

Modern Slavery Statement 2024



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Introduction

Healthscope is pleased to present this modern slavery statement in line with the reporting criteria (RC 1-7) under the Modern Slavery Act 2018 (Cth). This statement covers ANZ Hospitals Topco Pty Ltd (ACN 631 014 965) and its wholly owned subsidiaries, together trading as “Healthscope” (**Healthscope**). It is submitted by Healthscope in respect of the period ending 31 December 2023.

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Reporting Criteria 1: About Healthscope

Overview

Healthscope is a privately owned Australian company and is a national provider of health care. Healthscope exists to provide the highest quality healthcare to the communities we operate in. Our people are known for achieving exceptional clinical outcomes, transparent public reporting and positive patient feedback that leads the industry.

Healthscope is dedicated to understanding and identifying the presence of modern slavery within our supply chain and taking necessary actions to eliminate any such practices, both as consumers and providers of services. Recognising, minimising the risk of or where possible eliminating modern slavery practices, such as slavery, forced labour and involuntary servitude, aligns with our fundamental principles.

Healthscope is a values-driven organisation and insists that its employees go beyond just complying with laws, regulations and with basic standards of personal conduct. No matter the role, every day our people make a difference to the lives of our patients and their families, and it is a privilege to be part of their care.

Healthscope understands that creating a culture for employees to develop, work safely and thrive has a profound impact on our business, our patients, their families and our doctors and we are committed to support all efforts to stop modern slavery.

Our values tell the story of who we are, how we work together and how we treat each other and our patients. Developed by thousands of people across the Healthscope network, these four values are grounded in our reality, and sum us up beautifully.

We care. That's what in our hearts. We care for ourselves, each other, our patients, and community. We respect and protect the physical and emotional safety and wellbeing of everyone.

We do. We dig in. We're accountable to each other. We do what we say and get it done. We speak up, listen, and own and learn from mistakes. We build trust by explaining the 'Why' behind the 'What'.

We strive. We always look for ways to improve. We have ambition, embrace change, adapt, share, and learn. We are open to new ideas because that's when we grow and shine.

We're a team. We're all in this One Healthscope club. We welcome everyone, value all contributions, celebrate successes, listen and create the best place for care, and for work. That's how we win. Together.

We take safety seriously. Underpinning our values is our commitment to safety – how we look out for oneself and each other, calling out and correcting unsafe conditions and not accepting injury as part of working at Healthscope. We are truly committed to creating a safe workplace for everyone, because we care!

Reporting Criteria 2: Our structure, operations and supply chain

Healthscope employs 18,788 people, across 38 healthcare facilities in all Australian states and territories. Healthscope's corporate office is located on Level 1, 312 St Kilda Road, Melbourne, Victoria.

Healthscope provides a range of services, including maternity, medical and surgical, mental health and emergency department services. We engage a broad range of highly skilled professionals to deliver these services, such as employees, contractors, doctors, and agency partners.

Across our 38 sites, we treat in excess of 630,000 patients per year, deliver more than 11,000 babies and perform over 393,000 surgical procedures.

Healthscope acts as the Manager of hospital operations for three hospitals owned by Adelaide Community Healthcare Alliance Incorporated ABN 99 367 793 956 ("ACHA"), which are located in South Australia.

This means Healthscope enters contracts on behalf of ACHA for the majority of goods and services required for the operation of the ACHA hospitals. Healthscope acquires goods and services on behalf of ACHA where there is a clear nexus between the goods or services provided under the contract and the operations conducted at the ACHA hospital.

Due to the nature of the management relationship between Healthscope and ACHA, Healthscope provide ACHA with:

- all material contracts entered into on behalf of ACHA as part of Healthscope's procurement activities, at the end of every financial year; and
- a copy of its Modern Slavery Statement.

Healthscope's Supply Chain consists of a broad range of local and global providers, predominantly through direct commercial and contractual relationships. The range of goods and services required by Healthscope spans local contingent labour forces, travel services, corporate office supplies, right through to critical medical consumables. Clinical equipment and materials are the largest areas of spend, and the sourcing of those goods is managed through a centralised team of dedicated procurement specialists who all participate in mandated training on Healthscope's Employee Code of Conduct and more recently the Modern Slavery in public procurement module available on the Australian government's Attorney-General's department website.



Reporting Criteria 3: Risk of Modern Slavery practices in our operations and supply chains

With primary operations in Australia, Healthscope considers its risk of direct involvement in modern slavery practices to be extremely low, with further consideration needing to be given to its extended supply chain as a source of potential risk.

Healthscope's suppliers are local and global, comprising of manufacturers, distributors, agencies, brokers, consultants, and other service providers.

Healthscope's supply chain of providers include the following categories of spend:

- Clinical products and equipment such as Prostheses, Medical Consumables, Surgical Instruments, and Pharmacy
- Utilities such as gas and electricity
- Indirect corporate spend such as IT contractors, professional services, licences, and hardware
- Facilities Management such as security and fire services
- Site services such as contingent labour providers, catering and linen
- Other corporate services such as travel and entertainment

Healthscope has considered the sources of risk of modern slavery practices in these categories and believes that exposure may exist with respect to suppliers of products manufactured in, and distributed by, known high-risk countries such as China, Hong Kong, Taiwan, Malaysia, Pakistan and India.

The greatest risk is through the lack of visibility of the second and third tier supply chain, or "downstream" suppliers.

In summary, Healthscope believes it has two main sources of risk;

1. Direct engagements with suppliers operating in high-risk countries
2. Downstream supplier operations not currently visible to Healthscope.



Reporting Criteria 4: Assessing and addressing modern slavery risks

Internal Policies and Practices

Healthscope's Board and management are committed to our Employee Code of Conduct, which is based upon our core values and on the expectations of the broader community. Our Employee Code of Conduct complies with the law and with applicable guidelines on appropriate ethical standards, including prohibition on modern slavery practices.

Our Employee Code of Conduct outlines how Healthscope expects all people associated with our business – including employees, contractors, subcontractors, consultants, Visiting Medical Officers and agency employees, to conduct themselves in the course of carrying on their work.

The Employee Code of Conduct aims to:

- Promote a high level of professionalism and provide a benchmark for ethical and professional behaviour through Healthscope.
- Promote a healthy, respectful and positive workplace and environment.
- Ensure awareness of the consequences if an employee breaches the Employee Code of Conduct.
- Require everyone at Healthscope to be familiar with the Employee Code of Conduct, live the values every day in the workplace and, at all times, act and behave in a manner consistent with establishing trust and confidence in our organisation.

The Employee Code of Conduct is complemented by an extensive series of corporate policies and procedures that apply to all Healthscope facilities and employees. This includes a Whistleblower policy, complete with an internal Whistleblower Protection Officer, a Toll-Free Ethics Hotline, and a response program.

Healthscope's easy to use online set of eLearning training modules support staff understanding and awareness of our values, expectations, and policies. Since a registered online training module for the Employee Code of Conduct was implemented, 3,037 employees undertook the training over the last 12 months.

Supplier Code of Conduct

Healthscope also has a Supplier Code of Conduct, encompassing modern slavery laws and obligations. Our suppliers are expected to uphold ethical practices and integrity in all transactions, adhering to national and local regulations. They must also hold their supply chain to these standards, ensuring no modern slavery within their operations. Access the Supplier Code of Conduct on Healthscope's website: <https://healthscope.com.au/internal-pages/sustainability>



Actions taken

To mitigate the potential risk of modern slavery in Healthscope's supply chain, a program of action has been undertaken, with initial actions implemented, and further work underway. Healthscope's approach is to continually plan, do, act and check, thereby learning and adapting as the programs progress. This approach is proven to maximise the effectiveness of the outcome, regardless of the program, and hence has been applied to modern slavery compliance.

To manage the modern slavery risk within Healthscope's direct operations, Healthscope has implemented the following measures within the reporting period:

1. Policy updates:

- Healthscope has enhanced its processes regarding Third-Party due diligence assessments. Our Procurement Policy has been revised to enforce the completion of Third-Party due diligence activities by all staff throughout the organisation. The Policy now offers greater clarity by outlining the procedures and prerequisites for engaging with suppliers for goods and services, particularly emphasising the completion of the Supplier Due Diligence workbook, which has recently been made accessible on our intranet. This workbook contains a series of questions pertaining to WHS, Anti-bribery, corruption, and Modern Slavery risks.
- Additionally, the Procurement Policy has been updated to incorporate a section on Modern Slavery. This stipulation ensures that all Healthscope staff understand their responsibility in identifying and appropriately reporting any modern slavery risks associated with their preferred suppliers. The mandate also requires them to ensure that our modern slavery expectations are expressly reflected in appropriate clauses in all supplier contracts, with any departures being reviewed by the Healthscope Legal team.

2. Modern slavery training:

- The Healthscope head office procurement team completed the formal training module on Modern Slavery in Public Procurement. Healthscope is continuing to develop formal internal training on Modern Slavery obligations and requirements that will be rolled out across the organisation.

3. Due diligence:

- Healthscope has completed annual audits of some of our critical suppliers in 2023. The robust Due Diligence activity allowed Healthscope to understand the suppliers' modern slavery compliance as well as be aware of any instances of modern slavery that may have been identified within in the supplier's supply chain. Through this process, in collaboration with these suppliers, any identified gaps were rectified to achieve compliance.
- A new mandate was also introduced to the head office procurement team which requires staff to send the Third-party due diligence questionnaire to all new suppliers they engage with.

Reporting Criteria 5: Evaluating effectiveness and looking ahead

Healthscope acknowledges the need for ongoing enhancement and advancement in our efforts to combat modern slavery. Last reporting period we set ourselves the goal of improving responses to potential non-compliances, updating relevant Healthscope policies, incorporating modern slavery risk and compliance into corporate governance processes, including board reporting processes and evaluating the due diligence process on our top suppliers to ensure it is achieving Healthscope's goal of identifying any gaps.

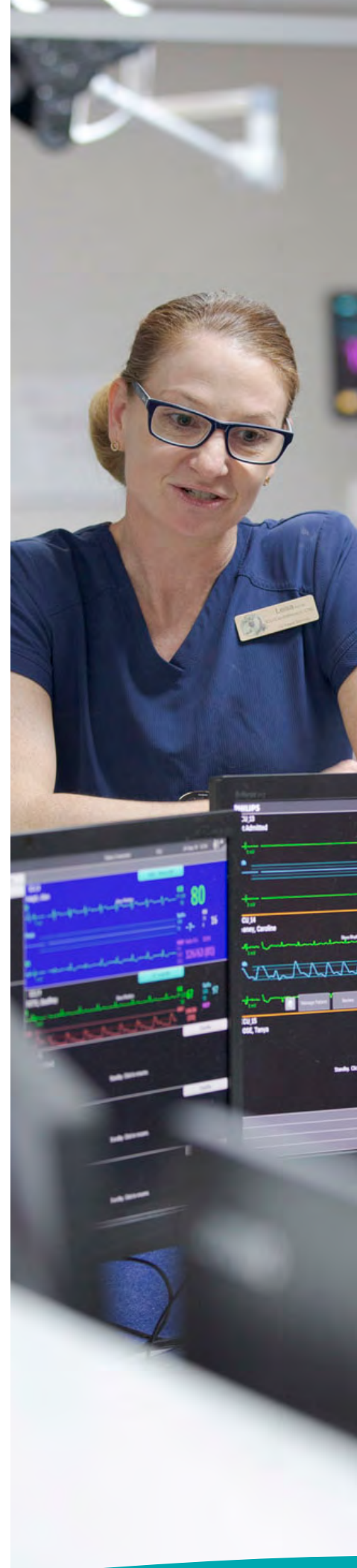
The actions taken since then and outlined above in section RC 4 have enabled us to achieve these goals. However, we feel there's more progress needed concerning obtaining clear direction and guidance on how our organisation should address potential non-compliance with Modern Slavery standards within our supply chain.

Moving forward, the primary focus areas for the next reporting period are outlined as follows:

- To address the identified risk of direct engagements with suppliers operating in high-risk countries, Healthscope will commence a process of auditing selected direct sourcing suppliers. Procurement team members to physically attend the primary manufacturing premises to assess third party risks including Modern Slavery for new manufacturers.
- Seek management endorsement for the development of a standalone Modern Slavery policy.
- Ongoing assessment and revision of Healthscope policies as necessary and relevant to modern slavery risk, incorporating additional guidance for staff on addressing potential non-compliance with our modern slavery standards.
- Evaluate the new mandate in our procurement policy for the wider Healthscope team to complete the more robust due diligence activities outlined in the policy.
- Engage People & Culture team to work on initiatives to increasing employee engagement on the Employee Code of Conduct training module.

Through the Audit, Risk & Compliance Committee, an Enterprise Risk Management Framework, along with a Risk Management Policy is in place to improve the identification, treatment and monitoring of enterprise risks. These measures are principally designed to support a strong risk identification and management culture increasing capability broadly across the business.

Healthscope's progress against the listed actions above will be tracked and evaluated by our Audit & Risk Committee with updates presented to the executive leadership team as part of the third-party risk management reporting process.



Reporting Criteria 6 & 7: Consultation, endorsement and other matters

During the reporting period this statement covers, Healthscope consulted with Directors of all companies we own or control in the development and review of this statement and sought input from relevant stakeholders across the organisation including procurement, operations and legal.

The Board of Directors of Healthscope approved this statement on 31st May 2024 and has authorised it to be signed by me in my capacity as Chief Executive Officer.



Greg Horan

Chief Executive Officer, Healthscope





Healthscope

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