



Corporate Responsibility Report 2020

ABN 24 004 196 909



**SONIC
HEALTHCARE
LIMITED**

About this report

Sonic Healthcare's Corporate Responsibility Report profiles our ongoing commitment to our people, the communities we serve and the environments in which we operate, all within the framework of good corporate governance.

As a global company with a federated structure, we often take a local approach to business and sustainability, while striving to implement best practices around the world.

This report covers Sonic Healthcare's performance from 1 July 2019 to 30 June 2020, and complements the [2020 Annual Report](#). It refers to several policies that support our corporate governance, and incorporates the United Nations Sustainable Development Goals (SDG), a set of targets used by governments, corporations, organisations and individuals for creating a better and more sustainable global future.

As 2020 comes to a close, we dedicate this report to the Sonic Healthcare people whose individual and collective efforts have allowed us to respond to the escalating requirements of the COVID-19 pandemic. Their expertise, dedication and commitment have enabled us to deliver vital testing and healthcare services that have been the backbone of COVID-19 responses around the world, alongside our essential non-COVID healthcare services.

FTSE4Good Index

Sonic's standing as a socially responsible company is evidenced by our ongoing inclusion in the FTSE4Good Index Series, which is an independent assessment against stringent environmental, social and governance practices.

In 2020, Sonic Healthcare was included as one of the top 30 companies in the FTSE4Good Australia 30 Index. Sonic continues to invest resources to improve our performance and reporting in these important areas.



FTSE4Good





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Dr Blake O'Brien |
Histopathologist,
Sullivan Nicolaides
Pathology, Australia

Creating sustainable value

Focusing on our people



36,443

Total employees



53.4%

Women in senior leadership positions



\$2,936 M

Total payments to staff¹



4.5

Lost time injuries per million hours worked (LTIFR)

Servicing our communities



116 M

Patient consultations



3,262

Patient access points



\$380 M

Total taxes paid²



\$6.0 M

Donations and sponsorships

Sustaining our environment



↓ 2.5%

Carbon emission reduction³



4.6%

Electric or hybrid motor vehicles in the fleet



697 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 only

CEO Message

The last 12 months have been the most challenging in Sonic's 33-year history, as we navigated the successive impacts of natural disasters and a devastating pandemic, together with their social, emotional and economic effects.

From late December 2019, my hometown of Sydney, Australia, together with much of eastern Australia, was shrouded in acrid smoke from out-of-control bushfires that raged for weeks on end. This was promptly followed by floods and a short reprieve before we had to contend with COVID-19.

The pandemic had an immediate and unprecedented impact on our practices globally. The cancellation of most elective surgery, combined with the decrease in doctor visits, meant that testing and patient consultations fell precipitously overnight, together with a commensurate drop in our revenues.

In the initial stages, our focus was to mitigate the financial hit, without the need to layoff any staff. The Sonic Board and many senior executives volunteered to take a temporary 50 per cent pay cut, while other staff took annual leave, leave without pay, or voluntary short-term reductions in salary. Some staff were furloughed. Everyone pulled together and sacrifices were made, all to ensure business integrity for both the short- and long-term.

At the same time, the head of the World Health Organisation, Dr Tedros Adhanom Ghebreyesus, issued a simple but compelling message in relation to combatting COVID-19: 'test, test, test'. He argued that the key to preventing infections and saving lives was to break transmissions through testing and isolating.

Sonic heeded this call and readied ourselves to perform vital COVID-19 testing wherever it was needed. Our laboratories went into overdrive to establish and validate new testing platforms in record time, and we were amongst the first laboratories to offer high-volume, extensive COVID-19 PCR testing in Germany and Australia, making a crucial contribution to early pandemic control in those countries. Soon thereafter, testing was rolled out in other countries in which we operate. Our procurement teams worked day and night to secure vital personal protective equipment (PPE), swab kits and reagents that were needed for collection and testing, supported by our suppliers around the world.

Our expert pathologists and senior scientists joined government advisory panels to work out how best to tackle the virus, while our primary care and imaging divisions in Australia continued to provide front-line medical services to their communities.

Working through this pandemic has been the ultimate test in crisis management, Medical Leadership and flexibility, especially in the initial stages, when information and advice were changing on a daily and sometimes hourly basis.



Our leadership teams have been forced to navigate complex and ever-changing operational issues, innovating and adapting along the way.

They say that crises bring out the best and worst in people – 2020 has challenged Sonic's businesses and staff as never before. Sonic's response to the COVID crisis has brought out the very best in our company and showcased the pride, commitment and camaraderie that profoundly personify who we are and what we do.

Throughout the world, on a day-by-day basis, Sonic staff demonstrate their dedication and passion as healthcare providers, through their work to support the communities they serve. We do whatever it takes to provide continuous, high-quality service to the people who depend on us. We move heaven and earth to source medical supplies, we work night and day to keep tests running, and we pivot to new business innovations as they become available. We recognise that we provide an essential service that is the backbone of effective healthcare delivery.

Our teams have been working at maximum capacity for months on end in response to the COVID-19 pandemic. I could not be prouder of their contribution to keep our communities safe.

This year's Corporate Responsibility Report includes many stories that highlight the complex, vital role Sonic Healthcare has played in helping to keep the virus at bay, and it gives me great pleasure to present it to you for your reading.

A handwritten signature in black ink, appearing to read 'Colin Goldschmidt'. The signature is fluid and cursive, with a long horizontal line extending to the right.

Dr Colin Goldschmidt
CEO – Sonic Healthcare
October 2020

About Sonic

Sonic Healthcare is an internationally renowned healthcare provider with specialist operations in pathology/laboratory medicine, diagnostic imaging/radiology, general practice medicine and corporate medical services.

We are committed to excellence in the delivery of medical services to doctors and patients alike. This belief informs every aspect of our company, including our Medical Leadership and people-focused culture that views our staff as our most valuable asset.

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 Australia, the USA, Germany, the United Kingdom, Belgium, Switzerland, Ireland and New Zealand.

We employ more than 1,000 pathologists and radiologists, and more than 10,000 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.





The Sonic Difference

Every organisation operates by a set of values and guiding principles, however, organisational culture is more than just what you say you do. It's about what you actually do – how you treat your staff, your customers and the communities in which you serve, the frameworks you use for decision-making and the approach you take to growing your business.

Sonic Healthcare is founded on a commitment to Medical Leadership. This philosophy empowers our people to act in the best interests of clinicians and patients at all levels of our organisation – from the way we go the extra mile for our doctors and patients, to the care and respect with which we treat each other as colleagues. This 'Medical Leadership' culture makes Sonic Healthcare unique and inimitable and has been deliberately developed over many years.

Sonic's culture is codified into four different elements – Medical Leadership, Core Values, Medical Leadership Principles, and our Federated Model. Collectively, these are known as 'The Sonic Difference', and they have been the foundations of Sonic's historical success. Over many years, the consistent culture of acting in the best interests of doctors and their patients, together with a culture of putting our people first, has helped Sonic to solidify our well-earned reputation for medical excellence, as well as being a highly desirable place to work.

The Sonic Difference is reflected in our approach to sustainability, combining local responsiveness with a long-term commitment to implementing best practices around the world.

Medical Leadership

At Sonic Healthcare, we understand and respect the practice of medicine. Our unique culture of Medical Leadership inspires our people to deliver superior healthcare outcomes for both doctors and patients.

Our leaders are doctors or experienced healthcare professionals who are empowered to act in the best interests of clinicians and patients at all levels of our organisation.

We acknowledge the trust that clinicians place in us and strive to mirror their commitment to medical excellence in everything we do.

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.

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.

As a testament to the longevity and importance of these values to our culture, the Sonic Core Values were presented for review at a recent Sonic Global Leaders' Meeting, where it was unanimously agreed that they remain unchanged, as relevant today as they were in 2000.

SONIC HEALTHCARE

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.

Medical Leadership Principles

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 for the doctors and patients we serve. It also reflects a deep understanding of the special complexities, obligations and privileges of medical practice.

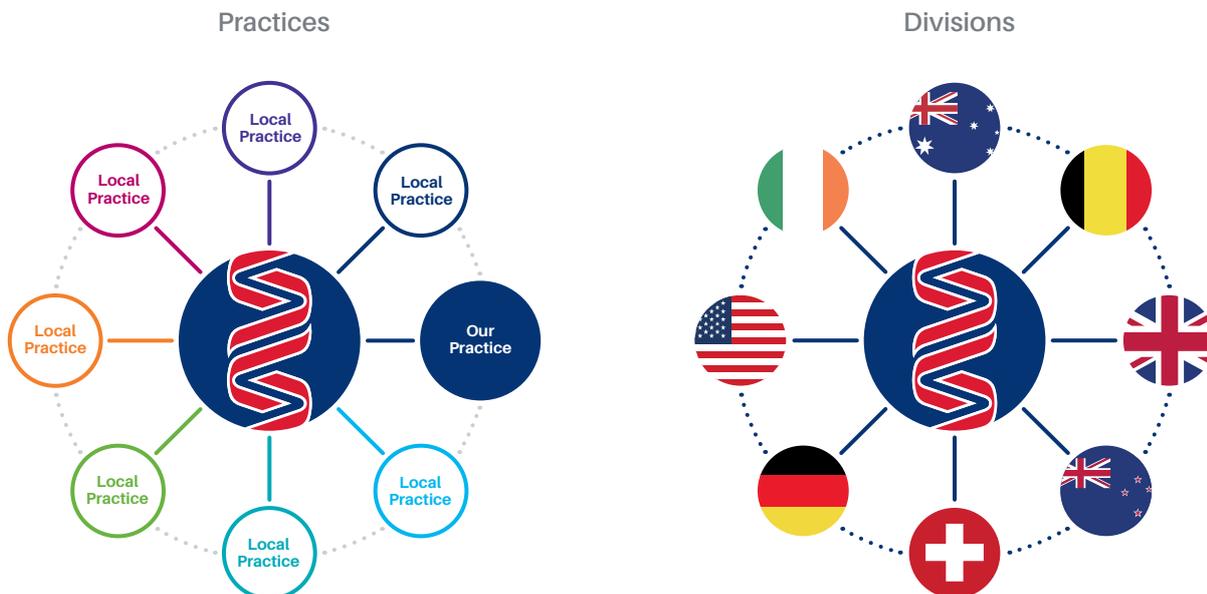
Our Medical Leadership Principles provide all Sonic staff with clear guidelines about the interaction between Sonic's people and its external stakeholders – doctors, patients, other customers and our local and global communities. Each pillar includes measurable criteria, ensuring that each of our practices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



Our Federated Model

Sonic operates under a federated management structure, where practices are empowered to deliver personalised services best suited to the needs of clinicians and patients in their local communities, backed by the assurance that comes from belonging to a global network of healthcare practices that share a commitment to medical excellence. This approach has been integral to our ongoing success and, importantly, preserves the foundation brand names of our practices and their 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.



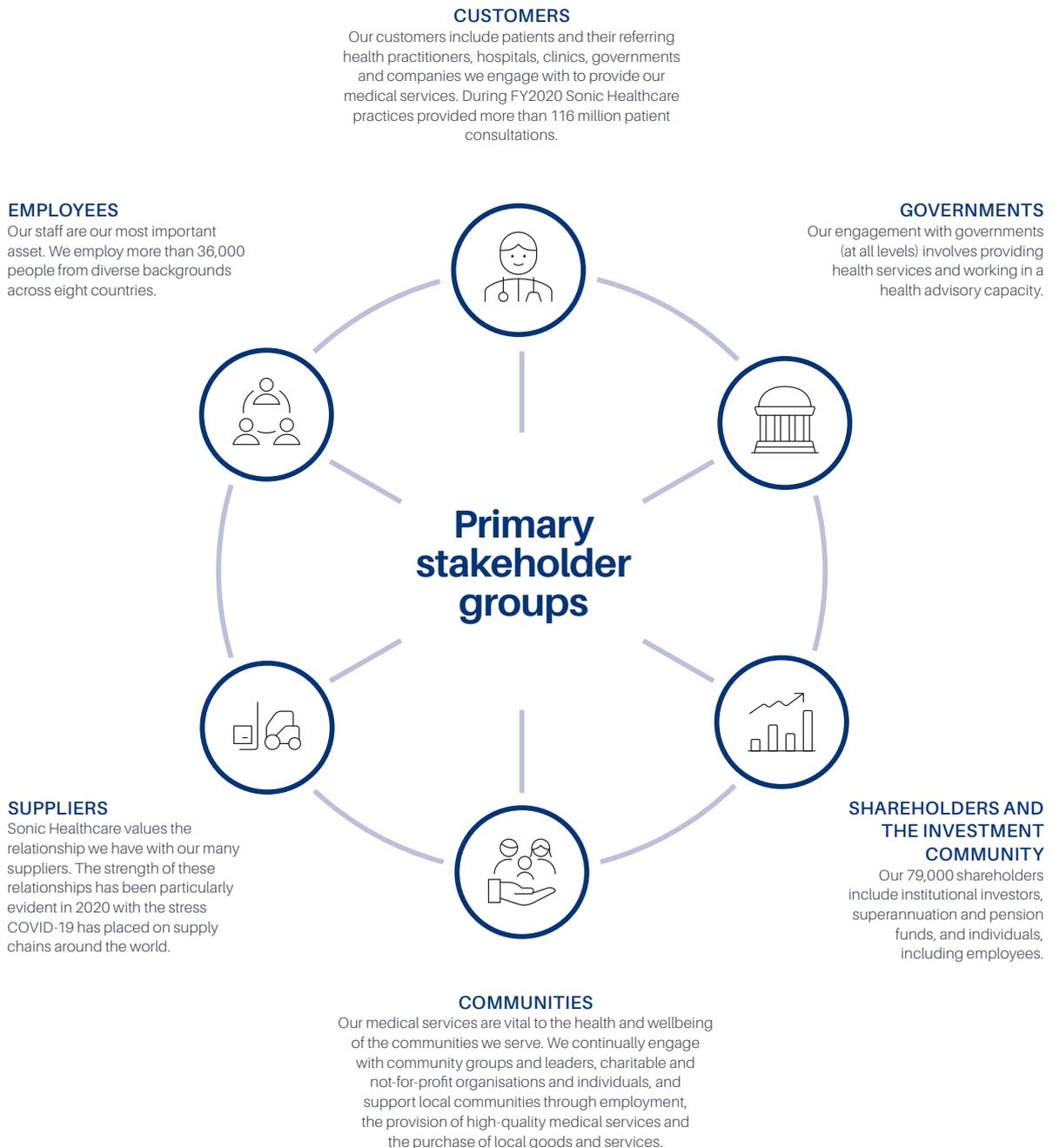
Stakeholders

Stakeholder engagement is an important element of Sonic’s approach to sustainability, allowing us to understand their expectations and to adapt to, and keep up-to-date with, environmental, social and governance issues in an ever evolving world.

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 legislative and moral obligations.

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



United Nations Sustainable Development Goals

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.



Sonic Healthcare recognises the role we play in the global effort to address these worldwide 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.

GOOD HEALTH AND WELL-BEING			
Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 <p>Ensure healthy lives and promote wellbeing for all at all ages</p>	<p>Target 3.1 Reduce global maternal mortality ratio to less than 70 per 100,000 live births</p>	<p>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:</p> <ul style="list-style-type: none"> reducing maternal, newborn and infant deaths 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 	<ul style="list-style-type: none"> Website: The Catalyst Program 2020 Corporate Responsibility Report: Catalyst Program (pp. 36-37)
	<p>Target 3.2 End preventable deaths of newborns and children under 5 years of age</p>	<p>Testing and research</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Vaccine trials (p. 22); Maintaining a high-quality laboratory (p. 37)
	<p>Target 3.3 End the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases</p>	<p>Sonic's Catalyst Program</p> <ul style="list-style-type: none"> Our sponsored laboratories in Africa perform more than 18,000 malaria tests, 17,000 hepatitis tests, 14,000 HIV tests, 10,000 cholera tests and 7,000 typhoid tests each year 	<ul style="list-style-type: none"> Website: The Catalyst Program
	<p>Target 3.4 Reduce premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and wellbeing</p>	<p>Medical services</p> <ul style="list-style-type: none"> 116 million patient consultations (FY2020), 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 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: General Practice (p. 17); Testing for individual breast cancer risk in Switzerland (p. 40); Cervical screening services for the women of London (p. 40); Big Bird benzo trial (p. 41)
		<p>Employee Assistance Programs</p> <ul style="list-style-type: none"> Confidential external counselling and coaching available to staff to assist with work-related or personal issues that impact their life or mental wellbeing 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Mental health initiatives (p. 30)
		<p>Sonic's Catalyst Program</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Catalyst Program (pp. 36-37)
		<p>Clontarf Foundation</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Closing the gap for Indigenous Australians (p. 38)

QUALITY EDUCATION

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 <p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p>	<p>Target 4.1 Ensure all girls and boys complete free, equitable and quality primary and secondary education</p>	<p>Sonic's Catalyst Program</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Website: The Catalyst Program
	<p>Target 4.4 Increase the number of youth and adults who have relevant skills for employment, decent jobs and entrepreneurship</p>	<p>Clontarf Foundation</p> <ul style="list-style-type: none"> Involvement with Clontarf to help improve school and work outcomes for Indigenous Australians 	<p>Training programs</p> <ul style="list-style-type: none"> Provision of student and fellowship training for doctors, scientific students and others, including medical registrar, sonographer and phlebotomist training programs Funded 947 healthcare training positions during the year across all Sonic divisions Trained more than 850 staff in emotional intelligence and other training via Sonic Connect
	<p>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</p>	<p>Sonic's Catalyst Program</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Website: The Catalyst Program 2020 Corporate Responsibility Report: Maintaining a high-quality laboratory (p. 37)
		<p>Tertiary education</p> <ul style="list-style-type: none"> Development and delivery of medical curricula at several universities around the world by Sonic doctors and staff who hold academic teaching positions 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Training the next generation of medical professionals (p. 45)
		<p>Yardsticks</p> <ul style="list-style-type: none"> Provision of advanced pathology training for histopathologists through specialised programs held in Myanmar and Tanzania, staffed by pathologists from Sonic Pathology Australia 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Yardsticks: Training local and overseas pathologists (p. 45)
		<p>Community involvement</p> <ul style="list-style-type: none"> 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 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 Involvement with Clontarf to help improve the school and work outcomes for Indigenous Australians 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Providing employment opportunities (p. 38) Website: Supply Nation 2020 Corporate Responsibility Report: Closing the gap for Indigenous Australians (p. 38)

GENDER EQUALITY

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 <p>Achieve gender equality and empower all women and girls</p>	Target 5.1 End all forms of discrimination against all women and girls everywhere	Corporate governance <ul style="list-style-type: none"> Robust governance framework that strives to deliver an environment free from discrimination and harassment 	<ul style="list-style-type: none"> 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 <ul style="list-style-type: none"> Zero tolerance policy to any form of modern slavery, human trafficking or other types of exploitation Public reporting under the UK Modern Slavery Act through UK-based subsidiary The Doctors Laboratory (TDL) Sonic is also ensuring compliance with Australia's modern slavery reporting legislation, with the first public statement about efforts to manage the risk of modern slavery within our operations and supply chain to be released in the coming months 	<ul style="list-style-type: none"> Website: Labour Standards and Human Rights Policy Website: Supplier Policy Sonic Healthcare UK Modern Slavery Statement June 2020 2020 Corporate Responsibility Report: Mitigating modern slavery (p. 57)
	Target 5.3 Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation	Sonic's Catalyst Program <ul style="list-style-type: none"> Support for our partner hospitals in Africa who are providing education and support to women affected by genital mutilation 	<ul style="list-style-type: none"> 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 <p>Strong representation of women at all levels of leadership within Sonic, including:</p> <ul style="list-style-type: none"> 33% of Sonic's Board of Directors 53% of senior leadership positions 74% of medical, scientific and technical roles 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Employee diversity (p. 28)

DECENT WORK AND ECONOMIC GROWTH

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 <p>Promote inclusive and sustainable economic growth, employment and decent work for all</p>	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 <ul style="list-style-type: none"> More than 36,000 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 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Employee diversity (p. 28); Closing the gap for Indigenous Australians (p. 38); Providing employment opportunities (p. 38)
	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 <ul style="list-style-type: none"> Zero tolerance policy to any form of modern slavery, human trafficking or other types of exploitation Public reporting under the UK Modern Slavery Act through UK-based subsidiary The Doctors Laboratory (TDL) Sonic is also ensuring compliance with Australia's modern slavery reporting legislation, with the first public statement about efforts to manage the risk of modern slavery within our operations and supply chain to be released in the coming months 	<ul style="list-style-type: none"> Website: Labour Standards and Human Rights Policy Website: Supplier Policy Sonic Healthcare UK Modern Slavery Statement June 2020

DECENT WORK AND ECONOMIC GROWTH

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
	Target 8.8 Protect labour rights and promote safe and secure working environments for all workers	Health and safety <ul style="list-style-type: none"> 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 0.08% of total hours worked with a LTIFR of 4.5 in 2020 	<ul style="list-style-type: none"> Website: Workplace Health & Safety Policy Website: Labour Standards and Human Rights Policy 2020 Corporate Responsibility Report: Staff safety and wellbeing (p. 29)

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> <p><i>Build resilient infrastructure, promote sustainable industrialisation and foster innovation</i></p>	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 <ul style="list-style-type: none"> Ongoing investment in high-quality, technically advanced and sustainable laboratories and other infrastructure Continued investment in regional infrastructure to maintain testing close to local communities <hr/> Sonic's Catalyst Program <ul style="list-style-type: none"> 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 Our next shipping container to be delivered to the HEAL Africa Hospital will contain a digital mammography unit, donated by Sonic, and 10 humidicribs, donated by the South West Sydney Area Health Service 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Our facilities (pp. 64-65) 2020 Corporate Responsibility Report: Catalyst Program (pp. 36-37) 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 <ul style="list-style-type: none"> 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 2,300 panels installed over the last 10 years, reducing CO₂ emissions by more than 650 tonnes per annum <hr/> Sonic's Catalyst Program <ul style="list-style-type: none"> Regular upgrading of ageing equipment in our sponsored African pathology laboratories and radiology infrastructure, replacing them with more energy efficient models 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Energy (pp. 49-50); Our facilities (pp. 64-65) 2020 Corporate Responsibility Report: Catalyst Program (pp. 36-37)
	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 <ul style="list-style-type: none"> 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 <hr/> Sonic's Catalyst Program <ul style="list-style-type: none"> Regular skills transfers with doctors and scientists in Africa to improve their technical skills and capabilities 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Creating a new test to diagnose COVID-19 (p. 20); Vaccine trials (p. 22); Sentinel study (p. 24); Australian testing innovations (p. 25); Award winning research (p. 43); Product, platform and method testing (p. 59); Supplier selection and management (p. 61) 2020 Corporate Responsibility Report: Maintaining a high-quality laboratory (p. 37)

REDUCED INEQUALITIES

Aligned SDG



Reduce inequality within and among countries

Key SDG Target

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

Our Impact: How we are contributing

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, for example, the Zurich Street Parade

More information

- 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 Clontarf 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

- 2020 Corporate Responsibility Report: [Closing the gap for Indigenous Australians](#) (p. 38); [Providing employment opportunities](#) (p. 38)

SUSTAINABLE CITIES AND COMMUNITIES

Aligned SDG



Make cities inclusive, safe, resilient and sustainable

Key SDG Target

Target 11.6 Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and waste management

Our Impact: How we are contributing

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 100 kW capacity commissioned within the last 12 months

- 2020 Corporate Responsibility Report: [Our facilities](#) (pp. 64-65); [Our environmental blueprint](#) (p. 48); [Energy](#) (pp. 49-50)

Transport

- An additional 50 fuel-efficient hybrid vehicles purchased during the year
- Facilitation of bicycle, train and walking options for employees to reduce the number of vehicles on our roads

- 2020 Corporate Responsibility Report: [Transport](#) (p. 52)

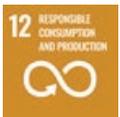
Waste

- Continuous improvements in waste-to-landfill diversion rate with the initiation of a waste process review across Australia

- 2020 Corporate Responsibility Report: [Waste](#) (pp. 50-51)

RESPONSIBLE CONSUMPTION AND PRODUCTION

Aligned SDG



Ensure sustainable consumption and production

Key SDG Target

Target 12.2 Achieve the sustainable management and efficient use of natural resources

Our Impact: How we are contributing

Sustainable procurement practices

- Water, fuel and energy consumption credentials included in procurement processes and product/service selection

- Website: [Supplier Policy](#)
- 2020 Corporate Responsibility Report: [Sustainable sourcing](#) (p. 53)

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

- 2020 Corporate Responsibility Report: [Our facilities](#) (pp. 64-65); [Energy](#) (pp. 49-50); [Waste](#) (pp. 50-51)

RESPONSIBLE CONSUMPTION AND PRODUCTION

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
	<p>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</p>	<p>Medical waste</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Website: Environmental Policy 2020 Corporate Responsibility Report: Waste (pp. 50-51); Quality assurance (p. 59)
	<p>Target 12.5 Reduce waste generation through prevention, reduction, recycling and reuse</p>	<p>Waste process review</p> <ul style="list-style-type: none"> Commenced an initiative across all Australian facilities to reduce non-medical waste and increase the waste-to-landfill diversion rate Polystyrene recycling pilot and engagement with suppliers to reduce packaging (recycling pilot saving 2.7 tonnes of polystyrene from landfill each year) Reduction of radiological film and paper through digitisation programs (radiological film sheets reduced by 33% in FY2020) 	<ul style="list-style-type: none"> Website: Environmental Policy 2020 Corporate Responsibility Report: Waste (pp. 50-51)

CLIMATE ACTION

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 <p><i>Take urgent action to tackle climate change and its impacts</i></p>	<p>Target 13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries</p>	<p>Disaster recovery plans to support communities</p> <ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> 2020 Corporate Responsibility Report: Dealing with Australia's devastating bushfires (p. 34); Helping wildlife volunteers and our environment (p. 35)
	<p>Target 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning</p>	<p>Education and policy</p> <ul style="list-style-type: none"> 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 CO₂ emissions Refer our contributions under Targets 9.1, 9.4, 11.6 and 12.5 	<ul style="list-style-type: none"> Website: Environmental Policy 2020 Corporate Responsibility Report: Our facilities (pp. 64-65); Our environmental blueprint (p. 48)

CREATING
SUSTAINABLE
VALUE

**THE
IMPORTANCE OF
OUR SERVICES**

SPECIAL
UPDATE:
COVID-19

RESPECT
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COMMUNITIES

RESPECT
FOR OUR
ENVIRONMENT

GOVERNANCE

PERFORMANCE
METRICS

The importance of our services

Cassandra Morua |
Phlebotomy Supervisor,
Clinical Pathology
Laboratories, USA



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.

Laboratory medicine 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 and in every single cancer diagnosis. It provides 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.

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 treatment. This has obvious positive social and economic outcomes.

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.



Pathology/laboratory testing 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 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 body 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.

Diagnostic imaging/radiology

What is diagnostic imaging/radiology?

Diagnostic imaging/radiology is the branch of medicine that uses non-invasive technology 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?

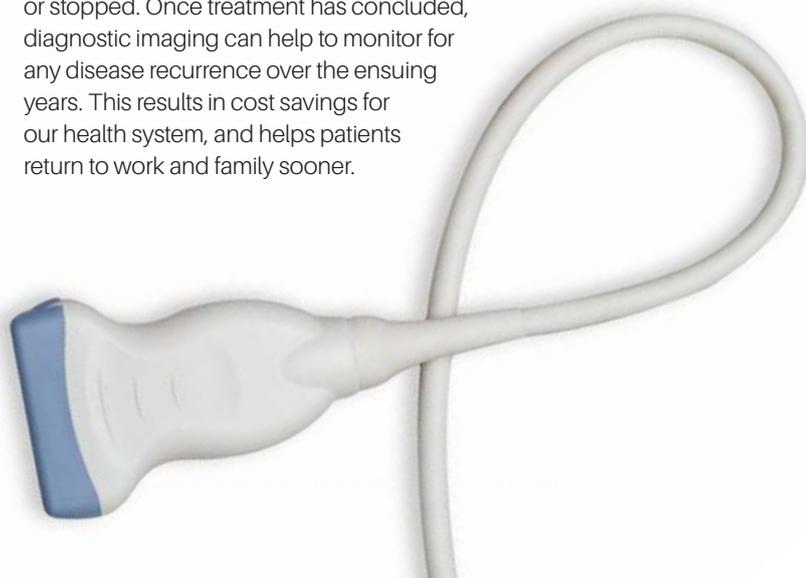
Diagnostic imaging is central to the practice of modern medicine. It is used for the diagnosis of many serious and life-threatening conditions, including cancer, neurological disorders and orthopaedic soft tissue injuries. The information contained in the image and radiologist's report expands the referring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

How does it contribute to the community?

Diagnostic imaging 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.

Diagnostic imaging also helps to target treatments to where they are most needed.

Additionally, diagnostic imaging 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, diagnostic imaging 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.



Diagnostic imaging 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 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).



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 point of call for patients, and deals with everything, from colds and flu through to acute and chronic illnesses. General practitioners 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, and is usually the first point of call for people seeking medical advice. This 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.

How does it contribute to the community?

General Practice is firmly embedded in the community.

A General Practice not only serves to deliver immediate and chronic care services to its patients, but also serves to educate patients and safeguard the health of entire families and communities.

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 160 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 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 SCS 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

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Special update: COVID-19





Nancy Basconcillo | Pathology collector, Douglass Hanly Moir Pathology, Australia, collecting COVID-19 specimens from a drive-through collection site in Sydney

Special update: COVID-19

COVID-19 has shone a spotlight on the critical importance of pathology testing and frontline healthcare services.

Sonic's people across the world have worked to provide vital services to the communities we support. From GP consultations to the development of new tests, from liaising with governments, clinicians and aged-care facilities, to supporting the restarting of sporting competitions, Sonic Healthcare practices have played an integral part in the world's pandemic response while still maintaining all non-COVID pathology, diagnostic imaging and clinical services.



Working on the front line

Since the declaration of the COVID-19 pandemic, Sonic's teams have responded with urgency and professionalism, helping to provide the expertise and knowledge required to understand levels of COVID-19 positivity in local communities. Similarly, our procurement teams have worked with our valued suppliers to source precious items, such as protective gear, reagents and equipment.

To date, Sonic has performed close to 10 million COVID-19 tests around the world.

The following is a small selection of the stories behind this mammoth effort. We salute our people and the communities that they serve.

Creating a new test to diagnose COVID-19

In January 2020, when COVID-19 was still an epidemic known as novel coronavirus, a commercially available test didn't exist to diagnose the condition. As soon as China released the first genetic sequence of the virus in January, expert molecular pathologists and senior scientists at Sonic laboratories in Germany, Australia and the UK began the task of developing their own in-house tests.

Sonic Healthcare Germany's Medical Laboratory Bremen established one of the first RT-PCR tests in Europe, following the protocols of the Charité's WHO reference lab. Soon after, the rest of the Sonic Healthcare Germany group followed and COVID-19 testing was quickly implemented in 27 Sonic laboratories throughout Germany. In Australia, Sullivan Nicolaides Pathology in Brisbane was the first private laboratory in the country to develop its own in-house testing methodology, using a two-gene panel to test for the presence of COVID-19. In the UK, Sonic Healthcare UK worked in parallel with Public Health England's reference laboratories until their test was ready to go live. All assays then had to pass external quality assurance schemes to receive ISO 15189 accreditation.

These exercises were completed in just a few weeks - a highly compressed development time, reflecting the enormous team efforts, with colleagues working long hours to ensure we were at the forefront of pandemic testing, and ready to play our part in protecting the communities we serve.



Sample collection in Australia

Unlike most Sonic laboratories around the world, Sonic Pathology Australia's pathology practices are required to perform COVID-19 swab collections from patients. In other countries, specimen collection is usually performed by doctors or clinic staff. This collection requirement has placed additional pressure on staff, and raised significant challenges. The Australian teams have tackled these courageously, professionally and with an absolute commitment to their communities.

Behind the mask: Working in Australia's aged-care facilities

Louise Cushing is a Collection Area Manager for Melbourne Pathology in Victoria, Australia. In addition to managing 23 pathology collection centres, three home visiting crews and 30 staff, she is also part of a specialist team collecting COVID-19 specimens from aged-care residents and staff – a group affectionately known as 'the swab squad'. Despite the contagious nature of the virus and the difficulty of the work, Louise's frontline experiences have been overwhelmingly positive.

"My team is just amazing. You have to volunteer to be part of the COVID collection team, and it attracts people with the most beautiful natures. They really want to do this. They're on the front lines to combat the virus. They love the experience, being part of history, the camaraderie, the smiles from the residents who just love to see a visitor."

Full personal protective gear (PPE) is a requirement for all pathology collectors, who must wear gowns, gloves, facemask and face shield. The equipment is hot, tight and uncomfortable, however it provides an important physical and psychological shield. "I've never felt unsafe in my PPE," says Louise. "I've trained many people in how to put it on and take it off safely. We do spot checks every time on one another to make sure we are all safe."

Despite Louise's positive experiences, performing aged-care collects also has its difficulties. "Sometimes we have to keep going back to the facilities week after week to test the residents," she said.

"You see heartbreaking things in there. The residents haven't seen anyone in months. You see family members yelling up to their loved ones from the street below, saying 'Hi Mum', but that's it. That's as close as they can get."

While many residents are happy to see a familiar face or just have someone new to talk to, Louise admitted that COVID-19 collections can be particularly difficult for residents with cognitive impairment. "The dementia wards are hard," she explains. "They don't understand what is happening."

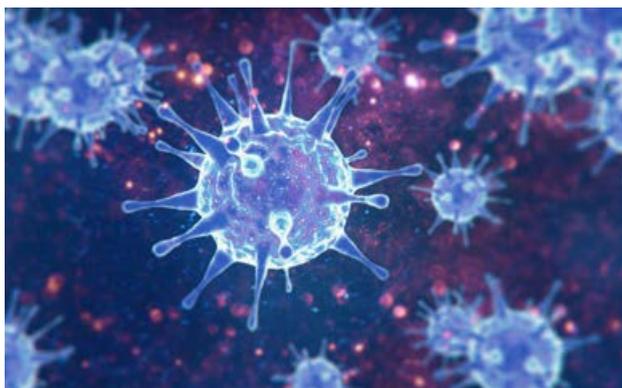


Louise Cushing, Jenni Griffin and Michelle Culton | Melbourne Pathology, Australia

You try to use your voice to reassure them, but all the tools you would normally use are gone – your smile, your facial expressions. You're stripped of it all by the mask and face shield you have to wear. You have to make sure the residents understand that they're safe and that we're friendly. It's scary for them."

Louise is conscious of the impact that aged-care visits may be having on her team, and makes sure they regularly debrief as part of the process. "We're seeing people die who we've been seeing every week." Despite this, the collectors understand the critical work they are doing to prevent the spread of the disease and to keep the vulnerable residents safe.

Louise can see a time when the pandemic is a thing of the past, and knows it will leave an unexpected void in her life. "I love being on the ground with the team. It's the best. I'll really miss it when it's over." And then, through tears, she says, "I am so proud of the people I work with. I've learnt so much from them."



Vaccine trials

Oxford Vaccine Trial

Sonic's UK joint venture, Health Services Laboratories (HSL), is working with University College London Hospital (UCLH) in the trial of a new COVID-19 vaccine developed by the team at Oxford University. Known as ChAdOx, the trial is assessing whether the vaccine can protect healthy people from COVID-19, providing valuable information on safety aspects of the vaccine and its ability to generate good immune responses against the virus.

UCLH is a participating site in the trial, and HSL is actively supporting them by providing COVID-19 serological screening. The first phase of the nationwide trial in adult volunteers began in Oxford in April, using healthcare workers who have had a higher chance of exposure to the SARS-CoV-2 virus.

So far, more than 1,000 immunisations have been completed, and follow-up is ongoing. In early August, vaccination and screening was expanded to the 56-70 age group, with the 70+ age group planned shortly thereafter.

Imperial College London Vaccine Trial

In another trial, UCLH has begun screening and vaccinating healthy volunteers in support of Imperial College London's COVAC-1 trial. This early phase trial aims to evaluate the vaccine on 300 people across a selected number of sites in the UK.

Many traditional vaccines are based on a weakened or modified form of virus, or parts of it, but the Imperial College's vaccine uses synthetic strands of genetic code (called RNA) based on the virus's genetic material. The COVAC-1 study is the first test of a new self-amplifying RNA technology, which has the potential to revolutionise vaccine development.

Having carried out rigorous pre-clinical safety checks of the vaccine, early studies suggest the vaccine could provide the desired immune response. Once injected into muscle, the RNA generates copies of itself and instructs the body's own cells to make copies of a spiky protein found on the outside of the virus. This should train the immune system to respond to the coronavirus so the body can easily recognise it and defend against it in future.

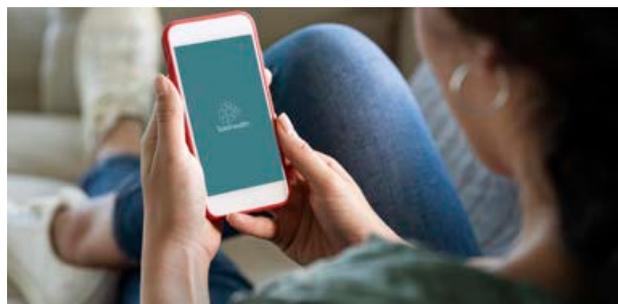
Sonic Healthcare and HSL are pleased to provide pathology support across all NHS partners for key COVID-19 clinical initiatives.

Telehealth solutions

When lockdown measures were put in place across Australia in mid-March, Sonic Clinical Services (SCS) was faced with an immediate and unprecedented clinical challenge - how do you deliver high-quality primary care in a rapidly changing environment, especially when patients are reluctant to have face-to-face consultations with their doctors?

SCS responded with speed and agility, adapting systems and processes - including its workforce - to provide the best possible support for its network of doctors and nurses across all facets of the practice. Throughout the pandemic, SCS has remained in constant communication with medical teams, helping them to navigate the prolonged period of uncertainty and continual change.

A range of innovative and secure solutions was implemented to allow thousands of general practitioners (GPs) and staff to continue to provide healthcare in new environments, including working remotely.



Sonic's IPN Telehealth was launched to provide GPs with a secure platform to access patient information. This was augmented by an SCS-developed product called 'STEM', which allows GPs to securely email documents, such as pathology request forms, medical certificates and referral letters, to patients. The SCS Remote Bookings Service was also quickly upscaled to handle increased call volume, easing the burden on medical centre staff.



Commemorative soccer ball presented to Sonic Healthcare Germany. The wording translates to 'Working together to start the ball rolling again'

The science behind restarting a national sporting league

In mid-May, 2020, Germany's Bundesliga became the first major international soccer league to return to the pitch, following the earlier suspension of its season due to COVID-19. At the time, Germany was in the middle of its first wave of infections, and strict guidelines were developed to safely allow teams to recommence their matches.

Sonic Healthcare Germany was closely involved with the league's restart, leading a consortium of Sonic and non-Sonic laboratories to set-up and implement comprehensive testing protocols.

Sonic's Bioscientia, Labor Augsburg and Labor 28 laboratories were also responsible for testing 37 teams across the country in the premier, second and women's leagues. All players, staff and referees were tested twice each week, with the second test performed 24 hours prior to the match.

The league's restart was a complete success, with the 2019/20 season completed on time and without major disruptions.

The approach has now become an operational blueprint for other sporting leagues around the world.

During the season, Bioscientia participated in a study to determine the presence of COVID-19 antibodies in all players and support staff.

The study monitored symptoms in players and officials, analysed PCR test results throughout the season and followed up with antibody testing. It concluded that professional soccer training and matches can be carried out safely during the COVID-19 pandemic as long as they are accompanied by strict hygiene measures and regular PCR testing. The study will be published in the British Journal of Sports Medicine.

Sonic Healthcare Germany's extensive experience in hygiene control during the pandemic, in both hospital and general settings, is also being used to safely re-open other venues across the country. Dr Christian Zinn, Medical Director of Bioscientia's Centre for Hygiene and Infection Control, is applying his expertise to develop sophisticated protocols for the re-opening of stadiums, sports halls and music and cultural events.

Globally, Sonic Healthcare practices have provided testing to sporting codes that include soccer, cricket, rugby league, rugby union, netball, Australian rules football, American football, volleyball, surfing and more.



Diane Ghabrial | Scientific Officer, Molecular Biology, Douglass Hanly Moir Pathology, Australia

Expanding COVID-19 testing for underserved patients across the USA

Access to high-quality testing is a crucial component in the fight against COVID-19. In the USA, however, additional efforts are required to make these vital health services available to people who may not otherwise be able to access them for financial or other reasons. People who fall into this category are known as underserved patients.

In partnership with local and national government and public health agencies, Sonic Healthcare USA's clinical laboratories and pathology practices have employed multiple strategies to improve testing availability for these patient populations, which include nursing home residents, the homeless, disadvantaged communities and prison inmates.

In July 2020, Sonic Healthcare USA was awarded a contract from the National Institutes of Health (NIH) to increase COVID-19 testing capacities at nine high-throughput Sonic laboratory testing locations, as part of the Rapid Acceleration of Diagnostics (RADx) COVID-19 initiative. Sonic was also selected by the US Department of Health and Human Services (HHS) as one of two commercial laboratories to receive critical laboratory equipment to support COVID-19 testing expansion. A significant component of both initiatives includes improving testing access for underserved communities. The RADx initiative complements Sonic's current commitment to prioritise services to the most vulnerable and high-risk patients, which is a central part of our testing strategy.

Sentinel study

The Belgian Government has selected Sonic's Algemeen Medisch Laboratorium's (AML) Clinical Trials Department to conduct the Belgian Government's sentinel national immunity survey. This important collaboration recognises AML's significant expertise in molecular biology and reflects the contribution of AML's Immunology Department in the validation of SARS-CoV-2 antibody assays, as well as their work with the Belgian government at an advisory level. Reporting directly to the government, and in close consultation with advising virologists, AML will be a prominent advisor in Belgium's lockdown exit strategy.

Helping out at short notice

In addition to providing vital COVID-19 testing services across Germany, Sonic's German laboratories have also helped with other critical situations during the pandemic. After a coronavirus outbreak on a large cruise ship, Labor Dr. von Foreich-Bioscientia in Hamburg and Medical Laboratory Bremen worked together to test approximately 3,000 crew members over a single weekend, in order to avoid a prolonged quarantine on the vessel.

In another weekend mission, Sonic Healthcare Germany helped to provide and ship 50,000 PCR swabs to Canada over the Easter holidays at very short notice, on request from the German and Canadian governments.

Australian testing innovations

When the pandemic first broke in March 2020, one of the conundrums facing healthcare providers was how to safely test people for a highly contagious disease when there is a worldwide shortage of PPE – a problem that was compounded by pockets of the community who were scared to come for non-COVID testing in the same vicinity as potentially positive COVID-19 patients.

During the first wave of the pandemic, pathologists and senior scientists from Sonic Pathology Australia solved this problem by pioneering a COVID-19 self-collect kit, where patients could safely take their own COVID-19 specimen at home, expanding the available methods of swab collection.

Led by Dr Michael Wehrhahn (Douglass Hanly Moir Pathology, New South Wales) and Dr Jennifer Robson (Sullivan Nicolaides Pathology, Queensland), the microbiologists collaborated on a validation study that confirmed that patient-collected throat and nasal swabs, when tested with the COVID-19 assay, gave similar results to specimens collected by a pathology collector. The results of this important work have since been published in the Journal of Clinical Virology.

Drive-through testing facilities have also been established across Australia, with thousands of specimens being collected every day.



Supporting the Nightingale Hospital

In March 2020, Dr Rachael Liebmann, Group Medical Director for Sonic Healthcare UK, was asked by the Medical Director of Nightingale Hospital, London, to support the establishment of the first COVID-19 field hospital in the UK.

The scale of the 100-acre field hospital was daunting, as was the clinical model for the hospital, which anticipated up to 4,000 ventilated patients to deal with in a worst-case scenario.

All diagnostics at the hospital were to be highly protocol-driven, and Rachael was heavily involved in the planning and implementation.



A key component to working with Nightingale was specimen transportation, which is a significant issue for all pathology services. The majority of Sonic Healthcare UK's motorbike couriers, who normally work office hours transporting pathology samples from all over London, proudly volunteered to support the Nightingale London 24/7.



Dr Rachael Liebmann | Group Medical Director, Sonic Healthcare UK

These fully trained couriers, with appropriately equipped motorbikes, worked 12-hour shifts to deliver specimens from the Nightingale to teaching hospital laboratories every 30 minutes. Along with specimen reception staff, biomedical and clinical scientists and supervising consultants, our couriers ensured timely pathology services for the field hospital's critically ill patients.

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Scientist | Labor Dr. von
Foreich, Germany

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



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



Reduce inequality within and among countries

Respect for our people

Sonic's success is built on the steadfast belief that when we look after our people, they will look after everything else - doctors, patients and everything 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, and our culture is built on the strength of our people. Sonic employs more than 36,000 people in an environment of professionalism, ethical behaviour, equal opportunity and reward based on merit.



Creating a fulfilling work environment

Respect for Our People is one of the key pillars of our Medical Leadership Principles, while Treating Each Other with Respect and Honesty is one of Sonic's Core Values. Respect for Our People is also embedded in a range of policies ensuring that our diverse workforce operates in safe, legally compliant workplaces that meet all operating requirements. The philosophy of treating each other with respect and honesty is further encouraged by our [Diversity Policy](#), [Labour Standards and Human Rights Policy](#), and [Code of Conduct](#).

Celebrating our nurses

When the World Health Organization designated 2020 as the Year of the Nurse and the Midwife, no-one could have foreseen the health crisis that would engulf the world in the space of a few short months.

2020 was chosen as the Year of the Nurse and the Midwife because it marks the 200th anniversary of the birth of Florence Nightingale, the world's most famous nurse and the founder of modern nursing. Her innovative, pioneering work was born out of crisis. Today, nurses around the world once again find themselves on the front line in a time of crisis – this time against COVID-19.

To mark the Year of the Nurse and the Midwife, Sonic Clinical Services (SCS), the Australian division that includes our network of general practices, is honouring and celebrating our nurses throughout 2020. Sonic employs almost 1,000 nurses whose outstanding expertise is helping to transform Australia's primary healthcare system, making a significant contribution to the health of the Australian people, particularly during COVID-19.

SCS CEO, Dr Gerard Foley, acknowledged the expertise and dedication of Sonic's nurses. "Now, more than ever, it is important that we make a special effort to recognise the invaluable contribution nurses make to the health and wellbeing of our entire nation," he said.

That recognition and admiration is mirrored by members of the general public who have taken to social media to acknowledge the amazing job our nurses do, thanking them for their care and compassion.



Nurses Claire Hill (L), Ruth Buckley (M) and Medical Director Dr Melissa Hikila | Omega Medical Centre, Australia

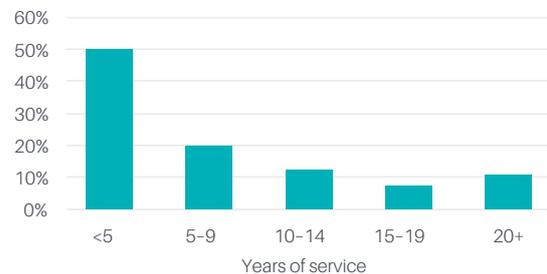
Employee turnover

Sonic is considered an 'employer of choice' due to our culture and professional reputation. Our commitment to Medical Leadership, as well as the respect we show our staff, is reflected in our low employee turnover rate, especially at more senior levels of the organisation, which includes executive managers, line managers, pathologists and radiologists, who comprise 8.2% of Sonic's global workforce.

Employee turnover for our global workforce

	2020	2019	2018
Senior leadership turnover rate	3.0%	6.7%	6.9%
Total employee turnover rate	12.7%	16.5%	16.8%

Length of service of our global workforce



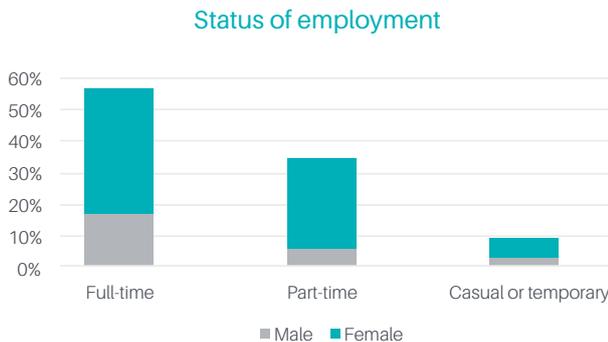
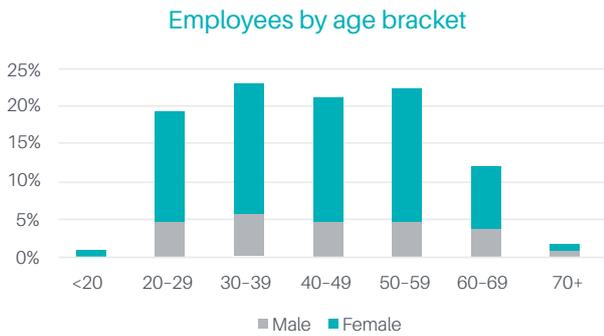
Employee diversity

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 74.5% of Sonic's overall workforce, and represent 53.4% of senior leadership, which is defined as manager level and above.

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

Employees by gender diversity

	2020	2019	2018
Women on the Board of Directors	33.3%	25.0%	25.0%
Women in senior leadership positions	53.4%	53.3%	53.3%
Women in the workforce	74.5%	74.8%	75.3%



Parental leave

During FY2020, 2.2% of staff took parental leave, with 85.7% 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 widescale redundancy programs. This preserves staff morale and helps to maintain the goodwill of the acquired businesses.

Working with employee representatives

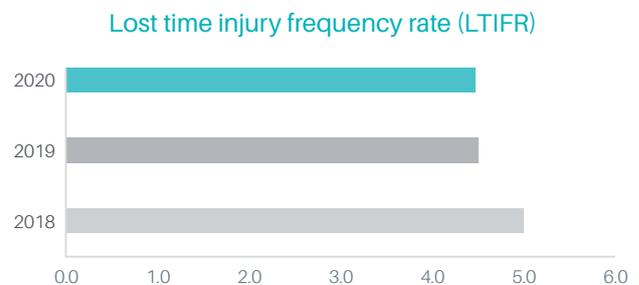
Sonic engages with unions and other employee representative groups in a positive manner, and hasn't experienced any significant industrial action in our 33-year history. We support the right to freedom of association for all our employees, including their right to join trade unions and to be represented by those unions for the purpose of collective bargaining. Sonic does not discriminate against, or deny access to, workers' representatives in the workplace, and a significant proportion of our global workforce are currently members of unions or other employee representative groups.



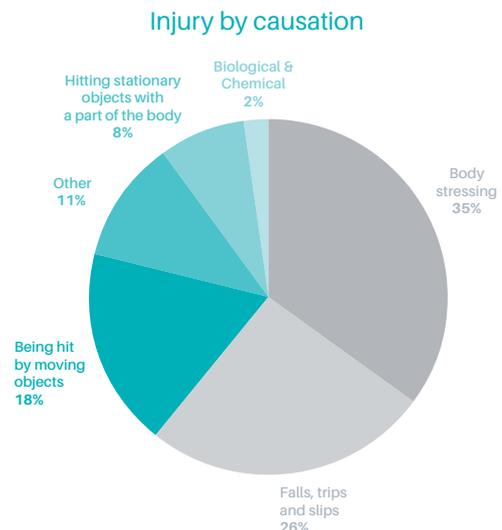
Staff safety and wellbeing

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.

No work-related fatalities occurred during the year across Sonic, and our lost-time injury frequency rate (LTIFR) for the 2020 financial year was 4.5 per one million hours worked, which is at the same level as the previous year.



The chart below shows a breakdown of injuries by causation.



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%.

Mental health initiatives

In light of the COVID-19 pandemic, mental health awareness has become more important than ever, in both our working and personal lives. Employee Assistance Programs (EAP) are in place in most Sonic divisions, giving staff easy access to confidential counselling and other support services.

Sonic Connect, the global learning and development arm of Sonic Healthcare, is also supporting staff wellbeing with regular publications focused on building resilience, dealing with uncertainty, and other topics specifically tailored to support the mental health and wellbeing of our staff at this difficult time. This is supported by customised online training that is targeted to the specific requirements of each practice.

Helping to navigate uncertainty

To help support employees through the uncertain times brought about by COVID-19 and other stresses, Sonic Healthcare UK has created a series of bite-sized videos to share basic tips on managing your own mental wellbeing and how to look out for others who may be struggling, together with key information sheets.

Alongside the newly launched videos, onsite Mental Health Ambassadors offer peers a listening ear for when someone just needs to talk things through. All ambassadors receive training from a local mental health charity so they are equipped to direct employees towards professional services where necessary.

Prior to COVID-19, onsite workshops were also available to employees and managers to explain how they can utilise the EAP as a tool for both managing their own resilience and supporting members of their team. These sessions were warmly received, and helped to spread the word about the different support avenues available to employees.

Similar initiatives were implemented around the world. In Australia, Sonic Clinical Services has remained in constant communication with medical teams, helping them to navigate the prolonged period of uncertainty and continual change. This has included a series of interactive COVID-19 webinars hosted by CEO, Dr Ged Foley, and CMO, Dr Gun Soin, together with daily teleconferences to review the latest COVID-19 developments, and regular staff updates.



Dr Ged Foley | CEO of Sonic Clinical Services, Australia

Professional development and training

Sonic provides ongoing training for all staff across all divisions and disciplines. This can range 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 FY2020, Sonic provided close to 950 formal medical training positions as part of our ongoing commitment to professional development and training.

Professional development occurs through many avenues. Sonic Connect is our in-house global learning and development department that offers a range of courses tailored to the specific needs of healthcare workers, with a particular emphasis on emotional intelligence. Sonic Connect delivers training courses around the world, and helps to seed Sonic's Medical Leadership culture. In FY2020, they provided training to more than 850 staff around the world - a number that was curtailed by the effects of the pandemic.

At an entity level, training is an ongoing function that is embedded into many aspects of our quality programs and health and safety requirements. Additional training is also undertaken externally where the needs arise.

As an extension of our strong commitment to continuous professional development, Sonic has established its own Sonic Pathologist Academic Meetings in Australia, Germany and the USA, a research and development symposium in the UK and the Sonic Imaging Conference in Australia. These regular conferences provide a forum for our pathologists, radiologists and other scientific and technical staff to meet in a collegiate environment and to exchange ideas and best practices. The conferences are recognised as premier events of their kind, and attract hundreds of Sonic doctors and other medical staff per meeting, along with international and national guest speakers.

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

Transforming Pathology through Medical Leadership

Professional and Academic Expertise is a key pillar of Sonic's Medical Leadership Principles, ensuring that our people remain at the forefront of medical, scientific and technological advances.

In November 2019, Sonic Healthcare USA's Anatomic Pathology Division hosted a Physicians' Symposium, 'Transforming Pathology Through Medical Leadership', in Dallas, Texas. With nearly 330 pathologists, Sonic Healthcare USA is a recognised leader in providing the highest quality clinical pathology, anatomic pathology, and dermatopathology services in North America. Pathology leaders from across the country attended the event with the aim of connecting and celebrating Medical Leadership.

The symposium featured noteworthy speakers in laboratory and diagnostic medicine, including Sonic's Global CEO, Dr Colin Goldschmidt, and Sonic Healthcare USA's CEO, Dr Jerry Hussong. Sessions included topics on digital and computational pathology, diagnostic management teams, outcome-based contracting strategies, integrated laboratory medicine, molecular tumour markers and other contemporary topics in anatomical pathology and dermatopathology. Participants received Continuing Medical Education (CME) credits for their attendance and contributions.

The symposium also acknowledged and recognised Medical Leaders who made significant contributions to their pathology practices in 2019 through their ongoing commitment to education, research and their local medical communities. Many pathologist leaders were awarded the President's Award for their outstanding contributions to their practice and the Anatomic Pathology Division.



Sonic Learn

In February 2020, Sonic Healthcare UK introduced a new online learning management system called Sonic Learn.

Sonic Learn is a comprehensive site that includes employee training ranging from statutory and mandatory courses through to professional development courses and a booking system for face-to-face workshops.

New courses are regularly added, with recent additions including topics such as the use of microbiology safety cabinets, productivity and time management, use of the laboratory service quality management system and mental health awareness.



Responding to a resurgence in lung disease

Since 2016, Australia has witnessed a resurgence of dust-based occupational lung disease, including pneumoconiosis among coal mine workers, as well as silicosis associated with the manufacturing and construction industries.

X-rays and CT scans are used to screen thousands of Australian workers in dust-related industries every year. With the resurgence of occupational lung dust disease, Sonic Imaging recognised the need to provide additional training for our radiologists in this specialised area. The US National Institute for Occupational Safety and Health (NIOSH), a world-leading organisation in dust disease, was engaged to provide a specialist course for 18 Sonic radiologists from across the country. Known as the B Reader course, it assesses a doctor's proficiency in using the International Labour Organization (ILO) International Classification of Radiograph of Pneumoconiosis standard to screen, diagnose and classify occupational dust lung disease.

The course was run over three days at Sonic's Queensland X-Ray head office in Brisbane, and was followed by a day of examinations for all participants. Sonic Imaging is now the largest single employer of B Readers in the country and we are committed to continual improvement of occupational screening services to keep Australian workers safe.

CREATING
SUSTAINABLE
VALUE

THE
IMPORTANCE OF
OUR SERVICES

SPECIAL
UPDATE:
COVID-19

RESPECT
FOR OUR
PEOPLE

RESPECT
FOR OUR
COMMUNITIES

RESPECT
FOR OUR
ENVIRONMENT

GOVERNANCE

PERFORMANCE
METRICS

Respect for our communities



The burnt remains
of Alison Rhodes'
home | Courier,
Capital Pathology,
Australia



Injured koala being cared for by FNPW volunteer. Image courtesy of Douglas Gimesy

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
- 9
INDUSTRIALISATION AND INNOVATION

Build resilient infrastructure, promote sustainable industrialisation and foster innovation
- 13
CLIMATE ACTION

Take urgent action to tackle climate change and its impacts

Respect for our communities

Sonic’s Company Conscience is evident in every facet of our organisation, with particular emphasis on our involvement with communities near and far. We recognise the responsibilities and obligations that come with medical practice, and know that improving healthcare availability and access can literally change people’s lives.



Helping Others

Providing education, assistance and expertise to others has always been an integral part of our corporate culture. We do this in a variety of ways, including:

- Helping others – propagating our medical expertise in less advantaged communities
- Contributing to charities
- Improving health outcomes
- Education

Over many years, Sonic has been in the fortunate position of being able to help vast numbers of people with our local and global philanthropic activities.

The cornerstone of our giving projects is Sonic's Catalyst Program, which aims to establish self-sustaining pathology and radiology 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.

We also support many local charities and events and donated more than \$6 million in cash, in-kind donations and sponsorships in FY2020. This included donations supporting research into medical treatments for many different types of cancer, as well as other medical conditions and charities. We also place particular importance on supporting children, families and population groups that find themselves in difficult circumstances.

Dealing with Australia's devastating bushfires

The catastrophic bushfires that raged across Australia in late 2019 and early 2020 had a devastating impact on people and property, as well as precious and unique flora and fauna.

The ferocity of the fires consumed everything in their paths, burning more than 12 million hectares. Almost 6,000 buildings were destroyed and, tragically, 34 people lost their lives.

Regional communities bore the brunt of the fires' impact, and, sadly, several Sonic staff were directly affected, losing their homes or animals, while hundreds more suffered as a result of the dislocation to their communities.

Sonic Healthcare responded by providing direct support to affected staff and communities, including emergency cash payments to staff members who lost their homes, regular wages to staff members who volunteered in local community fire services, and access to professional and confidential counselling and support services for affected staff.

In addition, Sonic donated to the Australian Red Cross Society's Disaster Relief Fund, as well as the Foundation for National Parks & Wildlife's Emergency Appeal. Staff around the world made further donations to these two charities, which were matched by Sonic, dollar for dollar.

Throughout the crisis, Sonic staff provided uninterrupted healthcare services, often in extremely trying conditions. Medical clinics in affected areas remained open, providing support for patients who had lost everything. Some just needed their prescriptions rewritten because they had been lost to the fires, while others needed greater medical and emotional support.



Dr Scott Reid | GP and volunteer firefighter, Lower Mountains Family Practice, Australia

Where possible, pathology collection centres also remained open to cater for urgent requests.

Couriers then volunteered to transport these specimens to a collection point or to one of our laboratories, often navigating perilous conditions in the process.

We are incredibly proud of the resilience and courage demonstrated by the many Sonic staff who served their communities with dedication and care under such difficult circumstances. Our thanks and appreciation is also extended to those Sonic staff members who worked as volunteer firefighters on the front lines.

Helping wildlife volunteers and our environment

The catastrophic effects of the recent Australian bushfires had a profound effect on the needs of organisations devoted to wildlife rescue and rehabilitation. More than 12 million hectares of national park and bushland that were destroyed – an area similar to the size of England – were also home to nearly three billion native animals who died or were displaced, with many native species closer to extinction than ever before.

As part of our bushfire response, Sonic Healthcare partnered with the Foundation for National Parks & Wildlife (FNPW) to give an immediate funding boost to wildlife care and bushland regeneration programs.

FNPW is a non-government organisation that has been working with Australia’s national parks for the last 50 years to protect Australian ecosystems and native species. Most Australian wildlife rescue and care is done by hardworking volunteers, and FNPW was the first charity to open grants to volunteers affected by the fires, working closely with rescuers, carers and shelters to make the application process quick and easy.

Sonic’s donation helped volunteers to buy medical supplies, animal food and formula.



The Sonic Impact

Last summer’s fires were the largest environmental disaster in Australian history. Over 12 million hectares of trees were burnt, an area roughly the size of England. Nearly 3 billion animals died or were displaced.

The incredible generosity of those at Sonic Healthcare ensured that the Foundation for National Parks & Wildlife (FNPW) could offer critical assistance to wildlife carers across the country.

With support from Sonic employees, both during and in the aftermath of the fires, FNPW was able to offer the wildlife community grants that enabled the purchase of crucial items such as:

- Animal food and formula for those animals that survived
- Bandages, wraps and medicine for animals
- Fuel vouchers, enabling travel around bushfire affected areas
- Personal protection equipment for wildlife carers
- Pouch liners and padding for orphaned animals

In total, almost \$500,000 in grants have been distributed to 89 wildlife care groups. Support continues to be provided to our wildlife carers across the country.

We extend our deepest thanks to each and every Sonic employee who supported the people and animals who suffered during the 2019/2020 bushfire season. Your generosity has changed the lives of so many.

Yours in gratitude,

Ian Darbyshire
CEO – Foundation for National Parks & Wildlife

Importantly, the Foundation also developed a suite of mental health resources to support their volunteers, many of whom have been dealing with compassion fatigue and trauma, due to the extreme physical and mental demands associated with dealing with severely injured wildlife.

Sonic is proud to partner with FNPW to facilitate this vital recovery work.

Injured bird being hand-fed by FNPW volunteer. Image courtesy of Douglas Gimesy



Catalyst Program

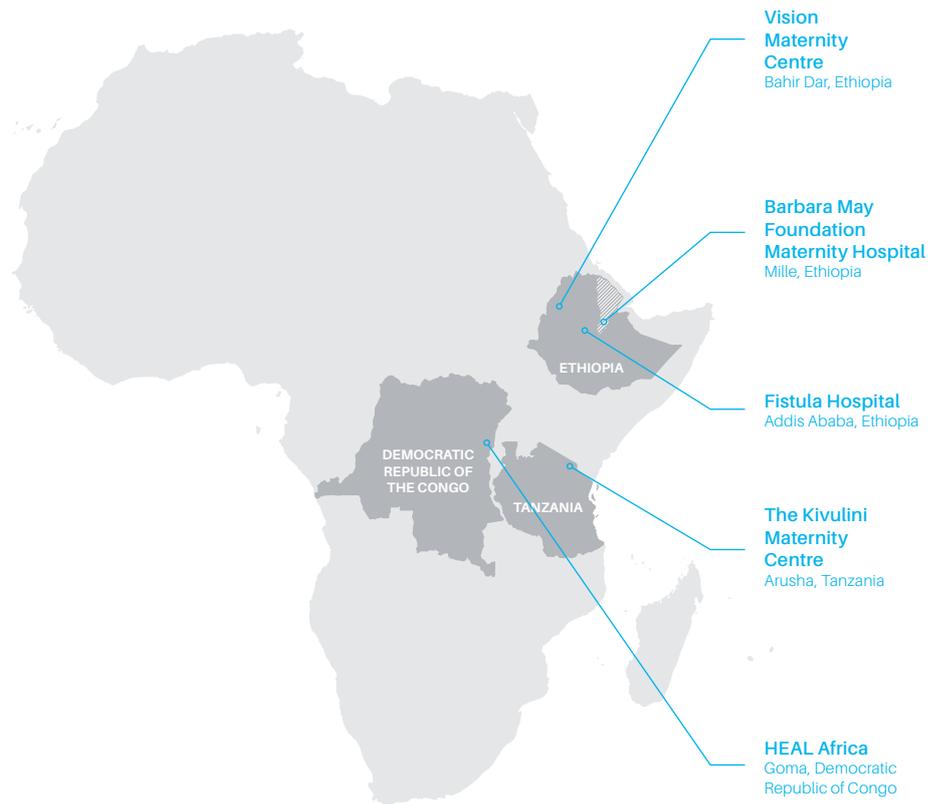
As a medically led organisation, Sonic knows that good medical practices play an important role in helping to improve the healthcare and lives of people in some of the world's most underprivileged areas. We have made it our mission to equip hospitals with modern pathology and radiology equipment in some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

Our support also involves training local staff in modern scientific methods and techniques so they can provide the vital laboratory, pathology and radiology services that underscore modern medicine. This assistance also extends to 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 hospitals that treat women and children – two community subsets that are vital 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 blood collection items, gloves, specimen containers and reagents, supplies for the hospital, as well as laboratory, radiology and computer equipment. They also include equipment and materials for schools and staff donations of clothes and shoes.



Catalyst Program participants

HEAL Africa – Goma, Democratic Republic of Congo

- Installation of pathology laboratory and radiology department
- Ongoing medical supplies
- Training of staff, including training of the first fully qualified pathologist and radiologist
- Provision of teaching and other non-medical items
- In the process of replacing Sonic's previously donated 4-slice CT scanner with a Canon 16-slice unit, as well as an updated digital mammography unit. This Hologic mammography unit uses a selenium detector, giving better images at a much lower dose of radiation than is currently being used. This equipment will be sent by shipping container later this year, along with other needed equipment for the hospital's radiology department.

Fistula Hospital – Addis Ababa, Ethiopia

- Ongoing support (laboratory is largely self-sufficient)

Barbara May Foundation Maternity Hospital – Mille, Ethiopia

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

Vision Maternity Centre – Bahir Dar, Ethiopia

- 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)
- Medical and surgical equipment
- Planned installation of microbiology laboratory



Dr Kasereka Kihemba (left, with the late Dr Raphael Kalengayi Mbowa) | Heal Africa

Maintaining a high-quality laboratory

Lifelong learning is a fundamental requirement for any practising physician, especially for pathologists who need constant exposure to rare and complex cases. Most pathology practices run weekly sessions for pathologists to discuss unusual cases that have been seen within the practice, but when you are the only pathologist in a busy teaching hospital, there is little opportunity for this kind of collegial professional development.

Pathologist Dr Kasereka Kihemba is the head of laboratory at HEAL Africa. In addition to establishing and maintaining a high-quality pathology laboratory in the HEAL Africa hospital, Sonic Healthcare also funded Dr Kasereka's formal pathology training.

Sonic ensures that Dr Kasereka and his scientist colleagues remain up-to-date by providing the latest microbiology and current histopathology texts, and access to many medical journals.

We also send histology slides from rare and interesting cases for Dr Kasereka to evaluate, to enhance his diagnostic skills.

Servicing of laboratory instruments is now done by specialised professionals rather than the maintenance staff at HEAL Africa.

This has seen a great increase in the scientific staff's knowledge of the instruments' functions.

Sonic provides access to high-quality reagents for the laboratory instruments from reputable, accredited suppliers in Africa, as well as ongoing technical advice and suggestions to the HEAL laboratory, particularly in the area of microbiology, which is vital in the African setting.

Sonic also sponsors Dr Kasereka and HEAL Africa radiologist Dr Sosthene Tsongo to attend regional conferences.

We have also enrolled the laboratory in the Centre for Disease Control's (CDC) parasitology quality assurance programs in Atlanta, Georgia. This includes the ability for lab staff to email photos of difficult parasites to the CDC parasitology staff for identification.

Together with the skill and dedication of Dr Kasereka and his staff, these collective initiatives help to ensure that the HEAL Africa laboratory provides high-level pathology services. Pleasingly, the high calibre of HEAL's laboratory was one of the deciding factors in HEAL Africa becoming a teaching facility for the COSECSA (College of Surgeons of East, Central and Southern Africa) Surgical Training program, a decentralised surgical training program with a common exam and an internationally recognised surgical qualification. Pathology labs of the order we have developed at HEAL are extremely uncommon in Central Africa.

Closing the gap for Indigenous Australians

Sonic Healthcare Australia is continuing its vital work with the Clontarf Foundation, to help improve the school and work outcomes for Indigenous Australians who experience socio-economic disadvantage and health inequality at a much higher rate than their non-Indigenous counterparts.

The Clontarf Foundation is a charitable not-for-profit organisation that exists to improve the education, discipline, self-esteem and employment prospects of young Aboriginal and Torres Strait Islander men, providing them with life skills to succeed and grow through mentoring and participation in team sports. Established in 2000, 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 Australia has been working with Clontarf since 2017, providing medical assessments to students within Clontarf's Academies, with an additional focus on their mental health and wellbeing. Our involvement includes a mobile clinical team of GPs and registered nurses from Sonic's general practice business, IPN, together with pathology collectors from Sonic's local laboratory, who work onsite with Clontarf staff to complete the health checks. Any medical issues or concerns identified during our assessments are then followed up by the local Aboriginal Medical Service.

During the last six months of 2019, Sonic Healthcare medical teams ran several medical clinics, many in remote locations, providing more than 600 medical assessments covering mental health and wellbeing, physical factors of growth and development, lifestyle checks, a full physical examination by a GP and a pathology screen. Some of these boys and young men have had limited access to these checks in the past, making it vital to identify any issues now, so effective treatment and management can be put in place.

Unfortunately, the medical checks planned for the first half of 2020 for remote areas of the Kimberleys and country NSW and Queensland were postponed due to the COVID-19 crisis. Once it is safe to travel, the plan is to redouble our efforts to catch up on missed clinics and to once again provide this important service to as many remote and regional Clontarf Academies as possible.



Staff from The Bridge assembling kits for the National Bowel Cancer Screening Program

Providing employment opportunities

Sonic Pathology Australia has been providing laboratory testing for the Australian Government's National Bowel Cancer Screening Program since January 2018. Throughout that time, The Bridge Employment has been a valued partner, responsible for assembling some of the millions of home testing kits that are mailed out to participants each year.

The Bridge is 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 involvement with Sonic Pathology Australia allows The Bridge employees to feel empowered, included and valued. Ausra Wells, General Manager from The Bridge Employment, explained: "This is the first job in Australia for several of the young women within our culturally diverse youth team. Many of them have struggled to find employment or have been marginalised because of their ethnic or religious background. Starting their working career is a major step, and some have gone on to study courses on disability that have allowed them to take on more senior roles within The Bridge."

Like most organisations, COVID-19 had an immediate impact on The Bridge's operating environment. While many services were moved offsite, the warehouse remained open, operating with 60% of its usual workforce, but still providing the full quota of testing kits. "I'm immensely proud of them," Ausra said. "It's just fantastic to see everyone working hard together."

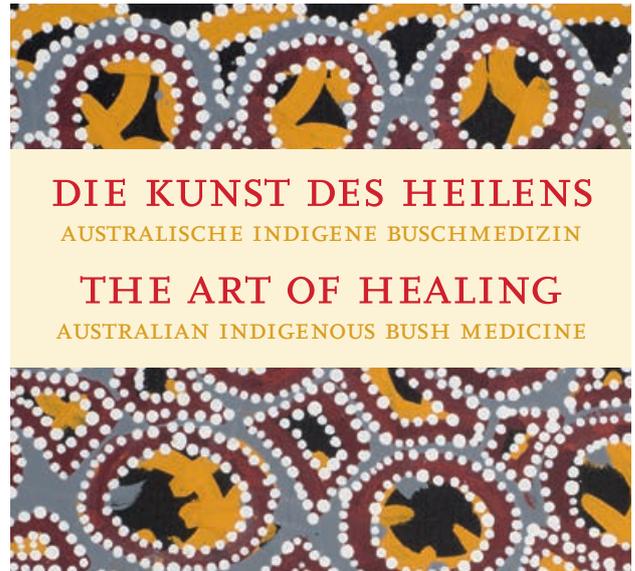
Charitable events

In addition to our charitable giving and practical support programs, Sonic also provides sponsorship of selected events that have charitable or educational benefits for the communities that we serve.

World Doctors Orchestra

In August 2019, the World Doctors Orchestra (WDO), in partnership with the World Doctors Orchestra USA and Sonic Healthcare USA, performed a benefit concert at Stude Concert Hall at Rice University in Houston, Texas. More than 100 physicians from all over the world funded their own travel and accommodation to perform at the event, swapping their white coats for evening attire.

The proceeds of this concert benefited A Children's House, which provides comprehensive paediatric dermatology services for patients in a comfortable and nurturing environment. Dr Jerry Hussong, CEO of Sonic Healthcare USA, gave a welcome address to the attendees, highlighting Sonic's commitment to the continued support of the WDO and a shared vision of advancing global public health initiatives. Sonic Healthcare has been proudly supporting the WDO globally since 2012.



The Art of Healing: Australian Indigenous bush medicine comes to Germany

'The Art of Healing' is an innovative exhibition that showcases artworks depicting the past and present healing practices of Indigenous Australians. Held under the patronage of the Australian Embassy in Germany and supported by Sonic Healthcare Germany, the three-month exhibition was recently staged in Berlin in cooperation with the Medical History Museums of both the Charité University Hospital, Berlin, and Melbourne University.

The exhibition was held in the Charité hospital's historical specimen hall - a location that added an extra dimension to the exhibition. The specimen hall is the place where Professor Rudolf Virchow - widely regarded as one of the founding fathers of pathology - taught in-cell biology and anatomical pathology in the late 1800s. He also created a large collection of anatomical specimens that is still on display today.

During the exhibition, these historic specimens were juxtaposed with prints and paintings by Indigenous Australian artists, depicting traditional healing practices, contrasting the different approaches to healing across cultures and time. Evangelos Kotsopoulos, CEO of Sonic Healthcare Germany, said: "The backdrop of Professor Virchow's historical collection allowed the connection between thousands of years of Indigenous Australian healing practices and modern medicine to be displayed in a particularly vivid fashion. We are grateful for the opportunity to participate in such a wonderful art installation."



Improving health outcomes

Sonic's entire operations are focused on improving the health outcomes for population groups and the individual patients we serve. We know the value of timely, accurate results, as well as the impact that a single doctor can have on a patient's life. Sometimes that impact may apply to a single patient; at other times our services benefit an entire community. And for every patient we reach, there are ripple effects through to their family, friends, co-workers and the wider community.

Testing for individual breast cancer risk in Switzerland

In the early 1990s, genomic identification and sequencing identified BRCA1 as the major gene responsible for early-onset hereditary breast and ovarian cancer. This discovery led to significant breakthroughs in the prevention of cancers with a hereditary predisposition.

However, most breast cancers are not hereditary and, in the last two decades, scientific advances have allowed doctors to determine a woman's personal risk of developing the most frequent forms of non-hereditary breast cancer. This mathematical tool is known as a polygenic risk score (PRS).

PRS is a mathematical formula that captures the combined effects of hundreds to thousands of genetic variants called single nucleotide polymorphisms (SNP). Individually, these SNPs only confer a tiny breast cancer risk (one hundredth that of BRCA1 mutations), however, jointly they are responsible for breast cancer risks similar to that of certain mutations. SNPs occur much more frequently than single gene mutations, so understanding how they work has the potential to benefit large numbers of women.

Medisupport in Switzerland has developed a PRS test that provides a personalised breast cancer risk score. The PRS score allows younger women to be assigned to a risk-appropriate screening scheme specific to their circumstances. This earlier intervention may help to save the greatest number of precious, young lives, while also improving public healthcare in Switzerland.

Cervical screening services for the women of London

In recent years, many cervical screening programs have moved from traditional Pap testing to human papillomavirus (HPV) testing, in line with the knowledge that 99% of cervical cancer is caused by persistent infection with certain types of HPV.

In late 2019, the UK cervical screening program moved to HPV testing. Cervical Screening London (CSL) was appointed as the sole provider of HPV testing in London. CSL is a partnership between Health Services Limited (Sonic's joint venture lab), NHS England/NHS Improvements and London North West University Hospital. Their engagement entailed a complex transformation of London's cervical screening service, changing testing methods and consolidating 10 existing cervical screening services into one central laboratory.

In March 2020, a state-of-the-art, fully integrated cervical screening facility was opened in Sonic Healthcare UK's flagship laboratory, the Halo. The new laboratory is functioning as a centre of excellence in modern integrated cervical screening, setting new standards for best practice in high-volume cervical screening. In addition to cancer testing, CSL is also focused on related training, teaching and research to further support the cervical screening needs of the women of London.



Abigail Breach | Senior Biomedical Scientist, HSL, UK

Big Bird benzo trial

Benzodiazepines are a type of sleeping tablet, and their over-consumption is a well-known problem. The Clinical Trials department of Sonic's Belgian laboratory, AML, has been selected to be part of the Belgian Government's Big Bird benzo trial, to evaluate two strategies to encourage patients to discontinue their chronic benzodiazepine use.

All patient-participants will be recruited by general practitioners in Belgium. Over a one-year period, 3,600 urine samples from 1,200 patients will be analysed for the presence of benzodiazepines.

AML was selected because of its comprehensive and highly sensitive testing method that identifies and quantifies all benzodiazepines (including metabolites) currently available in the Belgian market.

Education

Medicine is a continually evolving discipline. As scientific and technological breakthroughs expand the boundaries of our medical knowledge, so too do the educational needs 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, diagnostic imaging and general practice. We are actively involved in three broad areas of medical education:

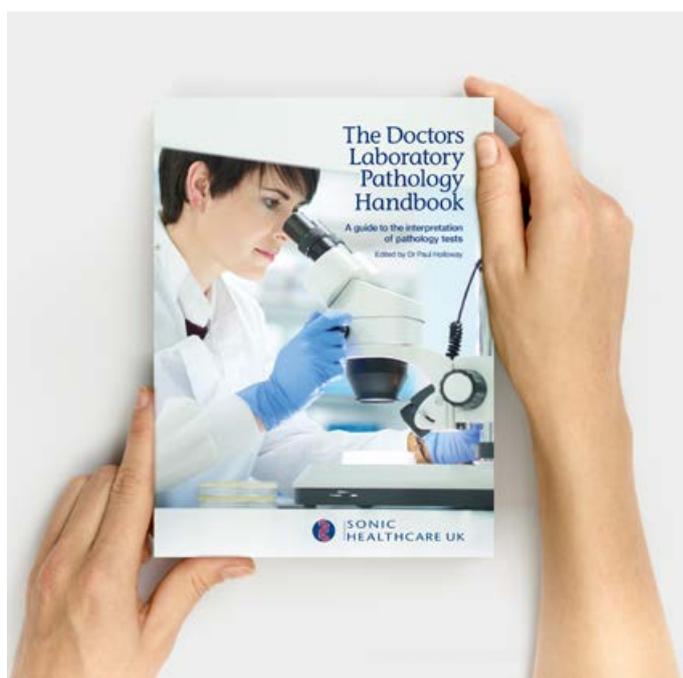
- Improving the knowledge of our referrers
- Contributing to publications, craft groups, steering committees, boards and other professional organisations
- Training the next generation of medical professionals

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

Improving the knowledge of our referrers

Throughout the world, Sonic practices provide referring doctors with a variety of educational opportunities.

From seminars and newsletters, through to surgical audits, multidisciplinary meetings and conference presentations, Sonic's medical experts are continually looking for ways to share their knowledge with other medical professionals.



Helping clinicians to interpret pathology tests

The Doctors Laboratory (TDL) in London, UK, has published a comprehensive handbook outlining the context, background and additional guidance for more than 1,000 tests that are available to clinicians.

Based on the successful Sonic Pathology Australia Handbook, the project took almost four years to complete, with all content rewritten from a UK perspective, together with the inclusion of several additional tests. Consultants from across TDL's network were involved in reviewing and updating the Handbook content, and Dr Paul Holloway, the Handbook Medical Editor, provided regular updates at Consultant group meetings.

The 1,200-page handbook was distributed to The Doctors Laboratory clients in December 2019, and the TDL TestGuide app was launched for iOS and Android, alongside the book.

Promoting the practice of good medicine

Medicine is a continually evolving discipline, and Sonic Healthcare has always recognised the important role we play as leaders and educators.

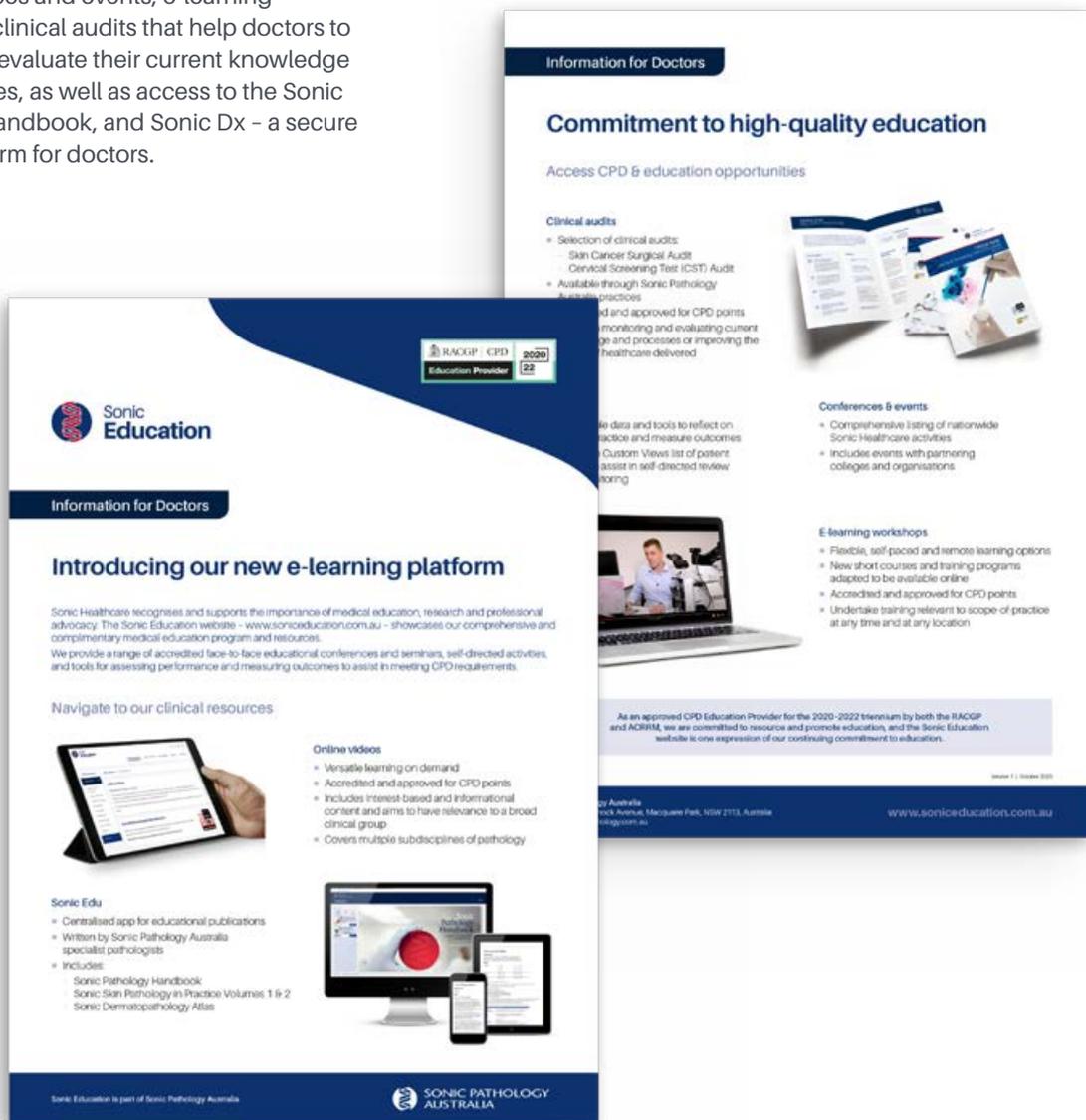
As part of our commitment to sharing knowledge and expertise, Sonic's Australian divisions have launched Sonic Education, a new online learning platform that showcases a comprehensive range of medical education programs and resources for doctors and healthcare professionals.

The dedicated education website - www.soniceducation.com.au - outlines the accredited face-to-face educational conferences and seminars available to clinicians, and also provides self-directed activities.

Most courses attract continuing professional development (CPD) points, and the site includes tools to help assess performance and measure outcomes, as part of the CPD requirements.

All content has been developed in collaboration with our specialist pathologists, radiologists, medical practitioners and scientists, and Sonic's Australian practices offer learning activities across the country through our network of diagnostic practices and clinical service groups.

Other resources on the site include online training videos, course bookings for conferences and events, e-learning workshops, clinical audits that help doctors to monitor and evaluate their current knowledge and processes, as well as access to the Sonic Pathology Handbook, and Sonic Dx - a secure results platform for doctors.



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 texts as another way of sharing their unique knowledge and experiences.

Award winning research

Douglass Hanly Moir Pathology (DHM) pathologists and scientists have been awarded the Medical Journal of Australia/MDA National Prize for Excellence in Medical Research for their paper 'Routine cervical screening by primary HPV testing: early findings in the renewed National Cervical Screening Program'. Led by DHM Medical Director Adjunct Professor Annabelle Farnsworth, and in conjunction with colleagues from the Centre for Women's Infectious Diseases at Royal Women's Hospital, Melbourne, and the University of Melbourne, the work looked at the implementation and interpretation of Australia's 'renewed' National Cervical Screening Program. Australia was one of the first countries in the world to use HPV testing for cervical screening and the paper highlights the usefulness and accuracy of high-quality cytology as a triage test.



Recognition from their peers

Several Sonic Healthcare pathologists have received official recognition for ongoing contributions to the profession.



Adjunct Professor Fiona Bonar OAM |
Douglass Hanly Moir Pathology, Australia

Adjunct Professor Fiona Bonar OAM, a histopathologist at Douglass Hanly Moir Pathology in Sydney, Australia, has received the Royal College of Pathology Australasia's Distinguished Pathologist Award, the International Academy of Pathology Distinguished Pathologist Award (Australasia), and the Medal of the International Skeletal Society. A/Prof. Bonar's main expertise is in the histopathology of bones, joints and soft tissue.

Associate Professor Ken Sikaris, a chemical pathologist at Melbourne Pathology in Melbourne, Australia, has received the Geoffrey Kellerman Award from the Australasian Association for Clinical Biochemistry and Laboratory Medicine for his commitment to advancing the study and practice of clinical biochemistry, disseminating knowledge, and protecting and promoting the interests of clinical biochemists.

Professor Prithi Bhathal, a histopathologist at Melbourne Pathology in Melbourne, Australia, received the Australasian Gastrointestinal Pathology Society's Distinguished GI Pathologist Award in recognition of his enormous contribution to gastrointestinal and hepatic pathology in Australasia.

Services to pathology and COVID-19 acknowledged in Queen's Birthday honours

Sonic Healthcare UK's Group Medical Director, Dr Rachael Liebmann, and Ann Hannah, Rapid Response Laboratories and Histology Manager, have been recognised in the Queen's Birthday Honours.

Dr Liebmann has been awarded an OBE (Officer of the Most Excellent Order of the British Empire) in the Queen's Birthday Honours in recognition of her services to pathology. Ann Hannah has been awarded a BEM (British Empire Medal) for her services to healthcare during the COVID-19 pandemic.

Chief Executive of Sonic Healthcare UK, David Byrne, said: "We are absolutely delighted and warmly welcome Rachael and Ann's awards, which are hugely deserved. Both have worked tirelessly throughout the pandemic to ensure our laboratories have functioned efficiently and safely in times of extreme challenge."

Dr Liebmann said: "To be awarded an OBE for my services to pathology is an absolute privilege and is due to the amazing support I have had from my colleagues. It is really a testament to the recognition of the importance of pathology tests now more than ever."

Ann Hannah said: "This is a tremendous honour but all that we achieved, we achieved as a team so the honour is mine to share."



Dr Rachael Liebmann | Group Medical Director, Sonic Healthcare UK

In addition to her role at Sonic, where she provides clinical oversight for The Doctors Laboratory and Health Services Laboratories, Dr Liebmann is a Consultant Histopathologist at Queen Victoria Hospital NHS Foundation Trust (QVH) and Vice-President of the Royal College of Pathologists. She has been recognised by her peers as one of the world's 100 most influential pathologists, been shortlisted for the Health Service Journal Clinical Leader of the Year, and has also received the Royal College of Pathologists Medal for Distinguished Service.

During COVID-19 QVH was designated a specialist surgical cancer hub, treating patients with high-risk cancers (head and neck, skin and breast) from hospitals across Kent, Surrey and Sussex, with pathology provided by Dr Liebmann and her team.

Ann Hannah is a Fellow of the Institute of Biomedical Sciences (cellular pathology), has a diploma in Medical Laboratory Management, and a Masters in Business Administration from the University of Westminster, where she was awarded a distinction, which has been invaluable in the complex provision of links with Health Services Laboratories and their NHS Trust partner and client hospitals.



Ann Hannah | Rapid Response Laboratories and Histology Manager, Sonic Healthcare UK

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, University of Melbourne, Queensland University of Technology, James Cook University, University of Western

Australia, University of Texas, Texas A&M University, University of Michigan, Boston University, University of Hawaii, University of Tennessee, University of Memphis, University of Heidelberg, University of Mainz, Charité Berlin (University Hospital), University College London, 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.

In FY2020, more than 2,200 graduates and postgraduate students attended our facilities as part of their coursework.

Yardsticks: Training local and overseas pathologists

Yardsticks in Surgical Pathology is a comprehensive education workshop that has trained hundreds of Australian and overseas registrars in anatomical pathology. Developed by Dr Esther Myint from Douglass Hanly Moir Pathology (DHM), and conducted by Dr Myint and her pathologist colleagues at DHM, the intensive course has been held in Sydney, Australia, for the last five years.

In 2017, Dr Myint also took Yardsticks abroad, helping to train pathologists in Myanmar (Burma). She has returned annually, growing the course to almost 100 participants, many of whom return every year. The course is the only updated training available to reporting pathologists and registrars, and Dr Myint sees it as an important opportunity to improve the pathology standards in a region that isn't as well-resourced as Australia. In 2018, three trainees who had attended her two previous Myanmar courses successfully passed their MRCPATH (Part 1) exam from the UK in Singapore, the first trainees

to do so for more than three decades, which is further evidence of the importance of this training.

A remarkable feature of Yardsticks is that it has successfully broken down some of the 'silos' that traditionally exist in Myanmar between pathologists working in the public system, the private sector, medical institutions and the army. Participants from all these sectors attended the 2019 course, an important step in instituting pathology's culture of sharing knowledge. DHM histopathologist, Clinical Associate Professor Fiona Maclean, also accompanied Dr Myint to the Myanmar yardsticks course in 2019.

In 2019, fellow-DHM pathologist Dr Lawrence Mokgwathi took Yardsticks to Botswana, where he trained eight attendees from the School of Medicine at the University of Botswana, further expanding the reach of this important educational resource. Once travel is allowed again, Dr Mokgwathi plans to return annually to deliver the training.



Participants from the 2019 Yardsticks course. Dr Esther Myint is in the front row centre (in navy), and A/Prof Fiona Maclean is in the front row, fourth from the right (also in navy)

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RESPECT
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RESPECT
FOR OUR
ENVIRONMENT

GOVERNANCE

PERFORMANCE
METRICS

Respect for our environment





BMW i3 electric courier car | Labor 28, Germany

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

Respect for our environment

Sonic Healthcare has a proud track record of adhering to all applicable environmental regulations and legislation in the locations in which we operate. Our Environmental Policy seeks to minimise the negative impacts our businesses may have on their surroundings. Fortunately, healthcare is not a significant polluter or energy consumer, however, we recognise the need to continually explore opportunities that deliver long-term environmental benefits.

A cleaner future

Sonic Healthcare recognises the Intergovernmental Panel on Climate Change’s finding that warming of the climate system has been significantly influenced by human activity. We understand that the impacts of climate change could present physical, natural and human risks for our federation of medical practices, 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. The Board has assessed the impact of climate change on key areas of our business and has concluded there are no substantive risks to our operations.

Our environmental blueprint

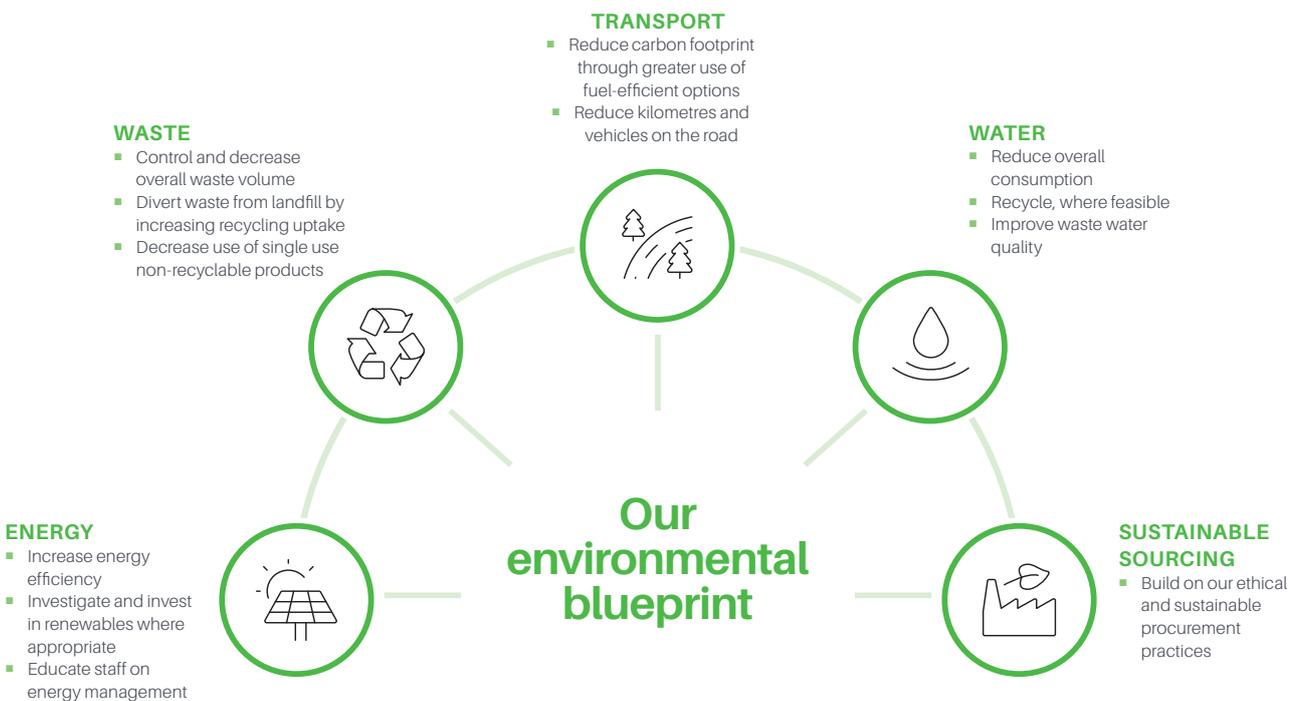
Company Conscience is one of our Medical Leadership Principles. As the effects of global warming become more evident, Sonic is committed to actively reducing our environmental footprint so we can all look towards a cleaner future. An environmental blueprint is currently being developed that can be flexibly adopted across all global divisions, in line with local regulations and legislation.

This multi-step project involves reviewing our current approaches, working with our divisions and suppliers to develop best practices and setting targets that will lead to a quantifiable reduction in carbon emissions.

The project is using Australia as a test case, and has identified five main areas of focus:

- Energy
- Waste
- Transport
- Water
- Sustainable sourcing

All other divisions will continue with their own sustainability initiatives and will tie these into the global environmental blueprint when it is fully developed.



Energy

In early 2020, an expert energy firm was engaged in Australia to complete a countrywide review of our energy strategy. Within the framework of reducing our overall carbon footprint, the review evaluated our current energy usage, infrastructure and practices, defined our objectives, and provided options and recommendations for achieving them.

The environmental blueprint for energy refined our focus into three areas:

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

A number of project tasks have been identified, some of which have begun already, including:

- LED lighting upgrade program across facilities
- Efficiency assessment of existing heating, ventilation and air-conditioning (HVAC) systems
- Optimisation of building management systems
- Assessment of renewable energy options, including our increasing investment in solar panels

Increased energy efficiencies are also a key consideration in the construction of all new facilities, as well as the retrofitting and refurbishing of existing premises.

Seeing the light: A US case study on LED

How much difference does LED conversion really make?

Sunrise Laboratories, based in Long Island, New York, recently completed a project that saw 963 standard light fixtures in their laboratory replaced with LEDs. The five-month project is now complete and the benefits are quite clear, with energy savings that equate to more than 350,000 kWh per annum, and energy bill reductions of more than US\$100,000 per year.

LED conversion also has other benefits. With a typical lifespan of 10 years, the need to change bulbs and ballasts has been eliminated – something that was previously a daily function. LEDs have also eliminated the need for the hazardous waste collection, storage and disposal costs associated with fluorescent fixtures.



Lighting the way

Under the recently developed environmental blueprint, Sonic has accelerated investment in LED lighting upgrades across many of its facilities in FY2020. Within Australia, 20 additional IPN medical centres have been upgraded this year, together with several diagnostic imaging practices and pathology laboratories. This targeted investment has provided a 36% increase in the number of LED lighting fixtures installed across the facilities.

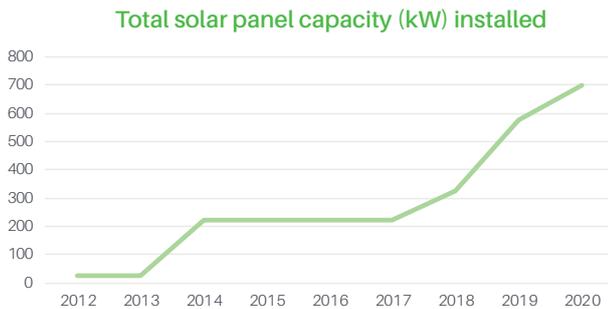
To date, the Australian LED upgrade initiative has resulted in the replacement of more than 20,000 light fittings to energy efficient LEDs. This has delivered an estimated energy saving of approximately 4,200,000 kWh, and a CO₂ emissions reduction of approximately 3,400 tonnes per annum.

In addition to the improved energy efficiencies, the lighting upgrades have reduced the volume of lighting fixture waste due to the substantially greater lifespan of LED lights compared to traditional lighting fixtures. Improvements in HVAC efficiency have also been achieved due to the reduced heat load from LEDs. Staff and patients have also benefited from an improved aesthetic.

Lighting upgrades are a key component of Sonic's energy efficiency strategy, and further upgrades are planned across Sonic's facilities as part of the ongoing commitment to reduce energy consumption.

Investment in solar

Sonic has been investing in solar panels for nearly 15 years. To date, we have installed more than 2,300 solar panels across a number of our main facilities, with an accumulated capacity of 697 kilowatts. In addition to this capacity, solar panels have been installed in smaller tenancies across our pathology, diagnostic imaging and general practice networks. Where possible, Sonic explores the feasibility of introducing solar energy production and other energy efficient systems into all facility design and selection.



Queensland X-Ray goes solar at Westcourt

In June 2020, Queensland X-Ray strengthened their commitment to improving the sustainability of practices and reducing their energy emissions by installing a 38 kW capacity solar system at their Westcourt practice in Cairns.

The Westcourt practice was one of five sites initially identified by Queensland X-Ray for solar panel installation. The location was chosen due to the high kW consumption of the practice (mainly attributable to equipment and air-conditioning), the abundance of sunshine in Cairns and the large flat roof installation area.

The solar system consists of 90 panels and is estimated to generate 56,133 kWh annually. This will save approximately 45 tonnes in CO₂, which currently accounts for 25% of the Westcourt practice's current power usage, and is equivalent to planting more than 550 trees!

Waste

A comprehensive review of Sonic's waste management was recently undertaken across all Australian divisions as part of our environmental blueprint. The review included the assessment of suppliers, the consolidation of waste services (while observing key regulatory obligations), the implementation of quality metrics and an overall goal of achieving a higher recycling rate.

Our 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 low-volume use, non-recyclable products

Waste can be categorised into different waste streams, which can help to develop targeted waste-reduction strategies. Broadly there are two forms of waste in our business, medical waste and general waste (or non-medical waste).

Medical waste

The disposal of medical waste must adhere to strict regulatory requirements. To minimise any environmental risk, Sonic contracts with reputable, licensed businesses that specialise in the disposal of medical waste. This waste handling is subject to regular review by external parties as part of our laboratory accreditation processes. In our 33-year history, Sonic is not aware of a single issue of note arising in relation to our management of medical waste.

General waste (non-medical waste)

General waste includes recyclables, such as cardboard, paper, bottles and aluminium cans, as well as other waste, such as e-waste, food, radiological film and polystyrene, all of which have potential for recycling. Our general waste reduction strategy is:

- 1) Increase recycling
- 2) Decrease the usage of low-volume use, non-recyclable products

Sonic is currently expanding the footprint of recycling receptacles and actively educating staff and customers on recyclable and non-recyclable products. We are committed to stop purchasing low-volume use, non-recyclable products wherever possible. This includes removing polystyrene portable coolers in Australia (currently used to transport specimens from medical clinics to laboratories) and reducing the usage of film in diagnostic imaging practices (see below). We are also in the process of setting short- and long-term targets coupled with the introduction of audit programs. These targets will come into effect in 2021.

This strategy is supplemented by the provision 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.

A selection of other waste reduction initiatives is described overleaf.

Waste reduction initiatives



Reduction in film usage

Over the last several years, Sonic's diagnostic imaging 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 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 2020. Pleasingly, this was met and exceeded with a decrease of more than 30%.



Shareholder communication

Sonic encourages its shareholders to access all communications electronically to reduce the energy and water resources associated with paper and print production. More than 97% of Sonic shareholders now opt to receive an electronic version of the Annual Report, or have the option to view it online. More than 64% 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.



Removing polystyrene from landfill

Sonic's Queensland laboratory, Sullivan Nicolaides Pathology, has successfully diverted more than 16 tonnes of polystyrene from landfill by using specialised polystyrene compacting equipment to densify it by up to 90%. The by-product can then be recycled into new products, such as furniture and construction materials. Sonic is looking to expand this program, and will also continue to work with suppliers to encourage the use of sustainable alternatives to polystyrene for the transportation of goods.



Digital delivery to reduce paper

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%. This project will be expanded in 2021.

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.



Going green in Ireland

MedLab Pathology in Dublin, Ireland, may be one of Sonic's smallest labs, but it is leading the way when it comes to protecting the environment. When the practice was first established in 2010 recycling options in Ireland were largely limited to general waste. However, in the last 10 years, suppliers have slowly recognised the demand for recycling of paper and plastic waste, and this trend has expanded to include a demand for recycling of items, such as food waste and aluminium. As a company with a young workforce, MedLab thrives on being green and recognises the link between operating as sustainably as possible and the future care of our planet.

MedLab recycles at least 70% of all non-medical waste products, including plastic, cardboard, paper, aluminium and coffee pods. The canteen facilities provide specialised bins for paper and plastic waste, while water fountain cups and coffee pods are biodegradable. All paper is shredded and recycled, and aluminium cans are recycled separately. Cardboard packing boxes that are used for the transportation of samples are kept in circulation and recycled in conjunction with our hospitals and clinics, further reducing waste and the requirement for new packaging with every order/delivery.

Transport

Our environmental blueprint for transport focuses on three main areas:

- 1) Fleet vehicles
- 2) External freight and courier services
- 3) Employee journey to and from work

Our objective is to reduce our carbon footprint through greater use of fuel-efficient transport options and the reduction of kilometres/miles and vehicles on the road.

Fleet vehicles

The transportation of patient specimens and reports 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 nearby laboratories located throughout our network.

Even though our business model is focused on localised testing, substantial logistics are involved in our operations and represent 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 transport for pathology specimens 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. Fifty new hybrid vehicles were added to the fleet in FY2020, most of them replacing traditional vehicles.

Depending on the physical location of each laboratory, we also use other low-carbon or zero-carbon transportation initiatives, such as electric scooters, train transportation and even deliveries made on foot.

Encouraging doctors to receive their pathology and imaging reports electronically yields significant environmental benefits, not only by decreasing paper usage but also by reducing the carbon footprint associated with delivering results back to them by courier.

Use of external freight and courier services

Although our use of external freight and courier services is not large compared to our internal fleet resources, we have established similar objectives to those for our fleet, being a focus on lower-carbon transport and reducing the use of freight and courier options where possible.

Employee journey to and from work

Many of our facilities, particularly those that have been commissioned more recently, consider employee transport options during the scoping and design phases. This includes factors such as end-of-trip facilities for staff deciding to walk or ride to and from work, as well as proximity of public transport.

Our goal is to encourage and enable staff to consider the use of more environmental friendly modes of transport to and from work.



Water

Although Sonic is not a significant consumer of water, we recognise our responsibility to minimise the use of this precious resource. We have established three objectives for our water environmental blueprint:

- 1) Reduce consumption
- 2) Increase recycling where feasible
- 3) Improve waste water quality

The initiatives we are pursuing to meet these objectives include education, installation of water-saving fixtures, such as sensor taps and low-flow tap heads, harvesting of rain water and filtration of waste water.

Consideration of water consumption is also included in procurement decisions where equipment uses water in its process.



Sustainable sourcing

Sonic's [Supplier Policy](#) outlines our commitment to ethical and sustainable procurement practices that also adhere to our commitment to eradicate modern slavery.

From a sustainability perspective, we expect all suppliers, service providers and supply chain partners to comply with all relevant laws and regulations, to conduct their business in an ethical manner, and to adopt environmentally sustainable business practices.

In addition, Sonic expects suppliers to proactively manage and reduce their environmental impact and conduct their business operations in a manner that promotes environmental sustainability. When choosing significant suppliers, a formal assessment is made of their environmental policies and credentials. We also visit supplier and service provider sites to conduct inspection audits.

Equipment selection

Sonic formally assesses water usage, power requirements and consumables packaging when purchasing equipment. The selection of significant suppliers is also subject to a formal assessment of their environmental policies and credentials, in accordance with Sonic's Supplier Policy.

Reducing our carbon footprint

Sonic's [Environmental Policy](#) outlines our commitment to understanding and minimising our environmental footprint, and to exploring opportunities that deliver long-term sustainable environmental benefits. Our environmental blueprint and its five elements set out to achieve this through identifying opportunities for energy efficiency initiatives, including the use of renewable energy systems, such as solar energy and investment in fuel efficient vehicles.

Sonic reports the following data under the Australian National Greenhouse and Energy Reporting Act 2007:

Australian greenhouse gas emissions (tonnes CO ₂ -e)			
	2020	2019	2018
Scope 1 (mainly fuel and natural gas usage)	8,450	8,380	8,223
Scope 2 (mainly electricity usage)	56,529	58,276	58,322
Energy consumed (GJ)	384,187	388,645	387,013
Reduction in energy consumed per patient	2.3%	1.3%	2.8%

In FY2020, energy consumption decreased by more than 1% and greenhouse gas emissions decreased by more than 2.5% across our Australian businesses.

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Governance





Delivering against the UN Sustainable Development Goals (SDGs)



Achieve gender equality and empower all women and girls



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



Reduce inequality within and among countries

Governance

The provision of quality healthcare requires an adherence to the highest medical and ethical standards. Sonic Healthcare not only meets the requirements of these standards, but also strives to continually exceed them. This commitment to quality is inherent in everything that we do, and is applied to the clinical, financial, operational and workforce processes and systems throughout our global organisation.



Meeting stakeholder expectations

Our governance structures, frameworks and corporate functions 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 ensures that all aspects of the Group’s operations are conducted ethically, responsibly and with the highest standards of integrity, and the Board has adopted practices and policies designed to achieve these aims. There are two elements to the governance of companies: performance and conformance. Both are important, but it is critical that 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 2020 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 our Corporate Governance Statement in our 2020 Annual Report, which can be found on our website.



Policies and charters

Sonic Healthcare has always had a culture of acting ethically, responsibly and lawfully. We see this as a natural extension of the responsibilities associated with delivering first-class healthcare services.

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

Our policies are regularly reviewed to reflect changes in legislation and to make sure that we align with changing community expectations and values. We recently updated our [Code of Conduct](#), [Supplier Policy](#), [Labour Standards and Human Rights Policy](#), [Global Whistleblower Policy](#) and [Board Charter](#) to ensure they align with the expectation and requirements of the UK and Australian modern slavery legislations.

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

Workplace reporting

Sonic encourages staff to report any incidents, misconduct, illegal acts or other behaviours that could adversely impact the reputation of Sonic Healthcare. In addition to policies relating to employee conduct, our [Global Whistleblower Policy](#) is an overarching global policy 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 for both supervisors and staff ensures that a culture of workplace reporting is fostered throughout the organisation. The culture of no-blame also encourages an increased level of reporting, which means that errors and problems are likely to be captured more 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](#).

Mitigating modern slavery

The hidden scourge of modern slavery has gained growing awareness in developed countries, some of whom have enacted legislation that forces government departments and organisations to actively work towards 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 in the throes of developing their own requirements.

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 is central to our success in the communities in which we operate.

Responding to modern slavery legislation

Modern slavery legislation was enacted in the UK in 2015. Sonic Healthcare UK responded by undertaking a high-level assessment of key business areas to evaluate the impact of the legislation and determine the appropriate course of action. This included a gap analysis of the current position, a detailed risk assessment to identify focus areas, an assessment of required changes to policies and procedures, and development of an ongoing supplier engagement program.

A due diligence questionnaire was then used to engage with suppliers to understand their approach to identifying and addressing modern slavery risks. While most suppliers are deemed to be low-risk, a minority of suppliers are considered to be medium- or high-risk and we are working with them to better understand their approach, identify any gaps or non-conformance, and discuss any action required.

Sonic Healthcare UK has also incorporated modern slavery due diligence and assurances into new supplier approval procedures, tenders and contracts.

Internally, modern slavery mitigation training and workshops have been held for key staff, and our commitment to mitigating modern slavery is also



communicated to employees through newsletters and induction procedures.

A whistleblowing policy has also been communicated to all staff to raise any modern slavery related concerns.

Sonic Healthcare UK has published three modern slavery statements. The [2020 statement](#) is available online. No incidences of modern slavery have been identified in our own business or supply chains.

In Australia, Sonic is developing its response to the Australian modern slavery legislation, and adopting a similar review and supplier engagement process to that performed by Sonic Healthcare UK. The Australian Modern Slavery Act is closely based on the UK Act. Sonic is aiming to publish its first Modern Slavery Statement under the Australian Act by the end of 2020. The due diligence undertaken to date has not revealed any incidences of modern slavery in our operations or supply chains.

Risk

Sonic's Board is ultimately responsible for risk management, and Sonic recognises that risk management is an integral part of the good management and corporate governance practice that 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 2020 Annual Report.

Privacy and data security

Sonic Healthcare is committed to safeguarding the privacy and confidentiality of all information in our systems, including medical information and records and information about our staff and operations. Data security and integrity has always been a critical strategic priority for us, and Sonic meets and often exceeds the data security and privacy requirements in each of its operating countries.

A comprehensive information security management system is in place to support privacy and data security along with staff training and awareness programs. External facing systems are monitored and regularly tested, including third party penetration testing. These protections are continually reviewed and improved as part of our compliance work for specific country requirements (such as KRITIS in Germany, ASD ISM and ISO27001 in Australia, SOC2, ISO27001 and HITRUST in USA).

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 per year to keep our staff abreast of the latest cybersecurity threats, as well as any changes to legislative requirements.

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'.

Securely adapting our IT systems to deal with a crisis

While the world was focused on the 'new normal' brought about by COVID-19 lockdowns and restrictions, Sonic IT, Sonic's in-house IT division, was working around the clock to securely adapt our IT systems to the demands of a rapidly changing environment.

Many Sonic IT staff were temporarily redeployed to COVID-19 priority tasks. Systems were reconfigured to facilitate the exponential increase in demand for remote access for staff working from home, without compromising security or accessibility. Video conferencing replaced most face-to-face meetings, and teams activated Business Continuity Plans and geographically split over multiple locations to keep operations running if an infection occurred.

The move to telehealth general practitioner (GP) consultations resulted in the rapid implementation of new systems that securely allowed paperless referrals. A special module was developed for fully integrated video-consultation that linked the GP's practice management systems and allowed consultations via the GP's clinic computer or personal smartphone.

The large volume of COVID-19 testing in pathology resulted in the implementation of direct-to-patient SMS messages for negative COVID-19 results. Systems were also developed to facilitate significant testing in aged-care facilities.

Like many organisations, the cybersecurity team observed a rapid increase in targeted email phishing, attacks on remote access systems and attempts to infiltrate the Sonic network. Mature IT security strategies, developed over many years, were activated to successfully defend these attacks. Staff cyber awareness training was also increased to ensure that staff remained vigilant and recognised attempts to break in.

The responsiveness, agility and sheer dedication of the entire Sonic IT team allowed all three Australian divisions to adapt to the rapidly changing operational environments with minimal disruption and relative ease.



Quality assurance

A commitment to quality underpins every aspect of Sonic's operations. Our service delivery is predicated on rigorous processes and procedures that are regularly audited and accredited by external authorities to ensure that we are meeting or exceeding the prescribed regulations and legislation.

The importance of quality assurance is reflected in two of our Core Values: Commitment to Service Excellence and Continuous Improvement.

Accreditation

All Sonic practices are fully accredited by the relevant external regulatory bodies in their area. Accreditation compliance is overseen by quality management teams that include medical, scientific, quality and administrative personnel in each business. These teams work collaboratively and objectively, both nationally as well as internationally, to ensure our medical facilities and supporting operations comply with the relevant regulatory standards, reflecting good management and clinical practice at all times.

Accreditation covers all facets of the services provided by each business. Depending on jurisdictional regulations or requirements, this includes the pre-analytical processes, such as specimen collection and delivery to the laboratories, the analytical testing processes, and the post-analytical processes, such as the delivery of patient results to the referring practitioner. Governance and risk management are also key facets of accreditation.

In FY2020, despite the pandemic, more than 1,200 formal quality accreditations and certification audits were performed across all Sonic operating entities by external quality agencies. All Sonic facilities maintained accreditation and certification with no major adverse findings.

Training

Ongoing training is another facet of our commitment to quality. All new staff are formally inducted, and existing staff undergo regular training, with programs focused on upskilling, new systems and methods, and management and interpersonal skills. All scientific and technical staff are highly trained and have regular competency and credentialing reviews to ensure they continue to meet both the regulatory requirements of each country or region and the high internal standards expected by Sonic Healthcare.

Our formal internal scientific and technical training programs for medical registrars and fellows, phlebotomists and sonographers are highly regarded and a number of Sonic practices are also Registered Training Organisations (RTO).



Risk management and internal audit program

Risk management is a key aspect of quality assurance, and all quality teams perform ongoing risk assessments, the outcomes of which contribute to policy-making, strategic planning, regular peer reviews and continuing professional development. These assessments are recorded in our risk management system, which ensures that we can identify, manage and mitigate risks efficiently and effectively.

To assist with ongoing quality improvement process, a customised document management software system, Sonic SmartLab, has been developed. This enables collaboration and benchmarking across the group.

Throughout the year, more than 3,500 internal quality audits, reviews and risk assessments were carried out by qualified staff across the Sonic group, and all findings and improvements were given to senior executive management for review and action to contribute to the continuous improvement process.

Product, platform and method testing

All third party products, instruments and equipment platforms and methods are subject to rigorous validation and compliance testing.

Our laboratories are also 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.'

Tests that are developed in-house are subject to rigorous peer review and full validation of testing methodologies, staff training and external quality assurance processes. These tests must also meet strict regulations and receive appropriate accreditation before being put into 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 15189:2012 Medical Laboratories – Requirements for Quality and Competence (ISO 15189). 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.

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 are accredited by Deutsche Akkreditierungsstelle (DAkkS). Some are also accredited to ISO 15189. 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.

Switzerland

While it is not mandatory to be accredited to ISO 15189, 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 authorisation from the Office Fédéral de la Santé Publique (OFSP) if they wish to perform microbiology or genetic testing.

Belgium

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

UK & Ireland

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). They are also accredited to the College of American Pathologists (CAP) requirements. 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.

Sonic Healthcare's laboratory in Ireland is accredited to ISO 15189 by the Irish National Accreditation Board (INAB).

USA

Sonic's USA 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 15895 by the College of American Pathologists. 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 against 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 policy before they enter into contracts with us. Sonic has recently updated its Supplier Policy including addressing modern slavery risks.

Through acceptance of the current policy, suppliers are required to:

- Comply with all relevant laws, regulations and governmental requirements and directions
- Conduct their business in an ethically appropriate manner
- Pursue environmentally sustainable business practices
- Treat all individuals, including employees and customers, with respect and dignity, including observing all relevant laws and regulations regarding discrimination, equal opportunity and individual and human rights
- Abide by the procedures of customer organisations

Sonic selects suppliers based on their compliance to our Supplier Policy, and on their ability to provide and maintain 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.

Sonic draws from an international supply chain to ensure provision of the best-quality components and supplies available for an acceptable price. Where possible and feasible, Sonic chooses suppliers from local economies, as long as they can deliver equal quality.

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, Sonic has developed a formal supplier relationship management system that involves structured, regular, formal reviews of quality, supply, ongoing support mechanisms and cost containment. Sonic's 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 the communities that we serve to risk damaging Sonic's reputation by adopting aggressive or non-compliant tax practices.

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

- Commitment to ensure 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 2020 financial year, we paid A\$380 million in taxes and remitted a further A\$641 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 2020 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 [2020 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.

Performance metrics

Operations	FY2020	FY2019	FY2018
Countries of operation	8	8	8
Countries where we are ranked No. 1 (market share)	4	4	4
Patient consultations (millions)	116	117	115
Number of laboratories	265	277	257
Number of pathology collection or patient service centres	2,926	2,953	2,982
Number of diagnostic imaging centres	106	107	105
Number of medical centres	230	236	238
Number of external accreditations, audits or reviews	1,287	1,158	764
Number of internal operational audits or reviews	3,569	3,438	4,250
Operations suspended due to adverse accreditation or audit findings	Nil	Nil	Nil

Economic	FY2020	FY2019	FY2018
Revenue (A\$M)	6,832	6,184	5,541
Net profit (A\$M)	528	550	476
Total assets (A\$M)	12,127	9,960	8,201
Debt cover (times)	1.8	2.1	2.5
Total payments to staff (A\$M) ¹	2,936	2,660	2,387
Total taxes paid (A\$M) ²	380	354	274
Total taxes remitted to tax authorities on behalf of staff (A\$M)	641	556	444

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	FY2020	FY2019	FY2018
Total employees	36,443	36,692	35,052
Women in workforce	74.5%	74.8%	75.3%
Women in senior leadership positions	53.4%	53.3%	53.3%
Employees engaged in part-time employment	34.7%	34.1%	35.0%
Temporary staff and contractors engaged within total workforce	2.2%	2.6%	2.3%
Employees with more than 10 years of service	31.3%	31.0%	30.1%
Annual employee turnover	12.7%	16.5%	16.8%
Annual senior leadership turnover	3.0%	6.7%	6.9%
Workforce availability	97.0%	97.1%	97.2%
Employees that took parental leave during the year	2.2%	1.7%	2.0%
Employees that returned after taking parental leave	85.7%	83.0%	84.0%
Lost time injuries per million hours worked (LTIFR)	4.5	4.5	5.0
Average number of days lost per incident	24.3	25.0	18.0
Lost time injury hours as a percentage of total hours worked	0.08%	0.08%	0.06%
Fatalities	Nil	Nil	Nil

Community	FY2020	FY2019	FY2018
Donations (A\$M)	2.6	3.1	2.3
Sponsorships of medical bodies or events (A\$M)	3.4	3.3	1.7
Graduate and postgraduate students tutored at Sonic facilities	2,203	1,925	1,853
Formal onsite training of medical students, registrars and fellows	947	934	803

Environmental	FY2020	FY2019	FY2018
Energy consumed (GJ) ³	384,187	388,645	387,013
Solar panel capacity (kW)	697	574	323
Motor vehicles in the fleet	2,980	2,924	2,825
Kilometres travelled by the fleet (million kms)	117.0	125.9	124.8
Electric or hybrid motor vehicles in the fleet	4.6%	3.0%	1.6%
Vehicles in the fleet with a four cylinder engine or less	96.0%	96.0%	95.4%
Environmental fines or sanctions	Nil	Nil	Nil

3 Australia only



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
Sydney, 2019	<ul style="list-style-type: none"> Sonic Healthcare's Global Head Office and Sonic Clinical Services' Head Office Refurbishment of existing office space 	★★★★★ 5.0 star NABERS Energy Rating*	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Clinpath Pathology New, purpose-built laboratory, offices and warehouse 	★★★★★☆ Designed to achieve a 4.5 star Australian Building Greenhouse Rating	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Queensland X-Ray Administration Refurbishment of existing building 	★★ 2.0 star NABERS Energy Rating*	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Australian IT data centre Refurbishment of existing building 	Not formally rated	<ul style="list-style-type: none"> 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 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
Brisbane, 2016	<ul style="list-style-type: none"> Sullivan Nicolaidis Pathology New purpose-built laboratory 	★★★★★☆ 4.5+ stars NABERS Energy Rating*	<ul style="list-style-type: none"> Motion sensor LED lighting 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	<ul style="list-style-type: none"> Capital Pathology New purpose-built laboratory 	★★★★★ 5.0 star NABERS Energy Rating*	<ul style="list-style-type: none"> DALI lighting system 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	<ul style="list-style-type: none"> Clinipath Pathology New purpose-built laboratory, offices and warehouse 	★★★★★ Section J energy efficiency compliance	<ul style="list-style-type: none"> LED lighting system with daylight harvesting and sensors Efficient heating, ventilation and air-conditioning (HVAC) system Recyclable materials used throughout
Sydney, 2007	<ul style="list-style-type: none"> Sonic's corporate headquarters and Douglass Hanly Moir Pathology laboratory 	★★★★★☆ Designed to achieve a 4.0–4.5 star Australian Building Greenhouse Rating	<ul style="list-style-type: none"> Designed to reduce power consumption Harvest rainwater Filter wastewater Solar panels 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

St Ingbert, 2017	<ul style="list-style-type: none"> Labdiagnostik New purpose-built laboratory 	<ul style="list-style-type: none"> 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 Installation of solar panels on the roof
Ingelheim, 2016	<ul style="list-style-type: none"> Bioscientia New purpose-built extension to the existing laboratory 	<ul style="list-style-type: none"> 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
Berlin, 2014	<ul style="list-style-type: none"> Labor 28 New purpose-built laboratory 	<ul style="list-style-type: none"> Installation of solar panels producing an output of 33,750 kWh p.a. (saving 22,463 kilograms of CO₂ p.a.) 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

London, 2020	<ul style="list-style-type: none"> The Doctors Laboratory and Health Services Laboratories Refurbishment of existing building (Whitfield St laboratory) 	Not formally rated	<ul style="list-style-type: none"> Installation of LED lighting Installation of new mechanical plant to maximise energy efficiencies and loads Installation of filtered mechanical ventilation to improve air quality
London, 2016	<ul style="list-style-type: none"> The Doctors Laboratory and Health Services Laboratories Refurbishment of existing building (Halo laboratory) 	Very Good BREEAM score [^]	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Sonic Reference Laboratory New purpose-built laboratory 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Clinical Labs of Hawaii Refurbishment of existing building 	<ul style="list-style-type: none"> 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



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