SONIC HEALTHCARE LIMITED

Sustainability Report 2022

Contents

Sonic Healthcare acknowledges the Traditional Owners of Country throughout Australia. We pay our respects to Elders past, present and emerging, and extend this recognition and respect to Indigenous peoples around the world.

About this report

Sonic Healthcare's FY2022 Sustainability Report outlines our ongoing commitment to environment, people, communities and good governance. This report was previously known as our Corporate Responsibility Report.

This Sustainability Report covers the period from 1 July 2021 to 30 June 2022, and complements our 2022 Annual Report and Modern Slavery Statement. It has been endorsed by the Chief Executive Officer of Sonic Healthcare and approved by the Sonic Healthcare Board on 14 November 2022.

Sonic Healthcare's Sustainability Report has not been independently assured, 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.

Increased levels of external assurance will be adopted as our sustainability reporting matures.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards and applicable Sustainability Accounting Standards Board (SASB) Health Care Delivery Disclosure Topics. We have also included reference to the United Nations Sustainable Development Goals (UNSDGs).

Independent recognition

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

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

Contact us

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

Sonic Healthcare Limited ACN 004 196 909 (Sonic) is an Australian public company listed on the Australian Securities Exchange (ASX: SHL).

Sonic's registered office is Level 22, Grosvenor Place, 225 George Street, Sydney NSW Australia. For a list of Sonic operating subsidiaries covered by this Report, please refer to Note 30 in Sonic's Annual Report 2022, available at www.sonichealthcare.com/annual-reports.

Introduction

Sonic Healthcare is committed to operating in a sustainable, ethical and responsible way across all facets of our operations — medical, financial, organisational, social and environmental. We have a variety of policies and programs that operate locally and globally, aimed at fostering a sustainable working environment for our staff, suppliers, customers and communities. This is consistent with several of our Foundation Principles — 'Respect for our people', 'Company conscience' and 'Operational excellence'.

CEO's Message

I am pleased to share with you the Sonic Healthcare FY2022 Sustainability Report.

Sonic Healthcare is committed to delivering long-term stakeholder value, which is sustainable and achieved in a responsible and caring manner.

Our purpose as a company has always been clear – we exist to help sick people, to diagnose disease, and to help prevent disease. Over the past two years, the COVID-19 pandemic has posed unprecedented challenges to society. Sonic Healthcare, represented by our 40,000-plus employees in seven countries, has played a pivotal role in providing solutions to support our communities through this crisis. Despite significant challenges and personal hardships, Sonic's contribution has been extraordinary, shining a bright light on the resilience, commitment and cultural depth of the company.

In tandem with our intense focus on pandemic imperatives over the past few years, we have also remained fully dedicated to our sustainability strategy – to fulfil our promise of integrity and ethical practice, respect for our people and care for the planet.

In 2022, we established official sustainability governance and management structures and completed our first formal materiality assessment to identify the most significant sustainability aspirations for our stakeholders, including those offering the greatest impact on our long-term viability. Our sustainability strategy is outlined in detail throughout this publication.

In addition to fulfilling our core purpose to improve the health of individuals and communities, our sustainability strategy describes our commitment to address climate change, nurture supportive and fulfilling workplaces, and maintain confidence and trust in our business through good governance.

The 2022 Sustainability Report introduces a new format of reporting, which reflects these changes and goals, and incorporates alignment to the Global Reporting Index (GRI) reporting standards and, as in previous years, to the United Nations Sustainability Development Goals.

Sonic has always taken an active role in the corporate responsibility space, particularly in relation to the support of our people and those in our local and global communities. For more than two decades, sustainability has formed one of our key Medical Leadership Principles ('Company Conscience') and continues to be demonstrated across all facets of our organisation.

As an extension to our sustainability commitment, Sonic has established the Sonic Healthcare Foundation, which formalises and centralises our commitment to funding healthcare projects that support underprivileged and underserved communities, including those with special needs.

I wish to take this opportunity to thank the Sonic people across our global network who have worked so tirelessly in support of pandemic control. It has truly been a privilege to lead the company through these difficult and unprecedented times.

Dr Colin Goldschmidt
CEO – Sonic Healthcare
14 November 2022

Sonic Healthcare is committed to delivering long-term stakeholder value, which is sustainable and achieved in a responsible and caring manner.

Our 2022 performance highlights

Environment

Net zero
Commitment to net zero by 2050

4%
Reduction in scope1 & 2 emissions intensity

1.1 M kWh
Electricity generated from on-site solar panels

10.3%
Hybrid/electric motor vehicles in the fleet

Our people

41,478
Total employees

38%
Women in executive senior leadership positions[1]

3.3
LTIFR[2] (vs relevant healthcare benchmark of 4)

78.5%
Staff with access to EAP or comparable support program

Communities

145 M
Patient consultations

3,000+
Patient access points

$7 M[3]
Donations and sponsorships

$678 M[3]
Taxes paid[4]

1 Includes CEO or head of each reporting business unit and their executive management teams

2 Lost-time injury frequency rate reflects the number of injuries with more than eight hours' lost time per one million hours worked

3 All dollar amounts in this report are in Australian dollars, unless otherwise specified

4 Direct and indirect taxes, levies and duties, including employment-related taxes but excluding taxes paid on behalf of employees and GST/VAT

UNSDGs

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

Throughout this report we have used the SDG icons to indicate where we believe our activities align with SDG targets. For more information, see pages 90-98.

About Sonic

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

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

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

We employ more than 1,800 pathologists and radiologists, and more than 14,000 medical scientists, radiographers, sonographers, technicians and nurses, all of whom are led by highly experienced medical personnel, from Board level through to the management of our local practices.

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

USA
Pathology/Laboratory Medicine

Employees
8,644

Revenue
A$2,169M (23%)

UK
Pathology/Laboratory Medicine

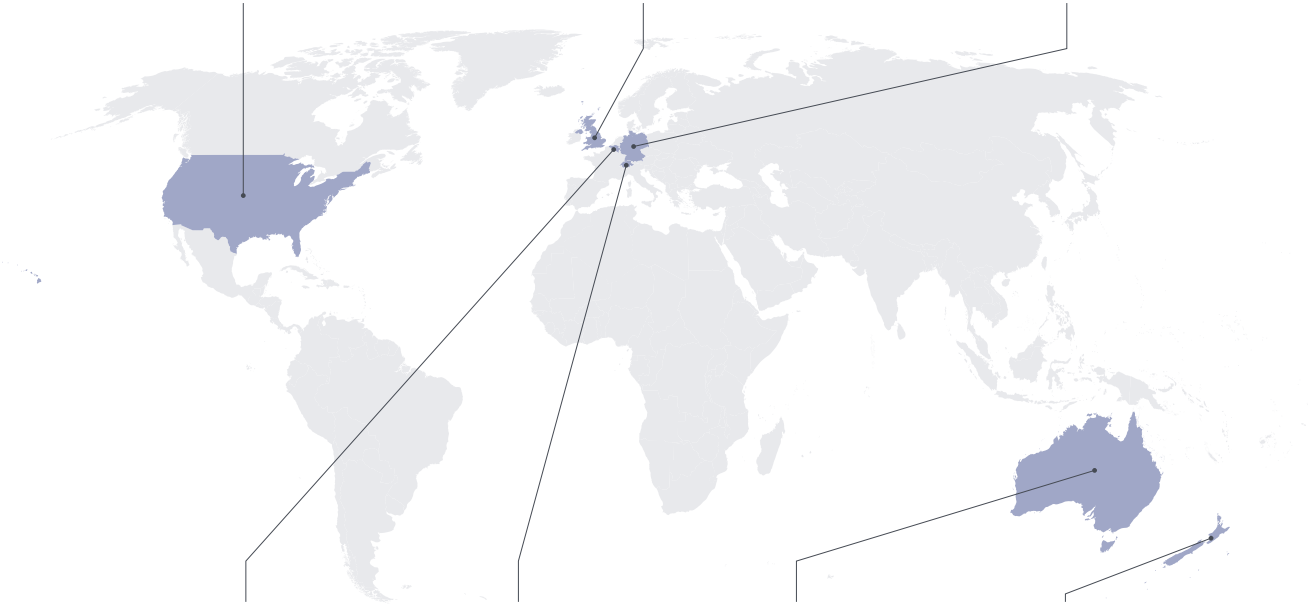
Employees
2,613

Revenue
A$708M (8%)

Germany
Pathology/Laboratory Medicine

Employees
8,244

Revenue
A$2,025M (22%)



Belgium
Pathology/Laboratory Medicine

Employees
520

Revenue
A$175M (2%)

Switzerland
Pathology/Laboratory Medicine

Employees
1,400

Revenue
A$631M (7%)

Australia
Pathology/Laboratory Medicine
Radiology
Clinical Services

Employees
19,862

Revenue
A$3,598M (38%)

New Zealand
Pathology/Laboratory Medicine

Employees
195

Revenue
A$32M (<1%)

The Sonic Difference

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

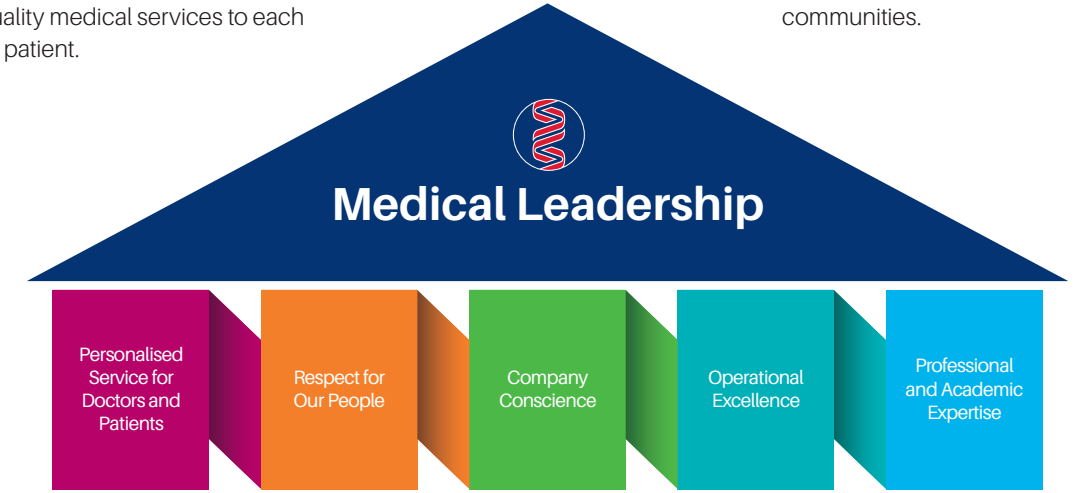
Medical Leadership

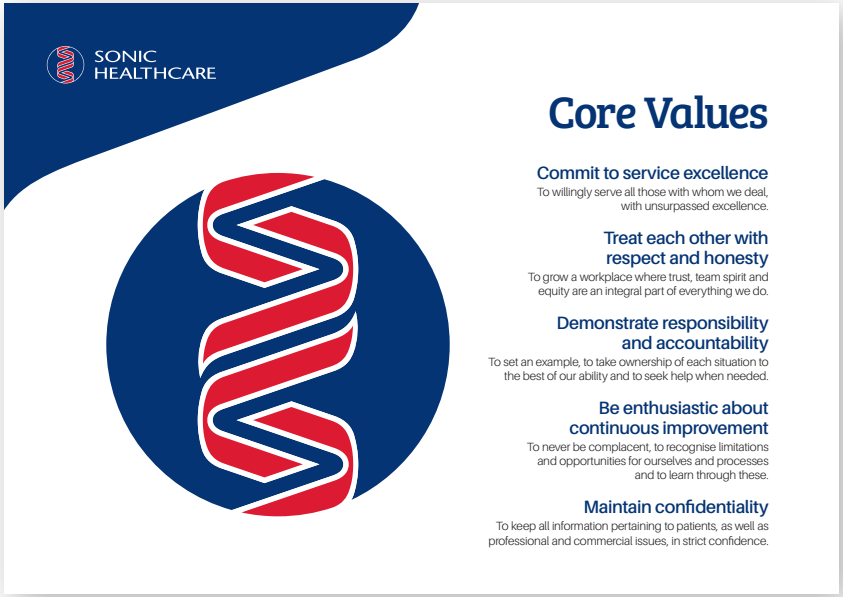
Medicine is a complex profession that requires insight, sensitivity and a lifelong commitment to learning, in order to provide the best possible patient care and clinical outcomes. Sonic's culture of Medical Leadership recognises that the unique expectations and needs of our doctors and patients are best served by including experienced medically and scientifically qualified people as a significant proportion of our senior leadership teams.

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

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

Our Medical Leadership Principles are endorsed by the Sonic Board and 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.





Our Core Values

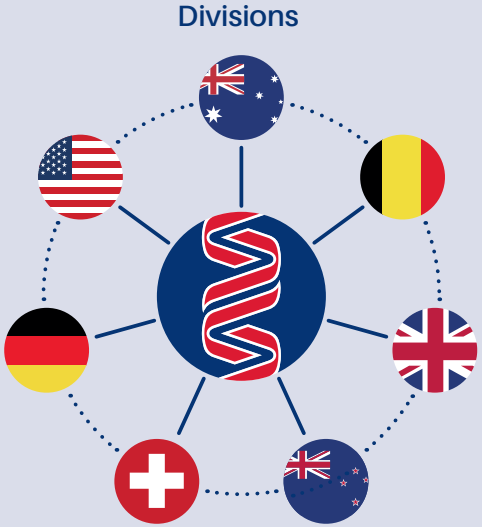
Sonic's Core Values were developed by Sonic staff in early 2000 to act as guiding principles for how we conduct ourselves as an organisation. They set the standard for the collegiate and supportive way in which we behave towards one another, as well as the professionalism with which we conduct ourselves 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.

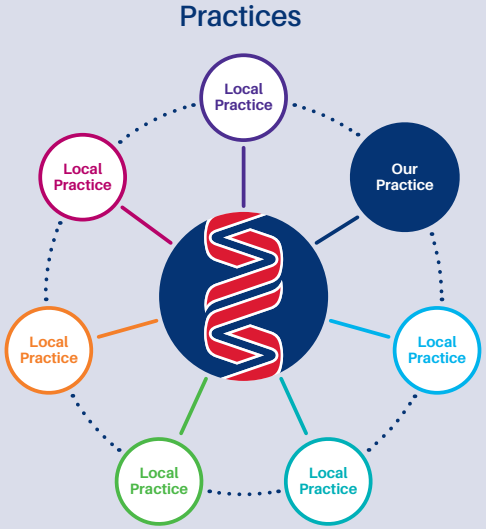
Since their inception, Sonic's Core Values have been embraced by Sonic Healthcare staff around the world. These five key principles form an integral component of our Code of Conduct.

Our Federated Model

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

Sonic's federated structure creates many opportunities to share knowledge and experiences, allowing us to develop synergies and establish operational, clinical, environmental, social and governance 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.








Our services

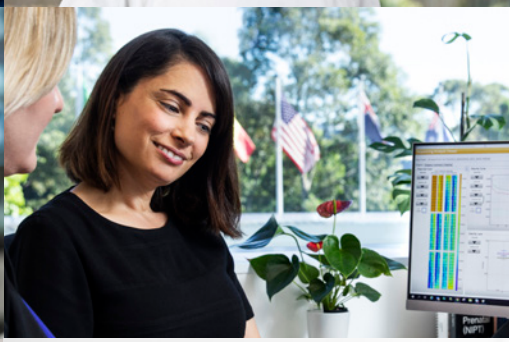
Sonic Healthcare provides high-quality pathology/ laboratory medicine, radiology, general practice and corporate medical services.

With almost 3,500 locations globally, we deliver accessible, affordable services to more than 100 million patients each year in a professional environment that emphasises accuracy, reliability and safety. We operate within an ethical framework that always focuses on the doctors and the patients we serve.

3 GOOD HEALTH AND WELL-BEING

Target 3.4





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 the risk, cause and nature of disease, and to guide clinical management and monitor the effectiveness of treatment.

Medical laboratory tests 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 decreasing the burden of acute and chronic disease in the community.

Why is it important?

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

Categories

Biochemistry
The measurement of different chemical substances in the body.

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

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

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

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

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

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

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

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

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

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

How does it contribute to the community?

Pathology/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.

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

Pathology/Laboratory Medicine also allows for monitoring of conditions to determine the effectiveness of treatment.

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

By screening asymptomatic patients for unknown disease, providing earlier diagnosis in symptomatic patients, and supporting more effective, targeted treatment, pathology/ laboratory medicine plays an important role in reducing health-related social and economic impacts.

Radiology

What is Radiology?

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

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

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

Why is it important?

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

Categories

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

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

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

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

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

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

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

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

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

How does it contribute to the community?

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

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

Additionally, radiology is used to monitor the progress of disease and delivery of treatments, and to determine whether those treatments are working effectively. If the treatment is not working as planned, it can be adjusted, changed or stopped.

Once treatment has concluded, radiology can help to monitor for any disease recurrence over the ensuing years. This results in cost savings for our health system, and helps patients return to work and family sooner.

General Practice

What is General Practice?

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

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

Why is it important?

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

Clinical service businesses

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

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

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

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.

How does it contribute to the community?

General Practice is firmly embedded in the community.

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

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

More than

55 million

COVID-PCR tests

COVID-19 update

COVID-19 continued to have a major impact on Sonic Healthcare's operations throughout FY2022, with surges in demand for testing, the rollout of COVID-19 vaccines, and the tentative return towards a post-COVID world.

Since the beginning of the pandemic, Sonic staff have been pivotal in supporting their local communities, providing critical PCR testing to help identify and contain the virus, while delivering uninterrupted medical services across all our divisions.

The pandemic also highlighted the importance of diagnostic testing to a broader audience, and shone a spotlight on the incredible people who staff our laboratories, radiology centres and medical clinics.

From the onset of the pandemic, Sonic's response included:

- the development of a suitable COVID-PCR test at the beginning of the pandemic, when testing supplies were critically low
- global PCR testing in all seven countries of operation
- drive-through testing facilities (Australia, USA)
- innovating a self-collect kit for patients to test at home (Australia)
- ongoing testing in aged-care facilities (Australia)
- helping to test underserved communities (USA)
- clinical trials for vaccinations (UK)
- dedicated vaccination hubs (Australia)
- primary care telehealth consultations (Australia)
- working with key government bodies to advise on COVID-19 responses and next steps (all countries)
- working with sporting bodies to facilitate the safe reopening of professional sports, as well as testing for the Olympic and Commonwealth Games (all countries, to varying levels).

We also significantly expanded our digital solutions to facilitate telehealth consultations in our clinical services divisions, and accepted e-referrals in our pathology/laboratory medicine and radiology divisions.

Sonic has performed more that 55 million COVID-PCR tests since the beginning of the pandemic.

Stakeholders

Sonic's operations impact, or have the potential to impact, a large number of stakeholders. Our critical healthcare infrastructure, quality clinical services, employment practices, governance, charitable works, investment in research and development, and financial success have positive impacts on most of our stakeholder groups. However, we also acknowledge the negative impacts of our activities, such as the emissions and waste we produce, natural resources we consume, and the potential impacts on human rights within our supply chain.

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

This engagement enables us to better meet the expectations and needs of our stakeholders, together with our legal, regulatory and moral obligations.

Sonic builds stakeholder trust through transparency in our disclosures and accountability for our actions. Our staff are required to abide by our Code of Conduct and engage ethically, honestly and constructively with all stakeholders, wherever they are in the world.

Target 10.2

Stakeholders

Customers	Employees	Communities, NGOs and charities
Sonic provides a range of channels for customers (patients, healthcare professionals, hospitals, clinics, governments) to engage with us: in person, by telephone and electronically. Patient surveys are conducted periodically at patient access centres. Sonic's specialist pathologists, radiologists, GPs, scientists and managers also facilitate, present and attend professional seminars and courses that provide multiple opportunities for customer feedback.	Sonic promotes a culture of open communication and active staff feedback. This occurs in multiple ways, including local team meetings, engaging with HR and/or management directly or via email and written communications, whistleblower notifications and more. Staff engagement is managed locally and, where appropriate, escalated to entity or divisional management for a broader response.	Sonic engages with local communities on an ongoing basis to increase access to our services and improve service quality. Our involvement is particularly strong during times of crisis, when we help to provide emergency assistance, both clinical and financial. We also provide larger donations and face-to-face clinical support to charitable organisations, such as the Clontarf Foundation and HEAL Africa. In addition, we engage with NGOs, local and international charities via the Sonic Healthcare Foundation, referring applications for funding and support to the Foundation Board.

Stakeholders





Shareholders	Governments	Suppliers	Research and academic bodies	The planet
Feedback from institutional investors, superannuation funds and individual investors – large and small – is welcomed throughout the year and facilitated by our investor relations team. Sonic's AGM also provides an avenue for shareholders to ask questions, voice their suggestions and exercise their voting rights on matters concerning the Board, remuneration, financial and operational performance.	Our healthcare practices are critical elements of the healthcare infrastructure in the countries in which we operate. Ongoing engagement with governments, through advisory committees, professional associations, industry bodies and regulatory bodies, is necessary to ensure policies support services that are safe, properly funded and fit for purpose. Our medical professionals and executives provide advice and support to governments when health imperatives, such as the recent pandemic, require collaboration across the healthcare network.	Sonic's ability to provide services is dependent on a reliable supply chain to deliver the necessary equipment, reagents and consumables, to carry out our diagnostic and clinical services. Operational and procurement teams regularly meet with suppliers to discuss product suitability, supply and pricing. Assessment of the social and environmental credentials of the products supplied is equally important, helping to ensure that any potential environmental or human rights risks to employees in the supply chain are identified and addressed.	Sonic encourages our medical, scientific and technical staff to actively collaborate with external research and academic bodies, to support tertiary education, contribute to publications and promote clinical innovation. This includes membership of professional societies, medical craft groups and advisory committees, facilitating collaboration and research. We actively encourage academic appointments and affiliations with academic institutions.	Sonic recognises the planet as an important stakeholder influenced by our actions to address emissions, waste management, biodiversity support and water use. We report data to track our impact in these areas and assess progress against our environmental targets.

Sonic Healthcare's material sustainability topics

Sonic's material sustainability topics were identified following a review into the potential impacts of our services on individuals, society, the environment and the economy. The review was undertaken by the Global Executive Team in conjunction with the Sonic Sustainability Steering Committee.

This team's long-standing relationships with stakeholders, together with broad industry experience, allowed critical examination of the impacts of our services, recognition of risks, and identification of possible negative impacts that may occur. This process resulted in a list of nine material topics.

As an additional 'sense check', the topics identified were compared with the Health Care Delivery disclosure topics described by the Sustainability Accounting Standards Board (SASB), and a review of the sustainability risk disclosures of peer companies.

In future reporting periods, we will conduct targeted engagement with representative stakeholder groups, to identify and prioritise material topics, noting this feedback may impact the list detailed to the right.

	Material topics	SASB Healthcare Delivery Disclosure and other topics	Stakeholder groups most impacted
ENVIRONMENT	Climate change	▪ Climate change impacts on human health and infrastructure ▪ Energy management	Employees Governments Communities, NGOs and charities Shareholders The planet
ENVIRONMENT	Circular economy and waste	▪ Waste management	Employees Governments Communities, NGOs and charities Shareholders The planet
OUR PEOPLE	Employee attraction, engagement and development	▪ Employee recruitment, development and retention	Employees Customers
OUR PEOPLE	Workforce health, safety and wellbeing	▪ Employee health and safety	Employees
COMMUNITIES	Service quality and safety	▪ Quality of care and patient satisfaction	Customers Communities, NGOs and charities Governments Employees Suppliers Shareholders
COMMUNITIES	Access and affordability	▪ Access for low-income patients	Customers Communities, NGOs and charities Governments
GOVERNANCE	Ethics, integrity and compliance	▪ Promotion of trust and enhancement of reputation[1]	Customers Communities, NGOs and charities Governments Employees Suppliers Shareholders
GOVERNANCE	Privacy and information security	▪ Patient privacy and electronic health records	Customers Employees Governments
GOVERNANCE	Human rights	▪ Identification and mitigation of human rights risks across our supply chain and philanthropic endeavours[1]	Suppliers Communities, NGOs and charities

1 These are not SASB Healthcare Delivery Disclosure Topics, but are considered material to our sustainability strategy

Sustainability governance

The Sonic Board is responsible for overseeing the Group's sustainability (ESG) strategy and approval of the annual Sustainability Report.

The remuneration of Sonic's Managing Director/CEO and Finance Director/CFO includes a short-term incentive plan, of which 20% is based on strategic objectives, including progress with the company's environmental, governance and sustainability objectives.

Implementation and management of the sustainability strategy and the relevant policies outlined throughout this report are the responsibility of the Group CEO and the Sustainability Director, in conjunction with the Sonic Sustainability Steering Committee, formed during FY2022, comprising Sonic's divisional CEOs, together with members of the Global Executive Team.

The diagram below illustrates Sonic Healthcare's sustainability governance structure and shows the relationship between the Board, CEO, Global Sustainability Executive Team and the Sonic Sustainability Steering Committee.

Global CEO, Managing Director and Sonic Sustainability Steering Committee chair, Dr Colin Goldschmidt is the Board representative responsible for sustainability issues.

The Sonic Sustainability Steering Committee's terms of reference require the committee to meet at least quarterly to discuss emerging sustainability issues and agree on high-level directives and targets.

Achievements to date include:

- review of sustainability-related risks and opportunities
- agreement on Sonic Healthcare's material topics
- approval of high-level sustainability strategy and global net-zero targets and timelines
- establishment of global base-year scope 1 and 2 emissions data
- agreement on renewable energy and hybrid/electric (zero-emission) vehicle transition pathways
- prioritisation of projects to support sustainability strategy and goals.

Sustainability working groups have been established in each division. These groups are headed by divisional sustainability leads who have been identified as having the necessary skills to drive sustainability initiatives through the entities in each country.

The divisional sustainability leads meet monthly with the Global Sustainability Executive Team, to discuss the implementation of initiatives, highlight operational issues and share expertise.

Target 13.3

Sustainability Strategy

Sonic Healthcare's sustainability strategy combines our Medical Leadership Principles, Core Values and deep company conscience, to deliver positive outcomes for the planet and its people.

	ENVIRONMENT	OUR PEOPLE	COMMUNITIES	GOVERNANCE
MATERIAL TOPICS	Climate change Circular economy and waste	Employee attraction, engagement and development Workforce health, safety and wellbeing	Service quality and safety Access and affordability	Ethics, integrity and compliance Privacy and information security Human rights
COMMITMENT	Minimise our impact on the environment	Create supportive and fulfilling workplaces	Improve the health of individuals and communities	Maintain confidence and trust
STRATEGY	▪ Reduce global greenhouse gas emissions in line with science-based targets ▪ Reduce, recycle and re-use waste ▪ Embed sustainability criteria into all procurement decisions	▪ Embrace diversity and equality ▪ Attract, engage and develop new and existing staff ▪ Nurture and enrich Sonic's culture of Medical Leadership ▪ Provide healthy and safe places to work	▪ Ensure the safety and quality of our services ▪ Foster medical research and technological innovation ▪ Maintain and improve access to our high-quality healthcare services ▪ Provide support to communities in need	▪ Promote ethical conduct and ensure compliance ▪ Safeguard privacy and protect data ▪ Champion human rights
GOALS	▪ Achieve net-zero greenhouse gas emissions by 30 June 2050 ▪ Reduce global scope 1 and 2 greenhouse gas emissions by 43% by 30 June 2030[1] ▪ Complete scope 3 emissions inventory by 30 June 2023 ▪ Reduce waste to landfill intensity by at least 10% by 30 June 2026[2] ▪ Include sustainability criteria in all new procurement contracts by 30 June 2023	▪ Achieve 40:40:20 gender diversity target at senior executive level by 30 June 2030 ▪ Average 10 hours' training per employee p.a. by 30 June 2025 ▪ Maintain LTIFR[3] at or below the relevant industry benchmark ▪ Provide all employees with access to employee assistance or comparable support programs by 30 June 2024	▪ Maintain quality accreditation at 100% of facilities ▪ Report key research and educational achievements ▪ Ensure annual charitable donations equal at least 5% p.a. of the Sonic Healthcare Foundation's total assets by 30 June 2024	▪ Train all relevant staff in key policies by 30 June 2025[4] ▪ Achieve annual improvement in independently audited Cybersecurity Framework maturity scores (NIST) ▪ Publish an annual Modern Slavery Statement

1 Baseline year for scope 1 & 2 emissions is FY2021
2 This target will be revised once scope 3 inventory is complete in FY202
3 Lost time injury frequency rate
4 Code of Conduct, Anti-bribery and Corruption Policy, Whistleblower Policy, Labour Standards and Human Rights Policy, Privacy Policy, Workplace Health and Safety Policy, Supplier Policy

Environment

The Sixth Assessment Report from the Intergovernmental Panel on Climate Change (IPCC) warned that global warming is set to reach the predicted 1.5 °C increase above pre-industrial levels in the next two decades unless immediate measures to drastically cut carbon emissions are undertaken. Sonic Healthcare is committed to playing its part in taking action.

Commitment To minimise our impact on the environment

Material topics	Strategy	Goals	FY2022 achievements
Climate change	▪ Reduce global greenhouse gas emissions in line with science-based targets	▪ Achieve net-zero greenhouse gas emissions by 30 June 2050 ▪ Reduce global scope 1 and 2 greenhouse gas emissions by 43% by 30 June 2030[1] ▪ Complete scope 3 emissions inventory by 30 June 2023	▪ 4–5% reduction in global scope 1 and 2 emissions intensity FY2022 vs FY2021 ▪ Scope 1 and 2 emissions baseline established ▪ Net-zero pathway endorsed by Board
Circular economy and waste	▪ Reduce, recycle and re-use waste ▪ Embed sustainability criteria into all procurement decisions	▪ Reduce waste to landfill intensity by at least 10% by 30 June 2026[2] ▪ Include sustainability criteria in all new procurement contracts by 30 June 2023	▪ Contractual sustainability criteria agreed

Related 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

1 Baseline year for scope 1 & 2 emissions is FY2021
2 This target will be revised once scope 3 inventory is complete in FY2023

Climate change

Why is it important?

Healthcare activities are estimated to be responsible for 4.4% of the world's total greenhouse gas emissions.[1]

Sonic Healthcare understands that our operations affect the environment through the consumption of resources, production of greenhouse gas emissions and the generation of waste.

Recent increases in extreme weather events, such as storms, floods, heatwaves and bushfires, have also highlighted the potential influences that climate-related changes in the natural environment can have on our customers' health and medical needs, as well as our facilities, wider infrastructure and supply chains. These impacts have the potential to limit our ability to provide appropriate services over the short-, medium- and longer-term.

This dual materiality strengthens the need for organisations such as Sonic to step up efforts to reduce their impact on the environment and promote environmental responsibility across their entire value chain.

1 www.arup.com/-/media/arup/files/publications/h/health-cares-climate-footprint.pdf, sourced 30 September 2022

Our approach

The Sonic Board and Risk Management Committee are responsible for overseeing the Group's environmental risk exposure and mitigation strategy. These risks include:

- impacts on physical assets
- operational adjustments required to incorporate low-emission technologies
- adaptation of services offered in response to emerging environmentally influenced healthcare needs
- introduction of mandatory reduction targets and/or carbon pricing across our jurisdictions.

Implementation of the Board-approved environmental strategy and management of environmental initiatives are the responsibility of the Group CEO and the Sustainability Director, in conjunction with the Sonic Sustainability Steering Committee.

Target 13.1
Target 13.3

To help mitigate the risks associated with climate change, Sonic has committed to reducing our global greenhouse gas emissions, in line with the principles of the Paris Agreement and in accordance with guidance from the Science Based Targets initiative (SBTi), which is working to limit the global temperature increase to 1.5 °C by 2050. Sonic will seek SBTi certification of its net-zero targets once an inventory of scope 3 emissions has been conducted and suitable targets have been set.

Building on the governance, strategy and emission measurement initiatives described above, we also plan to conduct climate-based risk and scenario planning across our divisions during FY2023, to facilitate a qualitative response to the Task Force for Climate Related Financial Disclosures (TCFD), with a quantitative TCFD response to follow in FY2024.

Net-zero strategy

Sonic Healthcare has committed to set science-based emissions targets that align with the Paris Agreement to limit global warming to no more than 1.5 ˚C and become net-zero by 2050.

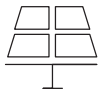
Target 11.6

2023

- Commence transition to renewable energy sources
- Include sustainability criteria in all new procurement contracts by 30 June 2023
- Conduct scope 3 emissions inventory

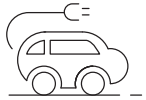
2026

- Engage with key suppliers (80% of spend) to address waste reduction and encourage science-based target setting
- Identify and initiate opportunities to reduce scope 3 emissions



2030

- Reduce global scope 1 and 2 greenhouse gas emissions by 43% (FY2021 baseline)
- 80% of global energy from certified renewable sources



2040

- Complete conversion of global fleet to zero-emissions vehicles

2050

- Achieve net-zero greenhouse gas emissions (scope 1, 2 and 3)

*All years relate to financial years

Our ongoing net-zero initiatives include:

- switching to certified sources of renewable energy
- investing in energy efficiency initiatives across our global operations
- optimising onsite energy generation and storage
- accelerating conversion of global fleet to hybrid and zero-emission vehicles
- reducing, recycling and re-using waste from operations
- understanding, measuring and managing material scope 3 emissions (including establishing our scope 3 baseline by 30 June 2023).

Scope 1 and 2 greenhouse gas emissions

Sonic has chosen FY2021 as the baseline for scope 1 and 2 greenhouse emissions globally.[2] We have also collected data on our FY2022 performance.

More detailed emissions data, including emissions by country of operation, are available in the Sustainability metrics section pages 74–79.

Scope 1 and 2 greenhouse gas emissions ($t\text{-}CO_2\text{-}e$)[3]			
	FY2022	FY2021	% change
Scope 1 emissions	28,500	27,716	2.8%
Scope 2 emissions	85,050	85,341	-0.3%
Scope 1 & 2 emissions	113,550	113,057	0.4%

Scope 1 and 2 greenhouse gas emissions intensity

Sonic has used two key business performance indicators, total patient consults and total employees, as denominators to calculate emissions intensity.

Our scope 1 and 2 emissions intensity across global operations for FY2021 and FY2022 are shown below.

Scope 1 and 2 greenhouse gas emissions intensity		
FY2022	FY2021	% change
0.78 kg CO_2-e per patient consult	0.81 kg CO_2-e per patient consult	-4.0%
2.74 t-CO_2-e per employee	2.87 t-CO_2-e per employee	-5.0%

Sonic Healthcare experienced revenue growth of 7% in FY2022, comprised of both organic growth (5%) and growth through acquisition (2%).

FY2021 base-year emissions data has been adjusted for acquisitions made in FY2022, as per the greenhouse gas protocol guidance.

Despite the increase in business revenue and underlying volumes, Sonic only recorded a 0.4% increase in scope 1 and 2 emissions between FY2021 and FY2022. Emissions intensity decreased 4% per patient consultation and 5% per employee.

Solar roof panels at Sonic HealthPlus Mt Isa GP Superclinic

2 FY2021 was chosen as the base year for emissions comparison due to the availability of global data. It may not reflect business as usual due to the influence of the COVID-19 pandemic. Further commentary as to the influence of COVID-19 will be added where appropriate in subsequent reports.

3 Gases included in the emissions calculation above are CO_2, CH_4, N_2O. Emissions from refrigerants and dry ice are not included in this data, Sonic will aim to include emissions from refrigerants and dry ice in the FY2023 sustainability report.

UK courier fleet update

Sonic Healthcare UK's current fleet of pathology specimen couriers is made up of more than 150 vehicles; two thirds of these are motorcycles, with the remainder made up of vans. By 30 June 2023, all vans will be replaced by hybrid vehicles. Three electric motorcycles have been acquired and a trial is currently underway to assess their suitability to extend this model across the UK fleet. We have successfully re-introduced walking couriers within high-traffic areas in London. These couriers collect samples by foot, delivering samples into the laboratory throughout the day.

Scope 1 emissions-reduction initiatives

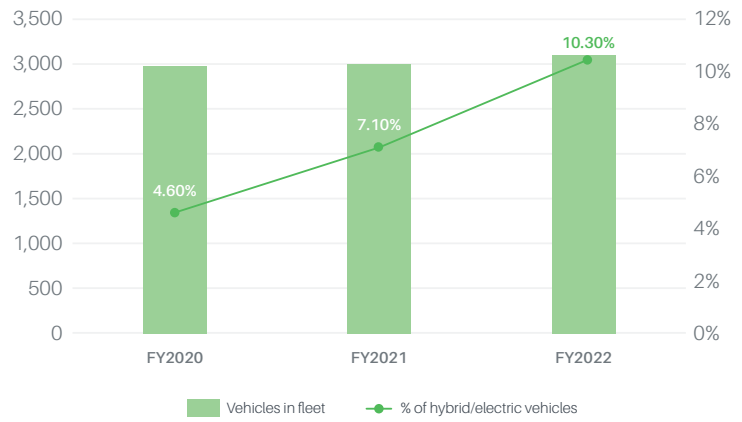
The most significant contributor to Sonic's scope 1 emissions is the fuel (petrol and diesel) used for our fleet of more than 3,000 cars and other courier vehicles. As such, we have set a target to convert this fleet to 100% zero-emission vehicles by 30 June 2040. Our success in achieving this target will depend on emerging vehicle technology (for example, innovation in battery range extension, hydrogen engine development), together with extensive infrastructure enhancement by governments, organisations and individuals to support vehicle charging and hydrogen fuel access, as well as the availability and supply of suitable cars and other courier vehicles.

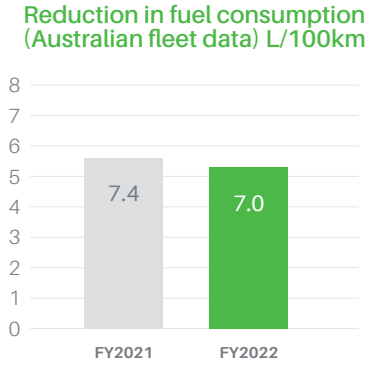
While we await further development and infrastructure to support zero-emission vehicles, we are utilising petrol/electric hybrid technology to decrease fuel consumption, together with courier route optimisation to reduce kilometres travelled. Our global fleet includes 283 hybrid vehicles and 40 electric vehicles, which represents 10.3% of our total fleet, as shown in the graph below.

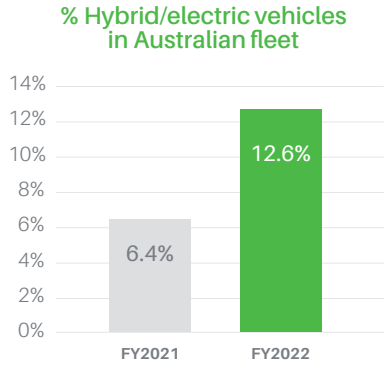
An additional 90 hybrid vehicles were ordered in FY2022, which would have further increased this percentage; however, the vehicles are still on back order due to well-publicised global vehicle supply issues.

It is important to note that effective total emission reduction requires not only conversion to zero-emission vehicles but also the use of charging or fuel-production infrastructure utilising renewably sourced electricity.

Percentage of hybrid/electric vehicles in Sonic fleet





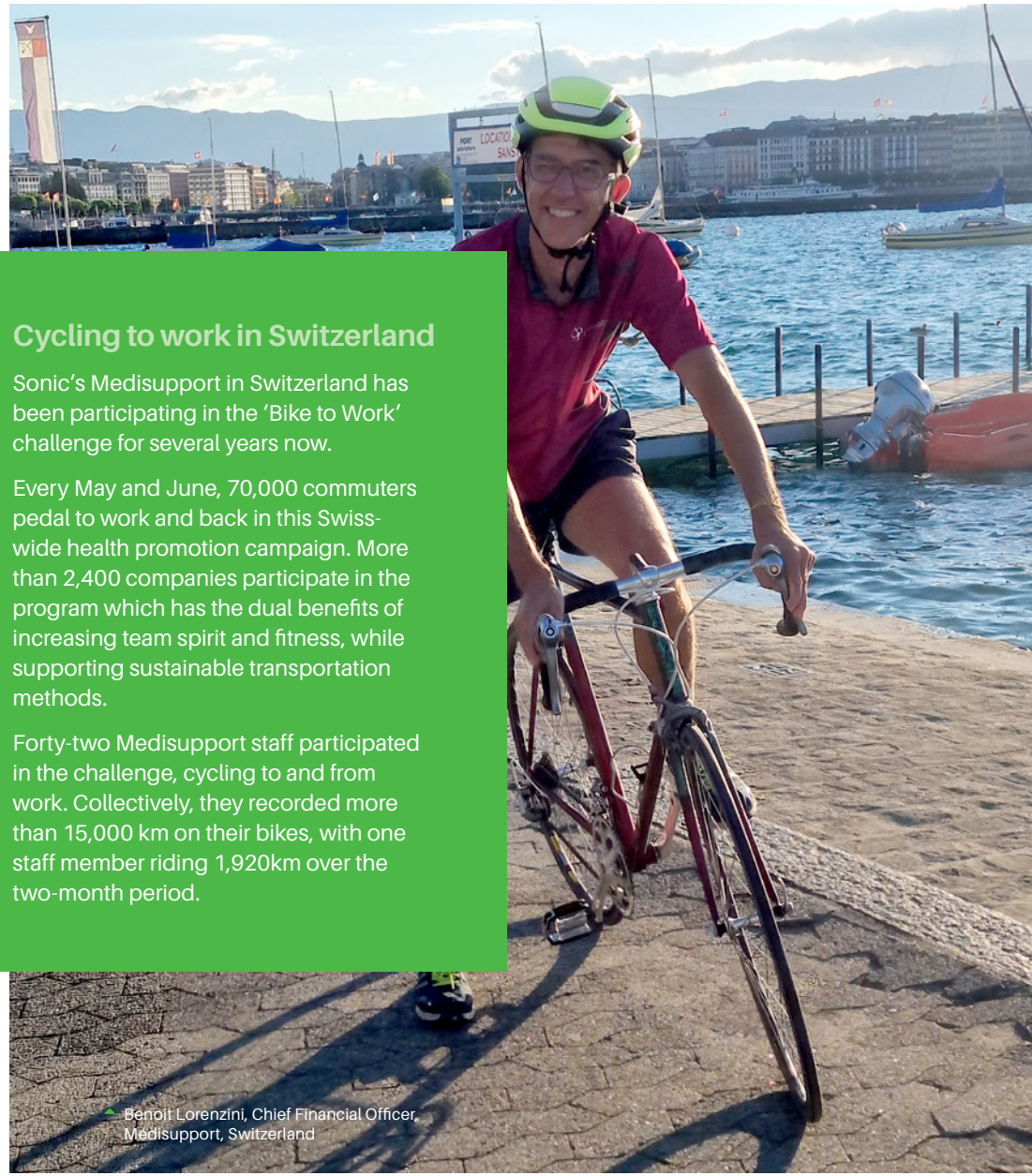


While expansion of our business has seen the overall number of cars in the Sonic fleet increase between 2020 and 2022, the percentage and numbers of hybrid/electric vehicles have also increased.

Comparisons of fuel usage by petrol-only and petrol/electric hybrid vehicles in our fleet show that hybrid vehicles use 30–50% less fuel than petrol equivalents. Sonic's fleet vehicles are typically renewed every three to five years, making hybrid vehicles an attractive interim scope 1 emissions-reduction initiative while we await further development and infrastructure to support zero-emission vehicles.

Sonic is working to meet our fleet conversion target by incorporating lower-emission solutions in each of our countries of operation. In Sonic's UK and Australian divisions, electric motorcycles are also being trialled for use on appropriate routes.

More broadly, natural gas use, especially in Germany, also contributes to scope 1 emissions. The recent war in Ukraine has severely impacted gas supplies and pricing. Some of our sites have converted from gas to electricity for some operations, and further gas use reduction initiatives are currently being explored.



Benoit Lorenzini, Chief Financial Officer, Medisupport, Switzerland

Cycling to work in Switzerland

Sonic's Medisupport in Switzerland has been participating in the 'Bike to Work' challenge for several years now.

Every May and June, 70,000 commuters pedal to work and back in this Swiss-wide health promotion campaign. More than 2,400 companies participate in the program which has the dual benefits of increasing team spirit and fitness, while supporting sustainable transportation methods.

Forty-two Medisupport staff participated in the challenge, cycling to and from work. Collectively, they recorded more than 15,000 km on their bikes, with one staff member riding 1,920km over the two-month period.

Collector Wind Farm, NSW, Australia

Sonic Healthcare Australia purchases renewable electricity and large generation certificates (LGCs) through Iberdrola Australia. These certificates are linked to Collector Wind Farm in New South Wales, Australia – a 227 MW generator located between the towns of Collector and Gunning. Almost 150 jobs were created during the project's construction, which took place during the COVID-19 pandemic, with a further 10 full-time roles to manage ongoing operations. Pleasingly, the generation of wind farm energy will allow sheep grazing to continue on this site.

Photo courtesy of Iberdrola Australia

Scope 2 emissions-reduction initiatives

Renewable electricity

Sonic's FY2021 base-year emissions data shows that Australian energy purchasing comprises more than 65% of our global scope 2 emissions. The large contribution made by the Australian division reflects the country's current reliance on coal-fired electricity and its high emissions conversion. Sonic is addressing this issue by contracting to purchase renewable electricity for all large usage sites in Queensland, New South Wales, Victoria and South Australia. Starting at 30% of total usage in FY2023, the proportion of renewable energy purchased will increase 10% per annum to reach 100% in FY2030.

Target 9.1
Target 9.4

Target 12.2

Sonic is investigating the feasibility of introducing similar initiatives in the USA and Germany, however, the current political situation in Europe is disrupting all energy negotiations.

Onsite renewable energy generation

During FY2022, onsite energy generation using solar panels on our buildings has seen an increase in both capacity and kWhs generated. This has contributed to containment of emissions attributable to purchased electricity (scope 2), despite growth in patient and employee numbers.

Electricity generated by solar installations (kWh)		
FY2022	FY2021	% change
1,101,879	808,182	+36.3%

Installed solar panel capacity (kW)		
FY2022	FY2021	% change
1,032	912	+13.2%

Energy efficiency

Increasing pressure on energy prices, together with the need to reduce carbon emissions worldwide, is driving a focus on opportunities to reduce energy consumption. Sonic aims to reduce overall consumption through improved energy efficiency and education programs to encourage prudent use.

Target 9.1
Target 9.4

Target 13.3

Target 11.6

Target 12.2

Scope 3 emissions

Indirect emissions within Sonic's value chain will account for the largest percentage of our total greenhouse gas footprint. We plan to undertake an inventory of our scope 3 emissions in FY2023. This will allow us to identify the largest contributing categories and set interim science-based targets covering all three scopes of emissions in subsequent reporting periods.

The scope 3 emissions inventory information will also provide a platform for collaborative discussions with our supply chain partners to determine effective scope 3 emissions reduction programs.

LEDs powering our improved energy efficiencies

In FY2021, Sonic's largest Australian laboratory, Douglass Hanly Moir Pathology in Sydney, upgraded more than 3,000 light fittings to energy-efficient, environmentally friendly LED lights. Energy savings were estimated to be more than 550,000 kWh per year. The first 12 months of energy data revealed that energy savings at this site have exceeded estimates by almost 15%.

kWh reduction - 12 months	573,156
t-CO_2-e reduction - 12 months	453

This is an excellent result, and similar installations will continue throughout the Sonic Group in FY2023.

Circular economy and waste

Why is it important?

Sonic's operations generate significant amounts of waste, which can contribute to climate change and air pollution, directly affecting many ecosystems and species. Landfills, considered the last resort in the waste hierarchy, release methane, a potent greenhouse gas linked to climate change.

Our approach

Implementation and management of the Board-approved environmental policies, which also address waste and the circular economy, are the responsibility of the Group CEO and the Sustainability Director, in conjunction with the Sonic Sustainability Steering Committee.

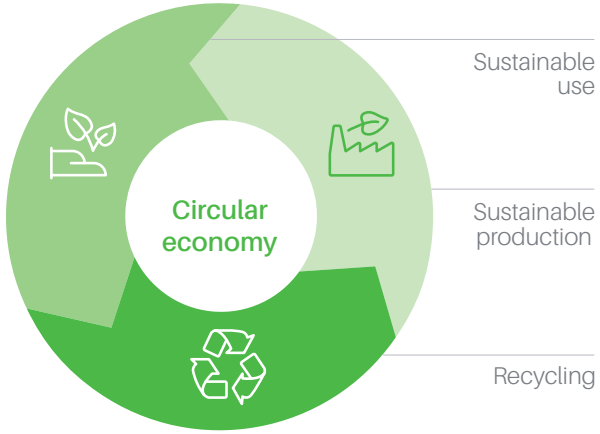
As part of our move to a circular economy mindset, Sonic's procurement and operations teams are working with suppliers to source more environmentally friendly substitute products to replace single-use plastics and polystyrene, decrease the amount of packaging, reduce and, where possible, recycle or re-use waste (see page 30).

Separation of waste into appropriate recycling and disposable streams is key to supporting this strategy, reducing both environmental and operational costs.

Sonic undertakes an extensive supplier selection process to vet prospective waste management suppliers for relevant environmental and quality certifications.

For example, in Australia these include:

- AS/NZS 4801:2001 Occupational Health and Safety Management
- ISO 14001 Environmental Management
- ISO 9001 Quality Management.



Suppliers are also vetted to ensure they have relevant operating licenses within the jurisdiction where the waste is processed. Suppliers must have a long-standing and credible operational track record, and are contractually bound to ensure waste is disposed of in accordance with local legislation.

11 SUSTAINABLE CITIES AND COMMUNITIES
Target 11.6

12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Target 12.4
Target 12.5

Waste management

Sonic aims to reduce the amount of landfill waste per patient episode by 10% by 2026.

Sonic Healthcare Australia collects data on the different types of waste generated at most of our Australian facilities.[1] We will initiate projects in FY2023 to source waste data from facilities globally as we commence our scope 3 inventory assessment project.

Clinical waste

Includes single-use items, such as needles, tubes, gloves, aprons, masks, specimen transport bags and containers that may be contaminated by blood and other human fluids. This waste must be handled by specialised, regulated waste-management systems that decontaminate the waste by high-temperature autoclaving, which limits opportunities to recycle. A proportion of clinical waste is incinerated, and the remainder is disposed of in landfill after decontamination.

Clinical waste and admixed non-contaminated waste comprises approximately 28% of the total waste generated by Sonic in Australia, and is ultimately destined for landfill after recycling activities.

The World Health Organisation estimates that only 15% of the waste generated by healthcare activities is, in fact, infectious, toxic or radioactive.[2] The remaining 85% is general non-hazardous waste that may have the potential for more environmentally friendly disposal, recycling or re-use with appropriate segregation.

General landfill

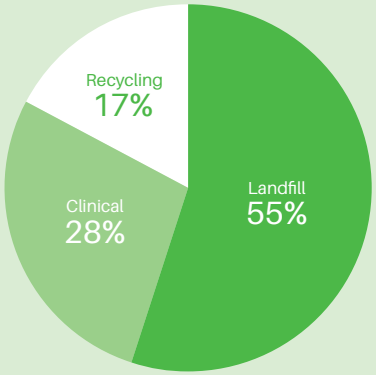
Includes all other forms of solid waste that is not contaminated by biological substances (non-clinical), such as certain packaging and office, technical and IT supplies and disused equipment.

Waste reduction and recycling

A number of recycling projects are active throughout our Australian facilities and we continue to explore opportunities to transition from single-use, non-recyclable products to recyclable and re-usable products, where appropriate.

During FY2022, the total amount of waste that was recycled increased by 34%, resulting in approximately 1.1 million kg of waste being diverted from landfill. Approximately 17% of Sonic total waste is currently recycled.

Australian waste streams FY2022[3]



1 Waste data is not complete for all Australian facilities as several are in the process of transitioning waste management services to a single national provider.

2 www.who.int/news-room/fact-sheets/detail/health-care-waste

3 Percentages shown represent available data on waste collected at Australian sites over which we have operational control.

Waste reduction initiatives

Several Sonic Healthcare Australia businesses use polystyrene compacting machines to compress polystyrene waste from external packaging, which is collected by a recycling company and used for the manufacture of furniture. This is a great example of a circular process to reduce the landfill impact of polystyrene.

Polystyrene packaging before treatment

Polystyrene after treatment ready for recycling

Our initial waste reduction target is to reduce waste to landfill intensity globally by at least 10% by 30 June 2026. This target will be reviewed once our scope 3 inventory is complete and we have baseline waste data for all our divisions.

A number of opportunities have already been identified to help us meet this target and to reduce our clinical waste volumes. They include:

- more stringent segregation of clinical (contaminated) and non-clinical waste
- improvement in our recycling volumes through education
- use of more recyclable products
- use of increased recycled content alternatives for single-use plastics.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Target 12.5

Replacement of virgin plastic with recycled plastic and eco-friendly alternatives

Sonic uses more than 100 million plastic specimen bags per year to transport blood and other specimens to our laboratories for testing. Most of these are single-use bags that are currently placed in clinical waste bins and later incinerated or autoclaved.

In Australia alone, our plastic specimen bags are estimated to generate 200,000 kg of waste per annum. Sonic aims to reduce the manufacture and disposal of virgin plastic bags while continuing to provide safe transport for specimens.

Global projects are underway to investigate the end-to-end practices involved in the manufacturing and use of plastic and alternative specimen bags. In the USA, we are trialling biopolymer products made from plant starch and also investigating the environmental impacts of their disposal.

As an interim step towards environmentally sustainable products, Australia will change to specimen bags manufactured from 100% recycled plastic in FY2023. While this will not impact our waste volumes, it will encourage the recycling of plastics, and avoid the addition of 200,000 kg of new plastic per year to the waste stream. Sonic is also investigating recycling clean plastic specimen bags, further adding to the circularity of this product.

The use of recycled plastic in the manufacture of specimen bags is also being trialled in our UK and German operations. Concurrent projects are underway involving the trial of compostable products in gloves, face masks and hard plastic containers.

Reduction in paper usage

Sonic is working to reduce our global paper consumption. In addition to converting to recycled paper whenever possible, our Australian operations have set a goal to reduce overall paper consumption by 30% by 30 June 2024 through increased use of electronic ordering and test result reporting.

Water consumption

Water and sewage services are provided to our facilities through government-run metropolitan and rural water utility services.

Water consumption is not a material topic in Sonic's environmental strategy due to our low consumption rate, however, all Sonic staff recognise the need to reduce usage, where possible, of this valuable natural resource.

Major contributors to water usage are our analytic equipment and general use by staff and patients.

Water purification systems are installed in all our large laboratories to provide purified water required by our analysers. Water discharged from our facilities is tested and meets water quality regulations in all our jurisdictions.

Our last three years' global water consumption for locations >1,000 square metres for which we have operational control of water usage is shown to the right.

Water consumption	FY2022	FY2021	FY2020
Total water consumption kilolitres (kL)	319,812	345,409	332,980
Water consumption intensity kL per square metre	1.14	1.29	1.25

Specific water volumes are often required by our analysers in the testing process. The increase in water consumption in FY2021 is attributable to the large volume of COVID-19 testing, which was dependent on high throughput analysers using large volumes of water.

Our procurement teams consider water usage data as part of the total value proposition when comparing equipment for purchase.

Target 12.2

Sustainable procurement

Sonic's approach to supplier selection when procuring goods and services focuses on quality, technical performance, reliability, operational and clinical suitability, regulatory compliance, environmental impact, human rights risk, price and total product lifetime cost of ownership.

Total cost of ownership includes an investigation of the human, environmental and financial costs of products, from sourcing raw materials, through to manufacturing, packaging, usage and wastage, as well as disposal. An analysis of the social and environmental commitments and practices made by current and potential suppliers is also part of the product investigation.

All suppliers to Sonic are required to agree to the conditions set out in our Supplier Policy, which explicitly outlines our expectation that suppliers conduct their business operations in a manner that promotes environmental sustainability and adheres to all relevant environmental laws and regulations.

By 30 June 2023, suppliers will be required to adhere to our environmental and human rights expectations through their signed agreement to specific clauses in all new contracts. This is in addition to complying with all relevant Sonic policies. Adherence to these clauses will be monitored through business review meetings, and will cover the supplier's:

- compliance with relevant Sonic policies
- environmental policies
- progress on setting science-based targets that align with the Paris Agreement.

Sonic plans to conduct a global scope 3 emissions inventory in FY2023. This will include assessment of emissions associated with the manufacture and transport of goods and services in our supply chain. Supply-related targets for reduction of scope 3 emissions will only be possible through Sonic's incorporation of sustainable procurement practices and engagement with suppliers aligned with our net-zero commitments.

Target 12.5

Target 13.1

Our people

Sonic's success as an organisation is dependent on the strength of our skilled, caring and diverse workforce. 'Respect for our people' is a key pillar of our long-enshrined Medical Leadership Principles and underpins everything we do.

Commitment Create safe, supportive and fulfilling workplaces

Material topics	Strategy	Goals	FY2022 achievements
Employee attraction, engagement and development	▪ Embrace diversity and equality	▪ Achieve 40:40:20 gender diversity target at senior executive level by 30 June 2030	▪ 38% female representation at senior executive level
	▪ Attract, engage and develop new and existing staff		
	▪ Nurture and enrich Sonic's culture of Medical Leadership	▪ Average 10 hours' training per employee p.a. by 30 June 2025	▪ Will begin measuring by 30 June 2023
Workforce health, safety and wellbeing	▪ Provide healthy and safe places to work	▪ Maintain LTIFR[1] at or below the relevant industry benchmark	▪ Sonic LTIFR was 3.3 which was below the 'blended' Safe Work Australia rate of 4.0
		▪ Provide all employees with access to employee assistance or comparable support programs by 30 June 2024	▪ 78.5% of staff currently have access to employee assistance or comparable support programs

Related 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

1 Lost-time injury frequency rate reflects the number of injuries with more than eight hours lost time per one million hours worked

Employee attraction, engagement and development

Why is it important?

Sonic's business involves people caring for people. Our skilled, committed staff of more than 41,000 people deliver our services in urban, regional and rural locations, often 24 hours a day, seven days a week.

Attracting, engaging and developing this workforce is crucial for sustaining our high levels of service. Workforce diversity, work-life balance, a feeling of inclusion, individual engagement and a sense of purpose are important to our staff, and help to attract the best people to provide our specialised services and uphold our quality.

Our approach

Sonic's success is built on the strength of our people. We strive to create fulfilling careers for our staff by providing professional, ethical, safe and inclusive workplaces that value individuality, reward achievement and protect labour standards.

The Sonic Board, CEO and senior executive team are responsible for overseeing organisational compliance with the company's Labour Standards and Human Rights Policy, which is aligned with the principles of the Universal Declaration of Human Rights and the International Labour Organisation's (ILO) Declaration of Fundamental Principles and Rights at Work. Together with our Code of Conduct and Core Values, this policy clearly articulates our commitments to local employment, workforce diversity, freedom of association, collective bargaining and competitive compensation. It also prohibits any employment practices that constitute modern slavery.

Mechanisms to report non-compliance are provided via the Global Whistleblower Policy, and reporting of any suspected instances is encouraged.

Sonic's CEOs, operations executives and human resources teams are responsible for compliance with national employment regulations. They must also promote Sonic's culture and provide competitive workplace conditions and benefits that create a harmonious and desirable workplace.

Our recruitment practices seek to attract clinical, scientific, professional, technical and support staff who have the appropriate qualifications and experience, together with values that align with our culture of Medical Leadership, quality and respect.

This is reinforced with ongoing training, as well as workplace policies that aim to foster an environment of professional growth and work-life balance.

The nature of our services means the majority of roles require onsite attendance. However, our ability to attract and retain staff may, where appropriate, require flexibility around where staff work, as well as flexibility in employment terms.

Our workforce

The table below shows our total workforce (including all employees and contractors) by country and gender as at 30 June 2022.

Total workforce by country and gender

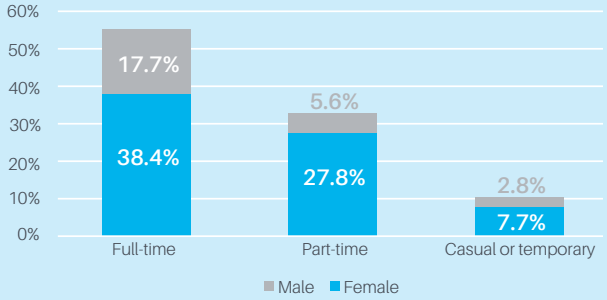
	Women	Men	Total	% women
Australia	15,395	4,467	19,862	77.5%
Belgium	353	167	520	67.9%
Germany	5,969	2,275	8,244	72.4%
New Zealand	125	70	195	64.1%
Switzerland	1,018	382	1,400	72.7%
United Kingdom	1,577	1,036	2,613	60.4%
United States	6,154	2,490	8,644	71.2%
Total	**30,591**	**10,887**	**41,478**	**73.8%**

For further data on Sonic's workforce, please refer to the Sustainability metrics at the back of this report.

Target 8.5

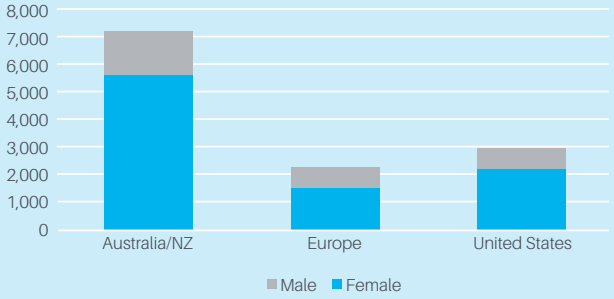
The graph below shows our total employees by employment type and gender as at 30 June 2022.

Workforce status by employment type and gender



During FY2022, Sonic employed 12,461 new people to replace vacant existing roles or to fill newly created roles. Women filled 75% of these new hires. This figure includes 55 senior management positions, of which 51% were filled by women.

New hires by region



Employee diversity

Diversity in our workforce is important as it reflects the views and experiences of our customers and the communities we serve. We want all staff to feel valued and included, and we recognise that workforce diversity leads to better decision-making.

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% of Sonic's overall workforce and 53% of senior leadership, which is defined as manager level and above, including our doctors.

The gender diversity of our workforce is detailed in the table below.

Gender diversity: female representation at 30 June 2022	Total workforce	% female
Board of Directors	9	33.3%
Executive senior leadership[1]	510	38.0%
Total senior leadership[2]	3,238	52.8%
Science-based roles[3]	16,451	73.5%
Whole of workforce	41,478	73.8%

1 Includes CEO or head of each reporting business unit and their executive management teams
2 Includes executive senior leadership, other managers, pathologists, radiologist and other doctors
3 Includes doctors, scientists, technicians, radiographers, sonographers and nurses

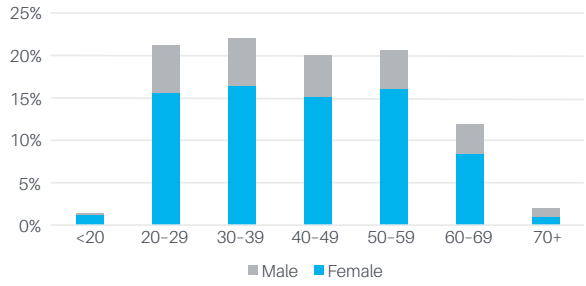
Our gender diversity goal is to achieve and maintain at least 40% female representation in executive senior leadership by 30 June 2030 (currently at 38.0%) and at least 50% in the workforce generally (currently at 73.9%).

The Board's gender diversity objective was to have a minimum of 30% representation for both male and female members. This was achieved in FY2022, with one third of Directors being female. The Board has now updated the objective to achieve a 40:40:20 gender diversity target (40% female, 40% male, 20% of any gender) by 30 June 2030.

For further data on gender diversity statistics, please refer to the Sustainability metrics at the back of this report.

Sonic has strong age diversity within our workforce, with a reasonably equal spread across the four age brackets between 20 and 60 years. Employee numbers start to reduce in the 60 to 69 year bracket as people begin to retire.

Employees by age bracket

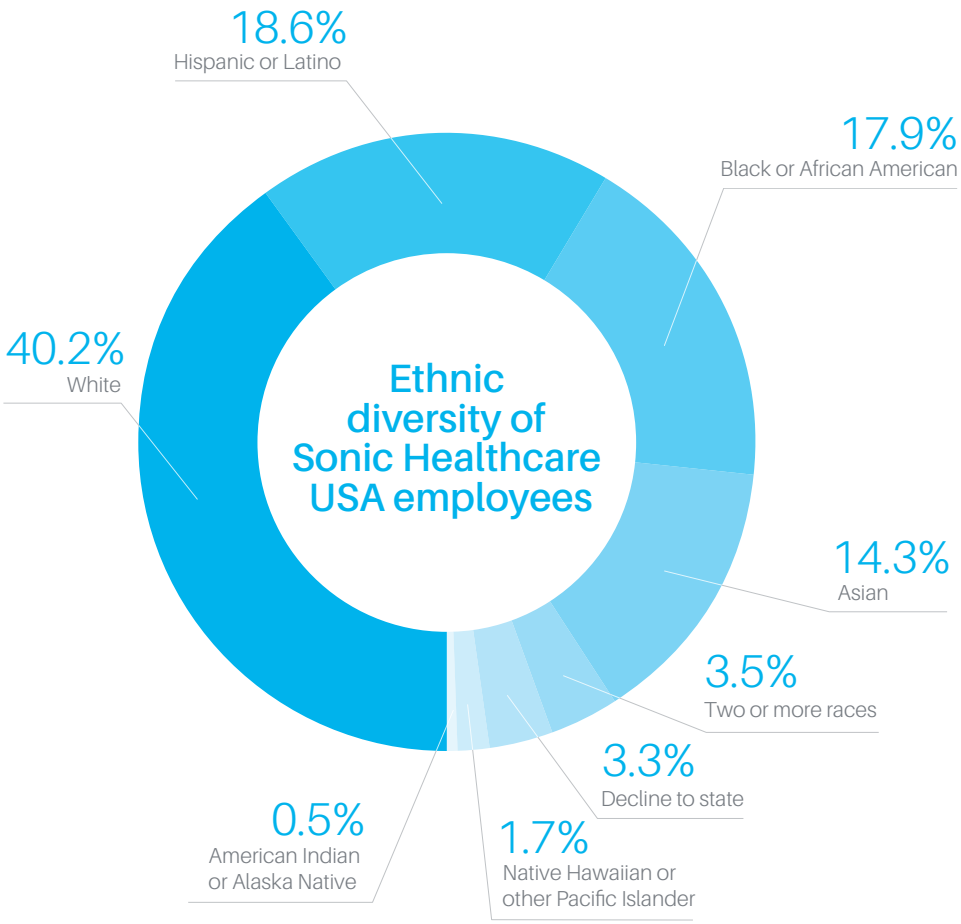


Target 5.1
Target 5.5

Target 10.2

Although we don't collect specific figures on ethnicity (other than in the USA – see below), we value the contribution made by our ethnically diverse and harmonious workforce.

The ethnic diversity of our US workforce, which comprises 8,644 people and represents 21% of Sonic's total global workforce, is represented in the chart below:



Employee retention

Sonic has a global reputation for quality and professionalism and we continually explore ways to position ourselves as an 'employer of choice' with current and prospective employees, by offering an attractive employee value proposition. This is highly important in the current competitive labour markets, and is being continually refined through initiatives tailored to suit local employment conditions.

8 DECENT WORK AND ECONOMIC GROWTH
Target 8.8

Our staff retention rates reflect the respect and care we show our staff, and the rewarding nature of the meaningful work we do. This is particularly evident at senior levels of the organisation, which includes our executive managers, line managers, pathologists, radiologists and other doctors.

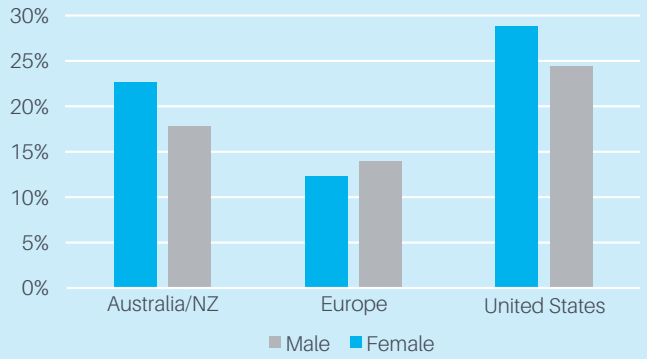
Turnover for our global employed workforce

	FY2022	FY2021	FY2020	FY2019	FY2018
Senior leadership voluntary turnover rate[1]	4.5%	1.9%	3.0%	6.7%	6.9%
Total employee voluntary turnover rate	20.0%	16.5%	12.7%	16.5%	16.8%

1 Voluntary turnover excludes leavers who retire, transfer internally, are made redundant, and/or are temporary casual relief workers

FY2022 saw an increase in staff turnover as COVID-19 restrictions eased and borders opened across our operational jurisdictions, allowing people to travel more freely and take up new employment opportunities. The psychological impact of the pandemic also saw some staff reassess their career ambitions and attitudes to work, a phenomenon widely experienced in many industries.

FY2022 employee turnover by region



The chart above highlights the voluntary turnover for our employed workforce by region during FY2022.

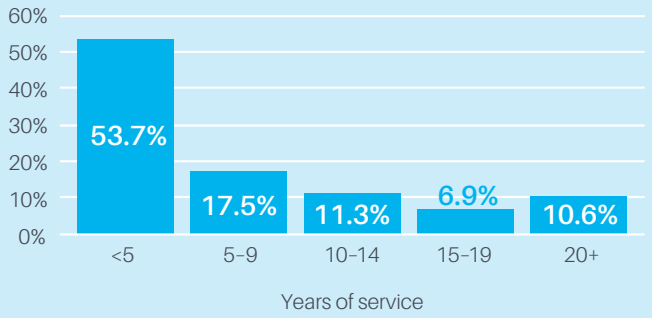
Australia/NZ and the United States collectively employ more than 95% of our global phlebotomist (pathology specimen collector) workforce. This staff group equates to 28% of our Australian/NZ workforce and 23% of our US workforce. The phlebotomist staff group has a higher turnover rate compared to other staff groups, which in turn drives up total turnover in these two regions.

An analysis of phlebotomist turnover in Australia has provided an understanding of the areas we need to address to improve retention levels, particularly for staff in their first year of employment. Initiatives currently being implemented to address this are more flexible hours, increased work hours for those wanting additional shifts, improved remuneration, additional face-to-face training and support, and enhanced recognition and feedback systems.

A certain level of overall staff turnover is important as it encourages new ideas, alternative thinking and innovation, which offsets the cost of recruitment and re-training. When the advantages of introducing new staff are balanced with the experience, corporate memory and efficiency of 'long stayers', organisations can maximise the benefits added by both staff groups. Sonic's FY2022 turnover rate of 20% was balanced by more than 28% of Sonic's employees having more than 10 years of service, as shown in the graph below.

Sonic has a long and successful history of growth through the acquisition of existing medical practice businesses. 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.

Length of service of our global workforce



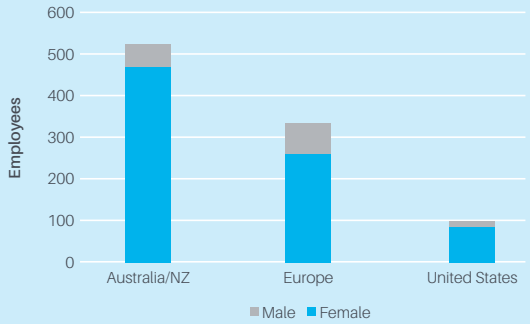
Parental leave

As approximately 40% of our total workforce is under the age of 40 and more than 70% are women, access to parental leave is an important consideration for many existing and prospective staff.

Parental leave is available to most employees, female and male, once they meet the eligibility criteria. This is often in the form of company or government-paid parental leave schemes. In addition, unpaid leave is offered to eligible staff. At the end of FY2022, 15,895 employees were entitled to paid company parental leave and 27,440 employees were entitled to paid government parental leave (some employees are entitled to both company and government-paid parental leave and are counted in both numbers).

A total of 959 employees (representing 2.4% of total employees) took parental leave during the year, with 83.2% of them subsequently returning to work after their leave. An analysis of the employees who returned from parental leave in the prior year showed that 77.1% were still employed 12 months later.

Parental leave taken during FY2022



Sonic also 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, we promote flexibility in both job functionality and hours of work, where possible, to assist staff returning from parental leave.

For further data on parental leave, please refer to the Sustainability metrics at the back of this report.

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 35-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, as outlined in our Labour Standards and Human Rights Policy.

8 DECENT WORK AND ECONOMIC GROWTH

Target 8.8

Employee training and development

Employee training and development is an integral part of Sonic's commitment to medical excellence. This is fostered through our unique corporate culture, which develops shared meaning, pride and a sense of belonging. We also nurture staff through internal development programs designed to identify, teach and develop current and future leaders.

Sonic provides ongoing training for staff across all divisions and disciplines. In addition to procedural training of medical, scientific and technical staff, and pathology collectors, we also provide specially tailored leadership development workshops. These are delivered by Sonic Connect, our in-house global culture, learning and development department, which offers a range of courses tailored to the specific needs of healthcare workers, with a particular emphasis on emotional intelligence, resilience and leadership.

In Australia, some of our businesses are Registered Training Organisations that run programs for staff registered to certificate 3 level.

Sonic Connect delivers training courses around the world, and helps to seed Sonic's Medical Leadership culture. In FY2022, Sonic Connect provided training to more than 1,500 staff globally.

144,000
training courses undertaken globally in FY2022

Training was particularly challenging during the pandemic, and materials and training delivery methods were tailored to help support employees through the ongoing uncertainty. Sonic Connect continued to support staff through a combination of online training sessions and newsletters focused on the importance of mental health and wellbeing. Fifteen hundred staff attended online sessions during FY2022, and newsletters were distributed to staff globally on a regular basis.

Emotional intelligence is embedded in all leadership training at Sonic Connect, as we know that it is essential for our leaders to model these abilities. The importance of these skills and the ability to foster them in our people was particularly evident during the pandemic and the response from staff reflected this value.

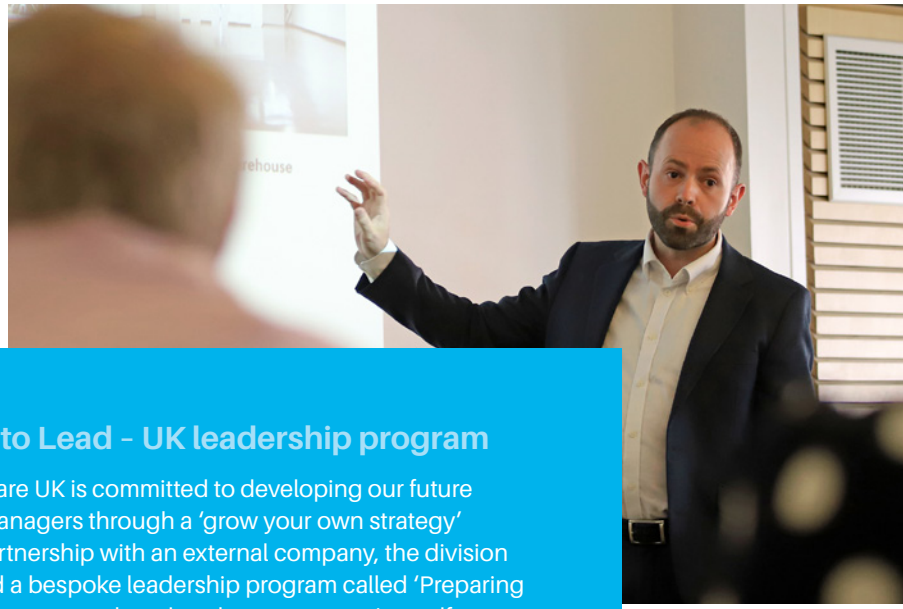
1,500
employees trained through Sonic Connect in FY2022

"I wanted to thank you for your publications – they bring a ray of sunshine and grounding into the day."

"Thank you for the Sonic Connect articles you've been sending out lately. I'm a firm believer in the power of positive thinking/ attitude and how we can change our lives for the better when we change our mindset."

Sonic businesses have always offered support to staff wishing to engage in further education to enhance technical skills and gain advanced qualifications in areas that will benefit the individual staff member and the organisation. The support we offer includes study and conference leave, allowances for education, payment of course and training fees and mentoring programs.

As part of our ongoing commitment to embedding our culture, Sonic has appointed a Chief Leadership Officer, who will work with Sonic's Global Leadership groups to propagate the culture of Medical Leadership throughout Sonic Healthcare globally.



Chris Ekin, Laboratory Information Management System and Data Manager, Sonic Healthcare UK

Preparing to Lead – UK leadership program

Sonic Healthcare UK is committed to developing our future leaders and managers through a 'grow your own strategy' initiative. In partnership with an external company, the division has developed a bespoke leadership program called 'Preparing to Lead' that focuses on three key themes: managing self, leading others and improving services. At the end of the course, participants are divided into small groups and asked to prepare a business improvement project they feel would have a positive impact on an area of work. They then present their ideas to some of our Executive Board members, 'Dragons' Den' style!

Projects focus on many business areas, including recruitment, communications, cost savings on long-term sample storage and plastic reduction.

One of these projects, which is now being reviewed in greater detail by the business, aims to tackle the plastic waste involved in patient specimen transportation. Specimens are usually received within plastic bags which are then collectively transported in a bigger plastic bag. All these plastic bags are sent to waste immediately after use. By replacing the bigger transport bag with a biodegradable alternative, Sonic Healthcare UK can start reducing the amount of plastic sent to waste.

Target 4.4

Workforce health, safety and wellbeing

Why is it important?

The nature of our work involves exposure to physical, psychological, mechanical, biological and chemical hazards. Sonic's responsible approach to staff safety and wellbeing reflects the importance we place on staff wellness and creating a safe and productive workplace.

Sonic enforces stringent health and safety practices in all countries of operation, as we recognise that failure to do so could result in staff injury, increased insurance premiums and other costs, litigation, increased external scrutiny, accreditation withdrawal and closure of facilities.

Our approach

Sonic promotes a positive safety culture aimed at achieving a zero-harm workplace through proactive management to prevent injury and illness, and to support employee wellbeing.

Work health and safety is the responsibility of every Sonic employee. It is supported by the CEOs of all Sonic entities and divisions, together with their operational and human resources teams, and is managed in alignment with the Sonic Workplace Health and Safety Policy and SonicSAFE – our Occupational Health and Safety (OH&S) Management System, based on ISO 45001 global best practice.

OH&S Management Systems cover all Sonic employees and those contracted to undertake work at Sonic's instruction.

Implementation of SonicSAFE is achieved through:

- divisional compliance with the SonicSAFE corporate standards
- local OH&S Management Systems that comply with nationally applicable health and safety legislation.

Sonic workplaces are audited to ensure they meet the requirements of SonicSAFE.

The SonicSAFE OH&S framework is continually reviewed to ensure it is achieving its intended purpose. Regular worker participation, consultation and communication with respect to OH&S policy setting, reporting and management is facilitated through a network of site-based, entity-based and divisional safety committees.

SonicSAFE also provides a corporate standard for OH&S hazard identification, risk management, incident reporting and investigation of both routine and non-routine safety impacts. This standard aligns to the Sonic Global Risk Management Framework, prescribing risk mitigation based on the hierarchy of controls in order to effectively control or mitigate impacts identified. Centralised software-based notifications and regular reporting to Sonic divisional executive teams provide transparency in historical-incident or risk trends, to inform any changes to management systems documentation or process.

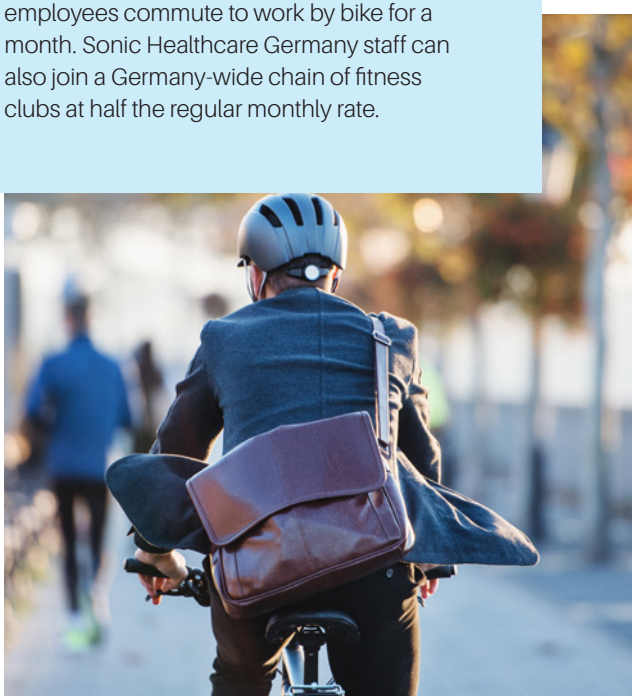
Where work-related injury has occurred, we ensure staff are supported in their recovery and return to work program via locally engaged occupational health services.

Target 8.8

Wellbeing programs for staff

Sonic Healthcare Germany has implemented an innovative and sustainable solution to enhance employee wellbeing, while also helping the ongoing issue of rising fuel prices in Europe. Working with an outside organisation, staff can lease an electric bicycle for themselves and their spouse, via Sonic, at a discounted rate, which also has tax benefits for the employee. After three years, staff can decide whether to buy the bike outright, or replace it with a new one. So far, more than 300 e-bikes have been leased.

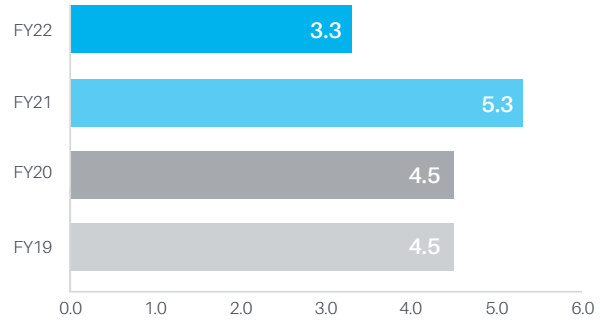
This initiative is also enhanced by a company 'bike challenge', where staff can win prizes or a charity donation if a certain number of employees commute to work by bike for a month. Sonic Healthcare Germany staff can also join a Germany-wide chain of fitness clubs at half the regular monthly rate.



Staff health, safety and wellbeing

No work-related fatalities occurred during the year across Sonic and, as the chart below highlights, our global lost-time injury frequency rate (LTIFR) for FY2022 was 3.3 per one million hours worked, a decrease on the prior three financial years. This is slightly above the SafeWork Australia benchmark for pathology and radiology services of 3.2, but well below the SafeWork Australia benchmark for other healthcare services of 6.5. This year we have derived a blended comparison benchmark of 4.0 (approximately 80% pathology and radiology and 20% other healthcare), as the closest reflection of our global mix of employee roles and services.

Lost time injury frequency rate (LTIFR)

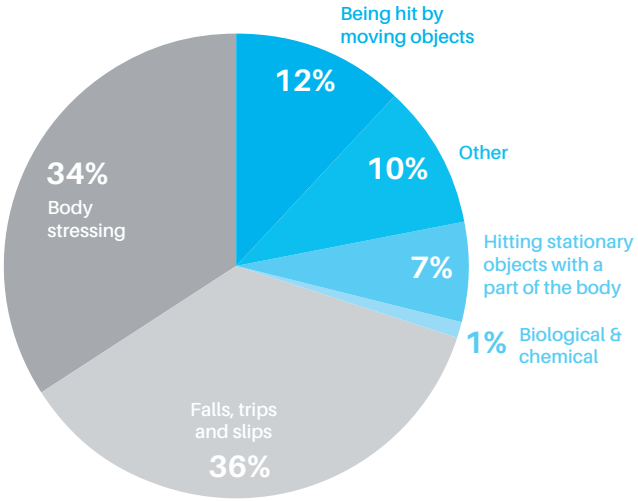


Further details of our injury statistics have been provided in the Sustainability metrics section at the back of this report.

The breakdown of injury causation during FY2022 is shown in the chart opposite.

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

Sonic recently completed a global audit to determine which employees have access to employee assistance (EAP) or comparable support programs.



EAPs generally offer confidential counselling to support the mental health, emotional and general psychological wellbeing of staff and, often, their immediate family members. The audit found that 78.5% of our global employed workforce have access to EAPs. Our goal is to ensure access to employee assistance or comparable support programs for 100% of staff by 30 June 2024.

Sonic offers onsite vaccinations in all countries of operation to protect workers from seasonal influenza and, more recently, COVID-19, along with workplace-COVID-19 testing. Other health promotion services are offered by some entities to encourage healthy eating, increase exercise and promote quitting smoking.

Our FY2022 employee absentee rate of 3.6% was an increase of 20% over the prior financial year, a result of both COVID-19 and other respiratory infections across our workforce, together with isolation requirements, particularly in Australia, as it transitioned from a mostly COVID-free state to living with COVID.

Target 3.4

Communities

Helping others is an integral part of Sonic's corporate culture.

Our diagnostic and clinical services support medical decisions that directly influence the healthcare outcomes of millions of patients every year. We recognise the responsibilities and obligations that come with medical practice and know that improving affordability and access to quality healthcare services can positively impact people's lives.

Commitment To improve the health of individuals and communities

Material topics	Strategy	Goals	FY2022 achievements
Service quality and safety	▪ Ensure the safety and quality of our services	▪ Maintain quality accreditation at 100% of our facilities	▪ 100% of our facilities quality-accredited in FY2022
	▪ Foster medical research and technological innovation	▪ Report key research and educational achievements	▪ More than 380 peer-reviewed academic publications
Access and affordability	▪ Maintain and improve access to our high-quality healthcare services		▪ 145 million patient consults ▪ 3,394 patient centres ▪ 3,149 vehicles that travelled 117 million km
	▪ Provide support to communities in need	▪ Ensure annual charitable donations equal at least 5% p.a. of the Sonic Healthcare Foundation's total assets by 30 June 2024	▪ Establishment of the Sonic Healthcare Foundation with an initial contribution of $40 million by Sonic Healthcare ▪ Charitable donations comprising cash, in-kind donations and sponsorships of more than $7 million

Related SDGs

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

Service quality and safety

Why is it important?

Sonic has a duty of care to ensure that our healthcare services are clinically appropriate, of the highest quality, fully accredited and safe, in order to best address the needs of the communities we serve.

Our approach

As a medically led organisation, we are acutely aware of the trust placed in us by the healthcare providers and patients who rely on us. Rigorous attention to quality assurance in all our routine clinical and everyday work processes is a critical focus for our facility, entity, divisional and global management teams.

Accreditation of healthcare facilities and services is a mandatory requirement of operation and provides our customers with the assurance that the quality management systems, policies, processes and staff training programs in place at all of our facilities meet national and international standards, and are subject to continuous formal external inspection and audit.

Sonic's quality and compliance teams – comprised of experienced medical, scientific, quality and administrative staff – take an objective and uncompromising approach to auditing and continuous improvement, reflecting our abiding commitment to providing externally accredited and safe diagnostic and clinical services.

Accreditation – facilities, tests and services

All Sonic Healthcare laboratory, radiology and primary care facilities meet or exceed the rigorous requirements of the accreditation bodies in all countries in which we operate.

During FY2022, 2,644 external audits and 4,434 internal audits were conducted across Sonic sites. This represents an increase in total audits of more than 7%, compared with FY2021. The increase in audits was largely related to the validation of new COVID-19 tests. No major adverse findings were recorded as a result of these audits.

4,434
internal audits

2,644
external audits

Our global quality teams work closely with external accreditation bodies to ensure we remain informed and prepared for evolving changes in the accreditation landscape. These staff also participate in regular quality and safety training programs and process reviews that reinforce our best practice culture and help to ensure that quality and safety are front of mind for all our staff. Modules include 'Workplace health and safety risk management', 'Hazardous substances and dangerous goods' and 'Fatigue management'.

All of Sonics operating facilities maintained accreditation and operating licenses during FY2022, with no major adverse finding resulting from accreditation inspections by external regulatory authorities

Laboratory medicine/pathology

The information below details the accreditation requirements and Sonic accreditation status in each of the jurisdictions in which we operate. Many of our pathology laboratories are also accredited to ISO 15189 Medical Laboratories – Requirements for quality and competence. This allows us to work collaboratively with our different quality groups across the world, ensuring, where possible, that procedures and processes are standardised across the Sonic network of practices.

Australia & New Zealand

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

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

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

Germany

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

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

Belgium

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

Switzerland

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

UK

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

USA

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

Radiology

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

General Practice

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

Enhancing the safety of medication administration

Medication errors are a leading cause of injury and avoidable harm in healthcare systems across the world.

As a healthcare provider, Sonic's IPN Medical Centres are responsible for ensuring clinical governance frameworks are in place to support the knowledge and capability of staff who are responsible for medication administration, most commonly, nurses.

Medication administration is a fundamental nursing skill, and the process of correctly preparing, administering and monitoring medicines is complex, involving multidisciplinary coordination, proficiency in skill, and communication.

Through in-depth evaluation and systematic review, IPN's Clinical Governance Team recently completed vital improvements to medication administration polices and frameworks, introducing additional strategies to reduce the risk of common causes of medication error.

The new policies and frameworks were introduced through an informative six-week education series focusing on procedural instruction on safe medication administration.

Tools used in the education series included instructive demonstration videos, written procedural instructions on technique, and step-by-step process guides.

The nursing workforce has responded positively to the education series, with quality improvement initiatives taking place at individual medical centres, including:

- improvements to coordination and communication between multidisciplinary teams
- further systemisation of workflows, involving thorough checks of medication, correct patient identification and patient screening prior to administration
- enhanced education and understanding for general practitioners on the nursing scope of practice.

The success of the education series and subsequent new policy introduction will continue to be evaluated through medication administration incident reporting and feedback. This aims to further inform clinical governance initiatives, enhancing the delivery of safe, high-quality clinical care to patients within our primary healthcare network.

Heather Paul, Nurse Supervisor at IPN's Vale Medical Practice, New South Wales, Australia

Education, research and professional development

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

Sonic recognises the importance of contributing to the community through the sharing of our professional and academic expertise.

We employ some of the most highly qualified professionals in their field, and share this expertise locally and globally through different teaching opportunities in pathology/laboratory medicine, radiology, general practice medicine, management and medical administration.

We actively participate in several types of medical education.

Target 4.4

Target 9.5

1 Continuous professional development

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

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

more than

380

peer-reviewed academic papers authored/co-authored by Sonic staff in FY2022

2 Publications, craft groups, steering committees, boards and other professional organisations

Our medical, technical and scientific staff regularly contribute to the broader medical community via participation in medical specialty 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.

These contributions enhance professional development and help to represent the industry, shape policy at government level and share knowledge with the broader medical community. Sonic supports staff who help to provide this clinical governance by releasing them to attend forums on company time and reimbursing their expenses. This is another extension of our Medical Leadership philosophy.

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

3 Training the next generation of medical professionals

As part of our commitment to medical excellence, Sonic Healthcare and our 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. This knowledge transfer forms an important component of the regular work for many of our medical practitioners, clinical and scientific staff. Sonic has a proud history of involvement with academic training facilities and has links with universities in all countries of operation.

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

4 Research and academic bodies

Sonic Healthcare provides significant and ongoing investment in external education, research and sponsorship of medical events. We also invest in our own research and development to ensure we are at the forefront of emerging trends in our various disciplines. This includes partnering with other providers and institutions to facilitate the development of new products and services.

Sonic's long-term commitment to supporting academic activities allows us to:

- increase job satisfaction
- attract and retain highly trained personnel
- ensure long-term supply of sufficient medical staff
- foster innovation, excellence and responsiveness to the needs of stakeholders
- achieve synergies through two-way sharing of technology, knowledge, research and resources
- ensure the establishment of best practices, continuous quality improvement and the development of safe, sustainable and efficient clinical services
- further enhance our reputation as a provider committed to high-quality healthcare.

Inspiring the next generation

Sonic Healthcare UK hosted the 63rd London International Youth Science Forum (LIYSF) in July 2022. Established in 1959, the forum aims to give a deeper insight into science and its application for the benefit of humankind, and to develop a greater understanding between young people of all nations. The two-week residential student event is held annually in London, and attended by the world's leading young scientists, aged 16 to 21 years, from more than 70 participating countries.

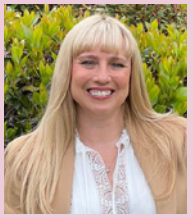
Sonic Healthcare UK continued its involvement with the program and hosted 24 students, which included a tour of the laboratories in our flagship Halo building in London, showing the younger generation what a cutting-edge laboratory looks like.

Damion Cotterell, Biomedical Scientist, Sonic Healthcare UK

Community awards

Sonic congratulates the following staff who were recognised for their medical contributions in the last 12 months:

Professor Prithi Bhathal, histopathologist at Melbourne Pathology in Melbourne, Australia, was awarded an AM (Member in the General Division or the Order of Australia) for his extraordinary contribution to pathology, education, mentoring and medical research.



Dr Lisa Levett, Director of Genetics and Molecular Pathology, Sonic Healthcare UK, was awarded a British Empire Medal in the Jubilee Birthday Honours for developing the first prenatal PCR test for detecting Down Syndrome, reducing prenatal diagnosis from two weeks to two days, and for leading the consolidation of 20 dispersed molecular diagnostic laboratories into one hub, including from UCLH, Royal Free Hospital and TDL. The medal also recognised her work during the COVID-19 pandemic.

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

Target 9.5

Access and affordability

Why is it important?

Diagnostic and preventative healthcare services can only impact individual or community health when they are easily accessed and/or when their costs facilitate appropriate levels of participation.

Government healthcare services are faced with ever-increasing demand and restricted financial resources. Our extensive network of private laboratories, radiology practices, primary healthcare sites and other services complement resource-strained public health facilities, providing critical additional healthcare infrastructure in the countries in which we operate.

Nikkie Salagiannis, Registered Nurse and Chief Operating Officer of Sonic's IPN Medical Centres, talking with a Clontarf Foundation participant

Our approach

As a private healthcare operator, Sonic Healthcare's services complement those provided by the public sector in each jurisdiction of operation.

We focus on providing broad access to our services in all areas of operation – metropolitan, regional and rural – and deliver a comprehensive range of services. This generates benefits in terms of physical access and faster turnaround times because most laboratories and facilities are situated locally. Our ongoing investment in modern facilities, automation and information technology also produces operational efficiencies that ultimately result in lower costs for patients, insurers and the governments who often pay for our services.

We also facilitate access to healthcare services through the introduction of new products and services, including our research and development activities.

Informed financial consent and fair pricing are an integral part of our approach to optimising access and affordability, and we aim to keep our costs as low as possible.

Due to the vast differences in healthcare systems in our countries of operation, Sonic does not have formalised policies around affordability; however, our medical and executive teams work closely with governments and health insurers In each jurisdiction to provide the information required to determine service rebates. Eligible patients receive our services for the government rebate or insurer-subsidised fee with no out-of-pocket expense to the individual. Many of our laboratories and facilities also work with disadvantaged groups in their communities, to provide services for people who may not otherwise be able to afford them.

Providing and enhancing access to our services

Sonic facilitates patient and clinician access through:

- more than 260 pathology laboratories, ranging from large centralised laboratories to small in-hospital acute care support facilities
- pathology sample collection
  - in surgery, by a GP or specialist
  - by trained phlebotomists at more than 3,000 patient service centres
  - via home collection, where issues such as age and mobility may otherwise be barriers
  - by our staff at nursing homes and hospitals
  - via self-collection, for certain tests
- more than 120 radiology practices, with more facilities being added; attendance by the patient is required, and extended operating hours are offered at some sites for added convenience
- primary care services at 217 clinics, with in-surgery GP and telehealth consultations and nurses available for minor procedures
- immunisation centres supporting community access to vaccinations, for example, during COVID-19
- occupational health-related services at workplaces, including immunisation and drug testing.

Sonic's businesses continually enhance customer convenience by adjusting operating hours in line with demand, and improving digital options, including mobile app-based platforms for report delivery to clinicians and SMS messaging to patients, where appropriate. We also upgrade existing facilities and open new facilities on a regular basis, to increase efficiencies and expand our service offerings and physical reach.

L to R: Cr Philip Penfold, Mayor of City of Maitland; Jenny Aitchison MP, Member for Maitland; Meryl Swanson MP, Member for Paterson; Todd Forbes, Chief Operating Officer, Hunter Imaging Group; Dr Demetrius Voutnis, CEO, Hunter Imaging Group

3 GOOD HEALTH AND WELL-BEING
Target 3.4

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
Target 9.1

Regional oncology treatment centre

The Maitland and lower- and upper-Hunter communities in regional New South Wales, Australia, can now receive world-class integrated cancer care closer to home, thanks to the opening of the second stage of GenesisCare and Sonic's Hunter Imaging's oncology treatment centre in Metford.

Hunter Imaging's multi-million dollar investment into this flagship diagnostic imaging centre provides cancer patients with rapid access to diagnostic technologies and specialised oncology treatment under one roof. Patients can access a world-class PET-CT scanner, an essential tool for diagnosing and measuring the response to cancer treatment, as well as MRI, nuclear medicine, CT, ultrasound, mammography and general X-ray.

Sonic's Douglass Hanly Moir Pathology will soon join GenesisCare and Hunter Imaging in the health hub, further expanding the medical services available to these regional patients, and providing the same sort of experience and services they may only expect in a capital city.

Responding to a global outbreak

The recent global outbreak of Monkeypox has resulted in the need for high-quality, readily accessible diagnostic testing to prevent the further spread of the disease.

Sonic Healthcare laboratories around the world have worked with government bodies to quickly respond to the emerging threat. Sonic Healthcare USA was selected as one of five private laboratories authorised by the US Department of Health and Human Services (HHS) through the Centers for Disease Control and Prevention (CDC) to begin test validation using the CDC Non-variola Orthopoxvirus, high complexity NAAT (RT-PCR) molecular assay to identify Monkeypox.

In Europe, Sonic Healthcare UK has been commissioned by the UK Health Services Agency to perform the testing, while Sonic Healthcare Germany also provides testing at some of its key laboratories.

Sonic's involvement reflects our commitment to working closely with government partners to mitigate public health outbreaks.

Introduction of new tests and services

Target 3.3

Sonic continually evaluates new and innovative tests and services to respond to evolving healthcare needs.

Since the beginning of the global pandemic in March 2020, our laboratories have conducted more than 55 million COVID-19 PCR tests. As we monitor the progress of the pandemic, we expect testing for COVID-19 will be ongoing, either as a standalone test or as part of a routine respiratory pathogen test panel. Continued vigilance with respect to COVID variants will still be required, and our German laboratory has been contracted by government to conduct whole genome sequencing of COVID variants, with more than 140,000 sequences completed to date.

Sonic's US reference laboratory is also one of only a few US facilities approved to perform Monkeypox testing.

Advances in genetic testing and sequencing in the area of cancer diagnosis and treatment monitoring have also seen the addition of many new tests to our menus, including the Oncotype DX® test (Germany) for breast cancer recurrence and therapy response and the ThyroSeq® thyroid cancer genetic test (USA).

Such advances often reduce the need for invasive and costly procedures to establish diagnoses, benefiting the patient and the health service funder. Sonic Healthcare Germany is the only laboratory in the world that has been licensed to perform Oncotype DX® testing locally, providing faster turnaround times and greater accessibility for patients living in Europe.

Australian cancer patients to get improved access to genome sequencing and clinical trials

The pathology division of Sonic Healthcare Australia has been announced as a key participant in a ground-breaking Australian project aimed at improving access to clinical trials for Australians diagnosed with cancer.

Known as the Precision Oncology Screening Platform enabling Clinical Trials (PrOSPeCT), the three-year project will provide genome sequencing for more than 20,000 patients with advanced cancer, facilitating access to established chemotherapy or current clinical trials for those with relevant mutations. It is envisaged that this will open up new treatment paths for people with difficult-to-treat advanced cancers, including ovarian and pancreatic cancer and sarcoma.

Patients without such mutations will receive the best contemporary care and, with their consent, can be approached for inclusion in new clinical trials as they become available. By creating a pool of patients with cancers that have already been sequenced, the cost and duration of clinical trials will be dramatically reduced. Sonic's 400 Australian pathologists currently provide 50% of all cancer diagnoses for patients using private sector pathology services in Australia.

PrOSPeCT is led by the Australian Genomic Cancer Medicine Centre, which is a network of Australia's leading cancer research institutions and hospitals that grew out of the Molecular Screening & Therapeutics (MoST) Study at the Garvan Institute in Sydney, NSW. It is being funded by a group of joint venture partners and the Australian Government.

The economy of scale provided by this volume of testing will also allow Sonic to provide cancer genome sequencing at an attractive price to patients who have not been recruited to PrOSPeCT.

Target 3.4

Using technology to improve access to histopathology services

Artificial intelligence (AI) is the next frontier in pathology, aiming to improve the speed, accuracy, reliability and efficiency of cancer diagnoses, as well as patient access to diagnostic services. Sonic Healthcare has formed a joint venture with leading Australian AI company, harrison.ai, to develop AI tools for pathology reporting.

Based in Sydney, Australia, harrison.ai has a proven track record of developing clinical AI solutions capable of identifying a wide range of clinical findings. Their AI tools for radiology and IVF currently reach more than 50,000 patients each month, and are approved for clinical use in Australia, UK, Europe and other countries.

Sonic's collaboration with harrison.ai, via our newly formed joint venture, franklin.ai, creates an opportunity for our pathologists and scientists to contribute their clinical expertise in the creation of AI tools for pathology. This will inevitably drive the digitisation of anatomical pathology workflows within Sonic, assisting routine diagnosis and increasing access to limited expert resources.

Advances in AI have the potential to significantly improve the diagnostic productivity of radiologists and pathologists, giving centralised expert teams more time to consult on clinically challenging cases with colleagues in less resourced settings, such as remote and regional practices, or in developing nations where such expertise is extremely rare.

Sonic Healthcare Radiology has already deployed annalise.ai, the harrison.ai radiology AI solution, in more than 120 locations across Australia, to enhance the reliability of interpretation of chest X-rays. The performance of this product was peer-reviewed in the journal Lancet Digital Health and is capable of detecting an unprecedented 124 findings in chest X-rays.

▲ Dr Colin Goldschmidt, Sonic Healthcare CEO (centre) with Harrison.ai founders Dimitry Tran (left), and Dr Aengus Tran (right)

Target 9.5

Supporting charities to improve healthcare access

Target 3.C

Sonic Healthcare directly supports healthcare programs in disadvantaged communities by providing financial, technical, physical and human resources. This includes our Catalyst Program work in Africa, as well as support for indigenous and under-represented groups in other countries, such as our association with the Clontarf Foundation in Australia. Our support includes free clinical services, medical equipment and supplies, and education and training through our volunteer and philanthropic activities.

This year we formalised our philanthropic activities with the establishment of the Sonic Healthcare Foundation.

SONIC HEALTHCARE FOUNDATION

As a world-leading diagnostic medical company, we have a moral obligation to use our knowledge, resources and expertise to promote the prevention and control of disease in poorer communities that have restricted access to quality healthcare. This reflects our commitment to Medical Leadership, and the accompanying principle of community conscience and the need to medically support people in need.

In FY2022, we formally expanded our long-standing giving program through the establishment of the Sonic Healthcare Foundation, to fund charitable programs that improve the health and wellbeing of those in need. Sonic has contributed $40 million to the Foundation, which proudly partners with a number of programs and foundations committed to health advocacy, with a focus on access to care, mobilisation of resources and addressing changes needed to reduce health inequities and improve lives.

Sonic also supports many local charities and events, and donated more than $7 million in cash, in-kind donations and sponsorships in FY2022. 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.

Supporting disadvantaged people in Germany

Tafel is one of the largest volunteer-based organisations in Germany, dedicated to distributing food to socially and economically disadvantaged people. Financed entirely by donations, Tafel supports more than two million people in need of food throughout the country – nearly a third of them being children and youth – by distributing food that would otherwise end up in landfill.

The ongoing financial impacts of the pandemic, combined with the influx of Ukrainian refugees in Germany, have made Tafel's work more important than ever. Over the last 12 months, Sonic's Bioscentia laboratories donated more than €100,000 to various Tafel organisations throughout Germany to help support this important charity.

Bioscentia looks forward to continuing the relationship with this vital community group.

HEAL Africa training course for medical students

Catalyst Program

The cornerstone of Sonic's philanthropic activities is our Catalyst Program, which aims to establish self-sustaining laboratory medicine, pathology, radiology and other clinical services for communities in dire need. For more than 25 years, we have had incredible success in several countries, making a meaningful difference to the lives of thousands of people.

As a medically led organisation, we know that good medical practice plays 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 in these regions with modern pathology and radiology equipment. The benefits of this assistance have been significant, allowing local doctors to correctly identify different diseases, viruses, bacteria and injuries, so patients can be properly treated.

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

This assistance 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 African hospitals that treat women and children – two community subsets that are important to the future success of any nation.

Our support is known as the Catalyst Program because we aspire to be one of the catalysts that will help these hospitals, and the communities that they serve, to self-sufficiency.

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

Over the last 25 years, we have sent a shipping container to an African aid project almost every year. These containers are filled with supplies required to run a modern laboratory, such as personal protective equipment, specimen collection supplies, reagents for analysers, supplies for the hospital, as well as laboratory, radiology and computer equipment. The containers also include equipment and materials for schools and staff donations of clothes and shoes.

Target 3.1
Target 3.2
Target 3.3
Target 3.4
Target 3.C

Target 4.1
Target 4.4

Target 5.3

Target 9.1
Target 9.4
Target 9.5

HEAL Africa

HEAL Africa is a full-service tertiary hospital located in Goma, in the Democratic Republic of Congo. It is one of only three referral hospitals in the war-torn country, and provides obstetrics and gynaecology (including fistula repair), general surgery, orthopaedics, paediatrics and internal medicine, as well as established pathology and radiology services. It also serves as a centre for healthcare and research, as well as training doctors and healthcare professionals.

Sonic's long-term involvement with HEAL Africa started in 2008 when we first established a reliable pathology and radiology service at the hospital. This involved providing essential equipment and supplies, helped by a number of local and international suppliers to our Australian laboratories, as well as sending senior Australian staff to set up the laboratory and radiology facilities, and to train the local workers in current laboratory and radiology techniques and infection control.

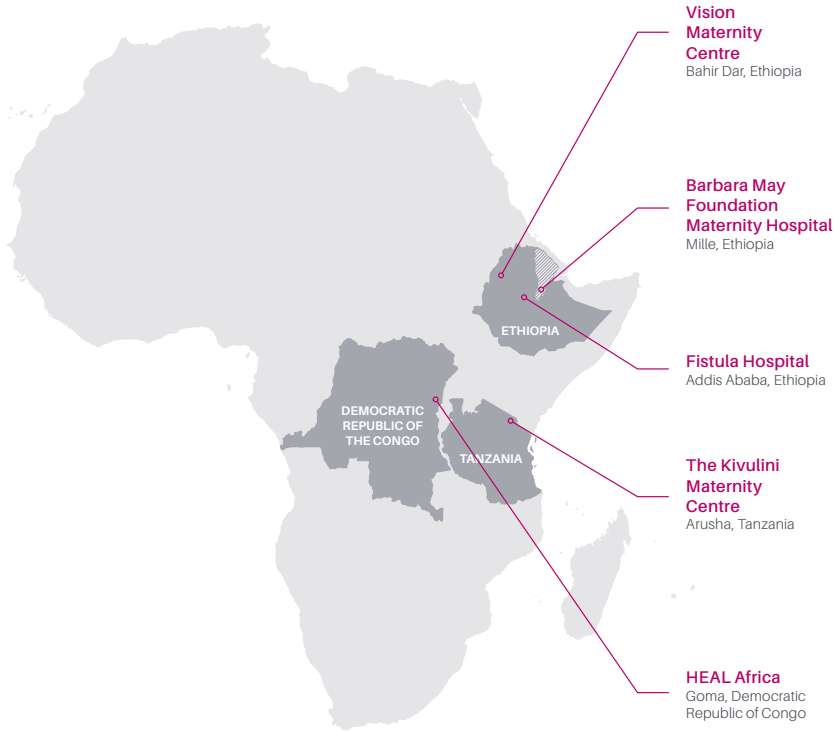
HEAL Africa houses completely modernised, fully functioning biochemistry, haematology, microbiology and histopathology laboratories, which are re-equipped and re-supplied by Sonic Healthcare. This supports the hospital's diagnostic skills, and has facilitated an expansion in the available range of tests and procedures.

HEAL's radiology capabilities have also been upgraded to include digital X-ray, mammography, ultrasound and CT scanning. This has made an enormous contribution to diagnostic capabilities and patient management, both in the hospital and the wider community it serves.

Sonic also provides PPE and disposable medical supplies on an ongoing basis, to assist with effective infection control.

COVID-19 once again hampered our ability to send Australian staff to Goma during FY2022, however, we continue to support the hospital with reagents and equipment. Another shipping container full of equipment was recently sent, including a CT scanner, theatre beds, humidicribs, oxygen aerators for neonatal babies, as well as consumables and IT equipment.

Healthcare services receiving Catalyst support



Pathology/laboratory medicine tests

- A comprehensive range of tests, including HIV, VDRL, hepatitis serology, malaria, renal biochemistry and typhoid

Radiology services

- Digital X-ray, mammography, ultrasound and CT scanning

Hospital procedures

- Births, fistula surgeries, pre- and postnatal visits

The Clontarf Foundation

Sonic has continued our ongoing involvement with The Clontarf Foundation, an Australian not-for-profit organisation that exists to improve the education, self-esteem and employment prospects of Aboriginal and Torres Strait Islander boys and young men. Through mentoring and participation in team sports, Clontarf provides its students with life skills to succeed and grow, which benefits the whole community, as well as the individuals involved. Clontarf operates 116 Academies in schools across Western Australia, Northern Territory, Victoria, South Australia, New South Wales and Queensland, catering for more than 8,000 boys.

Sonic Healthcare has been involved with the Clontarf Foundation since 2017, providing medical assessments to students within Clontarf's Academies, with an additional focus on their mental health and wellbeing. These health checks are provided in relatively populated areas, as well as some of the remotest parts of Australia, such as Jabiru, Katherine, Tennant Creek and Gunbalanya in Arnhem Land.

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 health checks. Any medical issues or concerns identified during our assessments are then followed up by the local Aboriginal Medical Service. These checks help to identify medical issues at an early stage, when they are more treatable. In 2022, we provided health checks to more than 2,000 Clontarf students.

Clontarf's overall achievements for 2021	
Number of participants who completed Year 12	731
Average school attendance	79%
Percentage of participants with average attendance rates of 80% or above	60%
Number of year 12 graduates remaining in employment or further education 12 months after graduating	88%

Providing support to Ukraine

The war against Ukraine has resulted in an ongoing medical crisis in the country, with hospitals inundated with severely injured patients.

As part of our philosophy of supporting communities in need, Sonic Healthcare donated six pallets of PPE and medical supplies for use in hospital operating theatres. The shipment included surgical gloves and gowns, masks, surgical wipes, hand sanitiser, protective eyewear and waste containers. Sonic also provided cash donations to the Red Cross and other aid agencies via Sonic Healthcare Germany and Medisupport in Switzerland. Sonic Healthcare Germany continues to ship medical goods to Ukraine on an ongoing basis.

Many Sonic staff members added personal donations to our official contributions, reflecting the deep well of goodwill among our people. Several Sonic staff in Europe also volunteered their own time to help out in refugee centres. This includes meeting refugees at train stations and, in some instances, welcoming people into their own homes.

Neil Barrett, from Douglass Hanly Moir Pathology, NSW, Australia, readying supplies to send to Ukraine

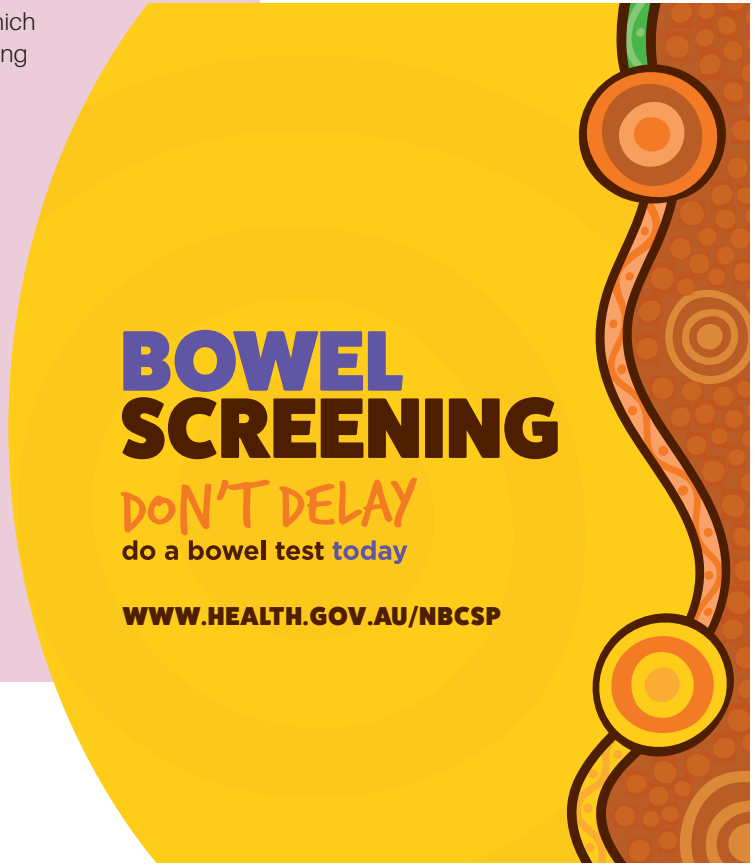
Target 3.4 | Target 4.1 Target 4.5 | Target 8.5 | Target 10.3

Increased access and participation in bowel cancer screening for Indigenous Australians

In an effort to increase the participation of Indigenous Australians in the National Bowel Cancer Screening Program, Sonic Healthcare's Australian pathology division participated in a pilot study funded by the Australian Government, which trialled an alternative way of getting program screening kits to eligible First Nations participants.

Instead of mailing screening kits directly to participants, culturally customised kits were sent to participating community health centres, with healthcare providers giving the kits directly to people visiting the centre. Using healthcare providers to recommend and explain the test removed many barriers to screening and resulted in increased participation in screening among participating communities.

Following the success of the pilot, health professionals across Australia will be able to give National Bowel Cancer Screening Program kits directly to their eligible patients from January 2023. This is in addition to the mail-out method already in place.



Target 3.4

Target 10.2

Improving participation and employment opportunities for disadvantaged groups

Target 4.5

Target 8.5

Target 10.2
Target 10.3

Sonic understands that we have an opportunity to positively impact community groups that may otherwise be disadvantaged. We work with a number of not-for-profit social enterprises to provide supported employment opportunities for people with disabilities, as well as young people from culturally diverse backgrounds. This includes:

- **The Bridge Employment**, a valued kit assembly partner for our work supporting the Australian Government's National Bowel Cancer Screening Program
- **The Endeavour Foundation** in Queensland, a long-standing partner who assists Sullivan Nicolaides Pathology to package COVID-19 self-collect PCR kits, as well as faecal occult blood kits and cervical screening kits
- **Bright Skies** couriers in Western Australia, who transport SKG Radiology's toner cartridges for recycling
- **Activ** in Western Australia, who manufactures SKG's re-usable fabric patient gowns.

Where possible, Sonic also seeks to source products from Indigenous suppliers. In Australia during FY2022, Sonic spent $0.6M with Supply Nation businesses, an increase of 50% on the $0.4M spent in FY2021. We continue to explore opportunities to utilise these suppliers where suitable products are available.

Governance

Sonic Healthcare is first and foremost a medical practice, led by medical professionals who understand the unique needs of doctors and their patients. We have an enviable reputation for quality and integrity, reinforced by our Medical Leadership principles, Core Values and company policies.

Strong governance underpins the effective management of our business and is the basis by which we build trust, deliver long-term sustainable growth and create value for stakeholders.

Commitment To maintain confidence and trust

Material topics	Strategy	Goals	FY2022 achievements
Ethics, integrity and compliance	▪ Promote ethical conduct and ensure compliance	▪ Train all relevant staff in key policies by 30 Jun 2025[1]	▪ Measurement to commence in FY2023
Privacy and information security	▪ Safeguard privacy and protect data	▪ Achieve annual improvement in independently audited Cybersecurity Framework maturity scores (NIST)	▪ FY2022 NIST audit completed and scores will form the baseline for assessment
Human rights	▪ Champion human rights	▪ Publish an annual Modern Slavery Statement	▪ 2022 Modern Slavery Statement published

Related 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

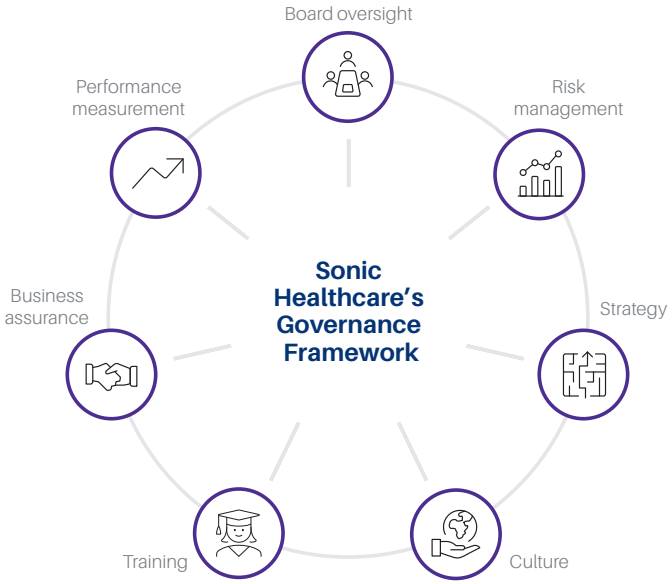
1 Code of Conduct, Anti-bribery and Corruption Policy, Whistleblower Policy, Labour Standards and Human Rights Policy, Privacy Policy, Workplace Health and Safety Policy, Supplier Policy

Sonic's governance framework

Sonic Healthcare's Board is responsible for overseeing all governance policies.[1] The Board comprises a mix of medically qualified professionals and experienced business leaders who understand the complex environment of healthcare. The Board composition also seeks to balance independence, executive representation and diversity.

Our governance framework supports effective management and sound decision-making by linking Board oversight, risk management and strategy with organisational culture, training, business assurance and performance measurement.

Sonic views risk management as a core management capability, and fosters a risk-aware, compliance-focused culture through training and development programs available to all employees.



Sonic's business assurance program team comprises experienced auditors from three countries. The team conducts ongoing reviews and audits, to independently evaluate the effectiveness of internal controls used to manage financial, fraud and compliance risks. The Sonic Board's Audit Committee determines the business assurance program's scope of activities and monitors management response to recommendations related to system enhancements.

The Head of Business Assurance reports directly to the Audit Committee and liaises with, but is independent of, our external auditors.

Our business assurance program and external auditors are responsible for monitoring all of Sonic's operations for risk of corruption. Any material breaches of the company's Anti-bribery and Corruption Policy, Code of Conduct or any material incidents reported under the company's Global Whistleblower Policy uncovered by the Program must be reported to the Audit Committee.

Sonic Healthcare is committed to ensuring full compliance with all statutory taxation obligations, including our understanding of the policy intent of legislation and full disclosure to tax authorities. Our approach to taxation is described in our Taxation Governance document.

Sonic supports the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th edition) and has followed these principles during the 2022 financial year.

Further information relating to our corporate governance framework, charters, codes of practice and policies can be found in the Corporate Governance section of our website and in our 2022 Annual Report.

1 Code of Conduct, Anti-bribery and Corruption Policy, Whistleblower Policy, Labour Standards and Human Rights Policy, Privacy Policy, Workplace Health and Safety Policy, Supplier Policy

Ethics, integrity and compliance

Why is it important?

Managing risk responsibly and acting ethically, with absolute integrity, and in compliance with all legal and regulatory obligations, allows Sonic Healthcare to fulfil the expectations of our stakeholders and demonstrate that we deserve their trust.

Any breach of this trust could undermine our good reputation, give advantage to our competitors or negatively impact our enterprise value.

Our approach

The Sonic Board and management team have developed a set of core policies, procedures and internal controls to help us comply with our legal and regulatory obligations and meet the sometimes higher standards of conduct that our stakeholders expect. Our Code of Conduct, Anti-bribery and Corruption and Global Whistleblower policies describe our shared values and set out the standards of behaviour expected of all those who represent Sonic and act on our behalf.

Our employees play a critical role in maintaining our culture of integrity and compliance. Every person who represents Sonic is responsible for setting the highest standards for themselves and is accountable for their behaviour. Regional management teams are responsible for training all personnel to ensure familiarity with policy expectations and breach-reporting mechanisms. Sonic is in the process of developing standardised policy training programs and establishing tools to monitor and report on their effectiveness.

We encourage employees to notify a responsible person if they know or suspect that the conduct of others is inconsistent with our policies, applicable laws, regulations and standards. The Sonic Healthcare Global Whistleblower Policy aims to promote a workplace culture in which our people feel safe, supported and encouraged to speak up about improper conduct.

The policy describes how stakeholders can make anonymous and confidential notifications to senior management or to an independent third party, and details the protections afforded to those who do so. Sonic treats every report of misconduct seriously and investigates all incidents. We take all necessary actions to address substantiated issues, including discipline, training and implementation of enhanced policies, processes, controls and systems.

The Board and Risk Management Committee are informed of any material breaches of our policies. No critical concerns were reported during FY2022.

Having identified ethics, integrity and compliance as a material topic, Sonic has set the goal of providing formal training in each of our key policies[1] to all relevant staff by 30 June 2025.

1 Code of Conduct, Anti-bribery and Corruption Policy, Whistleblower Policy, Labour Standards and Human Rights Policy, Privacy Policy, Workplace Health and Safety Policy, Supplier Policy

Privacy and information security

Why is it important?

Sonic relies on access to sensitive data in order to provide our services. We know that protecting data privacy while using data ethically and responsibly is fundamental to maintaining the trust of our stakeholders and growing our business.

We also acknowledge that the opportunities provided by the accelerated move toward digitisation of healthcare services and the rapid evolution of data-driven technologies must be considered in tandem with increasingly complex international data security and privacy regulations and the hostile cyberthreat landscape.

Constant vigilance is required to safeguard privacy and avoid data breaches. Breaches expose individuals to harms, such as identity theft, and the organisation to consequences, such as interruptions to business continuity, reputational damage, fines and litigation.

Our approach

Sonic Healthcare is committed to ensuring that personal information is obtained and collected lawfully, transparently and with consent.

As described in Sonic Healthcare's Privacy Policy and Data Security Statement, the Sonic Board is responsible for oversight of the Group's data protection, cybersecurity and privacy management frameworks. Management, including the Group Chief Information Officer and regional Chief Information Security Officers, is responsible for safeguarding privacy, assessing data security risks and maintaining information management systems.

Sonic Healthcare complies with the Australian privacy legislation, including the *Privacy Act 1988* (Cth) and Australian Privacy Principles (APP), and the applicable laws and regulations of the countries in which we operate, including HIPPA (USA), GDPR (Europe), DPA (UK), DPA and GDPR (Switzerland).

All our information security systems are based on ISO/IEC 27001 and audited to recognised jurisdictional standards, including National Institute of Standards in Technology (NIST) SP 800-53. In Australia protected systems are audited to ISO/IEC 27001 and the Australian Government Information Security Manual (ISM-IRAP).

Sonic uses the ISO/IEC 27001 framework for our Information Security Management Systems, and independent audits of all our systems are conducted using the NIST SP 800-53 maturity framework. This cybersecurity standard and compliance framework defines standards, controls and assessments based on risk, cost-effectiveness and capabilities.

This framework is continuously updated and widely accepted as a measure of the maturity of an organisation's cybersecurity systems, and we have identified annual improvement in our NIST framework scores as a target in our Sustainability Strategy. Issues identified through the most recent NIST audit are subject to quarterly management review, to assess progress and implement further corrective action if required.

Sonic meets or exceeds all relevant in-country statutory requirements, and participates as members of various health-specific cybersecurity-focused organisations, including the Health Information Sharing and Analysis Centre (H-ISAC, N-HISAC, etc.). We also actively engage with key members of government cybersecurity centres in the countries in which we operate.

All users accessing our IT systems participate in information-security-awareness training and are only given access levels appropriate to their needs. Our well-resourced IT division maintains a specialist cybersecurity unit and personal, physical, operational and technical controls are in place to detect and prevent cybersecurity breaches and service interruptions.

For further information, please refer to our Data Security Statement on our website.

Human rights

Why is it important?

Sonic's primary purpose is to improve people's lives by providing access to safe, high-quality healthcare services, and to do so ethically and with integrity.

A natural extension of this is our commitment to the protection of human rights. We take this responsibility seriously and defend the human rights that support each individual's entitlement to health, education and a decent standard of living, free from oppression and all forms of modern slavery. We also acknowledge the danger of significant reputational damage if our activities are associated with human rights violations within our operations or supply chain.

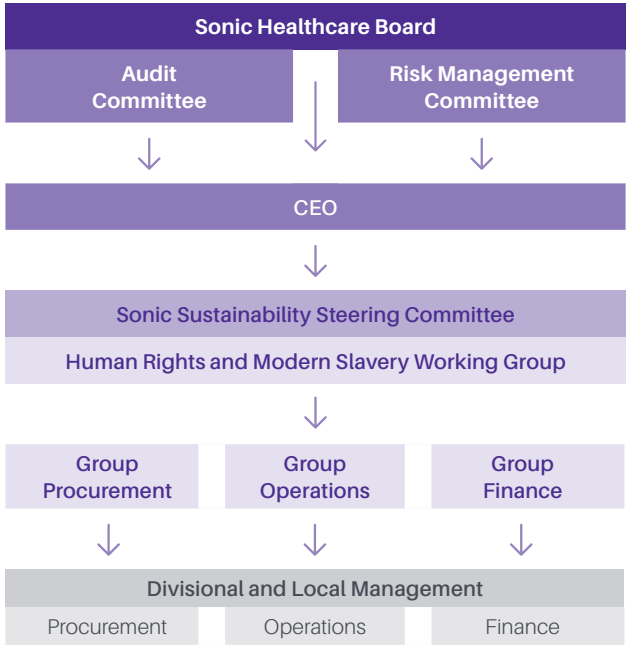
Our approach

While our primary operations are conducted in developed nations with well-established legislation, policies and procedures that uphold labour standards and basic human rights, we recognise the potential for practices that would constitute modern slavery and/or human rights violations to exist within our supply chain. We concentrate our discussion below toward these material human rights risks.

Sonic's approach to human rights and management of modern slavery risks are overseen by the Sonic Healthcare Board and supported by the Board's Risk Management Committee and Sonic Sustainability Steering Committee.

The Modern Slavery Working Group reports to the Sonic Sustainability Steering Committee and includes senior group executives with representation from management, procurement, operations (including culture and communications) and finance.

The Modern Slavery Working Group is responsible for identifying and managing modern slavery risks within our operations and supply chains, implementing mitigating actions, and effecting change where required. Their activities are detailed in our Modern Slavery Statement 2022.

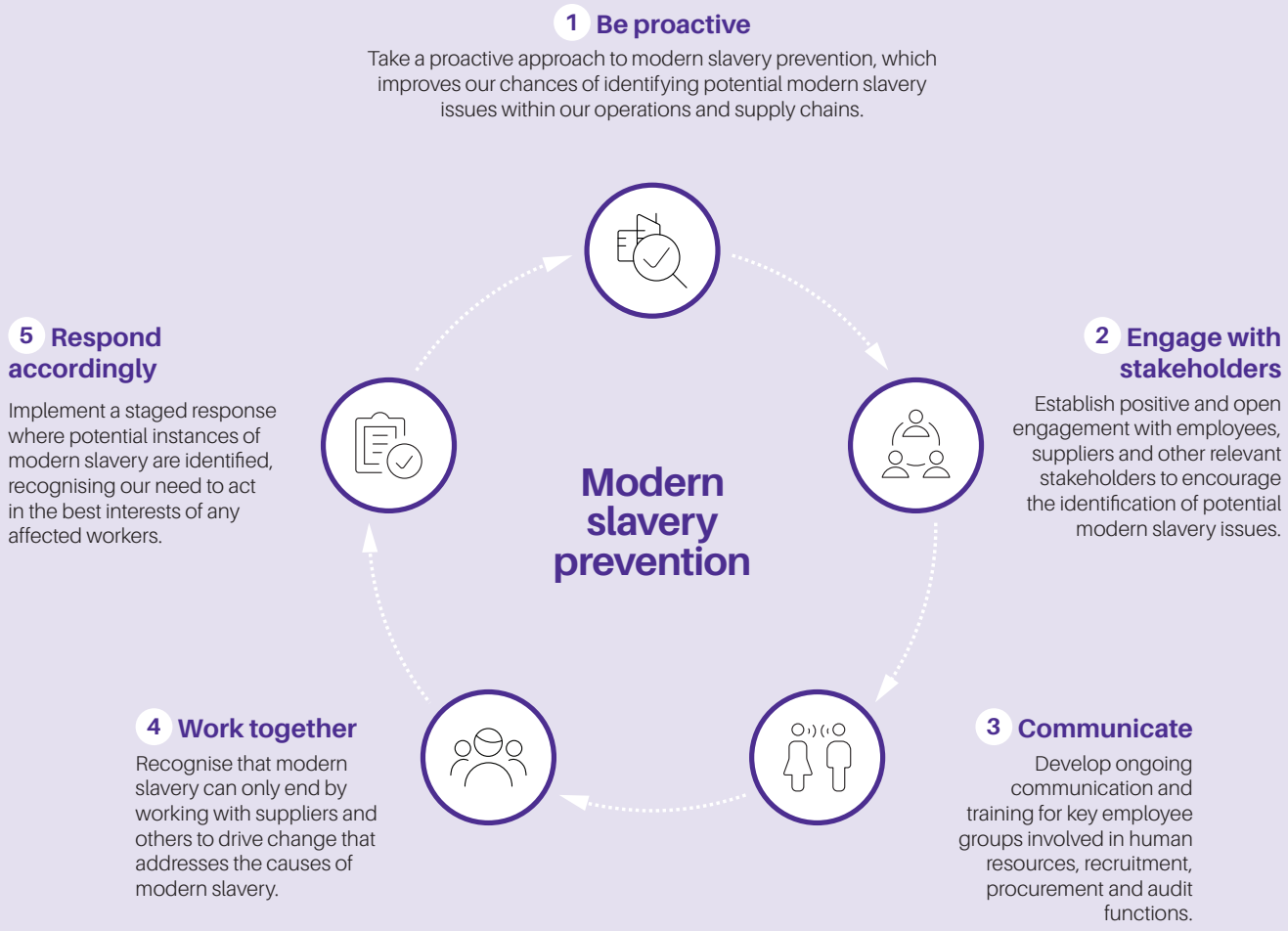


Target 5.2

Target 8.7

Target 10.2

Principles used to guide Sonic's approach to modern slavery risks



Modern slavery framework

Sonic's modern slavery framework is supported by a range of policies and charters that require staff to operate ethically, safely and legally, including our Labour Standards and Human Rights Policy, Diversity Policy, Modern Slavery Statement 2022 and Supplier Policy. Some of these policies are specifically relevant to modern slavery, while others reference more general human rights requirements.

Our supply chains provide highly technical and specialised equipment and consumables related to medical diagnostics and other healthcare services. While Sonic actively seeks opportunities to use local suppliers, our supply chains often involve global suppliers who provide products and services to Sonic's businesses across our seven countries of operation.

Sonic's modern slavery management program is described in our Modern Slavery Statement and comprises:

- a supplier due diligence and onboarding program
- annual internal supply chain risk assessments and audits
- modern slavery awareness training programs for relevant staff
- annual supplier risk assessment questionnaires
- annual business review meetings with suppliers, and supplier site audits.

Our global Supplier Policy makes specific reference to modern slavery risks and requires that our suppliers commit to eradicating all forms of modern slavery in their operations and supply chains. All staff involved in procurement and all suppliers are required to read and understand our Supplier Policy. Suppliers are required to agree to abide by the standards described in this policy before they enter into contracts with us.

Sonic has commenced a program to assess the modern slavery risks of our supply chain, starting with suppliers who account for our highest procurement spend. This program will continue to work through supplier groupings and, to date, our team has sent due diligence questionnaires to 499 suppliers, representing approximately 47% of total supplier spend.

Of the 499 suppliers sent the questionnaire, 212 (representing nearly 40% of total supplier spend) have responded and been satisfactorily cleared. The outstanding due diligence questionnaires are in the process of being followed up and assessed.

In FY2022, a number of product and service areas were publicly highlighted as potentially having higher risk for modern slavery practices. In response to these alerts, Sonic performed a greater level of due diligence on suppliers from the following categories:

- PPE (including gloves)
- Uniforms
- Cleaning services
- Hybrid vehicles
- Solar panels

For more information, please see Sonic Healthcare's Modern Slavery Statement 2022.

Appendices

Sustainability metrics

Operations	FY22	FY21	FY20	FY19
Countries of operation	7	7	8	8
Countries where we are ranked No 1 (market share)	4	4	4	4
Patient consultations (millions)	145	138	116	117
Number of laboratories	261	266	265	277
Number of collection or patient service centres	3,054	3,039	2,926	2,953
Number of radiology clinics	123	109	106	107
Number of medical centres	217	217	230	236
Number of external accreditations, audits or reviews	2,644	2,641	1,287	1,158
Number of internal operational audits or reviews	4,434	4,117	3,569	3,438
Operations suspended due to adverse accreditation or audit findings	Nil	Nil	Nil	Nil

Economic	FY22	FY21	FY20	FY19
Revenue (A$M)	9,340	8,754	6,832	6,184
Net profit (A$M)	1,461	1,315	528	550
Dividends paid to shareholders (A$M)	475	435	405	399
Total assets (A$M)	12,552	11,761	12,127	9,960
Debt cover (times)	0.3	0.4	1.8	2.1
Total payments to staff (A$M)[1]	3,336	3,078	2,936	2,660
Total taxes paid (A$M)[2]	678	613	380	354
Total taxes remitted to tax authority on behalf of staff (A$M)	832	675	641	556

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

Workforce	FY22	FY21	FY20	FY19
Headline numbers				
Total workforce	41,478	38,594	36,443	36,692
Women in workforce	73.8%	74.1%	74.5%	74.8%
Women in executive senior leadership roles[3-1]	38.0%	36.4%	38.1%	36.5%
Women in total senior leadership positions[3-2]	52.8%	52.6%	53.3%	53.4%
Science-based roles	39.7%	42.1%	36.0%	not available
Women in science-based roles	73.5%	73.0%	73.8%	not available
Employees engaged in part-time employment	33.4%	34.0%	34.7%	34.1%
Temporary staff and contractors engaged within total workforce	3.1%	2.5%	2.2%	2.6%
Employees with more than 10 years of service	28.8%	30.0%	31.3%	31.0%
Voluntary employee turnover	20.0%	16.5%	12.7%	16.5%
Voluntary senior leadership turnover	4.5%	1.9%	3.0%	6.7%
Absenteeism	3.6%	3.0%	3.0%	2.9%
Employees with access to an employee assistance program (EAP)	78.5%	not available	not available	not available
Training courses and modules completed by staff	144,627	77,051	not available	not available
Employees who took parental leave during the year	2.4%	2.0%	2.2%	1.7%
Employees who returned after taking parental leave	83.2%	84.1%	85.7%	83.0%
Employees still employed 12 months after returning from parental leave	77.1%	not available	not available	not available
Lost time injuries per million hours worked (LTIFR)[4]	3.3	5.3	4.5	4.5
Number of employee injuries[4]	191	291	232	228
Total hours lost relating to the above injuries[4]	32,383	65,668	45,102	43,845
Average number of days lost per injury[4]	21.2	28.2	24.3	25.0
Lost time hours as a percentage of total hours	0.05%	0.11%	0.08%	0.08%

3-1 Executive senior leadership group includes CEO or head of each reporting business unit and their executive management teams
3-2 Total senior leadership includes executive senior leadership group, other managers, pathologists, radiologists and other doctors
4 A lost-time Injury is defined as an occurrence that resulted in a fatality, permanent disability or time lost from work greater than eight hours

Workforce	FY22	FY21	FY20	FY19
Headline numbers				
Fatalities	Nil	Nil	Nil	Nil
Number of non-employee injuries[5]	14	not available	not available	not available

5 Non-employees included contractors and students but excluded other third parties, such as patients

Headcount by country (includes all employees and contractors as at the end of FY22)	Women	Men	Total	% women
Australia	15,395	4,467	19,862	77.5%
Belgium	353	167	520	67.9%
Germany	5,969	2,275	8,244	72.4%
New Zealand	125	70	195	64.1%
Switzerland	1,018	382	1,400	72.7%
United Kingdom	1,577	1,036	2,613	60.4%
United States	6,154	2,490	8,644	71.2%
Total	**30,591**	**10,887**	**41,478**	**73.8%**

Headcount by division (includes all employees and contractors as at the end of FY22)	Women	Men	Total	% women
Pathology	24,902	9,608	34,510	72.2%
Radiology	2,556	864	3,420	74.7%
Clinical Services	3,107	394	3,501	88.7%
Corporate (global management and services)	26	21	47	55.3%
Total	**30,591**	**10,887**	**41,478**	**73.8%**

Workforce

Headcount by role (includes all employees and contractors as at the end of FY22)	Women	Men	Total	% women
Medical – doctors	930	985	1,915	48.6%
Medical – non-doctors (scientists, technologists, nurses, etc)	11,154	3,382	14,536	76.7%
Phlebotomists	7,158	818	7,976	89.7%
Courier drivers	884	2,197	3,081	28.7%
Executive and senior management[6]	194	316	510	38.0%
Other (clerical, admin support, etc)	10,271	3,189	13,460	76.3%
Total	**30,591**	**10,887**	**41,478**	**73.8%**

6 CEO or head of each reporting business unit and their executive management teams

Headcount by employment status (includes employees only as at the end of FY22)	Women	Men	Total	% women
Full-time	15,599	7,207	22,806	68.4%
Part-time	11,306	2,288	13,594	83.2%
Casual or temporary	3,144	1,122	4,266	73.7%
Total	**30,049**	**10,617**	**40,666**	**73.9%**

Headcount by age bracket (includes employees only as at the end of FY22)	Women	Men	Total	% women
Under 20 years old	451	138	589	76.6%
20 to 29 years old	6,381	2,327	8,708	73.3%
30 to 39 years old	6,720	2,324	9,044	74.3%
40 to 49 years old	6,199	2,012	8,211	75.5%
50 to 59 years old	6,532	1,927	8,459	77.2%
60 to 69 years old	3,396	1,439	4,835	70.2%
70 years old and over	370	450	820	45.1%
Total	**30,049**	**10,617**	**40,666**	**73.9%**

Workforce

Turnover (voluntary[7]) for the employed workforce by country for FY22	Total employed workforce	Voluntary turnover		
		Women	Men	Total
Australia	19,686	22.7%	17.9%	21.6%
Belgium	487	12.1%	9.7%	11.3%
Germany	8,215	12.1%	13.5%	12.5%
New Zealand	195	27.8%	11.1%	22.4%
Switzerland	1,386	7.4%	6.4%	7.1%
United Kingdom	2,423	16.5%	18.1%	17.1%
United States	8,274	28.8%	24.4%	27.5%
Total	**40,666**	**20.8%**	**17.8%**	**20.0%**

7 Voluntary turnover excludes leavers that retire, transfer internally, are made redundant or are temporary casual relief workers

New hires by country for FY22	Women	Men	Total	% women
Australia	5,559	1,602	7,161	77.6%
Belgium	39	24	63	61.9%
Germany	867	410	1,277	67.9%
New Zealand	47	11	58	81.0%
Switzerland	253	84	337	75.1%
United Kingdom	364	255	619	58.8%
United States	2,215	731	2,946	75.2%
Total	**9,344**	**3,117**	**12,461**	**75.0%**
Senior managers hired (included in above)	*28*	*27*	*55*	*50.9%*

Workforce

New hires by age bracket for FY22	Women	Men	Total	% women
Under 20 years old	481	153	634	75.9%
20 to 29 years old	3,743	1,326	5,069	73.8%
30 to 39 years old	2,070	684	2,754	75.2%
40 to 49 years old	1,484	410	1,894	78.4%
50 to 59 years old	1,118	290	1,408	79.4%
60 to 69 years old	418	213	631	66.2%
70 years old and over	30	41	71	42.3%
Total	**9,344**	**3,117**	**12,461**	**75.0%**

	Taken during the year				
Parental leave for FY22	Women	Men	Total	Return rate after leave[8]	Employed 12 months after return[9]
Australia	467	53	520	80.2%	79.8%
Belgium	7	1	8	100.0%	85.7%
Germany	147	49	196	84.0%	70.3%
New Zealand	4	–	4	100.0%	100.0%
Switzerland	38	14	52	92.0%	85.0%
United Kingdom	68	12	80	84.1%	61.5%
United States	86	13	99	90.1%	100.0%
Total	**817**	**142**	**959**	**83.2%**	**77.1%**

8 Reflects the staff who returned to work in FY22 at the end of their parental leave
9 Reflects the staff who were still employed 12 months after their FY21 return from parental leave

Workforce

LTIFR information for the last four years	LTIFR	Lost hours[10]	Total number of lost hours	Total number of injuries[11]
FY22	**3.30**	**0.05%**	**32,383**	**191**
FY21	5.28	0.11%	65,668	291
FY20	4.53	0.08%	45,102	232
FY19	4.52	0.08%	43,845	228

Lost time by region for FY22	LTIFR	Lost hours[10]	No. of lost hours	Total number of injuries[11]
Australia/NZ	3.94	0.07%	21,219	101
Europe	4.17	0.05%	10,200	71
United States	1.25	0.01%	964	19
Total	**3.30**	**0.05%**	**32,383**	**191**

Lost time by division for FY22	LTIFR	Lost hours[10]	No. of lost hours	Total number of injuries[11]
Pathology	3.31	0.05%	27,836	164
Radiology	3.60	0.05%	2,540	15
Clinical Services	2.96	0.04%	2,007	12
Total	**3.30**	**0.05%**	**32,383**	**191**

10 As a percentage of total hours
11 Injury that has resulted in time lost from work greater than 8 hours

Community	FY22	FY21	FY20	FY19
Donations (A$M)[12]	3.447	2.498	2.564	3.089
Sponsorships of medical bodies or events (A$M)	3.578	2.866	3.363	3.279
Scientific papers published in peer-reviewed journals	>380	not available	not available	not available
External stakeholders trained	3,491	3,461	not available	not available

12 Donations excludes the A$40M cash injection by Sonic Healthcare into the Sonic Healthcare Foundation

Environmental	FY22	FY21	FY20	FY19
Scope 1 and 2 energy consumed (GJ)	996,998	972,872	not available	not available
Motor vehicles in the fleet	3,149	2,991	2,980	2,924
Kilometres travelled by the fleet (million km)	116.8	116.4	117.0	125.9
Electric or hybrid motor vehicles in the fleet	10.3%	7.1%	4.6%	3.0%
Vehicles in the fleet with a four cylinder engine or less	96.3%	96.0%	96.0%	96.0%
Electricity generated by solar installations (kWh)	1,101,879	808,182	not available	not available
Installed solar panel capacity (kW)	1,032	912	697	574
Waste recycling rate – Australia[13]	17.3%	15.4%	not available	not available
Reduction in radiological film year on year	27.9%	18.1%	33.5%	28.8%
Water consumption (kL)[14]	319,892	345,409	332,980	not available
Consumption (kL) per square metre	1.14	1.29	1.25	not available
Environmental fines or sanctions	Nil	Nil	Nil	Nil

13 Recycled waste as a proportion of total waste produced by facilities under direct operational control of waste management services
14 Reflects the water consumption at facilities greater than 1,000 square metres in size where water is separately metered

Energy consumption and emissions data

TABLE 1: FY21 base-year direct (scope 1) and indirect (scope 2) energy consumption by country	Scope 1 (GJ)	Scope 2 (GJ)	Scope 1+2 (GJ)	% of total Scope 1+2
Australia	106,090	264,847	370,937	38.1%
Belgium	17,681	10,986	28,667	3.0%
Germany	102,660	105,837	208,497	21.4%
New Zealand	1,822	2,264	4,086	0.4%
Switzerland	14,375	15,249	29,624	3.1%
United Kingdom	11,442	28,385	39,827	4.1%
United States	168,285	122,949	291,234	29.9%
Total	**422,355**	**550,517**	**972,872**	**100.0%**

TABLE 2: FY21 base-year direct (scope 1) and indirect (scope 2) greenhouse gas emissions by country	Scope 1 (tonnes CO_2-e)	Scope 2 (tonnes CO_2-e)	Scope 1+2 (tonnes CO_2-e)	% of total scope 1+2
Australia	7,139	57,259	64,398	57.0%
Belgium	1,200	604	1,804	1.6%
Germany	6,186	10,554	16,740	14.8%
New Zealand	127	87	214	0.2%
Switzerland	994	49	1,043	0.9%
United Kingdom	618	1,674	2,292	2.0%
United States	11,452	15,114	26,566	23.5%
Total	**27,716**	**85,341**	**113,057**	**100.0%**

Notes on tables 1-7

Gases included in the emissions calculations are CO_2, CH_4, N_2O. Emissions from refrigerants and dry ice are not included in this data. Sonic will aim to include emissions from dry ice and refrigerants in the FY2023 Sustainability Report.

Emission factors (EFs) used are based on the US Environmental Protection Agency (EPA), The National Greenhouse Accounts (NGA)/ National Greenhouse and Energy Reporting (NGER), EU Default Emission Factors for the Member States, German Federal Environment Agency, German Federal Ministry of Housing, Urban Development and Building (BMWSB), UK Government GHG conversion factors, Association of Issuing Bodies (AIB) 2021 and New Zealand Ministry for Environment (NZ MfE) publications. Where country-specific scope 1 EFs are not readily available, NGA EFs were applied as proxy EFs for the following reasons:

- Sonic's headquarters are based in Sydney
- Australia's total greenhouse emission is the most material component of the global baseline
- NGA methods used at the national level are consistent with international guidelines and are subject to international expert review each year.

Energy consumption and emissions data

TABLE 3: FY22 direct (scope 1) and indirect (scope 2) energy consumption by country	Scope 1 (GJ)	Scope 2 energy consumption (GJ)	Scope 1+2 energy consumption (GJ)	% of total scope 1+2 energy consumption
Australia	104,355	269,283	373,638	37.5%
Belgium	15,198	10,466	25,664	2.5%
Germany	97,265	97,323	194,588	19.5%
New Zealand	1,847	2,282	4,129	0.4%
Switzerland	15,187	16,475	31,662	3.2%
United Kingdom	11,034	28,730	39,764	4.0%
United States	198,855	128,698	327,553	32.9%
Total	**443,741**	**553,257**	**996,998**	**100.0%**

TABLE 4: FY22 direct (scope 1) and indirect (scope 2) greenhouse gas emissions by country	Scope 1 (tonnes CO_2-e)	Scope 2 (tonnes CO_2-e)	Scope 1+2 (tonnes CO_2-e)	% of total scope 1+2 emissions
Australia	6,986	57,171	64,157	56.5%
Belgium	1,038	576	1,614	1.4%
Germany	5,904	10,972	16,876	14.9%
New Zealand	129	94	223	0.2%
Switzerland	1,048	53	1,101	1.0%
United Kingdom	617	1,543	2,160	1.9%
United States	12,778	14,641	24,419	24.1%
Total	**28,500**	**85,050**	**113,550**	**100.0%**

Energy consumption and emissions data

Table 5: Change in direct (scope 1) and indirect (scope 2) greenhouse gas emissions between FY22 and FY21 by country	FY22 scope 1+2 (tonnes CO_2-e)	FY21 scope 1+2 (tonnes CO_2-e)	Change YoY scope 1+2 (tonnes CO_2-e)	% Change Scope 1+2
FY22 provides the first year of scope 1 and 2 emissions data to compare to our FY21 base-year				
Australia	64,157	64,398	(241)	-0.4%
Belgium	1,614	1,804	(190)	-10.5%
Germany	16,876	16,740	136	0.8%
New Zealand	223	214	9	4.2%
Switzerland	1,101	1,043	58	5.6%
United Kingdom	2,160	2,292	(132)	-5.8%
United States	27,419	26,566	853	3.2%
Total	**113,550**	**113,057**	**493**	**0.4%**

TABLE 6: Change in direct (scope 1) greenhouse gas emissions between FY22 and FY21 by country	FY22 scope 1 (tonnes CO_2-e)	FY21 scope 1 (tonnes CO_2-e)	Change YoY scope 1 (tonnes CO_2-e)	% Change scope 1
Australia	6,986	7,139	(153)	-2.1%
Belgium	1,038	1,200	(162)	-13.5%
Germany	5,904	6,186	(282)	-4.6%
New Zealand	129	127	2	1.6%
Switzerland	1,048	994	54	5.4%
United Kingdom	617	618	(1)	-0.2%
United States	12,778	11,452	1,326	11.6%
Total	**28,500**	**27,716**	**784**	**2.8%**

Energy consumption and emissions data

Table 7: Change in indirect (scope 2) greenhouse gas emissions between FY22 and FY21 by country	FY22 scope 2 (tonnes CO_2-e)	FY21 scope 2 (tonnes CO_2-e)	Change YoY scope 2 (tonnes CO_2-e)	% Change scope 2
Australia	57,171	57,259	(88)	-0.2%
Belgium	576	604	(28)	-4.6%
Germany	10,972	10,554	418	4.0%
New Zealand	94	87	7	8.0%
Switzerland	53	49	4	8.2%
United Kingdom	1,543	1,674	(131)	-7.8%
United States	14,641	15,114	(473)	-3.1%
Total	**85,050**	**85,341**	**(291)**	**-0.3%**

Table 8: Continuation of 3 year reporting of Australian and UK scope 1, scope 2 and limited scope 3 (UK only)	FY22	FY21	FY20
Australia			
Scope 1 (tonnes CO_2-e)	6,986	7,139	7,089
Scope 2 (tonnes CO_2-e)	57,171	57,259	56,529
Energy consumed (GJ)	373,638	370,937	364,637
Reduction in energy consumed per patient	11.4%	9.1%	7.3%

Please note: there has been a correction to Australian FY2020 and FY2021 data to remove some scope 3 data incorrectly classified as scope 1 disclosures

UK			
Scope 1 (tonnes CO_2-e)	617	618	565
Scope 2 (tonnes CO_2-e)	1,543	1,674	1,633
Scope 3 – limited[15] (tonnes CO_2-e)	293	211	118
Energy consumed (GJ)	43,047	42,918	37,345
Reduction in energy consumed per patient	13.8%	17.3%	Not available

15 UK limited scope 3 data relates to emissions attributable to contract courier fleet and staff use of private cars for business-related travel

Energy consumption and emissions data

Table 9: Sonic Australia's path to 100% renewable energy Large-scale renewable energy target compliance year (calendar year)	Large generation certificate (LGC) percentage of electricity purchased for large sites in VIC, NSW, QLD, SA	LGC percentage of electricity purchased for SMEs in VIC, NSW, QLD, SA	Natural power percentage of total electricity WA
2022	30%	30%	30%
2023	30-40%	30-40%	40%
2024	40-50%	40-50%	50%
2025	50-60%	50-60%	TBA
2026	60-70%	60-70%	TBA
2027	70-80%	70-80%	TBA
2028	80-90%	80-90%	TBA
2029 (to 30 June 2029)	90%	90%	TBA

GRI general disclosures

GRI 2: GENERAL DISCLOSURES 2021		
GRI disclosure	**Description**	**Reference**
2-1	Legal name of organisation, ownership, headquarters and countries of operation	**Sonic Healthcare Limited (SHL)** Publicly listed company limited by shares under the Australian Corporations Act 2001. Sonic Healthcare Limited shares are listed on the Australian Securities Exchange (SHL.AX). Level 22, Grosvenor Place, 225 George Street, Sydney New South Wales, 2000, Australia www.sonichealthcare.com ■ Sonic has operations in seven countries – Australia, New Zealand, USA, Germany, UK, Switzerland and Belgium ■ Annual Report 2022 (page 11)
2-2	Entities included in sustainability reporting	■ Entities are the same as those listed in the Annual Report 2022 (pp. 120-123)
2-3	Reporting period, frequency of sustainability reporting and contact	■ Sustainability reports (previously titled Corporate Responsibility Reports) are issued annually and cover the same period as Sonic Healthcare's financial reports, 1 July to 30 June. This report covers the period 1 July 2021 to 30 June 2022. ■ Contact sustainability@sonichealthcare.com
2-4	Restatements, reasons and effects	■ Sonic Healthcare Australia scope 1 and 2 emissions data FY2020 restated (p. 78)
2-5	External assurance	■ About this report (p. 2)
2-6	Sectors in which SHL is active	■ About Sonic (p. 6)
	Activities, products, services, markets	■ Our services (pp. 9–12) ■ Sustainable procurement (p. 31)
2-7	Employees by gender and region	■ Our workforce (p. 34) ■ Sustainability metrics (p. 69)
2-8	Workers who are not employees	■ Our workforce (p. 35) ■ Sustainability metrics (p. 70)

GRI 2: GENERAL DISCLOSURES 2021		
GRI disclosure	**Description**	**Reference**
2-9	Governance structure, responsibility for overseeing impacts on economy, environment and people	▪ Annual Report 2022 (pp. 24-27 & 54-65) ▪ Board Charter (pp. 3-4) ▪ Sustainability governance (p. 17)
2-10	Nomination and selection process for the highest governance body	▪ Annual Report 2022 (p. 56)
2-11	Report if the chair of the highest governance body is also a senior executive	▪ The SHL Chairman is a non-executive independent Director
2-12	Role of the highest governance body and senior executives in setting sustainability purpose, value, mission, policies and goals	▪ Annual Report 2022 (pp. 54, 59) ▪ Board Charter (pp. 4-5) ▪ Sustainability governance (p. 17)
2-13	Delegation of responsibility for managing ESG impacts	▪ Sustainability governance (p. 17)
2-14	Responsibility for approving reported ESG information, including material topics	▪ Sonic Healthcare's material sustainability topics (p. 16)
2-15	Conflicts of interest	▪ Board Charter (p. 6) ▪ Annual Report 2022 (p. 57)
2-16	Reporting of critical concerns to the highest governance body	▪ Global Whistleblower Policy ▪ No critical concerns were reported during the reporting period
2-17	Sustainability knowledge, skills and experience of the highest governance body	▪ During the reporting period, the Board participated in an update session on ESG risks, Board responsibilities and reporting trends conducted by an external consultant
2-18	Evaluating the performance of the highest governance body in overseeing impacts on economy, environment and people	▪ Board Charter (p. 6) ▪ Annual Report 2022 (pp. 64-65)
2-19	Remuneration policies for members of the highest governance body and senior executives	▪ Annual Report 2022 (pp. 31-50, p. 40 refers to ESG-related remuneration) ▪ Sustainability governance structure (p. 17)
2-20	The process to determine remuneration	▪ Annual Report 2022 (pp. 31-50) ▪ The remuneration report is subject to vote by shareholders at the AGM. Results of the vote are available on the ASX and Sonic investor websites.
2-22	Statement from the highest governance body or most senior executive about the relevance of sustainable development to the organisation	▪ Annual Report 2022 Chairman's Letter (p. 3) and CEO's Report (p. 5) ▪ CEO message (p. 4)

GRI 2: GENERAL DISCLOSURES 2021		
GRI disclosure	**Description**	**Reference**
2-23	Policy commitments for responsible business conduct	▪ Code of Conduct ▪ Supplier Policy
	Policy commitments for respect of human rights	▪ Labour Standards and Human Rights Policy ▪ Modern Slavery Statement 2022 ▪ Sonic policy documents are available on the Sonic website
	Communication of policies to workers, business partners and others	▪ Referenced in the Sustainability Report ▪ Discussed with employees by managers ▪ The subject of staff training modules ▪ Distributed to suppliers and referenced in contracts
2-24	Embedding policy commitments through activities and business relationships	▪ Supplier Policy ▪ Modern Slavery Statement 2022 (pp. 13, 15–16)
2-25	Commitment to provide for, or cooperate in, the remediation of negative impacts	▪ Modern Slavery Statement 2022 (p. 14)
	Approach to identify and address grievances	▪ Global Whistleblower Policy ▪ Code of Conduct (pp. 8–9)
2-26	Seeking advice and raising concerns about business conduct	▪ Code of Conduct (pp. 8–9) ▪ Global Whistleblower Policy
2-27	Significant instances of non-compliance with laws and regulations	▪ No instances were reported for which fines or non-monetary sanctions were incurred in the reporting period
2-28	Membership of associations	▪ The numerous medical, industry and other association memberships are managed at entity level
2-29	Stakeholder engagement	▪ Stakeholders (pp. 14–15)
2-30	Total employees covered by collective bargaining agreements	▪ Working with employee representatives (p. 38) ▪ Labour Standards and Human Rights Policy (p. 4)

GRI 3: MATERIAL TOPICS 2021		
GRI disclosure	Description	Reference
3-1	The process to determine material topics	▪ Sonic Healthcare's material sustainability topics (p. 16)
3-2	List of material topics	▪ Sonic Healthcare's material sustainability topics (p. 16)
3-3	Management of material topics	▪ Our approach sections for each material topic, related policies are hyperlinked ▪ Stakeholders (pp. 14–15)

GRI topic disclosures

GRI 201 ECONOMIC PERFORMANCE 2016		
GRI disclosure	Description	Reference
201-1	Direct economic value generated	▪ Annual Report 2022 (pp. 7 & 67)
201-3	Defined benefit plan obligations and other retirement plan liabilities	▪ Annual Report 2022 (p. 111) ▪ Statutory employer contributions vary in each jurisdiction. In Australia, the employer contribution in the reporting period was 10%
201-4	The total monetary value of financial assistance received from any government	▪ No significant financial assistance was received during the reporting period from any government in any of the jurisdictions in which Sonic Healthcare has operations
	The extent to which any government is present in the shareholding structure	▪ No government is a substantial shareholder in Sonic Healthcare. Holdings in Sonic Healthcare are held by several sovereign wealth funds, however, they are not substantial shareholders, with each comprising less than 5% of Sonic's total shares

GRI 203 INDIRECT ECONOMIC IMPACTS 2016		
GRI disclosure	**Description**	**Reference**
203-1	The extent of development of significant infrastructure investments and services supported, impacts on local communities or economies	■ Access and affordability (p. 49)

GRI 205 ANTI-CORRUPTION 2016		
GRI disclosure	**Description**	**Reference**
205-1	Assessment for risks related to corruption	■ Ethics, integrity and compliance (p. 61) ■ Annual Report 2022 (p. 58) ■ No significant risks related to corruption were identified in the reporting period
205-3	Number of confirmed incidents of corruption	■ One incident reported in FY2022, which involved misuse of a company credit card; the employee involved in the incident above left the company prior to the detection of the misuse of funds ■ There were no incidents concerning contracts with business partners or public legal cases of corruption during the reporting period

GRI 205 ANTI-CORRUPTION 2016		
GRI disclosure	**Description**	**Reference**
206-1	Anti-competitive behaviour and violations of anti-trust/ monopoly legislation	■ There were no incidents concerning anti-competitive behaviour during the reporting period

GRI 207 TAX 2019		
GRI disclosure	**Description**	**Reference**
207-1	Tax strategy	■ Taxation Governance (pp. 3–4) ■ Annual Report 2022 (pp. 96–97)
207-2	Mechanisms to raise concerns about the organisation's conduct and integrity in relation to tax assurance process for tax disclosures	■ Global Whistleblower Policy ■ Code of Conduct ■ Annual Report 2022 (pp. 145–149)
207-3	Stakeholder engagement in relation to tax	■ Sonic's investor relations team responds to any queries from external stakeholders, including any tax policy-related inquiries ■ Taxation Governance (p. 4) describes the relationship with tax authorities

GRI 301 MATERIALS 2016		
GRI disclosure	**Description**	**Reference**
301-2	Recycled input materials used to manufacture primary goods and services	■ Waste reduction initiatives (pp. 29–31)

GRI 302 ENERGY 2016		
GRI disclosure	**Description**	**Reference**
302-1	Total fuel consumption from non-renewable sources in joules	■ Sustainability metrics (p. 74)
302-2	Energy consumption outside the organisation	■ Scope 3 inventory will be conducted in FY2023

GRI 303 WATER AND EFFLUENTS 2018		
GRI disclosure	**Description**	**Reference**
303-1	Description of how the organisation interacts with water	■ Water consumption (p. 31)

GRI 304 BIODIVERSITY 2016		
GRI disclosure	**Description**	**Reference**
304-2	Significant impacts of activities, products and services on biodiversity	■ Circular economy and waste (p. 28)

GRI 305 EMISSIONS 2016		
GRI disclosure	**Description**	**Reference**
305-1	Direct (scope 1) GHG emissions in t-CO_2 equivalents	■ Sustainability metrics (pp. 74–77)
305-2	Gross location-based energy indirect (scope 2) GHG emissions in t-CO_2 equivalents	■ Sustainability metrics (pp. 74–77)
305-3	Gross other indirect (scope 3) GHG emissions in t-CO_2 equivalents	■ Scope 3 inventory will be conducted in FY2023
305-4	GHG emissions intensity ratio for the organisation	■ Scope 1 and 2 greenhouse gas intensity (p. 23)
305-5	GHG emissions reduced as a direct result of reduction initiatives	■ Scope 1 and 2 greenhouse gas emissions (p. 23)

GRI 306 WASTE 2020		
GRI disclosure	Description	Reference
306-1	Report significant actual/potential waste-related impacts	■ Circular economy and waste (p. 28)
306-2	Actions, including circularity measures, taken to prevent waste generation	■ Waste reduction initiatives (pp. 29–31)

GRI 307 ENVIRONMENTAL COMPLIANCE 2016		
GRI disclosure	Description	Reference
307-1	Report fines and non-monetary sanctions for non-compliance with environmental laws/ regulations	■ No environmental sanctions or penalties were incurred in the reporting period

GRI 401 EMPLOYMENT 2016		
GRI disclosure	Description	Reference
401-1	Total number and rate of new employee hires by age, gender and region	■ Our workforce (p. 35)
401-3	Parental leave by gender	■ Parental leave (p. 38)

GRI 403 OCCUPATIONAL HEALTH AND SAFETY 2018		
GRI disclosure	**Description**	**Reference**
403-1	A statement as to whether an OH&S management system has been implemented and its scope	▪ Workforce health, safety and wellbeing (p. 40) ▪ SonicSAFE
403-2	Processes to identify work-related hazards and assess risks	▪ Workforce health, safety and wellbeing (p. 40) ▪ SonicSAFE
403-3	OH&S services	▪ Workforce health, safety and wellbeing (p. 40) ▪ SonicSAFE
403-4	Worker participation and consultation in the development and implementation of the OH&S management system	▪ Workforce health, safety and wellbeing (p. 40) ▪ SonicSAFE
403-5	OH&S training provided to workers	▪ Staff health, safety and wellbeing (p. 41) ▪ SonicSAFE
403-6	Access for workers to non-occupational medical and healthcare services	▪ Staff health, safety and wellbeing (p. 41) ▪ Sustainability metrics (p. 68)
403-7	Organisations approach to preventing or mitigating significant negative OH&S impacts	▪ Workforce health, safety and wellbeing (p. 40)
403-8	Workers covered by the organisation's OH&S management system	▪ Workforce health, safety and wellbeing (p. 40)
403-9	Work-related injuries	▪ Staff health, safety and wellbeing (p. 41) ▪ Sustainability metrics (pp. 68–69) ▪ SonicSAFE

GRI 404 TRAINING AND EDUCATION 2016		
GRI disclosure	**Description**	**Reference**
404-2	Type and scope of programs and assistance provided to upgrade employee skills	▪ Employee development (pp. 38–39)

GRI 405 DIVERSITY AND EQUAL OPPORTUNITY 2016		
GRI disclosure	**Description**	**Reference**
405-1	Diversity of governance bodies and employees	■ Annual Report 2022 (p. 60) ■ Employee diversity (p. 35) ■ Sustainability metrics (p. 68)

GRI 407 FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016		
GRI disclosure	**Description**	**Reference**
407-1	Operations or suppliers in which workers' right to freedom of association or collective bargaining may be at significant risk and measures taken by the organisation	■ Modern Slavery Statement 2022 (pp. 11-13) ■ Labour Standards and Human Rights Policy (p. 4) ■ Human rights (pp. 63-65)

GRI 408 CHILD LABOUR 2016		
GRI disclosure	**Description**	**Reference**
408-1	Operations or suppliers considered to have significant risk of child labour and measures taken by the organisation	■ Modern Slavery Statement 2022 (pp. 11-13) ■ Human rights (pp. 63-65)

GRI 409 FORCED AND COMPULSORY LABOUR 2016		
GRI disclosure	**Description**	**Reference**
409-1	Operations or suppliers considered to have significant risk of forced or compulsory labour and measures taken by the organisation	■ Modern Slavery Statement 2022 (pp. 11-13) ■ Human rights (pp. 63-65)

GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016		
GRI disclosure	**Description**	**Reference**
414-1	New suppliers screened using social criteria	■ Human rights (p. 65) ■ Modern Slavery Statement 2022 (p. 15)
414-2	Suppliers assessed for social impacts	■ Human rights (p. 65) ■ Modern Slavery Statement 2022 (p. 15)

GRI 416: CUSTOMER HEALTH AND SAFETY 2016		
GRI disclosure	**Description**	**Reference**
416-1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	■ Service quality and safety (p. 44)
416-2	Incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety of products/services	■ Service quality and safety (p. 44) ■ Sustainability metrics (p. 67)

GRI 418: CUSTOMER PRIVACY 2016		
GRI disclosure	**Description**	**Reference**
418-1	Substantiated customer complaints concerning breaches of customer privacy	■ Two notifiable breaches concerning patient privacy or loss of customer data were reported by Sonic Healthcare in FY2022

SUSTAINABLE DEVELOPMENT GOALS

Sonic Healthcare recognises the role we play in the global effort to address worldwide sustainability challenges, especially our role as an enabler of good health and wellbeing. In support of the UN Sustainable Development Goals (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
 *Ensure healthy lives and promote wellbeing for all at all ages*	**Target 3.1** Reduce global maternal mortality ratio to less than 70 per 100,000 live births **Target 3.2** End preventable deaths of newborns and children under 5 years of age	**Sonic's Catalyst Program** Direct, ongoing support of maternity hospitals and centres in Tanzania, Democratic Republic of Congo and Ethiopia with the specific aims of: ▪ reducing maternal, newborn and infant deaths (more than 1,469 newborns delivered at HEAL Africa Hospital in Goma in FY2022) ▪ treating obstetric fistulas and other birth-induced injuries (131 fistula repairs and 309 prolapse surgeries in FY2022) ▪ 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	▪ 2022 Sustainability Report: Catalyst Program (p. 54); HEAL Africa (p. 55) ▪ Website: The Catalyst Program
	Target 3.3 End the epidemics of AIDS, tuberculosis, malaria and neglected tropical diseases and combat hepatitis, water-borne diseases and other communicable diseases	**Testing and research** ▪ Participation in vaccine and communicable diseases research ▪ Testing for AIDS, tuberculosis, malaria, hepatitis and other tropical and water-borne diseases ▪ Provision of education in tropical and other diseases	▪ 2022 Sustainability Report: Introduction of new tests and services (p. 51); Catalyst Program (p. 54); Responding to a global outbreak (p. 51) ▪ Website: The Catalyst Program
		Sonic's Catalyst Program ▪ More than 16,500 malaria tests, 7,800 HIV tests and 5,000 typhoid tests performed at our sponsored laboratories in Africa in FY2022 ▪ More than 8,500 X-rays and 8,200 ultrasounds performed during the year at our sponsored radiology department at the HEAL Africa Hospital in Goma	▪ 2022 Sustainability Report: Catalyst Program (p. 54); HEAL Africa (p. 55) ▪ Website: The Catalyst Program

GOOD HEALTH AND WELL-BEING			
Aligned SDG	**Key SDG Target**	**Our Impact: How we are contributing**	**More information**
	Target 3.4 Reduce premature mortality from non-communicable diseases through prevention and treatment, and promote mental health and wellbeing	**Medical services** ■ 145 million patient consultations (FY2022), 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 ■ Provision and encouragement of participation in screening programs for the early identification and treatment of disease, for example, bowel cancer, breast cancer, cervical cancer ■ Commencement of PrOSPeCT clinical trial (Australia) and cancer genome sequencing services to provide access to targeted cancer treatments ■ Investment in flagship diagnostic imaging centre to provide access to rapid cancer diagnosis in regional NSW	■ 2022 Sustainability Report: Our services (pp. 9–12); Australian cancer patients get improved access to genome sequencing and clinical trials (p. 51); Increased access to participation in bowel screening for Indigenous Australians (p. 57); Regional oncology treatment centre (p. 50)
		Employee assistance programs ■ Confidential external counselling and coaching available to staff to assist with work-related or personal issues that impact their life or mental wellbeing	■ 2022 Sustainability Report: Staff health safety and wellbeing (p. 41)
		Sonic's Catalyst Program Ongoing direct support of five maternity hospitals in Tanzania, Democratic Republic of Congo and Ethiopia, with the specific aims of improving the health outcomes and longevity of children, women and men	■ 2022 Sustainability Report: Catalyst program (p. 54); HEAL Africa (p. 55) ■ Website: The Catalyst Program
		Clontarf Foundation 2,000 free medical checks conducted through our involvement with the Clontarf Foundation, which aims to improve the health, education and employment outcomes of young Indigenous Australians	■ 2022 Sustainability Report: The Clontarf Foundation (p. 56) ■ Website: The Clontarf Foundation
	Target 3.C Substantially increase health financing and the recruitment, development, training and retention of health workforce in developing countries	**Sonic Healthcare Foundation** ■ Foundation established to facilitate ongoing access to fund healthcare training in development work in developing countries **Sonic's Catalyst Program** ■ Training of local staff in modern medical methods and techniques so they can provide self-sustaining pathology, radiology and other medical services in Africa	■ 2022 Sustainability Report: The Sonic Healthcare Foundation (p. 53); Catalyst Program (p. 54) ■ Website: Sonic Healthcare Foundation ■ Website: The Catalyst Program

QUALITY EDUCATION

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 *Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all*	**Target 4.1** Ensure all girls and boys complete free, equitable and quality primary and secondary education	**Sonic's Catalyst Program** ▪ Provision of teacher and student learning materials in Africa ▪ Provision of teachers' wage subsidies to assist with the costs of running the HEAL Africa school	▪ 2022 Sustainability Report: Catalyst Program (p. 54) ▪ Website: The Catalyst Program
		Clontarf Foundation ▪ Involvement with Clontarf to help improve school and work outcomes for Indigenous Australians	▪ 2022 Sustainability Report: The Clontarf Foundation (p. 56) ▪ Website: The Clontarf Foundation
	Target 4.4 Increase the number of youth and adults who have relevant skills for employment, decent jobs and entrepreneurship	**Training programs** ▪ Provision of student and fellowship training for doctors, scientific students and others, including medical registrar, sonographer and phlebotomist training programs ▪ More than 144,000 training courses or modules undertaken by Sonic staff in FY2022 ▪ Provision of graduate/post graduate and vocational training by Sonic Healthcare staff ▪ More than 1,500 staff trained through Sonic Connect	▪ 2022 Sustainability Report: Employee training and development (pp. 38–39); Preparing to lead (p. 39); Education, research and professional development (p. 47); Inspiring the next generation (p. 48)
		Sonic's Catalyst Program ▪ Provision of training, conference funding and ongoing support for in-house pathologist and radiologist, as well as several scientists and radiographers, at the HEAL Africa Hospital in Goma ▪ Facilitated HEAL Africa's granting of teaching hospital status by COSECSA (College of Surgeons of East, Central and Southern Africa) through Sonic's establishment of a highly functional laboratory in Goma	▪ 2022 Sustainability Report: Catalyst Program (p. 54) ▪ Website: The Catalyst Program
		Tertiary education ▪ Development and delivery of medical curricula at several universities around the world by Sonic doctors and staff who hold academic teaching positions ▪ Ongoing contributions to medical publications, craft groups and professional organisations	▪ 2022 Sustainability Report : Education, research and professional development (p. 47)
	Target 4.5 Ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations	**Community involvement** ▪ Provision of employment opportunities for people with disabilities and for young people from marginalised backgrounds through the engagement of The Bridge, a not-for-profit social enterprise, as well as partnerships with other social enterprises ▪ Contribution to the creation of a prosperous, vibrant, sustainable Indigenous Australian business sector through membership of Supply Nation and support of Indigenous suppliers where feasible (more than $0.6M spent directly with Indigenous businesses in FY2022) ▪ Involvement with Clontarf to help improve the school and work outcomes for Indigenous Australians	▪ 2022 Sustainability Report: Clontarf Foundation (p. 56); Improving participation and employment opportunities for disadvantaged groups (p. 57) ▪ Website: Supply Nation ▪ Website: Clontarf Foundation

GENDER EQUALITY

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 *Achieve gender equality and empower all women and girls*	**Target 5.1** End all forms of discrimination against all women and girls everywhere	**Corporate governance** ■ Robust governance framework that strives to deliver an environment free from discrimination and harassment	■ 2022 Sustainability Report: Employee diversity (p. 35) ■ Website: Code of Conduct ■ Website: Labour Standards and Human Rights Policy ■ Website: Diversity Policy
	Target 5.2 Eliminate all forms of violence against women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation	**Corporate governance** ■ Zero tolerance policy to any form of modern slavery, human trafficking or other types of exploitation ■ Public reporting under the Australian and UK Modern Slavery Acts	■ 2022 Sustainability Report: Human rights (pp. 63-65) ■ Website: Labour Standards and Human Rights Policy ■ Website: Supplier Policy ■ Website: Modern Slavery Statement 2022
	Target 5.3 Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation	**Sonic's Catalyst Program** ■ Support for our partner hospitals in Africa who are providing education and support to women affected by genital mutilation	■ 2022 Sustainability Report: Catalyst program (p. 54) ■ Website: The Catalyst Program
	Target 5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making	**Corporate governance** ■ Strong representation of women at all levels of leadership within Sonic, including: – 33% of Sonic's Board of Directors – 53% of senior leadership positions – 74% of science-based roles filled by women	■ 2022 Sustainability Report: Employee diversity (p. 35) ■ Annual Report 2022 (p. 60)

DECENT WORK AND ECONOMIC GROWTH

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 *Promote inclusive and sustainable economic growth, employment and decent work for all*	**Target 8.5** Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	**Workforce diversity** ■ More than 41,000 people employed globally in an inclusive, racially and culturally diverse workforce ■ Provision of employment opportunities for people with disabilities and for young people from marginalised backgrounds through the engagement of The Bridge, a not-for-profit social enterprise, as well as partnerships with other social enterprises, including The Endeavour Foundation and Bright Skies **Clontarf Foundation** ■ Involvement with Clontarf to help improve the school and work outcomes for Indigenous Australians	■ 2022 Sustainability Report: Employee attraction, engagement and development (p. 34); Improving participation and employment opportunities for disadvantaged groups (p. 57); Clontarf Foundation (p.56) ■ Website: Clontarf Foundation
	Target 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labour	**Corporate governance** ■ Zero tolerance to any form of modern slavery, human trafficking or other types of exploitation ■ Public reporting under the Australian and UK Modern Slavery Acts	■ 2022 Sustainability Report: Human rights (pp. 63-65) ■ Website: Labour Standards and Human Rights Policy ■ Website: Supplier Policy ■ Website: Modern Slavery Statement 2022
	Target 8.8 Protect labour rights and promote safe and secure working environments for all workers	**Health and safety** ■ Rigorous OH&S policies and procedures in all workplaces, governed by industry regulations and a cultural commitment to safe working environments ■ Continuous monitoring and reporting of any potential safety issues through the SonicSAFE Improvement Program ■ Lost time through workplace injury represented 0.07 % of total hours worked with an LTIFR of 3.3 in FY2022, which is below the industry benchmark	■ 2022 Sustainability Report : Workforce health, safety and wellbeing (p. 40); Employee retention (pp. 36–38); Working with employee representatives (p. 38) ■ Website: Labour Standards and Human Rights Policy ■ Website: Workplace Health & Safety Policy ■ Website: SonicSAFE

INDUSTRY, INNOVATION AND INFRASTRUCTURE

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 *Build resilient infrastructure, promote sustainable industrialisation and foster innovation*	**Target 9.1** Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human wellbeing, with a focus on affordable and equitable access for all	**Facilities and infrastructure** ▪ Ongoing investment in high-quality, technically advanced and sustainable laboratories and other infrastructure ▪ Continued investment in regional infrastructure to maintain healthcare services close to local communities	▪ 2022 Sustainability Report: On-site renewable energy generation (p. 26); Regional oncology treatment centre (p. 50)
		Sonic's Catalyst Program ▪ Ongoing upgrades to pathology laboratories and radiology infrastructure for our Catalyst partners in Africa, enabling quality medical diagnostic care to be delivered to vulnerable populations	▪ 2022 Sustainability Report: Catalyst program (p. 54) ▪ Website: The Catalyst Program
	Target 9.4 Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes	**Facilities and infrastructure** ▪ Annual facility upgrade program to retrofit energy-efficient lighting (LED), HVAC and passive energy systems ▪ Procurement of renewable electricity and investment in onsite energy generation, such as the installation of solar panels	▪ 2022 Sustainability Report: LEDs powering our improved energy efficiencies (p. 27); Renewable electricity (p. 26); On-site renewable energy generation (p. 26)
		Sonic's Catalyst Program ▪ Regular upgrading of ageing equipment in our sponsored African pathology laboratories and radiology infrastructure, replacing them with more energy efficient models	▪ 2022 Sustainability Report: Catalyst program (p. 54) ▪ Website: The Catalyst Program
	Target 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including encouraging innovation and substantially increasing research and development spending	**Research and development** ▪ Ongoing investment in new technologies, such as AI assisted diagnostics ▪ Development of in-house technologies ▪ Collaboration with manufacturers to assist with their product development roadmap and the continuous improvement of their existing technologies, for example, the joint venture with harrison.ai ▪ 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	▪ 2022 Sustainability Report : Improving access to histopathology services (p. 52); Education research and professional development (p. 47); Community awards (p. 48)
		Sonic's Catalyst Program ▪ Regular skills transfers with doctors, scientists and radiographers in Africa, to improve their technical skills and capabilities	▪ 2022 Sustainability Report : Catalyst program (p. 54) ▪ Website: The Catalyst Program

REDUCED INEQUALITIES

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 *Reduce inequality within and among countries*	**Target 10.2** Empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	**Corporate governance** ▪ Commitment to employee diversity ▪ Zero tolerance to all forms of Modern Slavery ▪ Sponsorship of events to create awareness of the importance of community ▪ Promoting Indigenous Participation in health screening ▪ Membership of Supply Nation to support Indigenous suppliers where possible ▪ Pilot of alternative kit distribution methods to encourage Indigenous participation in Australia's National Bowel Screening Program	▪ 2022 Sustainability Report: Employee diversity (p. 35); Human rights (pp. 63–65); Stakeholders (pp. 14–15); Improving participation and employment opportunities for disadvantaged groups (p. 57); Increased access and participation in bowel cancer screening for Indigenous Australians (p. 57) ▪ Website: Diversity Policy ▪ Website: Modern Slavery Statement 2022 ▪ Website: Supply Nation
	Target 10.3 Ensure equal opportunity and reduce inequalities, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies and action	**Community involvement** ▪ Involvement with the Clontarf Foundation to help improve school and work outcomes for Indigenous Australians ▪ Provision of employment opportunities for people with disabilities and for young people from marginalised backgrounds through the engagement of The Bridge, a not-for-profit social enterprise, as well as partnerships with other social enterprises	▪ 2022 Sustainability Report: Clontarf Foundation (p. 56), Improving participation and employment opportunities for disadvantaged groups (p. 57) ▪ Website: The Clontarf Foundation

SUSTAINABLE CITIES AND COMMUNITIES

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 *Make cities inclusive, safe, resilient and sustainable*	**Target 11.6** Reduce the adverse per capita environmental impact of cities, including by paying special attention to air quality and waste management	**Emissions targets** ▪ Commitment to reduce scope 1 and 2 emissions by 43% by 2030 ▪ Commitment to reduce total emissions (scope 1,2 & 3) to achieve a net zero position by 2050 ▪ 80% of electricity to come from renewable sources by 2030 ▪ Conversion of global fleet to zero emission vehicles by 2040	▪ 2022 Sustainability Report : Net-zero Strategy (p. 22)
		Energy efficiency ▪ 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	▪ 2022 Sustainability Report: Energy efficiency (p. 27); LEDs powering our improved energy efficiencies (p. 27)
		Waste ▪ Continuous improvements in waste-to-landfill diversion rate with the initiation of a waste process review as part of FY2023 scope 3 inventory	▪ 2022 Sustainability Report: Circular economy and waste (pp. 28-31); Scope 3 emissions (p. 27)

RESPONSIBLE CONSUMPTION AND PRODUCTION

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 *Ensure sustainable consumption and production*	**Target 12.2** Achieve the sustainable management and efficient use of natural resources	**Sustainable procurement practices** ■ Inclusion of water, fuel , energy consumption and 'whole of life' credentials in procurement processes and product/service selection ■ 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	■ 2022 Sustainability Report: Water consumption (p. 31), Sustainable procurement (p. 31); On-site renewable energy generation (p. 26); Energy efficiency (p. 27) ■ Website: Supplier Policy
	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 minimise their adverse impacts on human health and the environment	**Medical waste** ■ Minimisation of environmental hazard risks and increased recycling, through staff training and use of licensed companies to provide specialised waste management services ■ Regular external reviews of waste management processes (an accreditation requirement) ■ Compliance with all local waste regulations	■ 2022 Sustainability Report: Circular economy and waste (pp. 28–31) ■ Website: Environmental Policy
	Target 12.5 Reduce waste generation through prevention, reduction, recycling and re-use	**Waste process review** ■ Program to reduce non-medical waste and increase the waste-to-landfill diversion rate (17% of waste is currently recycled) across all Australian facilities ■ Additional polystyrene compacting machine installed to increase recycling to more than 2,500 cubic metres of polystyrene ■ Engagement with suppliers to reduce packaging ■ Reduction of radiological film and paper through digitisation programs (radiological film sheets reduced by 45% over the last two years)	■ 2022 Sustainability Report: Circular economy and waste (pp. 28-31), Waste management (p. 29); Sustainable procurement (p. 31); Waste reduction initiatives (pp. 29–31) ■ Website: Environmental Policy ■ Website: Supplier Policy

CLIMATE ACTION

Aligned SDG	Key SDG Target	Our Impact: How we are contributing	More information
 *Take urgent action to tackle climate change and its impacts*	**Target 13.1** Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries	**Disaster recovery plans to support communities** ▪ Ensuring that continuous operations are maintained within Sonic practices during times of natural disasters, for example, bushfires/wildfires, floods, cyclones/tornadoes ▪ Deployment of agile procurement operations as part of Sonic's pandemic preparedness plan, to ensure critical community health services can continue to be provided during natural disasters	▪ 2022 Sustainability Report: Climate change (p. 21); Sustainable procurement (p. 31)
	Target 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	**Education and policy** ▪ Ongoing education and training for staff on environmental practices and policies, including reducing water use, waste and resource consumption ▪ Transitioning an increasing proportion of our fleet vehicles to more fuel-efficient electric and hybrid options, reducing CO_2 emissions ▪ Continued focus on increasing active and passive energy systems within our facilities to reduce energy, waste and water use ▪ Refer our contributions under Targets 9.1, 9.4, 11.6 and 12.5	▪ 2022 Sustainability Report: Climate change (p. 21); Sustainability governance (p.17); Scope1 emissions-reduction initiatives (p. 24), Energy efficiency (p. 27) ▪ Website: Environmental Policy

SONIC HEALTHCARE LIMITED