) School of Public Health, in partnership with Sonic's CPL, Texas Department of State Health Services and the UT System.

Supporting the COVID-19 genomic sequencing effort globally

Genomic sequencing is used to map the entire SARS-CoV-2 virus genetic code for patients who test positive for COVID-19. The information helps to determine whether the patient caught the virus from a known source, and whether it is part of a community cluster. Importantly, genomic sequencing also screens for and tracks virus mutations, allowing new variants and variants of concern to be detected early and traced across time and cases.

Sonic Healthcare provides genomic sequencing for COVID-19 in many countries. In Germany, Sonic Healthcare's Bioscientia laboratory in Ingelheim was the first private laboratory to offer full genomic sequencing for COVID-19, and currently provides provides 30% of all reported sequences in the country. Sonic Reference Laboratory in Austin, Texas, also provides genomic sequencing within the US.

In the UK, Sonic Healthcare is part of the national COVID-19 Genomics UK Consortium – or 'COG-UK' – in partnership with sequencing partners at the Francis Crick Institute, GOSH, UCLH-APDU, PHE, and Sanger Institute (Cambridge). Together, they provide a rapid and comprehensive sequencing service for their National Health Service (NHS) trust partners.

Staff dedication

One of the features of dealing with COVID-19 is its unpredictability. When cases spike, the surge in testing demand happens with little warning, requiring our workforces to multiply literally overnight.

It is a testimony to the dedication and resourcefulness of our extraordinary staff that Sonic has been able to support the needs of our local communities so effectively. Our people have responded with tireless urgency and professionalism in a continually changing landscape.

Sonic has also benefited from the local and global expertise of our medical doctors and scientists, who have had regular global meetings to harness insights and knowledge. This expertise has also been shared with various government health bodies who have included many of our immunology experts on their panels.

Our people

▶ Salome Scott, Head Nurse at the Lower Mountains Family Practice, IPN Medical Clinics, Australia

Sonic's success is built on the strength of our people. We know that when we look after our people, they will look after everything else – doctors, patients and all the elements required to operate a successful healthcare organisation.

This respect for our people manifests itself in the need to be more than just an employer. We strive to create workplaces that are secure and fulfilling, employing more than 38,000 people in an environment of professionalism, ethical behaviour, equal opportunity and reward based on merit.

Delivering against the UN Sustainable Development Goals (SDGs)

3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote wellbeing for all at all ages
4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5 GENDER EQUALITY	Achieve gender equality and empower all women and girls
8 DECENT WORK AND ECONOMIC GROWTH	Promote inclusive and sustainable economic growth, employment and decent work for all
10 REDUCED INEQUALITIES	Reduce inequality within and among countries

Creating a fulfilling work environment

Respect for Our People is one of the key pillars of Sonic's Medical Leadership Principles, while Treating Each Other with Respect and Honesty is one of our Core Values. Respect for Our People is also embedded in a range of policies which ensure that our diverse workforce operates in safe, legally compliant and supportive workplaces. For more information please refer to our Diversity Policy, Labour Standards and Human Rights Policy, and Code of Conduct.

Employee turnover

Sonic is considered an 'employer of choice' due to our culture and professional reputation. Our commitment to Medical Leadership, the respect and care we show our staff and the rewarding nature of the meaningful work we do is reflected in our low employee turnover rate. This is particularly evident at senior levels of the organisation, which includes executive managers, line managers, pathologists and radiologists, who comprise 7.9% of Sonic's global workforce.

Employee turnover for our global workforce			
	2021	2020	2019
Senior leadership turnover rate	1.9%	3.0%	6.7%
Total employee turnover rate	16.5%	12.7%	16.5%

Length of service of our global workforce
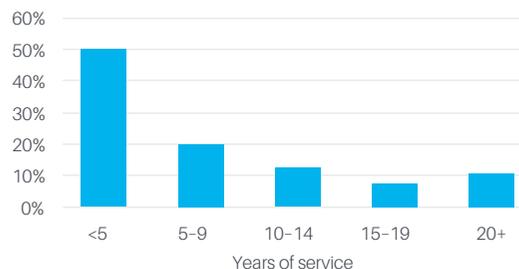
30%

of Sonic employees have more than 10 years of service

52.7%
senior leadership positions filled by women

Employee diversity

Our Diversity Policy outlines the principles that ensure we have a broad range of experience, talent and viewpoints in our businesses, across age, gender and ethnicity. Women comprise 74.1% of Sonic's overall workforce, and represent 52.7% of senior leadership, which is defined as manager level and above, including our doctors.

Although we don't collect specific figures on ethnicity, we also enjoy an ethnically diverse and harmonious workforce.

Female representation			
	2021	2020	2019
Board of Directors	33.3%	33.3%	25.0%
Senior leadership positions	52.7%	53.4%	53.3%
Whole of workforce	74.1%	74.5%	74.8%

Employees by age bracket

◀ Dr Susan Owen, GP at the Lower Mountains Family Practice, IPN Medical Clinics, Australia
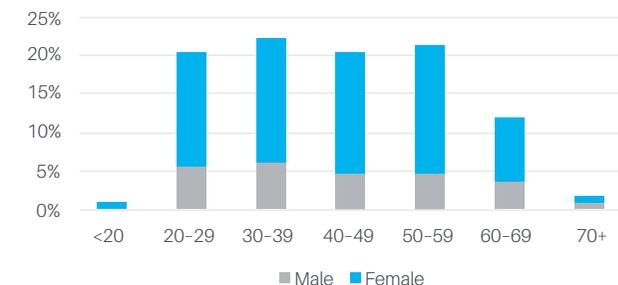
42%

staff employed in
science-based roles*

73%

of science-based roles
are filled by women*

*Includes medical doctors, PhDs, scientists,
technicians, radiographers, sonographers and nurses

Status of employment

Male Female
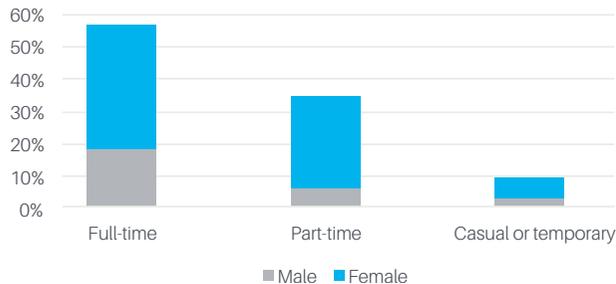
Parental leave

During FY2021, 2.0% of staff took parental leave,
with 84.1% subsequently returning to work. Sonic
recognises the importance of family and that,
following parental leave, staff may need to adjust
their work patterns to assist them in handling their
family responsibilities. To this end, Sonic promotes
flexibility in both job functionality and hours of
work, where possible, to assist staff returning from
parental leave.

Retaining staff from new acquisitions

Sonic has a long and successful history of growth
through the acquisition of existing medical
practices. When achieving synergies from these
acquisitions, our general approach is to rely on
natural staff turnover to generate savings over time,
rather than wide-scale redundancy programs. This
preserves staff morale and helps to maintain the
goodwill of the acquired businesses.

Working with employee representatives

Sonic engages with unions and other employee
representative groups in a positive manner, and
hasn't experienced any significant industrial
action in our 34-year history. We support the right
to freedom of association for all our employees,
including their right to join trade unions and to be
represented by those unions for the purpose of
collective bargaining. Sonic does not discriminate
against, or deny access to, workers' representatives
in the workplace.

Employer of the Year

Hunter Imaging Group

The Australian Sonographers Association (ASA) – the peak
industry body for sonographers in Australia and New Zealand –
recently recognised Sonic's Hunter Imaging Group (HIG) as the
ASA Employer of the Year 2021.

The award recognises HIG's commitment to recruiting
and training sonographers from the local community and
surrounding regional areas. HIG supports these sonographers
by promoting research and hosting regular in-house mini
conferences, enabling staff to share interesting case studies,
new techniques and knowledge – despite the pandemic.

The judges applauded HIG's diversity programs and flexible
employment initiatives, especially those targeted at female
employees. Family-friendly working hours, new hiring practices
and programs such as 'keeping in touch days' that allow staff on
parental leave to return to work for short periods to keep up their
skills, are all examples of HIG's proactive workplace activities.
Women returning from paid parental leave are also provided
with private facilities for breastfeeding.

These achievements reflect HIG's active commitment to
ensuring gender equality in the workplace.

▲ Sonya Simpson (Sonographer Supervisor), Dr Demetrius Voutnis (CEO) and
Sarah Beadle (Ultrasound Services Manager) at HIG Cooks Hill

Staff safety and wellbeing

Sonic is committed to the health, safety and wellbeing of our staff, contractors and visitors. Our Workplace Health and Safety Policy recognises our responsibility to ensure that staff enjoy a work–life balance, are provided with opportunities to develop professionally and are assured of Sonic's commitment to promoting their health and safety. Our proactive approach to safety management and a positive safety culture is reflected in the SonicSAFE Improvement Program, which aims to achieve a zero-harm workplace.

Lost time injury frequency rate (LTIFR)

Year	LTIFR
2021	5.3
2020	4.5
2019	4.5
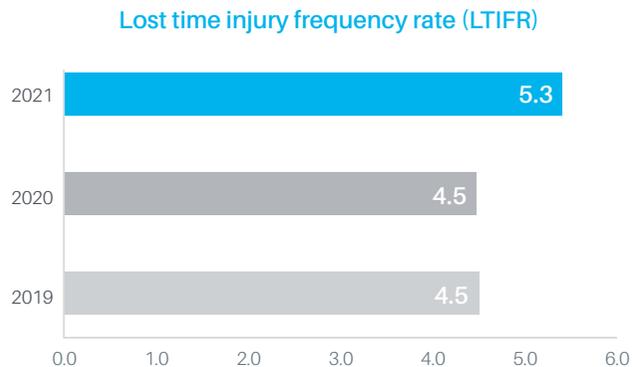
No work-related fatalities occurred during the year across Sonic, and our lost-time injury frequency rate (LTIFR) for the 2021 financial year was 5.3 per one million hours worked, a slight increase on the previous year.

Sonic supports and invests in a number of wellness and other programs across its operations to improve the health and happiness of its employees. This contributes to low absenteeism rates. Additionally, Sonic's proactive approach to improving employee engagement is a key factor in the high availability rate.

Sonic's workforce availability during the year was 97.0%.

97%
workforce availability

Lost hours due to injury were

0.11%
of total hours worked

The chart below shows a breakdown of injuries by causation.

Pie chart — injuries by causation:
- Body stressing 32%
- Falls, trips and slips 29%
- Being hit by moving objects 13%
- Other 11%
- Hitting stationary objects with a part of the body 8%
- Biological & Chemical 7%
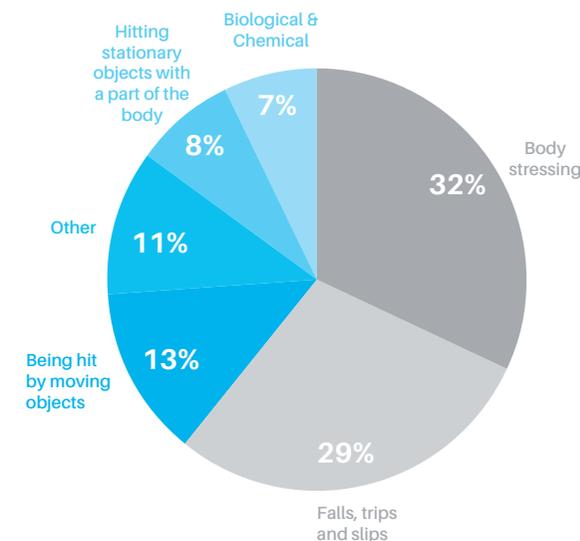
◀ Elvis Moon (right), Maintenance Manager, Douglass Hanly Moir Pathology

Initiatives

Mental health and COVID-19 safety initiatives	Employee assistance programs	COVID communications	Working from home	Return to work programs	Staff bonus

The ongoing COVID-19 pandemic has reinforced the importance of mental health awareness in both our working and personal lives. Sonic has implemented a range of initiatives to help staff feel safe and supported, especially during these times of ongoing uncertainty.

Employee assistance programs (EAP) are in place in most Sonic divisions, giving staff easy access to confidential counselling and other support services, including mental health support.

COVID-specific communications have become a feature of many practices, updating staff about rapidly changing testing guidelines, workplace health and safety initiatives and general wellbeing information.

Sonic Connect, the global learning and development arm of Sonic Healthcare, has also supported staff wellbeing on an ongoing basis, with more than 30 staff communiques focused on building resilience, dealing with uncertainty, and other topics specifically tailored to support the mental health and wellbeing of our staff at this challenging time.

Wherever possible, Sonic has facilitated working-from-home arrangements during the pandemic. This has helped to minimise the threat of COVID-19 entering our laboratories and medical centres, while also minimising the number of staff who needed to leave home during the pandemic. Strict protocols have been put in place in every workplace to maximise staff safety, including the wearing of masks and protective eyewear where necessary. These protocols vary, depending on the level of COVID-19 in each community in which we operate.

As the world begins to return to 'normal', return-to-work programs have been implemented in many Sonic practices to help affected staff transition back into the physical workplace.

As a thank you for their outstanding contributions during the COVID-19 pandemic, every Sonic employee around the world was given a bonus in 2020.

Professional development and training

77,000
training courses
undertaken globally

650
staff trained through
Sonic Connect

Ongoing training is an integral part of Sonic's commitment to medical excellence. We provide training for all staff, ranging from the training of technical staff and pathology collectors through to leadership development workshops on emotional intelligence and conflict management, as well as subspecialty medical training and conferences.

In FY2021, Sonic employees completed more than 77,000 training courses or modules as part of our ongoing commitment to professional development and training.

Professional development occurs through many avenues. Sonic Connect, our in-house global learning and development department, offers a range of courses tailored to the specific needs of healthcare workers, with a particular emphasis on emotional intelligence, resilience and leadership.

Sonic Connect delivers training courses around the world, and helps to seed Sonic's Medical Leadership culture. In FY2021, they provided training to more than 650 staff globally – a number that was curtailed by the effects of the pandemic.

Where possible, Sonic Connect provides face-to-face training, however during COVID, training has largely transitioned to online video conferencing sessions.

At an entity level, training is an ongoing function that is embedded into our quality assurance programs and health and safety requirements. Additional training is also undertaken externally where the need arises.

Our medical staff are also given conference leave and allowances each year to ensure that they remain at the forefront of their medical specialties.

OVERVIEW

OUR SERVICES

SPECIAL UPDATE:
COVID-19

OUR PEOPLE

COMMUNITIES

ENVIRONMENT

GOVERNANCE

SUSTAINABILITY
METRICS

Communities

▶ Clontarf Academy student
participating in a Catalyst
health check

Sonic's Company Conscience is evident in every facet of our organisation.

We recognise the responsibilities and obligations that come with medical practice, and know that improving healthcare availability and access changes people's lives.

Delivering against the UN Sustainable Development Goals (SDGs)

Ensure healthy lives and promote wellbeing for all at all ages

Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

Achieve gender equality and empower all women and girls

Build resilient infrastructure, promote sustainable industrialisation and foster innovation

Take urgent action to tackle climate change and its impacts

Helping Others

As a provider of high-quality healthcare services, helping others is at the core of everything we do. The primary care, medical laboratory and radiology services provided by Sonic are essential to the practice of modern healthcare. Early detection and clinical intervention save lives and can reduce the overall cost of healthcare.

Diagnostic services provide doctors with vital information about what is affecting the patient, so they can determine the best course of action. This can range from understanding which type of antibiotics to prescribe for a particular infection, through to guiding the surgeon to ensure complete removal of a tumour and the required follow-up treatment.

Helping others has always been an integral part of our corporate culture. We do this in a variety of ways, including:

- Sharing our medical expertise with less-advantaged communities
- Contributing to charities and sponsoring community events
- Improving community health outcomes
- Education
- Accessibility and affordability

Statistics

138 million
patient consults

3,365
patient centres

70%
of Australians live within 10 km of an SCS medical centre

273
vehicles that travelled more than 6 million km to perform home collects of pathology specimens and visit aged care facilities

$5.3 million
in charitable donations and sponsorships

▲ Dr Simon Chow, GP at the Lower Mountains Family Practice, IPN Medical Clinics, Australia
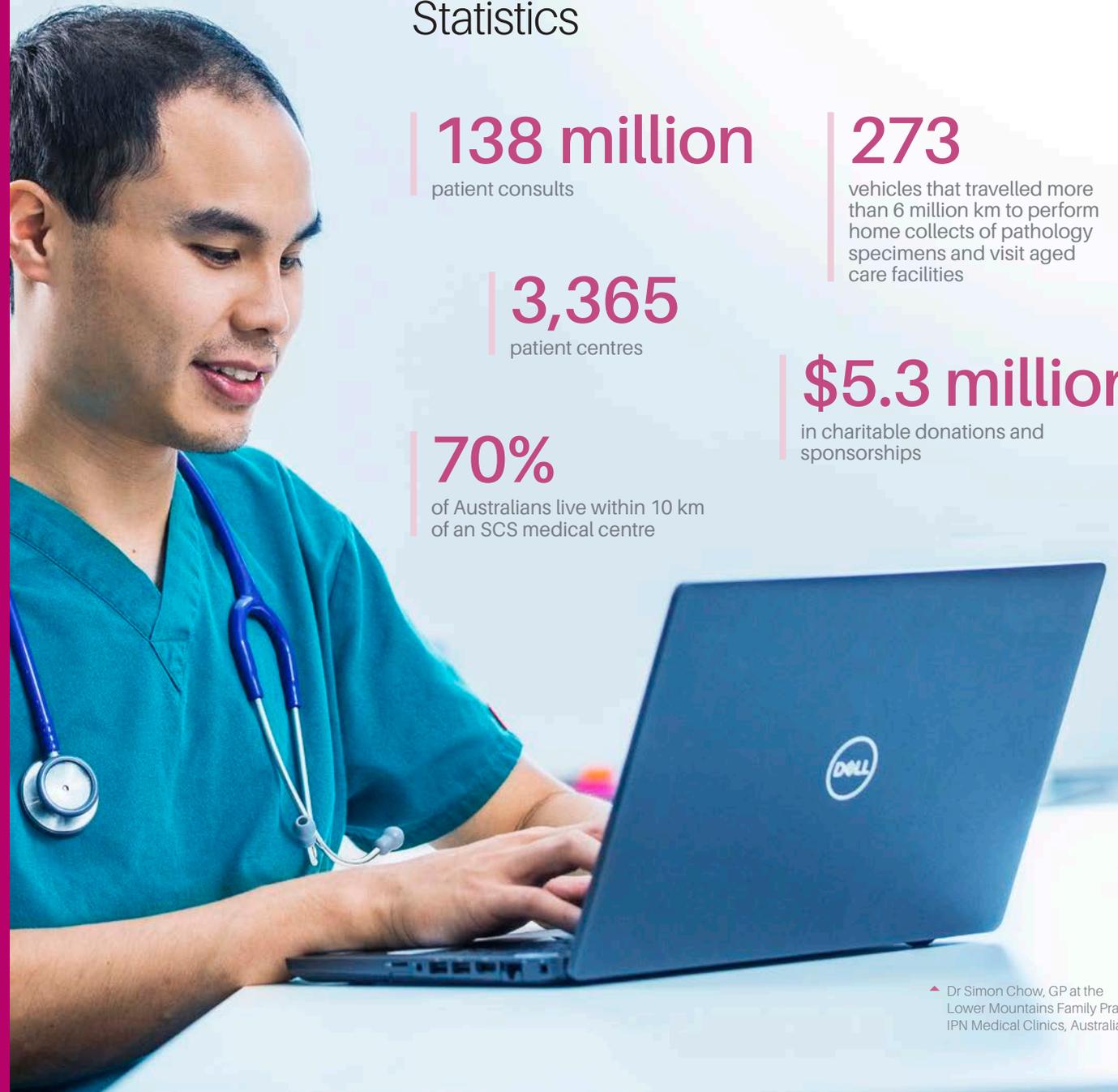
Catalyst Program

The cornerstone of Sonic's philanthropic activities is our Catalyst Program, which aims to establish self-sustaining laboratory medicine, radiology and other clinical services for communities in dire need. For more than 20 years, we have had incredible success in several countries, making a meaningful difference to the lives of thousands of people.

As a medically led organisation, we know that good medical practices play an important role in helping to improve the healthcare and lives of people in some of the world's most underprivileged areas. We have made it our mission to provide hospitals with modern pathology and radiology equipment in some of the most disadvantaged places in the world. The benefits of this assistance have been significant, allowing local doctors to correctly identify different diseases, viruses and bacteria, so patients can be properly treated.

Our support also involves training local staff in modern medical methods and techniques, so they can provide the vital laboratory, pathology, radiology and other medical services that underscore modern medicine.

This assistance also includes other aid projects, supporting schools, orphanages and refugee programs, through the provision of funds, materials, education and training of the community.

Most of our projects are aligned with African hospitals that treat women and children – two community subsets that are important to the future success of any nation. Our support is known as the Catalyst Program because we aspire to be one of the catalysts that will help these hospitals, and the communities that they serve, to self-sufficiency.

The Catalyst Program is supported by Sonic Healthcare staff across the world, including a team of healthcare professionals who visit the projects at least once a year for several weeks at a time.

Over the last 20 years, we have sent a shipping container to an African aid project each year. These containers are filled with laboratory requirements, such as personal protective equipment, specimen collection supplies, reagents for analysers, supplies for the hospital, as well as laboratory, radiology and computer equipment. The containers also include equipment and materials for schools and staff donations of clothes and shoes.

◀ Dr Justin Paluku with a female patient at the HEAL Africa Hospital

Vision Maternity Centre
Bahir Dar, Ethiopia

Barbara May Foundation Maternity Hospital
Mille, Ethiopia

Fistula Hospital
Addis Ababa, Ethiopia

The Kivulini Maternity Centre
Arusha, Tanzania

HEAL Africa
Goma, Democratic Republic of Congo

ETHIOPIA

DEMOCRATIC REPUBLIC OF THE CONGO

TANZANIA
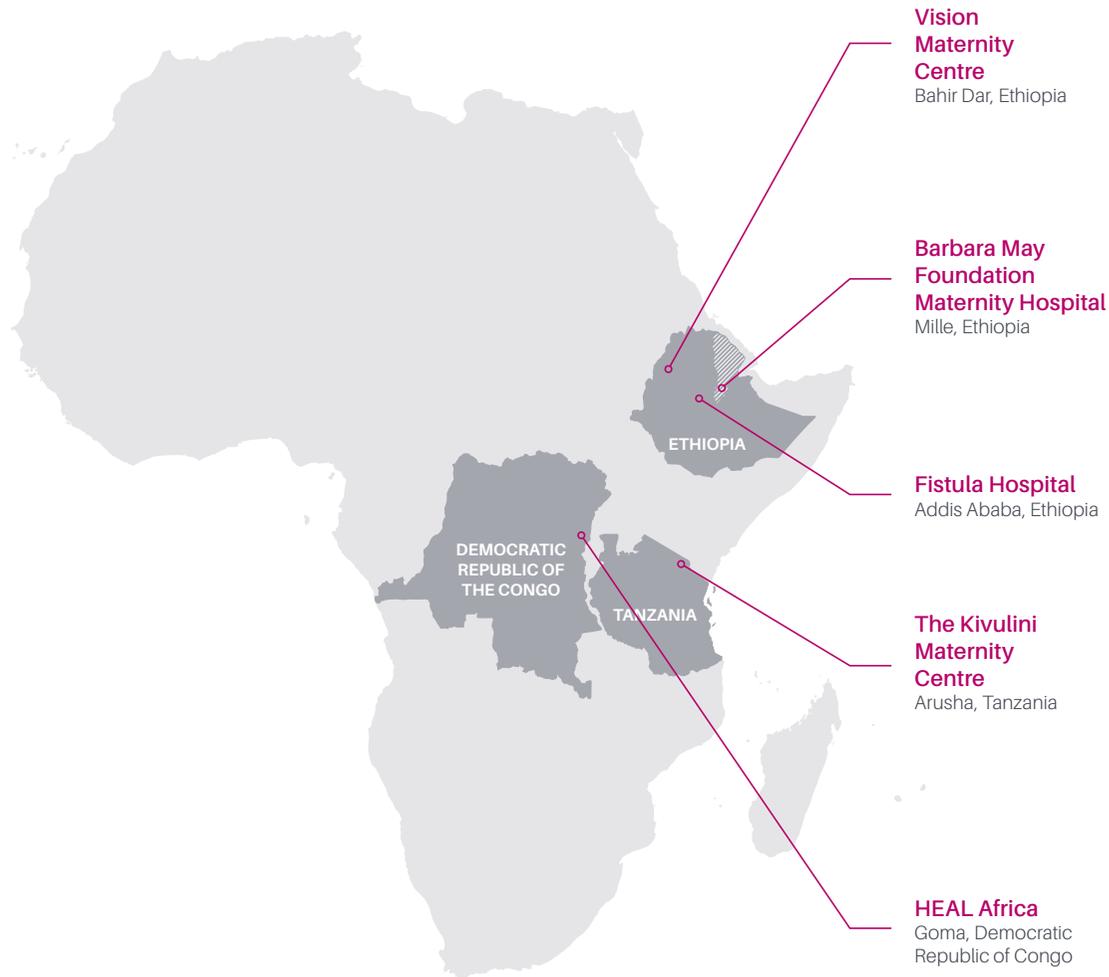
Catalyst Program participants

HEAL Africa – Goma, Democratic Republic of Congo

- Installation of pathology laboratory and radiology department
- Provision of ongoing medical supplies and equipment
- Training of staff, including training of the first fully qualified pathologist and radiologist
- Provision of teaching and other non-medical items
- Replacement of Sonic's previously donated CT scanner with a newer, higher-quality unit, which will be shipped within the next 12 months
- Donation of an upgraded Hologic digital mammography unit, which provides clearer images at a lower radiation dose

Fistula Hospital – Addis Ababa, Ethiopia

- Ongoing support and training (pathology laboratory is largely self-sufficient)

Barbara May Foundation Maternity Hospital – Mille, Ethiopia

- Provision of medical and surgical equipment
- Installation of pathology laboratory (equipment and supplies)
- Staff training

Vision Maternity Centre – Bahir Dar, Ethiopia

- Provision of medical and surgical equipment
- Installation of pathology laboratory (equipment and supplies)
- Staff training

The Kivulini Maternity Centre – Arusha, Tanzania

- Installation of pathology laboratory (equipment and supplies)
- Provision of medical and surgical equipment
- Planned installation of microbiology laboratory

Catalyst African testing statistics (FY2021)

15,827
Malaria screens

29,465
Haematology tests

10,000
Cholera tests

13,511
Biochemistry profiles

4,000
Typhoid tests

617
Histopathology diagnoses

14,099
HIV tests

3,272
Microbiology tests

7,000
X-rays

7,000
Ultrasounds

HEAL Africa update

While the world has been grappling with the ongoing impacts of COVID-19, the HEAL Africa Hospital in Goma, Democratic Republic of Congo (DRC), has faced political instability, natural disasters and another Ebola outbreak, in addition to the effects of the pandemic.

COVID-19

The true impacts of coronavirus in DRC are not widely known. Testing is expensive and not readily available to most of the population, so it is hard to gauge the true impact of the virus. HEAL Africa has the only COVID-19 ward in the region, with strict infection protocols. More than 1,500 patients have been cared for, with about 30 deaths. Anecdotally, however, there is evidence that the death toll in the region is much higher, with many people dying from 'respiratory illnesses'.

Ebola

In early February 2021, a new Ebola outbreak was confirmed in the North Kivu region of DRC, to the north of Goma. Although the outbreak didn't affect the hospital directly, many hospital workers were sent to the affected region to care for Ebola patients, leaving the HEAL Africa Hospital short-staffed.

Volcanic eruption

In late May 2021, a volcanic eruption of Mount Nyiragongo, 10 km away from Goma, sent rivers of lava towards the city. Although the lava flows stopped short of the city centre, residents were forced to evacuate to nearby towns, including the evacuation of patients from the HEAL Africa Hospital, together with the relocation of most of the equipment.

A second evacuation followed a few days later over fears of another eruption, and the hospital operated remotely for about three weeks with only a fraction of its equipment.

More than 30 people died as a result of the eruption, with thousands of others left homeless. Hundreds of homes were destroyed and the region experienced more than 200 aftershocks, causing further damage to roads and other infrastructure. A volcanologist visited the area shortly after the eruption and declared the volcano to be one of the most dangerous in the world.

Ongoing violence

Eastern DRC has been subjected to ongoing violence by armed militia groups who are mainly targeting civilians. Atrocities include murder, rape, kidnapping and pillage, adding further instability to the region.

Sonic Healthcare involvement

Due to the travel restrictions associated COVID-19, Sonic Healthcare staff have not been able to undertake their annual visits to the region this year. However, our staff have been in regular contact with hospital staff, assisting wherever we can. Sonic also sent another container of essential consumables, such as reagents and PPE, to HEAL Africa to support the laboratory and radiology services.

Providing health checks in the remotest part of NT

The Clontarf Foundation is an Australian charitable not-for-profit organisation that exists to improve the education, discipline, self-esteem and employment prospects of Aboriginal and Torres Strait Islander boys and young men. It provides them with life skills to succeed and grow, through mentoring and participation in team sports – something that benefits the whole community as well as the individuals involved. Clontarf operates 116 Academies in schools across Western Australia, Northern Territory, Victoria, New South Wales and Queensland, catering for more than 8,000 boys.

Sonic Healthcare has been involved with the Clontarf Foundation since 2017, providing medical assessments to students within Clontarf's Academies, with an additional focus on their mental health and wellbeing. These health checks are often provided in relatively populated areas, however, we also go to great lengths to offer the same services to youth living in some of the remotest parts of Australia.

In June 2021, the Sonic Catalyst team visited locations throughout the Northern Territory to provide health checks to 88 young Aboriginal men. The 2,000 km trip started in Darwin, taking in Jabiru, Katherine and Tennant Creek, one of the most remote towns in Australia, before finishing in Alice Springs.

The 10-strong team consisted of experienced doctors, nurses and pathology collectors. Their first stop was Jabiru, where the Sonic Catalyst team performed annual health checks on students from the remote Aboriginal community of Gunbalanya in Arnhem Land. The only way for this community to reach the mainland is via the crocodile-infested East Alligator River, which is only accessible at certain times of the day, and often completely inaccessible during the wet season.

Following an overnight stop, the team headed to Katherine to undertake health checks on 42 young men from the local community. The team then took the long drive to Tennant Creek, arriving late in the evening. It was there that one of the attending doctors received news that his wife had gone into labour with their first child. Following the happy news of the birth of his son, the doctor nicknamed his new arrival 'Tennant.'

The next day the team headed to the local high school to provide not only health checks, but also to cook breakfast for all kids at the school.

While conducting the health checks throughout the week, a range of medical issues were identified. Most of the conditions presented to our doctors were non-symptomatic, where diagnosis at an early stage can be crucial.

"This is the root of why we are here," said Dr Ben Jarvis, a GP from IPN's Cottesloe practice in Western Australia. "People don't know that they've got it [a non-symptomatic medical issue]. When it does present, we've lost a lot of ground and we could have gained traction a lot earlier to really change the course of the outcome. The earlier you intervene, the more action you take and the earlier you can take that action, the better the outcomes are."

Sonic's work with Clontarf amounts to more than just bridging the healthcare gap in rural Australia. It gives members of the Catalyst team an opportunity to give back to the community. The NT trip was summed up perfectly by Dr Jarvis: "At the end of the health check, the boys often thank us for coming out and for doing the health assessments, but I just want to thank the Clontarf Foundation for the opportunity and thank the boys for coming and meeting us and sharing with us. They're the reason why we come out. They are the guys that give us the passion. That's what we're here for."
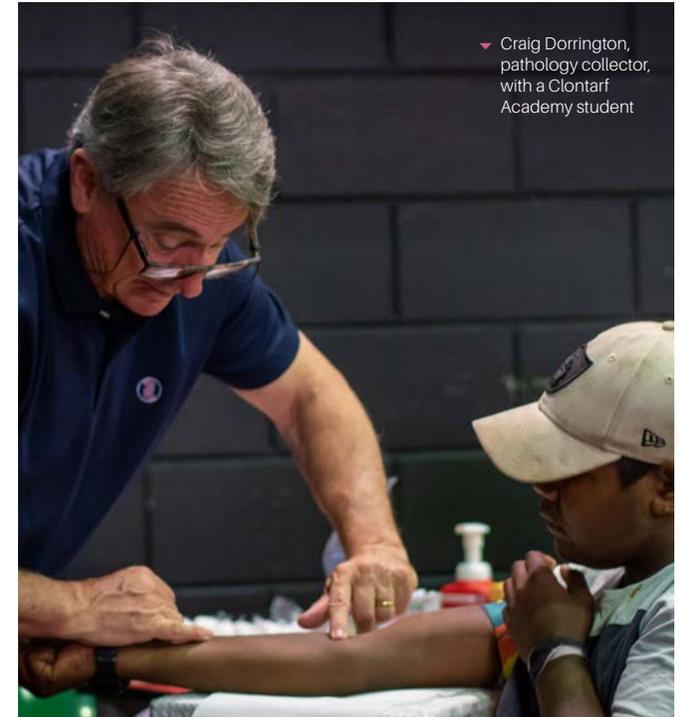
Craig Dorrington, pathology collector, with a Clontarf Academy student

Tracey Wilson, Registered Nurse, with a Clontarf Academy student

FROM LITTLE THINGS BIG THINGS GROW

clontarf foundation

Helping the vulnerable across London

University College London Hospitals' Find and Treat unit is a specialist outreach team that diagnoses and treats infections in hard-to-reach vulnerable populations, including the homeless, intravenous drug or alcohol users, migrants and former prison inmates. Across London, early in the first wave of the COVID-19 pandemic, when temperatures were often sub-zero, homeless and vulnerable people were re-homed in hotels and hostels as part of a government initiative to control the pandemic. Find and Treat wasted no time 'finding' patients – many of whom had dropped out of formalised healthcare systems. The aim was to use this as an opportunity to provide care for the individuals, and to also get a baseline for Hepatitis C within this population.

Obtaining blood from this cohort can be difficult, so Find and Treat asked for help from Sonic Healthcare UK, who quickly agreed and established a system for serological and molecular testing for blood-borne viruses, using finger prick capillary blood.

To date, more than 200 Hepatitis C viral load tests, liver function tests and full blood counts have been performed from only a few drops of capillary blood, and more than 70 patients have been treated. Find and Treat, supported by Sonic Healthcare UK, is now expanding its work outside London and incorporating more point-of-care tests to screen for important infections.

▲ Ben and Cherie, Bright Skies team members

Working together to create an inclusive community

Sonic's SKG Radiology in Perth, Western Australia, has established two successful partnerships with organisations that are committed to creating a more inclusive society for people with disabilities.

Bright Skies is a courier company that employs people with intellectual disabilities to work as couriers, assisted by their support workers who serve as drivers. The not-for-profit organisation seeks to provide meaningful employment, the opportunity to develop confidence, the chance to participate in the community and the opportunity for social inclusion.

SKG uses Bright Skies as their preferred courier, and also uses them to collect toner cartridges and coffee pods from their sites and drop them at relevant depots for recycling. The coffee pods are taken to a depot for recycling and the toner cartridges are delivered to Officeworks for recycling. Bright Skies also uses the services of a national onshore recycling company called Close the Loop to recycle toner ink into sustainable felt tip pens.

SKG also works with Activ, Western Australia's largest National Disability Insurance Scheme (NDIS) provider, who provides services for people with intellectual and developmental disabilities. Since 2016, SKG has used Activ to manufacture re-usable fabric patient gowns. The two companies worked together to procure the fabrics and gown templates, and to ensure that the gown designs could be manufactured by people with a disability.

Sonic Healthcare Australia continues to work with The Bridge Employment, a not-for-profit social enterprise dedicated to providing supported employment opportunities for people with disabilities, as well as young people from culturally diverse backgrounds. The Bridge is a valued kit assembly partner supporting our laboratory testing for the Australian Government's National Bowel Cancer Screening Program.

Community award

In early 2021, the Australian Capital Territory Government announced that Canberrans who had contributed to the COVID-19 public health response would be jointly honoured as the 2021 Canberra Citizen of the Year. The award was dedicated to all frontline workers, including staff at Sonic's Capital Pathology.

Chief Minister Andrew Barr visited the laboratory to thank staff for their efforts and the key contribution they made to COVID-19 testing, which included tens of thousands of tests, assisting with the tests from ACT Health drive-through centres, and swabbing and testing residents from nursing homes.

Improving health outcomes

Sonic's entire operations are focused on improving the health outcomes for the individual patients and populations we serve. We know the value of timely, accurate diagnostic tests, as well as the impact that a single doctor can have on a patient's life. In addition to the clinical care provided to every individual patient, there are positive ripple effects through to their family, friends, co-workers and the wider community.

The impact of vegan and vegetarian diets for children and adolescents

An increasing proportion of the German population has embraced a vegetarian diet, with an estimated one million people becoming vegan. But are these two dietary choices suitable for children and adolescents?

The VeChi-Youth Study, funded by the German Federal Ministry of Food and Agriculture, set out to investigate this question with a study involving 401 children and adolescents aged between 6 and 18. Participants were divided into three groups: vegetarian, vegan and omnivorous (consumes both meat and plant-based options).

Sonic's Medical Laboratory Bremen performed the blood tests for the study, and was faced with some unique challenges that needed to be addressed to ensure an optimal study outcome. Due to the young age of some of the participants, the volume of blood collected needed to be minimised to ensure their safety. This had to be balanced with the need to maximise the number of parameters to be studied. The test methods were optimised so that only 7.3 ml of blood was required for all examinations.

The study findings showed that energy intake (calories) was adequate in all three groups, as was the intake of most nutrients with the exception of calcium, which is important for bone formation. Participants also showed various differences in carbohydrate and fat quality, as well as other parameters.

The study ultimately concluded that a vegetarian and vegan diet in childhood and adolescence can provide an adequate supply of the nutrients investigated, provided that vitamin B12 supplementation is carried out.

The VeChi study was produced in collaboration with the German Nutrition Society (DGE), the University of Applied Sciences in Cologne, the Charité Universitätsmedizin Berlin, the University of Bonn, the Institute for Alternative and Sustainable Nutrition (IFANE) in Biebertal/Gießen and the University of Witten/Herdecke and ProVeg Germany.

◀ Dr Scott Reid, GP at the Lower Mountains Family Practice, IPN Medical Clinics, Australia

Changing the future of pancreatic cancer diagnosis and treatment

Pancreatic cancer was the eighth most-diagnosed cancer in Australia in 2020, and has relatively poor survival rates because it is so hard to detect in the early stages. Compared to other cancers, it only receives a fraction of the research funding.

Epworth HealthCare, the largest not-for-profit private hospital group in Victoria, Australia, has recently established the Jreissati Family Pancreatic Centre, a specialist centre of excellence for the clinical treatment and research of pancreatic disease. The centre aims to change the future of pancreatic cancer diagnosis and treatment by providing centralised clinical care that increases clinical expertise and improves patient outcomes.

Radiology plays a critical role in improving the diagnosis of pancreatic cancer in the early stages of disease, and in the subsequent monitoring of treatment responses, often using a combination of CT, MRI, ultrasound and PET imaging In collaboration with Epworth HealthCare, Sonic's Epworth Medical Imaging (EMI) has invested in training its radiologists and upgrading its MRI and CT imaging equipment to support the groundbreaking work being undertaken by the centre.

🎓 Education

Medicine is a constantly evolving discipline. Scientific and technological breakthroughs continually expand the boundaries of our medical knowledge, resulting in the need for continuing education of the current and future generations of doctors.

Sonic recognises the importance of contributing to the community through the sharing of our professional and academic expertise. We employ some of the highest-level professionals in their field, and share this expertise locally and globally through our participation in different teaching opportunities in pathology/laboratory medicine, radiology and general practice medicine. We are actively involved in three broad areas of medical education:

- Improving the knowledge of clinicians
- Contributing to publications, craft groups, steering committees, boards and other professional organisations
- Training the next generation of medical professionals

Sonic Healthcare also provides a significant and ongoing investment in external education, research and sponsorship of medical events.

Supporting continuous professional development

Throughout the world, Sonic Healthcare supports doctors and the broader medical community with a variety of educational forums and publications to ensure they remain up to date with relevant medical information and to optimise the patient care they provide.

Sonic's educational offerings include seminars and newsletters, surgical audits, research articles, multidisciplinary meetings and conference presentations.

Contributing to publications, craft groups, steering committees, boards and other professional organisations

Sonic's medical, technical and scientific staff regularly contribute to the broader medical community, through their involvement in craft groups, steering committees, boards and other professional organisations. This involvement helps to promote the practice of good medicine within local communities, while also raising standards nationally and globally.

Sonic's medical and scientific staff regularly publish articles in medical journals and textbooks as another way of sharing their unique knowledge and experiences.

Training the next generation of medical professionals

In keeping with our commitment to medical excellence and Medical Leadership, Sonic Healthcare and its medical staff are heavily involved in graduate and postgraduate medical training in different parts of the world. This reflects the importance we place on ensuring that the next generation of doctors, scientists, radiographers, sonographers, technicians and nurses are well trained in medical diagnostics and general practice.

Sonic has a proud history of involvement with academic training facilities and has links with many universities, including University of Notre Dame, University of Sydney, Macquarie University, University of Melbourne, Queensland University of Technology, University of Queensland, James Cook University, University of Canberra, University of Western Australia, Curtin University, University of Texas, University of Tennessee, Austin Community College, University of Miami, University of Hawaii, University of Heidelberg, University of Mainz, Charité Berlin (University Hospital), University College London, Middlesex University and Westminster University.

Many of our pathologists, radiologists and general practitioners are also university lecturers, training the next generation in their particular specialty or subspecialty. We also provide vocational training positions for pathologists, radiologists and general practitioners, ensuring the future supply of these important medical practitioners in the community.

Regional student placements

In 2020, Sonic's Queensland X-Ray introduced a regional scholarship for fourth-year radiography students to enhance their ability to attract staff to practices serving regional communities.

The scholarship has benefited practices in regional areas across the state, as well as the communities they service. It has also guaranteed job security for participating students after their final year of placement, increasing their level of engagement and development in the role.

Recent scholarship recipient Georgia Sims explains, "With secured employment, my clinical placements in fourth year were focused on integration into the Toowoomba team and seamless transitioning from student to graduate radiographer. New graduates are encouraged to interact and learn from all members of staff, whether it be receptionists, nurses, imaging technologists or radiologists.

"Each employee carries a wealth of knowledge that they are more than willing to impart so that new graduates can experience diversified learning."

Chief Radiographer, Cameron Watt describes why scholarships are vital to our regional areas: "Completing final year placements at the location they will be employed is an excellent opportunity for graduate radiographers to begin their careers. They know how we operate, and they continue to work with the people who have been guiding them. With this scholarship in place, candidates are hitting the ground running with a good understanding of Queensland X-Ray and the region, allowing for expansion of skill sets and quicker progression."

▲ QXR scholarship recipient, Georgia Sims, with Chief Radiographer, Cameron Watt

The scholarships allow Queensland X-Ray to tailor learning, within the University placement guidelines, to suit the needs of their departments, and have been hugely successful in attracting and retaining employees in the region, many of whom will go on to continue their career with Queensland X-Ray for years to come.

OVERVIEW

OUR SERVICES

SPECIAL UPDATE:
COVID-19

OUR PEOPLE

COMMUNITIES

ENVIRONMENT

GOVERNANCE

SUSTAINABILITY
METRICS

Environment

▸ Arial view of the garden in
the Bioscientia laboratory,
Ingelheim, Germany

Sonic Healthcare is committed to environmental sustainability. We recognise the ongoing need to evaluate and explore opportunities that will deliver long-term environmental benefits.

Our Environmental Policy seeks to minimise the negative impacts our businesses may have on their surroundings, and our environmental blueprint aims to actively reduce our carbon emissions and conserve our precious resources. Sonic has a proud track record of adhering to all applicable environmental regulations and legislation in the locations in which we operate.

Delivering against the UN Sustainable Development Goals (SDGs)

Build resilient infrastructure, promote sustainable industrialisation and foster innovation

Make cities inclusive, safe, resilient and sustainable

Ensure sustainable consumption and production

Take urgent action to tackle climate change and its impacts

A cleaner future

The Intergovernmental Panel on Climate Change (IPCC) is the United Nations body for assessing the science related to climate change. Sonic Healthcare recognises the IPPC's finding that warming of the climate system has been significantly influenced by human activity, including their latest report released in August 2021, which "provides new estimates of the chances of crossing the global warming level of 1.5°C in the next decades, and finds that unless there are immediate, rapid and large-scale reductions in greenhouse gas emissions, limiting warming to close to 1.5°C or even 2°C will be beyond reach."

Sonic understands that the impacts of climate change could present physical, natural and human risks for our federation of medical businesses, our referrers and our patients, as well as the wider community. We monitor our exposure to these risks on an ongoing basis, and continue to ensure our service offerings are aligned to meet any emerging needs.

Our commitment to minimising our environmental impact is monitored by the Sonic Board's Risk Management Committee, which is responsible for providing oversight on Sonic's identification and response to key environmental issues, as well as monitoring our climate change preparedness.

Sonic will continue to focus on emissions and energy reduction programs in 2022, developing targets for renewable energy use and the pathway to achieving net zero greenhouse gas emissions.

Reducing our greenhouse gas emissions

COVID-19 has had an enormous impact on Sonic's businesses around the world. Since the start of the pandemic, we have performed 35 million COVID-19 PCR tests in addition to normal routine work. This huge increase in testing has required the installation of new equipment in all major laboratories, longer operating hours and the employment of extra staff. In some countries Sonic also established dedicated facilities for the collection of COVID-19 samples.

Sonic reports the following data under the Australian National Greenhouse and Energy Reporting Act 2007. In FY2021, the significant increase in testing volumes brought about by COVID-19 was offset by energy saving initiatives, resulting in total energy consumption increases of only 1.2% and greenhouse gas emission decreases of 0.1% across our Australian businesses. However, on a per-patient basis, energy consumed decreased by 9.6%.

Australian greenhouse gas emissions (tonnes CO_2-e)			
	2021	2020	2019
Scope 1 (mainly fuel and natural gas usage)	8,716	8,450	8,380
Scope 2 (mainly electricity usage)	56,189	56,529	58,276
Energy consumed (GJ)	388,709	384,187	388,645
Reduction in energy consumed per patient (Australia)	9.6%	2.3%	1.3%

Sonic reports the following data under the UK Government's Streamlined Energy and Carbon Reporting (SECR) framework. Despite similar increased-testing circumstances to Australia, Sonic Healthcare UK's overall energy consumption per patient was reduced by 17.3%.

UK greenhouse gas emissions (tonnes CO_2-e)		
	2021	2020
Scope 1 (mainly fuel and natural gas usage)	618	565
Scope 2 (mainly electricity usage)	1,674	1,633
Scope 3 (private vehicles used for courier services)	211	118
Energy consumed (GJ)	42,918	37,345
Reduction in energy consumed per patient	17.3%	NA

17.3%
Reduction in energy consumed per patient (UK)

9.6%
Reduction in energy consumed per patient (Australia)

Medisupport: committed to carbon neutrality

Sonic's Medisupport in Switzerland has embarked on a multi-step project towards progressively reducing their greenhouse gas emissions.

The company has committed to achieving carbon neutrality within two years and to progressively reduce greenhouse gas emissions. Their plans include increased use of electric and hybrid vehicles, sourcing energy from renewable sources, continued use of digital options that negate the need for paper and its associated carbon miles, as well as planting a sustainably-managed forest to offset their carbon footprint.

Working with Swiss NGO 'On A Mission', Medisupport recognised the need to establish and maintain a sustainable forestry field project. Medisupport employees agreed to locate the project in Mozambique, where more than 90% of the indigenous forests have been destroyed. The reforestation project will provide fair wage jobs for Mozambiquan villagers as forest restoration workers, and will help protect against marine erosion while the soil and forest is regenerated.

Medisupport's climate and emissions offsetting programs are subject to strict criteria and regulated by international standards (ISO 14064). Reforestation projects are also subject to standards guaranteeing exclusive use of each tonne offset and are checked by certification agencies.

The reforestation project has now entered its active phase, and planting will be completed within two years, allowing Medisupport to be carbon neutral for the next 10 years. During this time, they will continue to take additional proactive steps to further reduce their overall emissions.

Major sustainability achievement 2021

Sonic's Swiss laboratory network, Medisupport has achieved certification in ISO 14064 – Greenhouse gas accounting and verification, and has committed to carbon neutrality within two years

Our environmental blueprint

Company Conscience is one of Sonic's Medical Leadership Principles. As the effects of global warming become more evident, Sonic is committed to actively reducing our carbon footprint and planning a pathway towards net zero greenhouse gas emissions so we can all look towards a cleaner future.

Sonic's environmental blueprint identifies five key areas of focus relating to the UN Sustainable Development Goals (SDGs) to which we contribute. The plan includes multi-step projects involving all divisions in all geographies.

Several projects were initiated in FY2021, although restrictions flowing from COVID-19 delayed the implementation of some plans. Some of these projects are global in scope, spanning multiple countries of operation, while others are more relevant to local geographies. However, all projects contribute to improving Sonic's overall environmental footprint. Many projects are initiated in Australia before being rolled out globally. The table to the right presents the key areas outlined in the FY2020 Corporate Responsibility Report plus achievements during FY2021.

	Energy	Recycle	Transport	Water	Sustainable sourcing
Sonic's commitment	Reduce energy consumption	Decrease waste volume to landfill. Increase recycling	Decrease petrol/diesel fuelled kilometres	Reduce water consumption and improve wastewater quality	Tighten sustainable procurement practices
Achievements 2021	■ 9.6% decrease in energy consumption per patient (Australia) ■ 17.3% decrease in energy consumption per patient (UK)	■ Rationalisation of waste services and establishment of baseline measurements, for example 25% of general waste is currently recycled (Australia)	■ Increased Sonic's global hybrid/electric fleet by 57%	■ Project delayed due to COVID-19 restrictions ■ Introduced consideration of water consumption in equipment selection	■ Established sustainability as a key feature of procurement decisions globally
Projects	**Increase energy efficiency** ■ Installed 8,000 additional LEDs, saving 1,500 t CO_2 emissions per annum (Australia) ■ Completed efficiency review of building management and HVAC systems ■ Commenced staff education programs **Increase use of renewable energy** ■ Additional 213 kW solar capacity installed. Solar installations generated 808,182 kWh in FY2021 saving 587 t CO_2 emissions annually ■ Agreed on strategies for investing in additional renewable energy	**Control and decrease overall waste volume** ■ Nationalised waste services with good reporting dimensions (Australia) **increase recycling** ■ Increased polystyrene recyclers, which will save 2,500 cubic metres of waste from landfill annually ■ Commenced staff education programs **Monitor medical waste** ■ Monitored medical waste within safety guidelines	**Increase fuel efficient vehicles in fleets** ■ Purchased 77 additional hybrid/electric vehicles to replace petrol-only vehicles **Decrease freight transport kilometres** ■ Commenced project with suppliers to consolidate deliveries **Increase staff transport options** ■ Continued initiative	**Decrease water usage** ■ Project to commence 2022 **Increase quality of wastewater** ■ Project to commence 2022	**Partner with sustainable suppliers** ■ Included sustainability in all business review meetings. ■ Graded suppliers on their sustainability performance **Procure sustainable products** ■ Continued to review environmental impact of all products prior to purchase **Ensure value for money in all purchases** ■ Included longevity and total whole-of-life costs in procurement decisions

☀ Energy

Sonic's environmental blueprint for energy focuses on three key actions:

1) Increase energy efficiency
2) Investigate and invest in renewables where appropriate
3) Educate staff on energy management

Increasing energy efficiency

Increased energy efficiencies are a key consideration in the design of all new facilities, as well as the retrofitting and refurbishment of existing premises. The installation of solar panels is considered for all new constructions, subject to site constraints and commercial terms. Building management systems are also used to ensure maximum efficiencies through the control of lighting and temperature in buildings. A review of building management systems commenced in FY2021 and will continue in FY2022, as COVID-19 restrictions in some areas impacted the ability to audit and review existing premises.

New laboratory in Giessen

In March 2021, Sonic Germany opened its newest state-of-the-art laboratory in Giessen, about 60 km north of Frankfurt.

Part of the Bioscientia Group, the ultra-modern laboratory maximises technological efficiencies, while optimising sustainability throughout its design and environmental features. The laboratory services doctors and patients within a 200 km radius, and processes tests for 5,000–6,000 patients per day.

Features of the new building include solar roof panels that can generate up to 164,000 kWh, covering 30% of the total onsite power requirements.

It also has a green roof that generates a number of environmental benefits, including cooling the surroundings and increasing humidity, which reduces the urban heat island effect; providing improved insulation to buildings, reducing energy requirements; improved water management through rain water retention and natural evaporation, which eases the burden on the sewerage system; improved air quality and a natural habitat to attract insects and birds.

Other features include a water recovery system, as well as a heating and ventilation system.

▲ New Bioscientia laboratory in Giessen, Germany

LED lighting upgrade

The multi-year LED lighting replacement program continued in FY2021 with upgrades at 40 additional Australian locations. Approximately 8,000 energy-efficient LED fittings were installed during the year, delivering a further estimated energy reduction of approximately 2 million kWh. Given the lower heat output of these light fittings, further energy reductions are expected as a result of improving the efficiency of HVAC systems at these sites. Additionally, LED lights help to reduce the volume of waste sent to landfill, due to their significantly longer lifespan than incandescent lights. Outgoing light fitting components are recycled wherever possible. LED fittings also provide an improved aesthetic for employees and patients.

To date, the Australian LED upgrade initiative has resulted in the replacement of more than 28,000 light fittings. This has delivered an estimated energy saving of approximately 6.2 million kWh, and a CO_2 emissions reduction of approximately 5,000 tonnes per annum.

Lighting upgrades are a key component of Sonic's energy efficiency strategy, with similar LED replacements occurring in all divisions across the world. Further upgrades are planned in FY2022 across Sonic's facilities as part of the ongoing commitment to reduce energy consumption.

8,000
LEDs installed in FY21 (Australia)

28,000
LED replacements over 3 years (Australia)

6 million kWh
Electricity saved (Australia)

5,000 t CO_2 emissions
Annual reduction through LED replacement project (Australia)

Lighting the way

Sonic's largest laboratory in Australia, Douglass Hanly Moir (DHM) Pathology's central laboratory at Macquarie Park, Sydney, recently upgraded more than 3,000 light fittings to energy-efficient, environmentally friendly LED lights. The new fittings are delivering exceptional results, with an energy savings estimate of more than 550,000 kWh per year. This is equivalent to more than 450 tonnes of CO_2 emissions per year from a single location.

DHM's lighting upgrade was an enormous project, with most work performed overnight to minimise disruption to laboratory operations. In an effort to further support the local economy, the majority of the light fittings were sourced from an Australian lighting manufacturer.
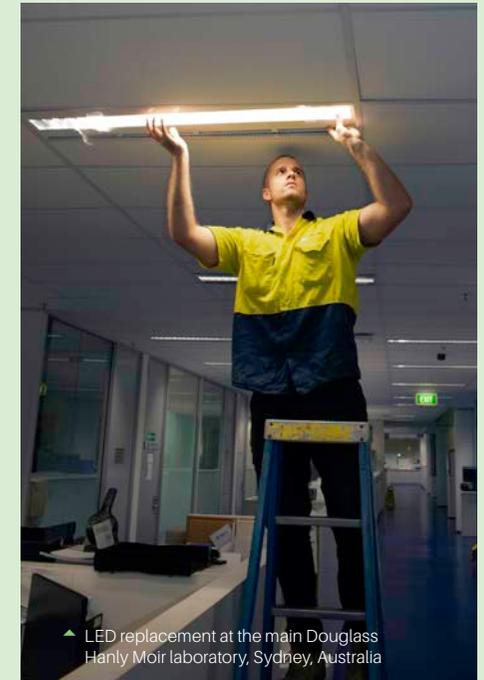
▲ LED replacement at the main Douglass Hanly Moir laboratory, Sydney, Australia

Investing in renewable energy

Installation of solar panels

Sonic has invested in renewable energy sources for 10 years via the installation of rooftop solar systems.

In FY2021, we installed 520 additional rooftop solar panels across multiple locations. This resulted in an increased solar capacity of 213 kW, representing a 30% increase on the prior year.

One of our larger installations this year was at Mt Isa, a mining community in the Queensland outback. Sonic HealthPlus Mt Isa GP Superclinic installed a 99 kW system that includes the installation of 192 rooftop solar panels. The large roof space and favourable weather conditions in the region are expected to allow 165,000 kWh to be generated each year, which accounts for 60% of the site's energy requirements. This will save approximately 130 tonnes of CO_2 emissions each year, which is the equivalent to planting approximately 4,000 trees.

Sonic's total solar capacity now exceeds 900 kW, which generated 808,000 kWh during FY2021, leading to a reduction of 587 tonnes of carbon emissions.

Green energy

In addition to investing directly in solar energy, several Sonic divisions are sourcing green/renewable energy for a proportion of their energy requirements. Sonic's Swiss laboratory Medisupport is leading the way with sustainability initiatives. They have recently been certified in ISO 14064 - Greenhouse gas accounting and verification, and have committed to achieving carbon neutrality within two years. They already source 60% of their energy requirements from green/renewable energy, and have invested in a range of other initiatives to achieve carbon neutrality.

In 2022 Sonic divisions will agree on green energy targets as part of our pathway to net zero greenhouse gas emissions.

▲ New solar roof panels at Sonic HealthPlus Mt Isa GP Superclinic

587 t CO_2 emissions saved

from the installation of solar panels in FY2021

Total solar panel capacity (kW) installed
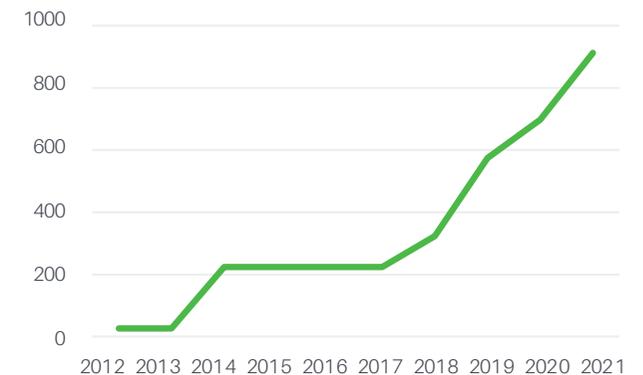
Waste

Sonic's environmental blueprint for waste focuses on three main areas:

1) Control and decrease overall waste volume
2) Divert waste from landfill by increasing recycling uptake
3) Reduce consumption of single-use, non-recyclable products

Control of waste volumes requires measurements of waste by our contracted service providers from all sites where we have operational control of the waste collection process. Waste is divided into three categories:

- Medical waste
- General waste
- Recyclable waste

During FY2021, Sonic in Australia appointed a national provider to service our waste collection, and developed baselines for all three categories. Pick-up volumes are reported quarterly by our provider, nationally and by site, allowing us to track improvement activities.

Medical waste

Medical waste is a relatively small but important component of Sonic's overall waste policy. Medical waste consists of products that may be contaminated through human interaction, such as blood tubes containing patient samples or the protective clothing worn by employees during their medical work.

The disposal of medical waste must adhere to strict regulatory requirements, and therefore it can be quite difficult to decrease overall volumes. In the short term, staff education can help to ensure that both general and recyclable waste is not disposed of as medical waste. In the longer term, we continue to look for technological innovations that may help to reduce the amount of medical waste that is produced. To minimise any environmental, staff or community risk, Sonic contracts with reputable, licensed businesses that specialise in the disposal of medical waste. Handling of medical waste is subject to regular review by external parties as part of our accreditation processes. In our 34-year history, Sonic is not aware of a single issue in relation to our management of medical waste. All future initiatives will seek to maintain this record.

Medical waste volumes increased in FY2021 as a result of COVID-19-related increased patient volumes, however, due to the establishment of Australian baseline volumes in FY2021, formal reporting in this statistic will commence in FY2022.

General waste (non-medical waste)

General waste comprises all products that are not separated into 'medical' and 'recycling' receptacles. General waste also includes products that can be recycled, such as cardboard, paper, bottles and aluminium cans, as well as other waste, such as e-waste, food, radiological film and polystyrene. Our general waste reduction strategy is:

- increase recycling through staff education
- replace single-use non-recyclable products with recyclable options
- purchase recycling machines where appropriate.

This strategy is supplemented by the installation of recycling facilities, nomination of employee champions to facilitate employee-led behavioural changes and an ongoing communications plan to ensure that sustainability is top of mind for all staff.

Sonic is currently expanding the footprint of recycling receptacles and actively educating staff on the handling of recyclable and non-recyclable products. We are committed to minimising the procurement of single-use, non-recyclable products.

Baseline volumes for general waste and recyclable waste have been established in FY2021. Sonic will report the results of waste reduction initiatives in FY2022.

Waste reduction initiatives

Reduction in film usage	Shareholder communication	Removing polystyrene from landfill	Digital delivery to reduce paper

Over the last several years, Sonic's radiology division has worked with referring clinicians and patients to replace hard copy film images with quality digital alternatives. Images and reports can now be accessed, streamed, downloaded and archived efficiently in a variety of digital formats, resulting in a significant decrease in film usage, with environmental benefits accruing from the reduction in manufacturing, transporting, processing, delivering, storing and disposing of the film products.

Last year, Sonic set a target for a further 10% reduction in film usage by 30 June 2021. Pleasingly, this was met and exceeded with a decrease of more than 18%. Over the last two years, Sonic has reduced film usage by almost 50%.

Sonic encourages its shareholders to access all communications electronically to reduce energy and water resources as well as paper waste associated with paper and print production. More than 98% of Sonic shareholders now opt to receive an electronic version of the Annual Report, or have the option to view it online. More than 63% of shareholders also receive notices of meetings electronically.

Sonic's Annual Report and Corporate Responsibility Report are produced on recycled paper for those shareholders who still opt to receive hard copies.

Sonic has accelerated the deployment of polystyrene compacting machines in Australia in FY2021. These machines enable polystyrene to be compacted and recycled into the manufacture of consumer goods. The use of this equipment has enabled the recycling of more than 1,000 cubic metres of polystyrene during the year, diverting the material from landfill. This program will be further expanded in FY2022, with more than 2,500 cubic metres of polystyrene forecast for diversion from landfill. In addition, we are encouraging suppliers to use sustainable alternatives for the packaging and transportation of goods.

Douglass Hanly Moir (DHM) Pathology in Sydney, Australia, recently installed a polystyrene recycling machine to process the polystyrene packaging that accompanies many cold-chain deliveries. The recycling machine compacts polystyrene boxes to 1/90th of their original volume, saving considerable space in the warehouse. The compacted product is transported to manufacturing facilities to be used in products such as skirting boards and outdoor furniture.

DHM is expected to divert one Olympic-sized swimming pool's worth of polystyrene each year from landfill.

Sonic uses a variety of methods to deliver medical test results to clinicians, patients and others. These include hard copy paper reports and soft copy electronic reports delivered directly into secure computer systems.

During 2020, a project was undertaken to reduce the number of paper reports requiring printing and delivery to clinicians associated with the Australian National Bowel Cancer Screening Program. Through a program of education and communication, we were able to reduce numbers of hard copy reports by 24%.

Pathology request forms use a large amount of paper and Sonic is actively engaged in a project to develop the use of electronic ordering of tests by clinicians to avoid the use of paper.

Transport

Sonic's environmental blueprint for transport focuses on three main areas:

1) Fleet vehicles and the replacement of conventional fuel-powered vehicles with hybrid or electric equivalents
2) External freight and courier services
3) Employee journeys to and from work

We aim to reduce our carbon footprint through greater use of fuel-efficient transport options together with the reduction of total kilometres and vehicles on the road.

Fleet vehicles

The transportation of patient specimens is an integral part of Sonic's operations. Every year, hundreds of millions of specimens are transported from doctors' surgeries, hospitals and patient service centres to one of our laboratories.

The substantial logistics involved in our laboratory operations represents an area where we continue to make practical and ongoing environmental improvements, with a focus on lower-carbon transport and decreasing the overall number of kilometres travelled.

The investment in environmentally friendly modes of transport continues to be a key initiative for the short-to-medium term, with the ongoing expansion of our network of fuel-efficient hybrid and electric vehicles.

Seventy-seven new hybrid or electric vehicles were added to the fleet in FY2021, replacing traditional vehicles. The overall percentage of hybrid/electric vehicles in Sonic's global fleet worldwide is still relatively small, however, a significant increase in FY2021 signals the effectiveness of this initiative. Fleet cars are replaced every 3–5 years and sometimes longer, so the introduction of hybrid/electric vehicles will be a gradual and ongoing process.

Laboratories in several countries are leading this project – Belgium now has 43% electric/hybrid vehicles in the fleet and Switzerland has 44%. Projects are underway in all countries to increase numbers and percentages in FY2022.

The Medical Laboratory in Bremen goes electric

Following the upgrading of their LPG Opel Corsas to Opel eCorsas, Sonic Germany's Medical Laboratory Bremen recently installed three electric wallboxes, allowing six electric vehicles to be charged at the same time.

The five new Opel eCorsas each have a battery capacity of 50 kWh and a range of up to 300 km. Each car is equipped with an RFID card that activates the wallboxes, while charging management software precisely documents and evaluates the charging process. Load management software is used to optimise the use of additional electricity from the existing network by managing loading times and controlling load peaks. Employees can also charge their private electric vehicles onsite.

Sonic Healthcare Germany is planning to purchase additional e-vehicles in FY2022 and beyond to further decrease carbon emissions.

Other features include a water recovery system, as well as a heating and ventilation system.

◀ New electric vehicle in the Sonic Healthcare Germany fleet

Water

Although Sonic is not a significant consumer of water, we recognise our responsibility to minimise the use of this precious resource. Much of Sonic's water usage is through large-scale equipment for medical testing. This equipment requires purified water, for which Sonic has installed water purification systems in all large laboratories. The other major contributor to our water usage is the general day-to-day activities of staff, including frequent handwashing between procedures, patients and testing.

Objectives

Sonic has established two objectives for our water environmental blueprint:

1) Reduce overall consumption
2) Improve wastewater quality

Water consumption at locations with more than 1,000 square metres of space (where we have operational control of water meters)		
	FY2021	FY2020
Kilolitres (kL)	340,920	332,980
kL per square metre of space	0.97	0.92

The initiatives we are pursuing to meet these objectives include staff education, installation of water-saving fixtures, such as sensor taps and low-flow tap heads, harvesting of rain water, and filtration of wastewater. Sonic is investing in all these areas and including them in all new premises where possible.

Many of our laboratories have large-scale automated equipment that requires constant and reliable sources of purified water to flush and clean equipment parts during the testing process. Equipment is now being produced with a smaller water requirement without compromising test results or safety. The water requirement of new equipment is now one of the key considerations in equipment procurement decisions.

Sonic ensures that all wastewater meets industry standards through continued surveillance. Harmful chemicals are treated and disposed of in a way that ensures they do not directly enter wastewater drains.

A project has been initiated in FY2022 to record and monitor water consumption with a view to decreasing consumption wherever possible.

Sustainable sourcing

Sonic's commitment to sustainable procurement involves procuring supplies based on quality and efficacy of products and services, as well as an analysis and grading of suppliers based on their sustainability initiatives. We also analyse products based on their whole-of-life impact on our environment.

Sonic's Supplier Policy outlines our commitment to ethical and sustainable procurement practices, which also includes our commitment to the eradication of modern slavery. We require all suppliers to agree to the terms in our Supplier Policy before they can be considered as suppliers to Sonic.

Sonic's Supplier Policy requires all suppliers, service providers and supply chain partners to comply with all relevant laws and regulations, conduct their businesses in an ethical manner and adopt environmentally sustainable business practices, which include managing and reducing their environmental impact. When choosing significant suppliers, a formal assessment is made of their environmental policies and credentials. We also visit suppliers and service provider sites to conduct inspection audits.

The following initiatives have been included in our sustainable procurement in FY2021:

1) Formal assessment of suppliers' environmental policies and procedures and inclusion of sustainability topics in all business review meetings, with measurable parameters as an area of investigation.
2) Updating of all documentation, including that relating to tenders and requests for proposals, to include sustainability criteria as a measure of supplier value.
3) Inclusion of a separate weighting for suppliers' environmental initiatives when comparing RFP and tender responses.
4) Detailed investigation of the origin and composition of all products and services and their whole-of-life impact on the environment, including assessment of water usage and power requirements for major equipment.
5) Sourcing or manufacturing of recyclable options for existing products where possible, and where existing products have a harmful environmental footprint.
6) Working with suppliers to minimise their environmental footprint in areas where Sonic has relevant input, for example, replacement and reduction of harmful packaging or manufacture of equipment with a smaller environmental footprint.

▲ Beehive in the sustainable garden at Bioscientia laboratory, Ingelheim, Germany
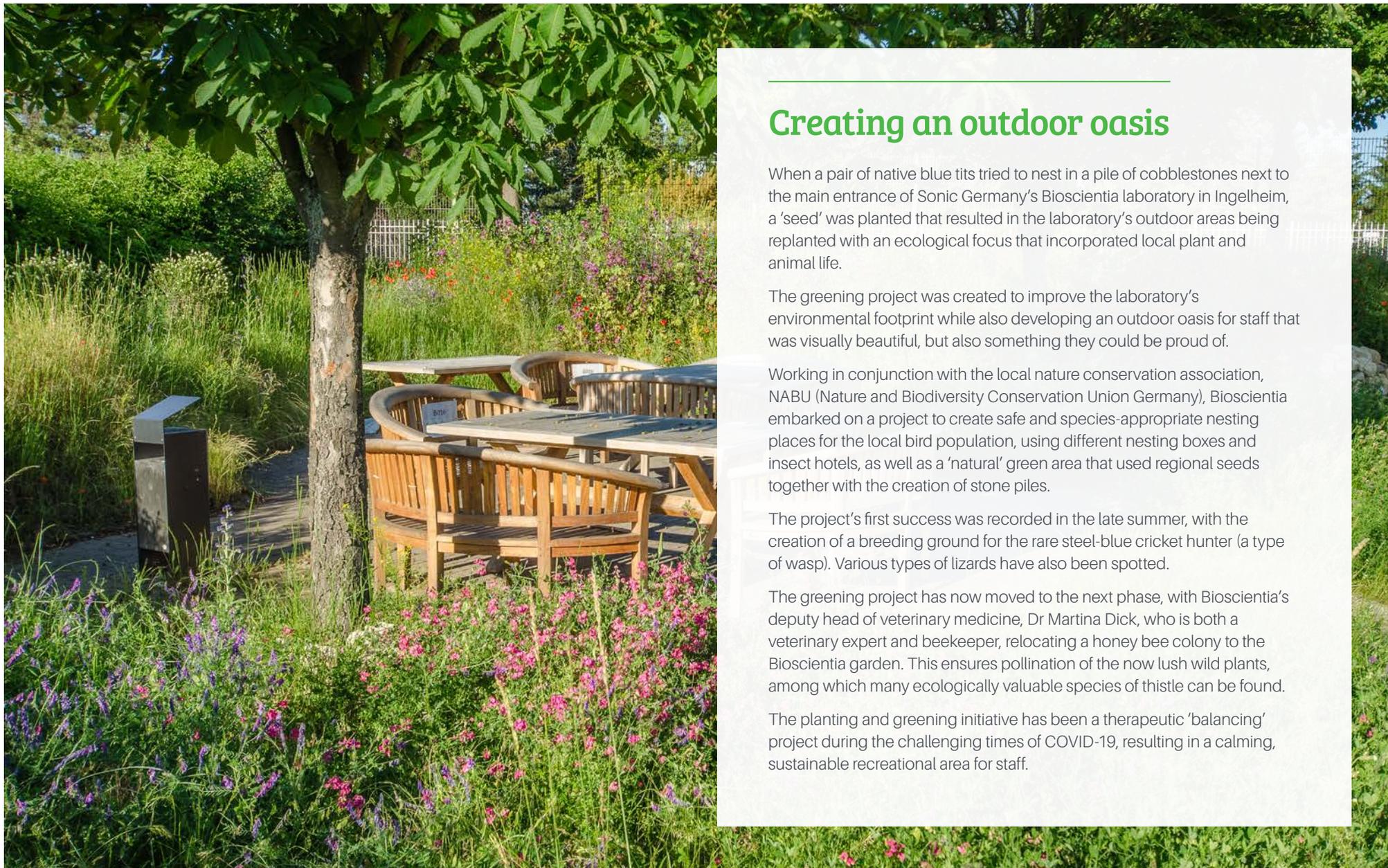
Creating an outdoor oasis

When a pair of native blue tits tried to nest in a pile of cobblestones next to the main entrance of Sonic Germany's Bioscientia laboratory in Ingelheim, a 'seed' was planted that resulted in the laboratory's outdoor areas being replanted with an ecological focus that incorporated local plant and animal life.

The greening project was created to improve the laboratory's environmental footprint while also developing an outdoor oasis for staff that was visually beautiful, but also something they could be proud of.

Working in conjunction with the local nature conservation association, NABU (Nature and Biodiversity Conservation Union Germany), Bioscientia embarked on a project to create safe and species-appropriate nesting places for the local bird population, using different nesting boxes and insect hotels, as well as a 'natural' green area that used regional seeds together with the creation of stone piles.

The project's first success was recorded in the late summer, with the creation of a breeding ground for the rare steel-blue cricket hunter (a type of wasp). Various types of lizards have also been spotted.

The greening project has now moved to the next phase, with Bioscientia's deputy head of veterinary medicine, Dr Martina Dick, who is both a veterinary expert and beekeeper, relocating a honey bee colony to the Bioscientia garden. This ensures pollination of the now lush wild plants, among which many ecologically valuable species of thistle can be found.

The planting and greening initiative has been a therapeutic 'balancing' project during the challenging times of COVID-19, resulting in a calming, sustainable recreational area for staff.

OVERVIEW

OUR SERVICES

SPECIAL UPDATE:
COVID-19

OUR PEOPLE

COMMUNITIES

ENVIRONMENT

GOVERNANCE

SUSTAINABILITY
METRICS

Governance

The provision of quality healthcare requires an adherence to the highest medical and ethical standards.

Sonic's commitment to providing quality healthcare services is underpinned by effective governance that ensures accountability, consistent performance and compliance with the highest business, medical and ethical standards. Sonic not only meets the requirements of these standards, but also strives to continually exceed them.

Delivering against the UN Sustainable Development Goals (SDGs)

5 GENDER EQUALITY

Achieve gender equality and empower all women and girls

8 DECENT WORK AND ECONOMIC GROWTH

Promote inclusive and sustainable economic growth, employment and decent work for all

10 REDUCED INEQUALITIES

Reduce inequality within and among countries

Meeting stakeholder expectations

Sonic's governance frameworks, structures and practices help to guide effective decision-making, address regulatory impacts, and implement controls that manage safety, risk and business integrity.

Governance structure

Guided by the Board of Directors, Sonic places great importance on the company's governance, which is vital to our sustainability and success. Our governance framework ensures that all aspects of the Group's operations are conducted ethically, responsibly and with integrity. Our Board has adopted policies and practices designed to achieve these aims.

Effective corporate governance requires both performance and conformance, but it is critical that the focus on conformance does not detract from the principal function of a business, which is to undertake prudent activities to:

- generate rewards for shareholders who invest their capital
- provide services of value to customers
- provide meaningful employment for employees

and to do so in a way that contributes positively to the community.

We support the ASX Corporate Governance Council Corporate Governance Principles and Recommendations in advancing good corporate governance, and have complied with the fourth edition during the 2021 financial year.

Our website (www.sonichealthcare.com) includes a Corporate Governance section that sets out the information required by the recommendations, plus other relevant information, including copies of all policies, charters and codes referred to in this report.

For further information, please refer to the Corporate Governance Statement in our 2021 Annual Report, which can be found on our website.

SONIC HEALTHCARE BOARD	
Audit Committee	Risk Management Committee

Business Assurance →

Chief Executive Officer
Global Sustainability Steering Committee
Global Executive Group

Divisional and Local Executive Groups
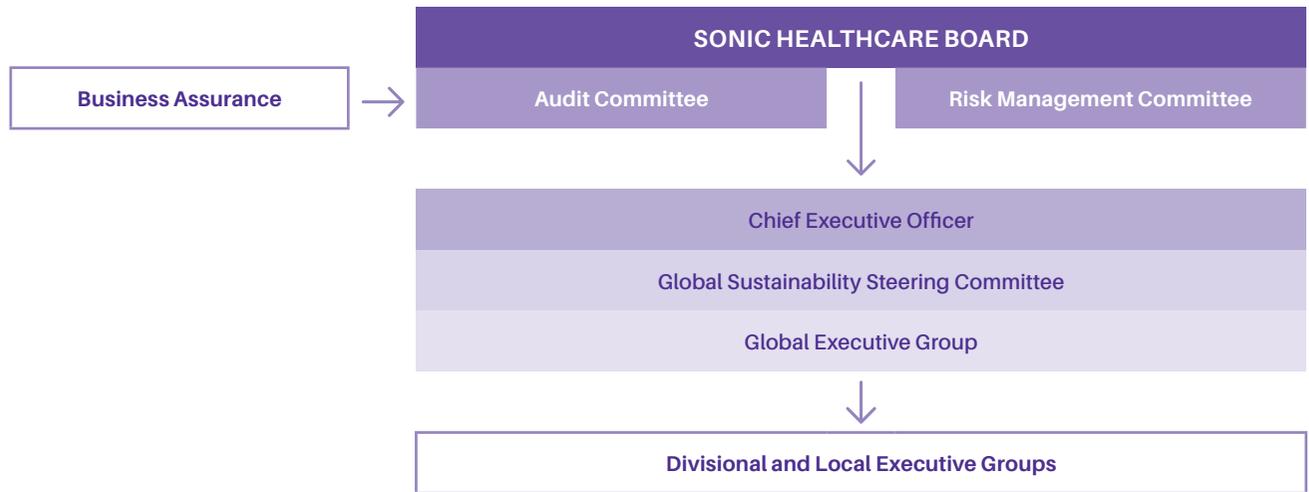
Policies, statements and charters

Sonic Healthcare has always had a culture of acting ethically, responsibly and lawfully. We see this as a natural extension of our Medical Leadership philosophy and a key responsibility associated with delivering first-class healthcare services.

Our values are codified in our broad range of policies, statements and charters that ensure we operate in an ethical, safe and legally compliant manner.

Our policies, statements and charters are regularly reviewed, under the guidance of the Board, to reflect changes in legislation and to make sure we align with changing community expectations and values. These policies, statements and charters include:

- Code of Conduct
- Supplier Policy
- Labour Standards and Human Rights Policy
- Anti-bribery and Corruption Policy
- Global Whistleblower Policy
- Diversity Policy
- Environmental Policy
- Workplace Health and Safety Policy
- Taxation Governance Statement
- Privacy Policy
- Data Security Statement
- Board Charters

The full suite of policies and other documents can be found online at: www.sonichealthcare.com/policies

Risk management and assurance

Sonic's Board is ultimately responsible for managing risk. Sonic recognises that risk management is an integral part of the good management and corporate governance practice, which is fundamental to driving shareholder value across the business.

We foster a risk-aware culture in decision-making and view the management of risk as a core managerial capability. A wide range of clinical, social, environmental and economic risks are considered, from the setting of strategy, through to day-to-day operational decisions. Risk management is strongly promoted internally and forms part of the performance evaluation of key executives.

Control systems and policy compliance are reviewed by Sonic's Business Assurance Program (Sonic's internal audit function). The Head of Business Assurance reports to the Sonic Board's Audit Committee, and to the Company Secretary for administrative purposes. The Business Assurance Program liaises with, but is independent of, the external auditor, and has full access to the Audit Committee and Risk Management Committee, Sonic management, staff and records. The Audit Committee determines the scope for the Business Assurance Program each year and monitors management's response to recommended system enhancements.

Sonic's material business risks are described in detail in our 2021 Annual Report (pages 21 and 22).

Sustainability governance

The Sonic Board is also responsible for risks that relate to environmental, social and governance issues, including effective management and reporting. Implementation and management of the approved ESG policies are the responsibility of the Group CEO and the Sustainability Director, in conjunction with the Sustainability Steering Committee, which is comprised of Sonic's divisional CEOs, together with members of the global executive team.

Workplace reporting

Sonic encourages staff to report any incidents, misconduct, illegal acts or other behaviours that could adversely impact the reputation, performance or sustainability of Sonic Healthcare. In addition to policies relating to employee conduct, our Global Whistleblower Policy is an overarching global policy based on the requirements in the Australian Corporations Act 2001 and is designed to protect and support people who raise concerns about wrongdoing within Sonic, without fear of being subjected to victimisation, harassment or discriminatory treatment.

Consistent training of supervisors and staff on the application of Sonic policies and procedures ensures that a culture of workplace reporting is fostered throughout the organisation. Sonic's no-blame culture also encourages an increased level of reporting, which means that errors and problems are identified and resolved quickly.

As an organisation, we are committed to maintaining high ethical standards and conducting business with honesty and integrity. We adhere to a zero-tolerance approach to bribery and corruption. Sonic seeks this commitment from all staff, as outlined in our Anti-bribery and Corruption Policy.

Modern slavery

In response to the hidden problems of modern slavery, many countries have enacted legislation that requires government departments and organisations to actively work towards identifying and mitigating modern slavery risks within their operations and supply chains. The United Kingdom introduced legislation in 2015, with Australia following suit in 2019. Several other countries in which we operate are also developing their own requirements.

In Australia, Sonic Healthcare releases an annual group modern slavery statement that is available on the Sonic Healthcare website (sonichealthcare.com/anti-modern-slavery-statement).

In addition to Sonic's group statement, Sonic Healthcare UK also publishes its own modern slavery statement on the Sonic UK website (tdlpathology.com/about-us/corporate-information).

Sonic Healthcare is committed to trading ethically, with zero tolerance for modern slavery. As a healthcare company, this respect and commitment to human rights and upholding labour standards throughout our global operations and supply chains is central to our success in the communities in which we operate.

Privacy and data security

Sonic Healthcare is committed to safeguarding the privacy and confidentiality of all information in our systems, including personal health information and information about our staff and operations. Ensuring privacy is a key strategic priority, and Sonic meets or exceeds the statutory privacy requirements relevant to each country in which we operate.

Similarly, data security is a key risk management priority that is overseen by the Board and governed by a comprehensive information security management system that supports privacy and data integrity. Further details can be found in our Data Security Statement on our website.

Cultural values

In addition to the rigorous data infrastructure and security procedures in place, the importance of privacy and data security is also embedded into our operating culture. 'Maintaining confidentiality' has always been one of our Core Values, and is deeply understood by our staff members. Sonic continually reinforces this value through our policies and training, and by making it a highly visible component of our operating procedures.

Our privacy and data security procedures are constantly reviewed and improved in line with our Core Value 'Be enthusiastic about continuous improvement'.

Policies and procedures

Sonic has detailed and broadly understood policies and procedures in place to ensure data security, including policies surrounding notifiable data breaches. Sonic Healthcare's Privacy Policy is also clearly visible on our website, as well as the websites of each of our operating entities.

Our commitment to privacy and data security is reinforced during induction of new staff and regular, comprehensive training programs for existing staff. Regular newsletters are also produced several times each year to keep our staff abreast of the latest cybersecurity threats, as well as any changes to legislative requirements.

Quality assurance

Ongoing quality assurance and improvement practices are an integral part of the services we provide and are reflected in two of our Core Values: Commitment to Service Excellence and Continuous Improvement.

Our comprehensive internal quality assurance and audit processes work to complement and assure compliance with the national regulatory and accreditation frameworks in our operational jurisdictions.

Sonic Healthcare is a trusted provider of vital healthcare services in all markets in which we operate. Our uncompromising approach to ensuring the quality and accessibility of the products and services we provide reflects the value we place in the trust of the people we care for.

Accreditation

Accreditation of our facilities is a mandatory requirement of operation in all countries in which we operate.

We are proud of our quality accreditation record. All Sonic Healthcare facilities are fully accredited, meeting or exceeding the rigorous requirements of the accreditation bodies in all our countries of operation. During FY2021 a total of 2,461 formal external accreditation and certification audits were conducted across Sonic Healthcare's facilities, with no major adverse findings being recorded.

The maintenance of accreditations across our various facilities requires considerable resources.

Our compliance and quality teams are comprised of experienced medical, scientific, quality and administration staff, many of whom have previously worked for the accreditation bodies we deal with.

The experience of these teams allows them to work collaboratively locally, nationally and internationally to meet the challenges of the ever-changing accreditation landscape. Their objective and uncompromising approach to auditing and improving all aspects of our service delivery reinforces our commitment to providing best-practice diagnostic and clinical services to our patients and referring practitioners.

Product, platform and method testing

All laboratories are subject to additional regulatory scrutiny relating to the use of in vitro diagnostic medical devices (IVD). These are defined in general as: 'pathology tests and related instrumentation used to carry out testing on human samples where the results are intended to assist in clinical diagnosis or in making decisions concerning clinical management.'

Prior to use in any of our facilities, all third party products, instruments, equipment platforms and methods are subject to rigorous internal validation, compliance testing, audit and ongoing approval of independent external accreditors.

Similarly, any test or method developed in-house is subject to robust peer review of supporting documentation, all aspects of the testing methodology, staff training and external quality assurance data. To assure clinical safety, accuracy and quality, any in-house test must be formally approved by independent external bodies, such as CE, FDA and TGA, before routine use in any of our laboratories.

Sonic FY21 Data

100%
Sonic Healthcare facilities fully accredited

0
major adverse findings

2,461
external audits to support accreditation/ certification

4,117
internal audits of quality systems/processes/ procedures/risk assessments

77,051
external and internal training courses undertaken by Sonic employees

Training

Our commitment to best-practice healthcare relies on staff who are well trained and invested in our culture of quality. We devote significant resources to staff development and training to ensure increased job satisfaction and decreased staff turnover.

Sonic's training and development teams perform an important role in providing new staff with an introduction to our strong culture via tailored induction programs. They also ensure that existing employees are actively supported in their continuing education requirements. In addition, they facilitate access to mentorship and financial support for staff wishing to pursue further qualifications in fields of study that are beneficial to the individual and the organisation.

Sonic is a large employer of highly skilled medical, scientific and technical staff, who must participate in continuing education and training to maintain their credentials to practice. Sonic supports these staff in the activities required to uphold professional registrations and licences and maintain memberships with professional associations.

In FY2021, 77,051 external and internal training courses or modules were undertaken by Sonic employees.

Competency assessments of individual staff form part of the accreditation process, with critical review of documented qualifications, training and continuing education records conducted during both external and internal audits.

In order to ensure a consistent supply of staff in areas such as sonography and phlebotomy, which historically have experienced labour supply issues, Sonic Healthcare has established its own Registered Training Organisations (RTOs) and training programs. Sonic Healthcare businesses also conduct highly regarded formal scientific and technical training programs for medical doctors in training (registrars) or upskilling (fellows).

Risk management and internal audit program

Risk management is a key aspect of quality assurance. All Sonic quality teams perform ongoing risk assessments, the outcomes of which contribute to policy-making, strategic planning, regular peer reviews and continuing professional development.

Internal audits also form an important part of our quality assurance program and, like risk assessments, are a requirement of the standards to which external accreditors audit our operations. Throughout the year, more than 4,100 internal quality audits, reviews and risk assessments were carried out by qualified staff across the Sonic group. The findings of these audits were given to senior executive management for review and action, and for incorporation into the continuous improvement process.

All risk assessment data is recorded in our risk management software systems. Risk assessment, audit, quality improvement documents, processes and procedures are stored in customised versions of document management programs, such as Sonic SmartLab and Q-Pulse. This enables collaboration and benchmarking across the group, which results in further risk mitigation and quality improvements.

COVID-19 impacts on QA

Restrictions associated with COVID-19 created additional quality assurance challenges within our practices. These were dealt with flexibly to ensure the ongoing accreditation of all our practices.

Accreditation

Accreditation bodies rely on scheduled onsite audits to observe and assess facilities and their pre-analytic, analytic and post-analytic processes. Sonic Healthcare supported ongoing accreditation requirements in all laboratories by using video technology for review meetings, facility tours and staff interviews.

Training

COVID-19 necessitated the urgent training and upskilling of staff to perform new and complex COVID-19 PCR tests. In Australia, this also involved training staff to undertake large-scale collections of COVID-19 samples. Our radiology practices and medical clinics also needed to rapidly adjust to COVID-safe practices, including the correct usage of PPE. Sonic Healthcare's ongoing commitment to organisational training allowed our experienced trainers to rapidly develop quality controlled and documented training modules that supported fast-changing sample collection and testing requirements.

Product, platform and method testing

During the initial phases of the pandemic, testing supplies were in high demand and supply was occasionally unreliable. Sonic laboratories developed several in-house COVID-related testing and sample collection methods that have now been externally accredited for routine use.

Laboratory medicine/pathology

All our laboratories meet and exceed the accreditation requirements mandated by the relevant local accreditation authority for all the testing we perform. In addition, many of our pathology laboratories in the Sonic Healthcare group are accredited to ISO 15189 Medical Laboratories – Requirements for quality and competence This allows us to work collaboratively with our different quality groups across the world, ensuring, where possible, that procedures and processes are standardised across the Sonic network of practices.

Australia & New Zealand

Sonic's Australian laboratories are accredited to ISO 15189 by the National Association of Testing Authorities (NATA), in conjunction with the Royal College of Pathologists of Australasia (RCPA). They also comply with the National Pathology Accreditation Advisory Council (NPAAC) requirements, which are developed on behalf of the Australian Government. The NATA and NPAAC guidelines work together to set the minimum standards considered acceptable for good laboratory practice. In recent years there has been a shift in the focus of accreditation and certification to give additional prominence to risk management and mitigation, with direct reference to referring practitioners and patients.

In addition, some laboratories are also accredited to ISO/IEC 17025 – General requirements for the competence of testing and calibration. These laboratories provide testing facilities for food and water services or toxicology testing for drugs of abuse.

Sonic's New Zealand laboratories are accredited by International Accreditation New Zealand (IANZ). The accreditation process includes onsite peer reviews, as well as online assessments. Laboratories are fully assessed every four years, with additional activity each year. All laboratories are accredited to ISO 15189.

Germany

Sonic's German laboratories fulfil the requirements of the RiliBÄK (Guideline of the German Medical Association for the Quality Assurance of laboratory medical examinations). Accreditation to ISO 15189 is not mandatory in Germany, but all Sonic Germany laboratories are accredited to this standard by Deutsche Akkreditierungsstelle (DAkkS), or are working towards it.

In addition, some laboratories have ISO/IEC 17025 accreditation as a testing laboratory for hygiene services or veterinarian medicine. One of Sonic's largest German laboratories is also accredited by the College of American Pathologists (CAP) and by Clinical Laboratory Improvement Amendments (CLIA) in order to fulfil testing and other technical requirements for US clients.

Belgium

Sonic's large central laboratory in Antwerp is ISO 15189-accredited by the Belgian Accreditation Body (BELAC).

Switzerland

While it is not mandatory to be accredited to ISO 15189 or ISO/IEC 17025, all Sonic Swiss laboratories are either accredited to this standard by Swiss Accreditation Service (SAS), or are working towards it. In addition, all our Swiss laboratories are required to meet federal authorisation from Swissmedic if they wish to perform microbiology or genetic testing, or if they are involved in bloodbanking. One of our Swiss laboratories for industrial and pharmaceutical microbiology is accredited according to ISO/IEC 17025, certified for Good Laboratory Practice (GLP) and is FDA-recognised.

UK

Sonic Healthcare laboratories in the UK are accredited to ISO 15189 by the United Kingdom Accreditation Service (UKAS), and are inspected by the Care Quality Commission (CQC). The blood transfusion departments are also inspected by the Medicines and Healthcare Products Regulatory Authority (MHRA) and comply with the Human Tissue Act (HTA) and all relevant Royal College of Pathologists (RCPath) guidelines.

USA

Sonic's US laboratories and pathology practices are all certified by Clinical Laboratory Improvement Amendments (CLIA) and many have additional accreditation by the College of American Pathologists (CAP). Sonic Reference Laboratory, located in Austin, Texas, is also accredited to ISO 15189 by CAP. All laboratories undergo a biannual accreditation process that includes an onsite inspection by CAP or CLIA.

Diagnostic Imaging

All Sonic's diagnostic imaging practices are independently accredited with the Diagnostic Imaging Accreditation Scheme (DIAS) and guided by the Royal Australian and New Zealand College of Radiologists (RANZCR) Standards of Practice. Our practices also comply with all relevant standards regarding private health regulation and radiation safety.

General Practice

Every Sonic primary care medical centre is accredited by the Royal Australian College of General Practitioners (RACGP). The accreditation process is based on a three-year audit cycle, and is conducted by an external provider, GPA Accreditation Plus. This process ensures that our practices meet the requirements of the government-endorsed industry standards set by the RACGP.

🏛 Other governance

Supplier selection and management

In order to maintain our global reputation for quality, safety and service excellence, Sonic requires all major suppliers, service providers and any other agents or contracted third parties to adopt an ethical and sustainable approach to business that is consistent with Sonic's high standards. These expectations are outlined in the Sonic Supplier Policy. All suppliers are required to read, understand and accept the terms outlined in the policy before entering into contracts with us. The Sonic Supplier Policy also contains specific sections to address the risks of modern slavery.

In line with our approach to sustainable procurement, Sonic selects suppliers based on:

1) The organisation's reputation and cultural values, including their compliance to our Supplier Policy, their track record and their financial viability.
2) The quality of their products and services, and their ability to maintain the supply of high-quality products and services that meet Sonic's needs and goals. All products are thoroughly tested by technical experts within Sonic for quality and efficacy before acceptance.
3) The environmental and social credentials, including compliance with relevant legislation and practices, energy and water efficiency, sustainability of materials used and compliance with human rights and modern slavery laws and practices.
4) The value proposition of their solution. Sonic selects suppliers who provide whole-of-life value in their products and services.

Sonic draws from international and local supply chains to ensure provision of the best-quality components and supplies available for an acceptable price. Where possible and feasible, we prefer to select suppliers from local economies, as long as they can deliver similar quality and value.

Sonic endeavours to develop and maintain long-term relationships with suppliers to understand future developments in the industry and to aid in Sonic's forward planning. These relationships also enable joint research projects and development of industry innovations. To maintain these relationships, we have developed a formal supplier relationship management system that involves structured, regular, formal reviews of quality, regulatory and legislative compliance, supply, ongoing support mechanisms, cost containment and sustainability initiatives. Our well-developed quality management system records staff-supplier interactions, which are also part of the formal review process.
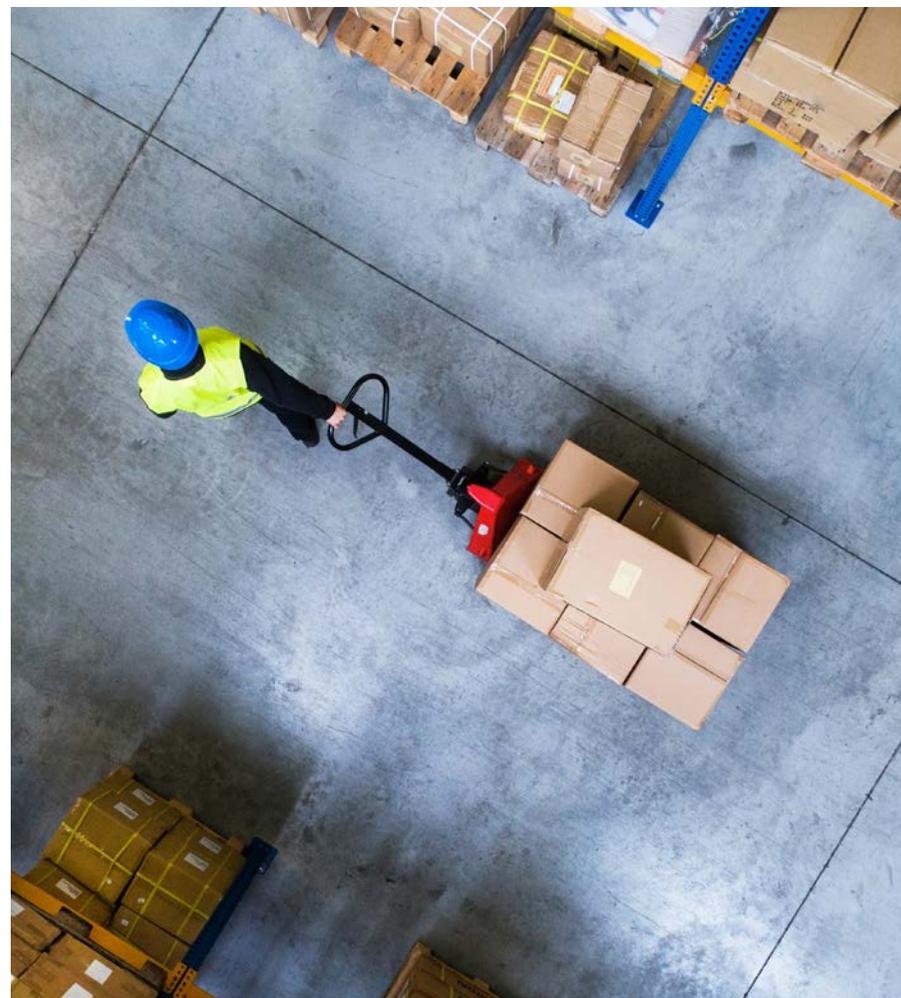
Taxation governance

Sonic Healthcare accepts its responsibility to pay an appropriate amount of tax.

Our approach to taxation is aligned with our business strategy, Code of Conduct and Core Values. We recognise that a large proportion of our revenue comes from governments, both directly and indirectly, and it is not in the interests of our shareholders or communities we serve to risk damaging Sonic's reputation by adopting aggressive or non-compliant tax practices.

The Sonic tax strategy is ethical, transparent and sustainable in the long term. The following principles govern the Sonic tax strategy:

- Commitment to full compliance with all statutory obligations, and full disclosure to taxation authorities
- Maintenance of documented policies and procedures in relation to tax risk management
- Professional relations with tax authorities and the active consideration of the implications of tax for Sonic's wider corporate reputation
- Management of tax issues in a proactive manner that seeks to maximise shareholder value, while operating in accordance with the law, including Sonic's understanding of the policy intent behind legislation

Sonic pays a significant amount of tax, including corporate income tax and other business taxes, as well as taxes associated with our employees.

In the 2021 financial year, we paid A$613 million in taxes and remitted a further A$675 million to tax authorities on behalf of our employees.

Sonic's Board-approved Taxation Governance Statement can be viewed on our website. Our Board Tax Policy was formally endorsed by the Board of Directors in 2015 and outlines the company's tax strategy, tax risk tolerance, significant transaction escalation process and key roles and responsibilities. The Policy also requires regular reporting and annual CEO certification.

Animal testing

Sonic does not undertake any testing on animals.

Report assurance statement

Sonic Healthcare's 2021 Corporate Responsibility Report (the Report) has been prepared to provide a general overview of Sonic's performance with respect to environmental, social and governance (ESG) topics. It should be read in conjunction with Sonic's 2021 Annual Report and other documents, such as Sonic's policies, which are published on the Sonic Healthcare website. The Report has not been subject to independent assurance, however, the information and data contained in the Report have been subject to various levels of internal review and validation to ensure the disclosures are materially accurate, complete and prepared on a consistent basis.

OVERVIEW

OUR SERVICES

SPECIAL UPDATE:
COVID-19

OUR PEOPLE

COMMUNITIES

ENVIRONMENT

GOVERNANCE

SUSTAINABILITY
METRICS

Sustainability metrics

Operations	FY2021	FY2020	FY2019
Countries of operation	7	8	8
Countries where we are ranked No. 1 (market share)	4	4	4
Patient consultations (millions)	138	116	117
Number of laboratories	266	265	277
Number of pathology collection or patient service centres	3,039	2,926	2,953
Number of diagnostic imaging centres	109	106	107
Number of medical centres	217	230	236
Number of external accreditations, audits or reviews	2,641	1,287	1,158
Number of internal operational audits or reviews	4,117	3,569	3,438
Operations suspended due to adverse accreditation or audit findings	Nil	Nil	Nil

Economic	FY2021	FY2020	FY2019
Revenue (A$M)	8,754	6,832	6,184
Net profit (A$M)	1,315	528	550
Total assets (A$M)	11,761	12,127	9,960
Debt cover (times)	0.4	1.8	2.1
Total payments to staff (A$M)[1]	3,078	2,936	2,660
Total taxes paid (A$M)[2]	613	380	354
Total taxes remitted to tax authorities on behalf of staff (A$M)	675	641	556

1   Total remuneration including superannuation and pension contributions
2   Direct and indirect taxes, levies and duties including employment-related taxes but excluding taxes paid on behalf of employees and GST/VAT

Employment	FY2021	FY2020	FY2019
Total employees	38,594	36,443	36,692
Women in workforce	74.1%	74.5%	74.8%
Women in senior leadership positions	52.7%	53.4%	53.3%
Women on the Board of Directors	33.3%	33.3%	25.0%
Employees engaged in part-time employment	34.0%	34.7%	34.1%
Temporary staff and contractors engaged within total workforce	2.5%	2.2%	2.6%
Employees with more than 10 years of service	30.0%	31.3%	31.0%
Annual employee turnover	16.5%	12.7%	16.5%
Annual senior leadership turnover	1.9%	3.0%	6.7%
Workforce availability	97.0%	97.0%	97.1%
Employees taking parental leave during the year	2.0%	2.2%	1.7%
Employees returning after taking parental leave	84.1%	85.7%	83.0%
Total training courses undertaken by employees	77,051	not available	not available
Lost time injuries per million hours worked (LTIFR)	5.3	4.5	4.5
Average number of days lost per incident	28.2	24.3	25.0
Lost time injury hours as a percentage of total hours worked	0.11%	0.08%	0.08%
Fatalities	Nil	Nil	Nil

Community	FY2021	FY2020	FY2019
Donations (A$M)	2.5	2.6	3.1
Sponsorships of medical bodies or events (A$M)	2.9	3.4	3.3
Training provided to external people	3,461	2,203	1,925

Environmental	FY2021	FY2020	FY2019
Energy consumed – Australia (GJ)[3]	388,709	384,187	388,645
Energy consumed – UK (GJ)[4]	42,918	37,345	not available
GHG emissions – Australia (tonnes CO_2-e)[3]	64,905	64,979	66,656
GHG emissions – UK (tonnes CO_2-e)[4]	2,503	2,316	not available
Solar panel capacity (kW)	912	697	574
Solar energy production (GJ)	2,910	2,753	not available
Water consumption (kL)[5]	340,920	332,980	not available
Motor vehicles in the fleet	2,991	2,980	2,924
Kilometres travelled by the fleet (million kms)	118.2	117.0	125.9
Electric or hybrid motor vehicles in the fleet	7.1%	4.6%	3.0%
Vehicles in the fleet with a four-cylinder engine or less	96.0%	96.0%	96.0%
Non-medical waste recycling rate – Australia	24.8%	not available	not available
Environmental fines or sanctions	Nil	Nil	Nil

3   Scope 1 and 2
4   Scope 1, 2 and 3 (scope 3 relating to contract courier fleet)
5   Global water consumption at sites, over 1,000 square metres, where we have control

In 2015, United Nations (UN) member states developed and adopted 17 Sustainable Development Goals (SDGs) and 169 targets to serve as a blueprint for a better and more sustainable future for all.

The goals are a call to action for governments, corporations, organisations and individuals to promote prosperity while protecting the planet. They address a range of social needs, including education, health, social protection and job opportunities, while tackling climate change and environmental protection. The goals also provide a critical framework for COVID-19 recovery.

SUSTAINABLE DEVELOPMENT GOALS

Sonic Healthcare recognises the role we play in the global effort to address worldwide sustainability challenges, especially our role as an enabler of good health and wellbeing. In support of the UN SDGs, we have identified nine priority goals that align with our role as a global, federated healthcare provider.

3 GOOD HEALTH AND WELL-BEING	Ensure healthy lives and promote wellbeing for all at all ages
8 DECENT WORK AND ECONOMIC GROWTH	Promote inclusive and sustainable economic growth, employment and decent work for all
11 SUSTAINABLE CITIES AND COMMUNITIES	Make cities inclusive, safe, resilient and sustainable
4 QUALITY EDUCATION	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	Build resilient infrastructure, promote sustainable industrialisation and foster innovation
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	Ensure sustainable consumption and production
5 GENDER EQUALITY	Achieve gender equality and empower all women and girls
10 REDUCED INEQUALITIES	Reduce inequality within and among countries
13 CLIMATE ACTION	Take urgent action to tackle climate change and its impacts

GOOD HEALTH AND WELL-BEING

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
3 GOOD HEALTH AND WELL-BEING *Ensure healthy lives and promote wellbeing for all at all ages*	**Target 3.1** Reduce global maternal mortality ratio to less than 70 per 100,000 live births **Target 3.2** End preventable deaths of newborns and children under 5 years of age	**Sonic's Catalyst Program** Direct, ongoing support of maternity hospitals and centres in Tanzania, Democratic Republic of Congo and Ethiopia with the specific aims of: ▪ reducing maternal, newborn and infant deaths (more than 1,200 newborns delivered at HEAL Africa Hospital in Goma in FY2021) ▪ treating obstetric fistulas and other birth-induced injuries ▪ treating and addressing the physical, mental and social trauma associated with rape ▪ providing women with training, skills and materials that will allow them to reintegrate into society	▪ Website: The Catalyst Program ▪ 2021 Corporate Responsibility Report: Catalyst Program (pp. 33-35)
	Target 3.3 End the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases	**Testing and research** ▪ Participation in vaccine and communicable diseases research ▪ Testing for AIDS, tuberculosis, malaria, hepatitis and other tropical and water-borne diseases ▪ Provision of education in tropical and other diseases	▪ Website: The Catalyst Program ▪ 2021 Corporate Responsibility Report: Catalyst Program (pp. 33-35)
		Sonic's Catalyst Program ▪ Our sponsored laboratories in Africa perform more than 15,000 malaria tests, 14,000 HIV tests, 10,000 cholera tests and 4,000 typhoid tests each year ▪ Our sponsored radiology department at the HEAL Africa Hospital in Goma performed 7,000 X-rays and 7,000 ultrasounds during the year	▪ Website: The Catalyst Program
	Target 3.4 Reduce premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and wellbeing	**Medical services** ▪ 138 million patient consultations (FY2021), comprising hundreds of millions of medical examinations and diagnostic tests globally ▪ Testing for, and management of, chronic disease, such as diabetes and heart disease ▪ GP provision of mental health plans for patients ▪ Population screening programs for the early identification and treatment of disease, for example, bowel cancer, breast cancer, cervical cancer	▪ 2021 Corporate Responsibility Report: General Practice (p. 14); Helping the vulnerable across London (p. 37); Changing the future of pancreatic cancer diagnosis and treatment (p. 39)
		Employee Assistance Programs ▪ Confidential external counselling and coaching available to staff to assist with work-related or personal issues that impact their life or mental wellbeing	▪ 2021 Corporate Responsibility Report: Initiatives (p. 28)
		Sonic's Catalyst Program ▪ Ongoing direct support of five maternity hospitals in Tanzania, Democratic Republic of Congo and Ethiopia, with the specific aims of improving the health outcomes and longevity of children, women and men	▪ 2021 Corporate Responsibility Report: Catalyst Program (pp. 33-35)
		Clontarf Foundation ▪ Conducted 600 free medical checks through our involvement with the Clontarf Foundation, which aims to improve the health, education and employment outcomes of young Indigenous Australians	▪ 2021 Corporate Responsibility Report: Providing health checks in the remotest part of NT (p. 36)

QUALITY EDUCATION			
Aligned SDG	**Key SDG Target**	**Our Impact: How we are contributing**	**More information**
4 QUALITY EDUCATION *Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*	**Target 4.1** Ensure all girls and boys complete free, equitable and quality primary and secondary education	**Sonic's Catalyst Program** ▪ Provision of teacher and student learning materials in Africa ▪ Provision of teachers' wage subsidies to assist with the costs of running the HEAL Africa school	▪ Website: The Catalyst Program
		Clontarf Foundation ▪ Involvement with Clontarf to help improve school and work outcomes for Indigenous Australians	▪ 2021 Corporate Responsibility Report: Providing health checks in the remotest part of NT (p. 36)
	Target 4.4 Increase the number of youth and adults who have relevant skills for employment, decent jobs and entrepreneurship	**Training programs** ▪ Provision of student and fellowship training for doctors, scientific students and others, including medical registrar, sonographer and phlebotomist training programs ▪ More than 77,000 training courses or modules undertaken by Sonic staff ▪ 3,461 external people provided with formal medical training by Sonic ▪ Trained more than 650 staff in emotional intelligence and other training via Sonic Connect	▪ Website: The Catalyst Program ▪ 2021 Corporate Responsibility Report: Education (pp. 39-40); Professional development and training (p. 29); Training (p. 61); Regional student placements (p. 40)
		Sonic's Catalyst Program ▪ Provision of training, conference funding and ongoing support for in-house pathologist and radiologist, as well as several scientists and radiographers, at the HEAL Africa Hospital in Goma ▪ Facilitated HEAL Africa's granting of teaching hospital status by COSECSA (College of Surgeons of East, Central and Southern Africa) through Sonic's establishment of a highly functional laboratory in Goma	▪ Website: The Catalyst Program ▪ 2021 Corporate Responsibility Report: Catalyst Program (pp. 33-35)
		Tertiary education ▪ Development and delivery of medical curricula at several universities around the world by Sonic doctors and staff who hold academic teaching positions	▪ 2021 Corporate Responsibility Report: Training the next generation of medical professionals (p. 40)
	Target 4.5 Ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	**Community involvement** ▪ Provision of employment opportunities for people with disabilities and for young people from marginalised backgrounds through the engagement of The Bridge, a not-for-profit social enterprise, as well as partnerships with other social enterprises ▪ Contribution to the creation of a prosperous, vibrant, sustainable Indigenous Australian business sector through membership of Supply Nation and support of Indigenous suppliers where feasible (In FY2021 more than $0.4M spent directly with Indigenous businesses) ▪ Involvement with Clontarf to help improve the school and work outcomes for Indigenous Australians	▪ 2021 Corporate Responsibility Report: Working together to create an inclusive community (p. 37) ▪ Website: Supply Nation ▪ 2021 Corporate Responsibility Report: Providing health checks in the remotest part of NT (p. 36)

| GENDER EQUALITY			
Aligned SDG	**Key SDG Target**	**Our Impact: How we are contributing**	**More information**
5 GENDER EQUALITY *Achieve gender equality and empower all women and girls*	**Target 5.1** End all forms of discrimination against all women and girls everywhere	**Corporate governance** ▪ Robust governance framework that strives to deliver an environment free from discrimination and harassment	▪ Website: Code of Conduct ▪ Website: Labour Standards and Human Rights Policy ▪ Website: Diversity Policy
	Target 5.2 Eliminate all forms of violence against women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation	**Corporate governance** ▪ Zero tolerance policy to any form of modern slavery, human trafficking or other types of exploitation ▪ Public reporting under the Australian and UK Modern Slavery Acts	▪ Website: Labour Standards and Human Rights Policy ▪ Website: Supplier Policy ▪ Website: Sonic Healthcare Modern Slavery Statement (Australia) ▪ Website: Sonic Healthcare Modern Slavery Statement (UK ▪ 2021 Corporate Responsibility Report: Modern slavery (p. 59)
	Target 5.3 Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation	**Sonic's Catalyst Program** ▪ Support for our partner hospitals in Africa who are providing education and support to women affected by genital mutilation	▪ Website: The Catalyst Program
	Target 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making	**Corporate governance** Strong representation of women at all levels of leadership within Sonic, including: ▪ 33% of Sonic's Board of Directors ▪ 53% of senior leadership positions ▪ 73% of science-based roles filled by women	▪ 2021 Corporate Responsibility Report: Employee diversity (pp. 25-26)

DECENT WORK AND ECONOMIC GROWTH			
Aligned SDG	**Key SDG Target**	**Our Impact: How we are contributing**	**More information**
8 DECENT WORK AND ECONOMIC GROWTH *Promote inclusive and sustainable economic growth, employment and decent work for all*	**Target 8.5** Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	**Workforce diversity** ▪ More than 38,000 people employed globally in an inclusive, racially and culturally diverse workforce ▪ Provision of employment opportunities for people with disabilities and for young people from marginalised backgrounds through the engagement of The Bridge, a not-for-profit social enterprise, as well as partnerships with other social enterprises	▪ 2021 Corporate Responsibility Report: Employee diversity (p. 25); Working together to create inclusive communities (p. 37); ▪ Website: Clontarf Foundation
	Target 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labour	**Corporate governance** ▪ Zero tolerance to any form of modern slavery, human trafficking or other types of exploitation ▪ Public reporting under the Australian and UK Modern Slavery Acts	▪ Website: Labour Standards and Human Rights Policy ▪ Website: Supplier Policy ▪ Website: Sonic Healthcare Modern Slavery Statement (Australia) ▪ Website: Sonic Healthcare Modern Slavery Statement (UK)
	Target 8.8 Protect labour rights and promote safe and secure working environments for all workers	**Health and safety** ▪ Rigorous OH&S policies and procedures in all workplaces, governed by industry regulations and a cultural commitment to safe working environments ▪ Continuous monitoring and reporting of any potential safety issues through the SonicSAFE Improvement Program ▪ Lost time through workplace injury represented 0.11% of total hours worked with an LTIFR of 5.3 in FY2021, which is below the industry benchmark	▪ Website: Workplace Health & Safety Policy ▪ Website: Labour Standards and Human Rights Policy ▪ 2021 Corporate Responsibility Report: Staff safety and wellbeing (p. 27)

INDUSTRY, INNOVATION AND INFRASTRUCTURE			
Aligned SDG	**Key SDG Target**	**Our Impact: How we are contributing**	**More information**
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE *Build resilient infrastructure, promote sustainable industrialisation and foster innovation*	**Target 9.1** Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all	**Facilities and infrastructure** ▪ Ongoing investment in high-quality, technically advanced and sustainable laboratories and other infrastructure ▪ Continued investment in regional infrastructure to maintain healthcare services close to local communities	▪ 2021 Corporate Responsibility Report: Our facilities (pp. 78-81); Building a surge laboratory in the UK (p. 20)
		Sonic's Catalyst Program ▪ Ongoing upgrades to pathology laboratories and radiology infrastructure for our Catalyst partners in Africa, enabling quality medical diagnostic care to be delivered to vulnerable populations ▪ During the year we donated a digital mammography unit and hospital supplies, donated by Sonic, and 10 humidicribs, donated by the South West Sydney Area Health Service	▪ 2021 Corporate Responsibility Report: Catalyst Program (pp. 33-35) ▪ Website: The Catalyst Program
	Target 9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes	**Facilities and infrastructure** ▪ Annual facility upgrade program to retrofit energy-efficient lighting (LED), HVAC and passive energy systems ▪ Ongoing procurement of renewable sources of energy, such as the installation of solar panels, with more than 2,400 panels installed since the beginning of the program, reducing CO_2 emissions by more than 580 tonnes per annum	▪ 2021 Corporate Responsibility Report: Energy (pp. pp. 46-48); Our facilities (pp. 78-81)
		Sonic's Catalyst Program ▪ Regular upgrading of ageing equipment in our sponsored African pathology laboratories and radiology infrastructure, replacing them with more energy efficient models	▪ 2021 Corporate Responsibility Report: Catalyst Program (pp. 33-35)
	Target 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including encouraging innovation and substantially increasing research and development spending	**Research and development** ▪ Ongoing investment in new technologies ▪ Development of in-house technologies ▪ Collaboration with manufacturers to assist with their product development roadmap and the continuous improvement of their existing technologies ▪ Regular involvement by Sonic's doctors and scientific staff in thousands of research projects, papers and clinical trials for new drugs, reagents, equipment and medical procedures	▪ 2021 Corporate Responsibility Report: Special Update: COVID-19 (pp. 15-21); Impact of vegan and vegetarian diets for children and adults (p. 38)
		Sonic's Catalyst Program ▪ Regular skills transfers with doctors, scientists and radiographers in Africa, to improve their technical skills and capabilities	▪ 2021 Corporate Responsibility Report: Catalyst Program (pp. 33-35)

REDUCED INEQUALITIES

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
10 REDUCED INEQUALITIES *Reduce inequality within and among countries*	**Target 10.2** Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	**Corporate governance** ■ Commitment to employee diversity ■ Membership of Supply Nation to support Indigenous suppliers where possible ■ Sponsorship of events to create awareness of the importance of community	■ Website: Diversity Policy ■ Website: Code of Conduct ■ Website: Supply Nation
	Target 10.3 Ensure equal opportunity and reduce inequalities, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies and action	**Community involvement** ■ Involvement with the Clontarf Foundation to help improve school and work outcomes for Indigenous Australians ■ Provision of employment opportunities for people with disabilities and for young people from marginalised backgrounds through the engagement of The Bridge, a not-for-profit social enterprise, as well as partnerships with other social enterprises	■ 2021 Corporate Responsibility Report: Providing health checks in the remotest part of NT (p. 36); Working together to create an inclusive community (p. 37)

SUSTAINABLE CITIES AND COMMUNITIES

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
11 SUSTAINABLE CITIES AND COMMUNITIES *Make cities inclusive, safe, resilient and sustainable*	**Target 11.6** Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and waste management	**Facilities and infrastructure** ■ Inclusion of environmental efficiency as the cornerstone of design briefs for new buildings and refurbished premises ■ Continued upgrading of energy-efficient building fixtures for lighting (LED) and heating, ventilation and air-conditioning (HVAC) facilities in existing premises ■ Continued investment in solar (renewable) energy with a further 211 kW capacity commissioned within the last 12 months ■ Sonic's Swiss laboratory network, Medisupport achieved certification in ISO 14064 - Greenhouse gas accounting and verification, and committed to carbon neutrality within two years	■ 2021 Corporate Responsibility Report: Our facilities (pp. 78-81); Our environmental blueprint (p. 45); Energy (pp. 46-48)
		Transport ■ An additional 77 fuel-efficient hybrid and electric vehicles purchased during the year ■ Facilitation of bicycle, train and walking options for employees to reduce the number of vehicles on our roads	■ 2021 Corporate Responsibility Report: Transport (p. 51)
		Waste ■ Continuous improvements in waste-to-landfill diversion rate with the initiation of a waste process review across Australia (in FY2021 25% of non-medical waste was recycled)	■ 2021 Corporate Responsibility Report: Waste (pp. 49-50)

RESPONSIBLE CONSUMPTION AND PRODUCTION			
Aligned SDG	**Key SDG Target**	**Our Impact: How we are contributing**	**More information**
12 RESPONSIBLE CONSUMPTION AND PRODUCTION *Ensure sustainable consumption and production*	**Target 12.2** Achieve the sustainable management and efficient use of natural resources	**Sustainable procurement practices** ▪ Water, fuel and energy consumption credentials included in procurement processes and product/service selection ▪ Sonic's Swiss laboratory network, Medisupport achieved certification in ISO 14064 - Greenhouse gas accounting and verification, and committed to carbon neutrality within two years	▪ Website: Supplier Policy ▪ 2021 Corporate Responsibility Report: Sustainable sourcing (p. 53); Medisupport: Committed to carbon neutrality (p. 44)
		Facilities and infrastructure ▪ Inclusion of environmental efficiencies in the design briefs for new buildings and refurbishments ▪ Continued upgrading of energy-efficient building fixtures for lighting (LED), heating, ventilation and air-conditioning (HVAC) across existing premises ▪ Utilisation of rainwater harvesting and wastewater filtration systems in selected facilities	▪ 2021 Corporate Responsibility Report: Our facilities (pp. 78-81); Energy (pp. 46-48); Waste (pp. 49-50)
	Target 12.4 Achieve the environmentally sound management of chemicals and all wastes, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment	**Medical waste** ▪ Minimisation of environmental hazard risks and increased recycling, through staff training and utilisation of licensed companies to provide specialised waste management services ▪ Regular external reviews of our waste management processes (an accreditation requirement) ▪ Compliance with all local waste regulations	▪ Website: Environmental Policy ▪ 2021 Corporate Responsibility Report: Waste (pp. 49-50); Quality assurance (p. 60)
	Target 12.5 Reduce waste generation through prevention, reduction, recycling and reuse	**Waste process review** ▪ Initiative across all Australian facilities to reduce non-medical waste and increase the waste-to-landfill diversion rate (25% of non-medical waste is currently recycled) ▪ An additional polystyrene compacting machine installed to increase recycling to more than 2,500 cubic metres of polystyrene ▪ Engagement with suppliers to reduce packaging ▪ Reduction of radiological film and paper through digitisation programs (radiological film sheets reduced by 45% over the last two years)	▪ Website: Environmental Policy ▪ 2021 Corporate Responsibility Report: Waste (pp. 49-50)

CLIMATE ACTION			
Aligned SDG	**Key SDG Target**	**Our Impact: How we are contributing**	**More information**
13 CLIMATE ACTION *Take urgent action to tackle climate change and its impacts*	**Target 13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	**Disaster recovery plans to support communities** ■ Ensuring that continuous operations are maintained within Sonic practices during times of natural disasters, for example, bushfires/wildfires, floods, cyclones/tornadoes ■ Deployment of agile procurement operations as part of Sonic's pandemic preparedness plan to ensure critical community health services can continue to be provided during natural disasters ■ Fundraising to support affected communities, staff and the environment	
	Target 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	**Education and policy** ■ Ongoing education and training for staff on environmental practices and policies, including reducing water use, waste and resource consumption ■ Continued focus on increasing active and passive energy systems within our facilities to reduce energy, waste and water use ■ Transitioning an increasing proportion of our fleet vehicles to more fuel-efficient electric and hybrid options, reducing CO_2 emissions ■ Sonic's Swiss laboratory network, Medisupport achieved certification in ISO 14064 - Greenhouse gas accounting and verification, and committed to carbon neutrality within two years ■ Refer our contributions under Targets 9.1, 9.4, 11.6 and 12.5	■ Website: Environmental Policy ■ 2021 Corporate Responsibility Report: Our facilities (pp. 78-81); Our environmental blueprint (p. 45)

Our facilities

In recent years, Sonic has relocated several laboratories into purpose-built or refurbished premises. Environmental efficiency has been a cornerstone of our design briefs, as reflected by some of the key features of our new or refurbished facilities.

Australia		Energy rating	Features
Wollongong, 2021	■ Southern.IML Pathology ■ New, purpose-built laboratory, offices and warehouse	★★★★★ Section J energy efficiency compliance	■ LED lighting with sensors ■ Efficient heating, ventilation and air-conditioning (HVAC) system ■ High level of insulation to walls, ceiling, windows and slabs ■ Recycled materials used where possible
Sydney, 2019	■ Sonic Healthcare's Global Head Office and Sonic Clinical Services' Head Office ■ Refurbishment of existing office space	★★★★★ 5.0 star NABERS Energy Rating*	■ LED lighting and intelligent lighting control system with sensors installed throughout ■ 44 kW solar panel system on building roof and external sun shades ■ New high-efficiency chillers installed ■ Rainwater harvesting and sensor taps ■ Multi-stream waste recycling systems ■ End-of-trip facilities and close proximity to a number of forms of public transport
Adelaide, 2019	■ Clinpath Pathology ■ New, purpose-built laboratory, offices and warehouse	★★★★☆ Designed to achieve a 4.5 star Australian Building Greenhouse Rating	■ Designed to meet energy efficiency requirements, including double-glazed, tinted windows and thermal roof and ceiling insulations ■ LED lighting and sensors installed throughout ■ Energy-efficient variable air volume air-conditioning system
Brisbane, 2019	■ Queensland X-Ray Administration ■ Refurbishment of existing building	★★ 2.0 star NABERS Energy Rating*	■ Air-conditioning controlled by building management system ■ LED lighting with sensors installed throughout ■ Double-glazed windows ■ Public transport now extensively used by staff due to new location ■ Three-stage waste system in staff areas (recycle/organic/waste) ■ End-of-trip facilities
Brisbane, 2019	■ Australian IT data centre ■ Refurbishment of existing building	Not formally rated	■ Existing office floors refurbished, reusing materials such as ceiling tiles and carpet where possible ■ Air-conditioning controlled by building management system ■ LED lighting with sensors installed throughout ■ Backup generator system and roof-top plant designed to comply with and exceed building code requirements ■ Public transport now extensively used by staff with a minibus service implemented to transport staff to and from train station and office

◀ Clinipath Pathology laboratory, Perth, Western Australia

Australia			
		Energy rating	Features
Brisbane, 2016	■ Sullivan Nicolaides Pathology ■ New purpose-built laboratory	★★★★⯪ 4.5+ stars NABERS Energy Rating*	■ Motion sensor LED lighting ■ 251 kW solar panel system installed on roof ■ Computer-modelled exterior sun shading ■ Tinted double-glazed windows to reduce the load on the air- conditioning system ■ End-of-trip facilities accommodating 94 bicycles and change rooms, to encourage staff to use transport systems other than private motor vehicles ■ Rainwater harvesting and a building management system
Canberra, 2015	■ Capital Pathology ■ New purpose-built laboratory	★★★★★ 5.0 star NABERS Energy Rating*	■ DALI lighting system ■ Solar panel system installed on roof ■ Double-glazed windows ■ Optimal use of natural light reducing the need for artificial lighting ■ Recycled rainwater in toilets and showers ■ Efficient heating, ventilation and air-conditioning (HVAC) system
Perth, 2014	■ Clinipath Pathology ■ New purpose-built laboratory, offices and warehouse	★★★★★ Section J energy efficiency compliance	■ LED lighting system with daylight harvesting and sensors ■ Efficient heating, ventilation and air-conditioning (HVAC) system ■ Recyclable materials used throughout
Sydney, 2007	■ Douglass Hanly Moir Pathology ■ New purpose-built laboratory, offices and warehouse	★★★★⯪ Designed to achieve a 4.0–4.5 star Australian Building Greenhouse Rating	■ Designed to reduce power consumption ■ Harvest rainwater ■ Filter wastewater ■ 99 kW solar panel system installed on roof

*NABERS is an Australian national rating system that measures the energy efficiency, water usage, waste management and indoor environment quality of a building, and its impact on the environment.

Germany		
		Features
Giessen, 2021	■ Bioscientia ■ New purpose-built laboratory, and offices	■ 164 kW solar panel system installed on roof, covering one-third of power needs ■ Installation of LED lighting ■ State-of-the-art efficient heating and ventilation system ■ Green roof ■ Water recovery/recycling system

Germany		
		Features
St Ingbert, 2017	■ Labdiagnostik ■ New purpose-built laboratory	■ New gas heat pump to efficiently cover and manage the base cooling and heat load of the new building ■ Air-conditioning, ventilation and heating systems controlled by a building management system to optimise the interaction of these three components ■ Installation of LED lighting ■ 99 kW solar panel system installed on roof
Ingelheim, 2016	■ Bioscientia ■ New purpose-built extension to the existing laboratory	■ New thermal power station to efficiently cover and manage the base load of the new building ■ Installation of LED lighting ■ Implementation of other efficient facility engineering features to reduce energy consumption ■ Establishment of a green habitat area encouraging local wildlife breeding areas ■ In 2021, established a green outdoor habitat with local plants to attract local fauna
Berlin, 2014	■ Labor 28 ■ New purpose-built laboratory	■ 62 kW solar panel system installed on roof ■ Installation of LED lighting ■ Air-conditioning, ventilation and heating systems controlled by a building management system that optimises the interaction of these three components ■ New efficient heat extraction system for laboratory equipment in the clinical chemistry department, resulting in a saving of 54,600 kWh p.a.

United Kingdom			
		Energy rating	Features
Manchester, 2021	■ The Doctors Laboratory ■ Refurbishment of an existing space	Not formally rated	■ Installation of LED lighting with motion sensors ■ Solar-powered lighting in the courier area ■ Open plan design to optimise use of natural light ■ Bicycle spaces for employees ■ Outside garden area
London, 2020	■ The Doctors Laboratory and Health Services Laboratories ■ Refurbishment of existing building (Whitfield St laboratory)	Not formally rated	■ Installation of LED lighting ■ Installation of new mechanical plant to maximise energy efficiencies and loads ■ Installation of filtered mechanical ventilation to improve air quality

United Kingdom			
		Energy rating	Features
London, 2016	▪ The Doctors Laboratory and Health Services Laboratories ▪ Refurbishment of existing building (Halo laboratory)	**Very Good** BREEM score^	▪ Series of 'green roofs' that contribute towards the creation of a nature corridor across central London ▪ Provision of approximately 60 bicycle spaces and associated shower facilities onsite to encourage staff to cycle to work

^BREEAM sets the standards for best practice in sustainable building design, construction and operation and has become one of the most comprehensive and widely recognised measures of a building's environmental performance.

USA		
		Features
Texas, 2018	▪ Sonic Reference Laboratory ▪ New purpose-built laboratory	▪ Installation of LED lighting with movement sensors to decrease power usage ▪ Variable air volume (VAV) air-conditioning system controlled by a building management system to reduce power consumption for heating, ventilation and air-conditioning (HVAC) ▪ Optimal use of natural light to reduce artificial light usage
Hawaii, 2017	▪ Clinical Labs of Hawaii ▪ Refurbishment of existing building	▪ Removal of all asbestos, trapped moisture and lead from the building ▪ Wastewater filtration system ▪ Installation of LED lighting with movement sensors to save on power usage ▪ Variable air volume (VAV) air-conditioning system controlled by a building management system to save power ▪ New reflective film placed on all windows to decrease heat load on the building