

Modern Slavery Statement

## **About the Royal Flying Doctor Service**

The Royal Flying Doctor Service (Queensland Section) (RFDS) is dedicated to providing vital healthcare to everyone, no matter where they live, work, or travel.

We operate from nine bases, including Brisbane, Bundaberg, Cairns, Charleville, Longreach, Mount Isa, Rockhampton, Roma, Townsville. These bases form a strategic network and help deliver the finest healthcare to all Queenslanders in regional, rural and remote areas.

Providing a mantle of safety for people in the bush has been the organisation's mission since the very beginning of the Service in 1928.

Throughout our celebrated history, we have pushed the boundaries to make a real difference in the lives of people in the bush.

Nearly 100 years on, the Flying Doctor has expanded from aeromedical retrievals to provide inter-facility transfers, primary health care clinics, mental health consultations, telehealth and oral health services.

#### Our cover artist

On the cover and throughout the pages of the Modern Slavery Statement are elements of Wudarabin Snider's artwork titled, Lores.

The teen artist previously created the winning design in an Indigenous Creative Art Competition, with her artwork also featuring on the cover of the 2020/21 RFDS (Queensland Section) Financial Report and Annual Report. When designing her most recent artwork for the RFDS (Queensland Section), Wudarabin focused on the values, or lores, of the RFDS.



Wudarabin explained:

The firesticks represent mutual care and respect. Our people would make a fire to show their respect when passing through neighbouring clans' territory and for smoking ceremonies to show care for their wellbeing.

The large shields represent the theme safety and quality as the shields were used by our people for protection. They were quality shields to provide safety.

The clapsticks were used around the fire to sing songs, and share stories, as a community together, in a collaborative environment.

The huts symbolise the safety and shelter we had in an open and transparent environment.

The boomerangs represent the value of commercially astute, as a person has to be very sharp and clear to be able to throw a boomerang and make it return.

The birds represent the pilots, doctors, and nurses, being proud and passionate as they fly high in the sky like the planes.

There is also surrounding Bama (Aboriginal) dot art, which shows my pride and passion in my culture, especially the white dots which represent my bubu (country) Laura and the ancient cave art.

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## **Our operations**

Our ability to access some of the most remote parts of the country over the past 95 years places us in a privileged position of trust within rural and remote communities. With our background in aeromedical retrieval, we have grown to be one of the largest providers of primary health care services in the country. We actively collaborate with other like-minded healthcare partners such as Primary Health Networks, Hospital and Health Services and Aboriginal Community Controlled Health Organisations, to support and promote multidisciplinary, team-based care for the people of regional, rural and remote Queensland. We are committed and engaged in clinical design and innovation tailored for Queensland's rural and remote populations.

We employ some of the most highly qualified pilots, medical officers, nurses and mental health professionals in the country. We have a robust system of employment policies and procedures design to protect our employee's human rights, and to ensure compliance with Australian industrial relations laws.

RFDS (Queensland Section) is committed to taking all reasonably practicable steps to eliminate hazards and reduce risks associated

with our operations, and for health and safety to be the overriding consideration at all times. We ensure appropriate resources are available to continuously and effectively monitor and manage health and safety related risks in our operations. This includes resources for continuous improvement of our Quality Management System and Safety Management System, and the appointment of adequate numbers of appropriately trained quality and safety personnel.



#### **Aeromedical Services**

Our aeromedical operations include both primary retrievals and inter-hospital patient transfers across Queensland. Working with Retrieval Services Queensland and alongside other service providers, we provide access to emergency and specialist care for more than 12,000 patients each year.

#### **PHC Clinics**

Comprehensive full and half day clinics are regularly conducted at more than 30 locations throughout Queensland. With more than 26,500 patients seen annually, our GP and nurse clinics include a range of additional services including skin and hearing checks. Our highly qualified GPs and primary health care nurses are enabling clinical leadership and patient centered care, specifically tailored for Queensland's rural and remote population.

#### **Child and Maternal Health**

All of our primary health care nurses are trained midwives, and alongside our medical officers, offer a comprehensive Child and Maternal Health service to expecting and new mothers across Queensland.

#### **Health Promotion**

RFDS Field Days are conducted at cattle stations and events across Queensland every year, tailored specifically around individual community needs. Held in conjunction with our GP and nurse clinics, the Field Days provide a true social experience with a health promotion focus, covering areas such as first aid, diet and nutrition, mental health and exercise.

#### Mental Health

Our dedicated mental health clinicians deliver comprehensive services to people suffering mental health issues. Working closely with local GPs under a Stepped Care approach, our clinicians provide a full range of interventions, from low intensity, through to the more severe and complex disorders. Our mental health program delivers over 11,800 occasions of care annually, predominantly across the far north and central western regions of Queensland.

#### **Telehealth**

Our medical officers located in Mount Isa, Cairns and Charleville offer a 24-hour medical consultation service to people living, working or travelling in remote and rural Queensland.

Our telehealth service includes after hours and weekend consultations times as well as the use of videoconferencing technology from our Cairns Base to people living in northern parts of the state. We conduct over 23,900 remote consultation calls a year.

#### **Medical Chests**

We provide more than 1,200 medical chests to remote communities (cattle stations, mining sites, offshore enterprises) across the state and into the Northern Territory. The contents of the chests are prescribed remotely by RFDS medical officers, with the support of a 24/7 aeromedical emergency and telehealth service.

#### **RFDS Dental Service**

Our custom built, mobile dental surgery travels to remote communities with more than 1,780 patients seen annually. This Commonwealth funded service provides X-rays and extractions, treatment for acute or pre-existing conditions, treatments for gum disease and referrals to specialist dental services.

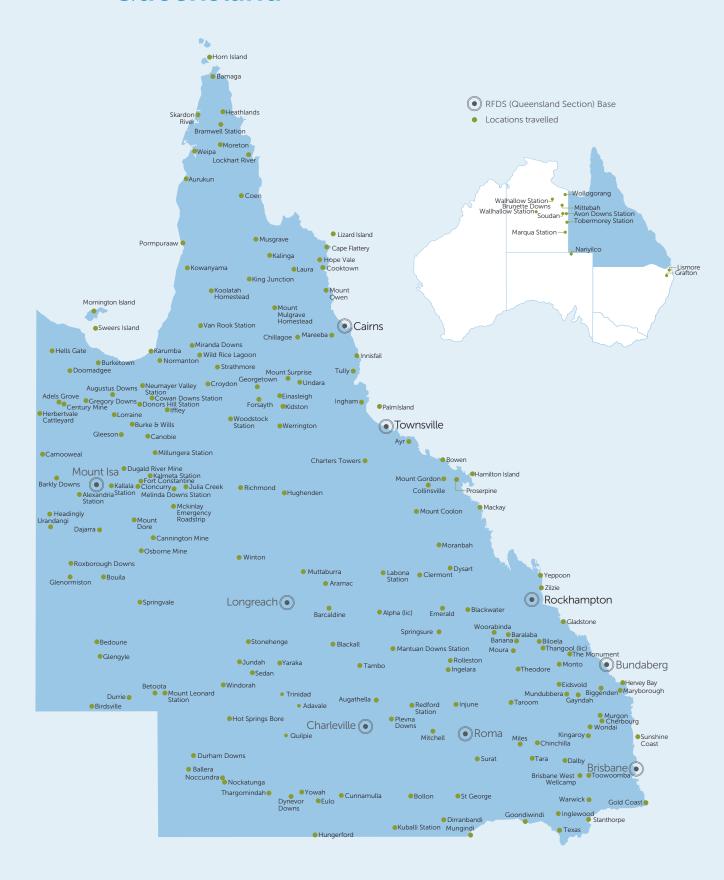
#### **Immunisations**

RFDS provide a range of vaccinations, including yearly flu vaccines, Q fever, and the recommended national immunisation program for children and adults. Last year we administered more than 3,500 immunisations.

#### RescueSwag

Rescue Swag - an RFDS first aid kit designed in Far North Queensland for people living in the outback – is ensuring the Flying Doctor continues keeping people safe no matter where they live, work, or travel.

# Aeromedical Locations we travelled to within Queensland

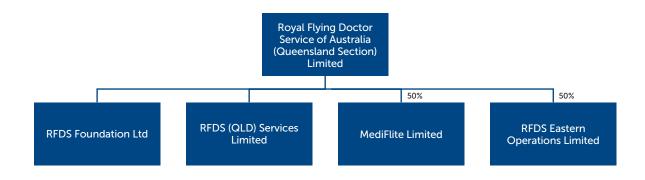


## **Our structure**

RFDS (Queensland Section) is proudly an Australian charity. Governed by a skills-based Board of Directors with a strong connection to rural and remote Queensland, more than half of our members currently live in rural Queensland, with several representatives also being current or former rural GPs.

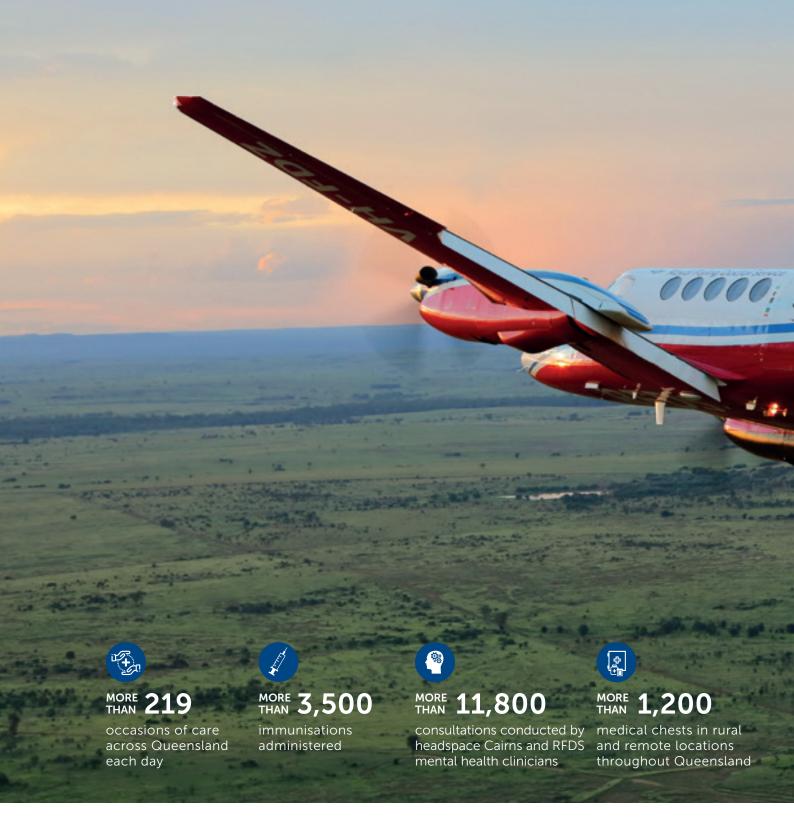
Our activities are presently undertaken through five companies:

- **1. Royal Flying Doctor Service of Australia (Queensland Section) Limited** our main operating entity, and a registered charity, providing aeromedical and other health care services across Queensland.
- 2. RFDS Foundation Ltd a registered charity designed to encourage social venture capital investment and greater long term philanthropic support for the RFDS in perpetuity.
- 3. RFDS (QLD) Services Limited a health promotion charity responsible for our dental programs, headspace services and RescueSwag. This company also provides aircraft maintenance and engineering services to our fleet pursuant to a Part 145 Air Operators Certificate.
- **4. MediFlite Limited** this company was established jointly with LifeFlight Australia to provide additional aeromedical services into regional Queensland.
- 5. RFDS Eastern Operations Limited was established jointly with Royal Flying Doctor Service of Australia (South Eastern Section) to pursue health service projects for residents in rural, regional and remote Qld, NSW and ACT who are in need of benevolent relief.



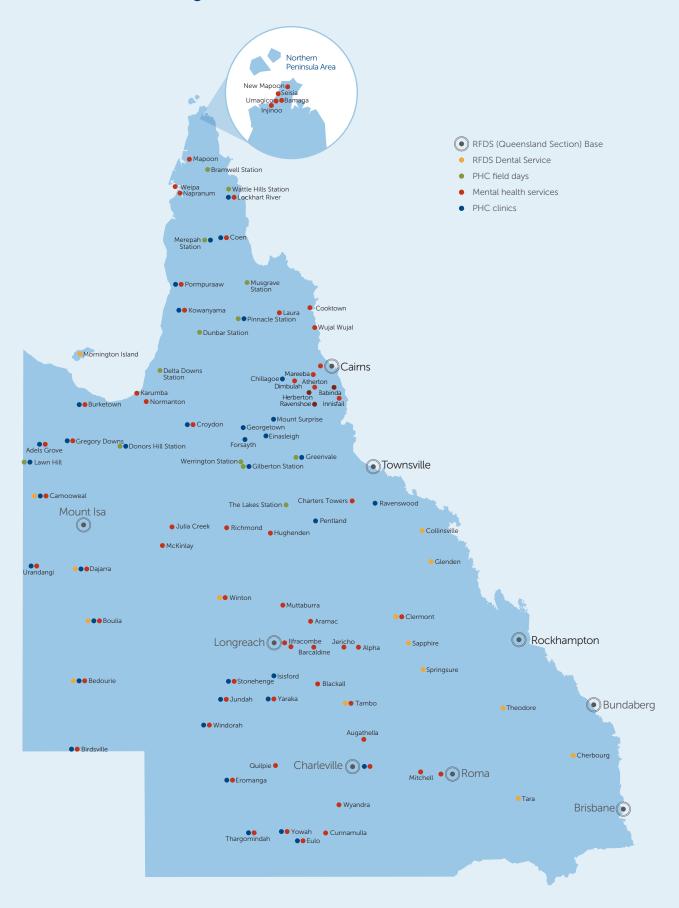
## Year in numbers — 2022/23

The RFDS continues to provide vital emergency medical and primary health care services to regional, rural and remote communities across Queensland.



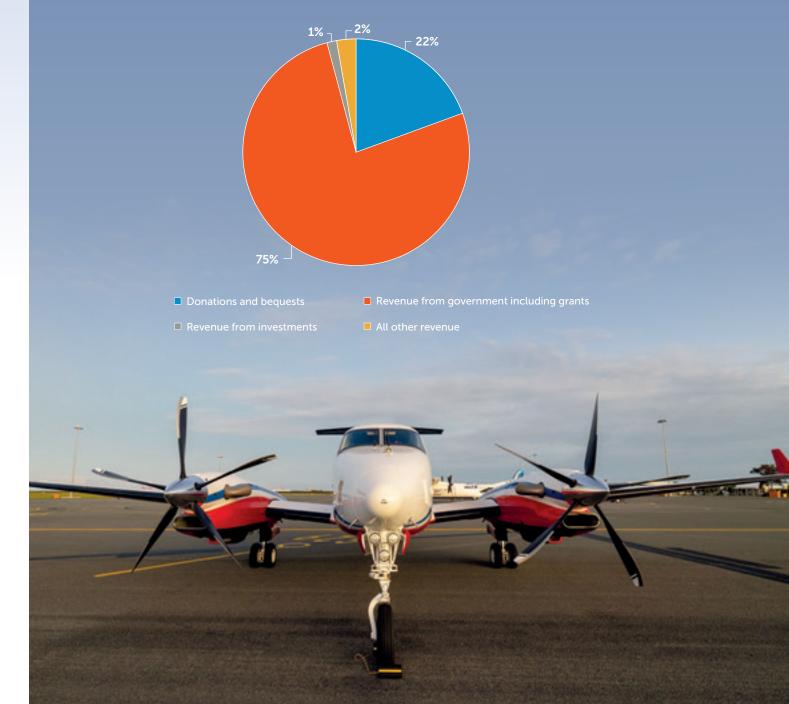


## **Primary Health Care locations**



# **Funding model**

RFDS (Queensland Section) receives Commonwealth Government and State Government funding to operate its services. We also rely on bequests, fundraising, donations, and partnerships to support operational costs and fund capital campaigns including the replacement of aircraft, the back-of-cabin fit-out, investment in infrastructure at bases, the purchase of medical equipment, and other major capital investments.



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## Our supply chain

RFDS (Queensland Section) annually engages with approximately 960 contractors, service providers and suppliers to deliver our aeromedical and primary health care services to rural and remote Queensland. These various providers represent Tier 1 of our extended global supply chain.

Our Tier 1 providers are predominately Australian owned, operated or based. The majority, by number, are based in regional areas of Queensland. Whilst twenty-nine of our suppliers are from overseas, each is located in countries with robust employment and industrial relations laws and a low risk of human rights abuses.

Country	Country risk ranking¹	Number of Tier 1 suppliers	Approximate % of spend²
Australia	163	931	66.8%
United States	158	20	33%
Canada	166	4	0.15%
New Zealand	164	2	0.02%
Argentina	157	1	0.01%
Singapore	97	1	<0.01%
United Kingdom	132	1	<0.01%

Where contractors are used in our operations, such persons are typically highly qualified, ranging from professional advisors through to specialist engineers, pilots and medical professionals. We also engage a variety of professional trades, including electricians, plumbers and gardeners to help us maintain our bases, offices, clinics and residential properties. Typically, these trades are small family owned and operated rural businesses.

In the areas of commercial cleaning and security, sectors where subcontracting is rife and the risks associated with indirect employment and use of vulnerable populations is considered high, our modern slavery risk is low. In many cases security guards and cleaners require special clearance to work on our airport bases, and due to the 24/7 nature of our operations, they are visible and known to our night shift personnel. Around the state, we engage several small contract cleaners and security guards that are regionally based family-owned operations. Our largest provider of security services has made public commitments regarding the proactive steps they are taking to address modern slavery risks in their business.

From a labour rights standards perspective, we consider that there is a low risk of modern slavery within our own operations or our Tier 1 supply chain.

<sup>&</sup>lt;sup>1</sup> Global Slavery Index Ranking from 1 (worst/highest risk) to 167 (best/lowest risk) of the "Estimated prevalence of modern slavery by country". https://www.globalslaveryindex.org/2018/methodology/prevalence/

 $<sup>^{2}</sup>$  Based on analysis of 2022 suppliers. There was no material change in suppliers in FY23.

We recognise that our Tier 1 suppliers have their own complex and diverse supply chains for the products and goods supplied to us (and the raw materials used to create those goods) and these supply chains extend beyond Australia's borders. It is this extended supply chain that has been identified as a risk area for potential human rights abuses.

Because of the number and variety of services and products required to deliver aeromedical and primary health care services across the state, we grouped the multitude of products and services used in our activities into nineteen categories. These categories were then assessed for potential modern slavery risks having regard to the specific service, product, raw material, supplier, and country of origin/manufacture.

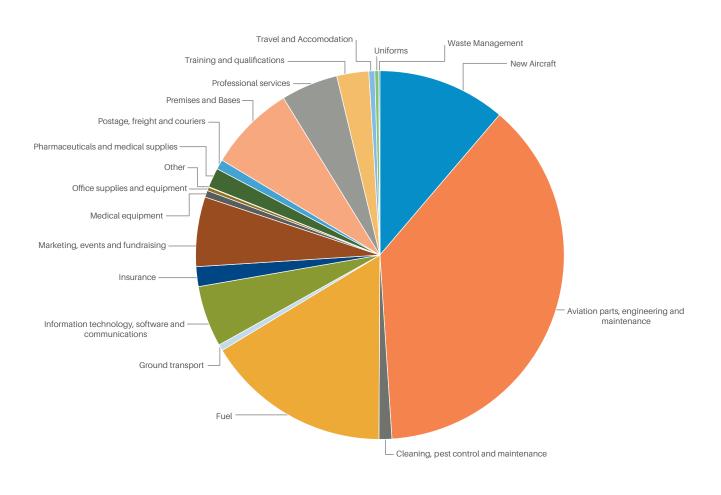




Table based on analysis of 2022 expenses. There was no material change in expense trends in FY23.

Our risk assessment indicates that there is a low risk of modern slavery within our operations and Tier 1 supply chain:

- RFDS (Queensland Section) employees are all based in Australia and protected by Australia's industrial relations system;
- All our employees are skilled professionals in their chosen career or field of expertise;
- Where we use contractors, they are typically skill professional advisors, engineers, pilots and medical professionals or qualified trades such as electricians and plumbers;
- of our c.960 Tier 1 providers, all but 29 are Australian owned and operated, or have dedicated operations based in Australia. The 29 foreign companies we deal with are all based in jurisdictions with a low risk of human rights abuses;
- RFDS (Queensland Section) does not manufacture any products overseas, or directly procure goods and products from any suppliers located in high-risk countries for modern slavery;
- half of our top 20 suppliers have made public commitments to combat modern slavery within their own supply chains;
- a large proportion of our suppliers are small family owned and operated businesses located in regional Queensland; and,
- the current status of the Covid-19 pandemic response does not increase the vulnerability of workers within our supply chain to modern slavery risks.

Our risk assessment included an analysis of the steps being taken by our providers to combat modern slavery within their own supply chains (our downstream supply chains). Collectively, Tier 1 providers representing at least 60% of our annual spend have filed modern slavery statements in Australia or issued similar statements and commitments pursuant to the reporting requirements of another jurisdiction.

Whilst our risk assessment determined that the overall risk of modern slavery within our supply chain was low, we recognise that the expanded nature of global supply chains creates the potential for hidden risks of unacceptable practices occurring in certain areas.





## Focus on our Fleet

# RFDS operates a fleet of 22 Beechcraft aeromedical aircraft servicing Queensland.

During the period covered by this Statement, RFDS took delivery of a new Beechcraft King Air 360CHW, configured for multi-stretcher air ambulance operations. Three more aircraft will be supplied to RFDS by Textron Aviation over the next few years.

The King Air 360CHW is a twin-engine turboprop aircraft equipped with a factory installed aft cargo door, heavy weight operations package and two Pratt and Whitney PT6A-67A engines.

Nearly 7,600 Beechcraft King Air turboprops have been built by Beechcraft since 1964, making it the best-selling business turboprop family of aircraft in the world. The worldwide fleet has surpassed 62 million flight hours in its 56 years, serving roles in all branches of the U.S. military and flying both commercial and special mission roles around the world.

A modern aircraft such as a Beechcraft King Air 360CHW is a complex composite of a significant number of individual parts, materials, and components. A final assembled aircraft incorporates parts supplied by many individual manufacturers and suppliers. In many cases those parts have defined usable lifespans and require regular or semi-regular replacement.

Raw materials used in the production of aircraft parts and components, such as aluminium, tin, copper, gold, brass, tantalum, tungsten, rubber and cotton, may come from downstream supply chains that pose a risk of labor exploitation and human rights abuses. Due to the complex supply chains behind each of our aircraft, RFDS undertook a review to better understand the risks of modern slavery in this important aspect of our business.

Textron Aviation is a US based company that produces the King Air, together with a wide range of aircraft across the Beechcraft, Cessna and Hawker brands that include everything from business jets, turboprops and high-performance pistons, through to air ambulance, surveillance, military trainer and defence products. Textron Aviation has produced more than half of all general aviation aircraft worldwide and serves customers in more than 170 countries.

Beechcraft King Air aircraft are in service with several arms of the United States Government, and Textron Aviation recently announced it was awarded a contract for delivery of Beechcraft King Air 350/360CER turboprop aircraft for the U.S. Customs and Border Protection Air and Marine Operations.

As a contractor to the US Government, Textron Aviation (and their various subsidiaries) are subject to the Federal Acquisition Regulations (FAR). These regulations apply to all Government contracts and prohibit contractors and subcontractors from engaging in prohibited practices including:

- Engaging in severe forms of trafficking in persons;
- Using forced labor in the performance of the contract;
- Destroying, concealing, confiscating, or otherwise denying access by an employee to his or her identity or immigration documents;
- Using misleading or fraudulent recruitment practices;
- Using recruiters that do not comply with local labor laws:
- Charging employees recruitment fees;
- Failing to provide return transportation for employees upon the end of the contract;
- Procuring commercial sex acts during the performance of the contract;
- Providing or arranging housing that fails to meet the host country housing and safety standards; and.
- If required by law or contract, failing to provide an employment contract in writing.

The FAR requires Textron Aviation to have detailed human trafficking policies and specific compliance plans in place, and to provide annual certifications of compliance.

RFDS engaged in discussions with Textron Aviation in relation to their controls and policies in relation to human trafficking/modern slavery. Textron Aviation has no tolerance for the use forced labor or services through any means, and this commitment is reinforced in Textron's Statement on Human Rights, Human Trafficking Policy, Business Conduct Guidelines and Conflict Minerals Policy Statement. Textron reinforces these commitments within its supply chain through contractual requirements, a Code of Conduct for Suppliers and Other Business Partners, and supplier assessment and vetting processes. Because of the sensitive and specialised nature of their business, the customers they supply (including both the US and Australian Governments) and the suppliers they use, Textron considers there is a very low risk of modern slavery within its operations and supply chain.

Textron Aviation is also required to comply with domestic content requirements for Federal government procurements governed by the Buy American Act (BAA). The BAA imposes rules for determining whether products being supplied to the US Government are "domestic" – that is, whether they were mined, produced, or manufactured in the United States (substantially all from components mined, produced, or manufactured in the United States). The domestic content needed for the supply of an aircraft to the US Government is more than 55 percent of the cost of all components.

Textron Aviation confirms less than five percent (5%) of the King Air 360 suppliers are foreign (i.e. non-US based). The King Air 360 is composed of approximately 67% US produced content.

The largest of the foreign suppliers for the King Air 360 is Pratt & Whitney Canada, one of the world's leading suppliers of small aircraft and helicopter engines. Pratt & Whitney Canada is part of Raytheon Technologies which is a significant US aerospace and defence company that provides advanced

systems and services for commercial, military, and government customers worldwide. The two Pratt and Whitney PT6A-67A engines in each RFDS aircraft represent a significant proportion of the components used in each aircraft's construction, and a large part of their "foreign produced content". Canada, like the US, is considered a very low risk jurisdiction for modern slavery practices.

As a US government defence contractor, Ravtheon is subject to the same Federal Acquisition Regulations as Textron Aviation, including those related to the elimination of Human Trafficking within their supply chains. Raytheon has issued a Statement on Modern Slavery and Human Trafficking on behalf of its various business units confirming that their exposure to modern slavery risk is low. Raytheon states that this is because of the nature of the goods and services they predominantly source, where their suppliers are located, the risk-based due diligence they conduct to ensure potential strategic suppliers are qualified and reputable before onboarding, their standard terms and conditions of purchase and the codes of conduct they impose on their suppliers.

Our review provided valuable insights into the modern slavery risks within the supply chain for our aircraft. Whilst RFDS recognises the potential for such practices to intersect with the supply chain for one of our aircraft, we consider the risk of modern slavery in this area to be low.

## **Risk mitigation actions**

Our risk assessment identified several system improvements and additional measures that we should take to mitigate the risk of modern slavery within our operations and supply chains.

RFDS (Queensland Section) has a robust governance framework. To strengthen this framework, we have adopted a Modern Slavery Policy which sets out our commitment to ensuring modern slavery does not occur in our operations or supply chain:

- We reject any form of modern slavery such as slavery, servitude, human trafficking and forced labour.
- We respect the human rights of our employees, patients, and the community as whole, as well as the employees of our suppliers and business partners.
- We aim to identify and manage risks related to human rights across our business and in our supply chain.

Our Code of Conduct sets out the Board's clear expectations regarding the rejection of modern slavery within all aspects of our operations. Our Grievance and Complaints Handling Policy specifically addresses the confidential reporting of suspected human rights abuses.

Our employees already receive regular training on internal processes and procedures, health and safety, as well as changes to regulation and developments in our industry, together with a wide range of professional development and specialist training programs. We have commenced a program of training for staff in modern slavery risks through a dedicated training module. Training has been provided to our executive leadership team and those in key procurement positions.

Our Procurement Policies and supplier due diligence processes address risks and concerns regarding modern slavery. Our supplier audit, evaluation and risk assessment criteria also takes into account such concerns. Where we identify a supplier or contractor is potentially supplying at risk products and services, they will be required to complete the detailed due diligence questionnaire.

We have implemented a set of model clauses that are used in our contracting process to impose legal obligations on our suppliers to manage modern slavery risks within their organisation and our mutual downstream supply chains.

We have introduced a Supplier Code and standard terms contract to specifically address our expectations regarding, among other things, the elimination of modern slavery risks within our supply chain.

Our Supplier Code imposes obligations on suppliers and contractors to:

- make all reasonable efforts to ensure that their business, and the businesses within their supply chain, are not engaged in, or complicit with, human rights abuses;
- not use any form of modern slavery practice (including forced or involuntary labour, child labour, human trafficking, debt bondage or deceptive recruitment);
- comply with all applicable Australian and international laws relating to modern slavery, the exploitation or deprivation of liberty of workers, and the employment of children;
- respect every worker's workplace rights and entitlements and ensure compliance with all relevant workplace laws, regulations and instruments. This includes properly paying employees, giving them their entitlements, not discriminating unlawfully and committing to workplaces free of harassment.

## **Future priorities**

We are committed to improving our approach to the elimination of modern slavery risks within our supply chain. Our future priorities include:

We will update our contract management processes to implement new risk controls to ensure that the provision of goods and services to RFDS meet our requirements, are timely, ethical, compliant and represent good value for money. When dealing with suppliers, the contract management process will prompt our staff to observe the following:

- If RFDS receive abnormally low pricing, ask the supplier why they can provide the goods and services at that cost.
- Question suppliers on what measures they have in place to identify modern slavery risks in their own supply chain.
- Question suppliers if they make use of migrant labour or tightly control worker activities such as transport, accommodation, and communication.

Our contract management planning processes will also be updated to include specific risk assessments for modern slavery concerns. In addition, to these new initiatives we will:

- continue to roll out modern slavery awareness training to staff; and,
- undertake ongoing assessments of potentially at-risk areas within our supply chains, to better map and understand the source of the goods we use in the delivery of our services to rural and remote Australia.

#### **Authorisation**

This statement was prepared in consultation with members of the executive leadership team, and approved by the Board of Royal Flying Doctor Service of Australia (Queensland Section) Limited in their capacity as the principal governing body for RFDS (Queensland Section).

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Russell Postle Chair RFDS (Queensland Section)





