Silverchain Group Modern Slavery Statement 2021-2022

9 December 2022

silverchain

Introduction

This Modern Slavery Statement (**Statement**) covers the activities of Silver Chain Group Limited ACN 077 082 725 (**Silverchain**), its wholly owned subsidiary, and its associated entities.

Silverchain is Australia's leading in-home care specialist, providing health and aged care services to 105,000 clients a year. Silverchain has been trusted by Australians to deliver care that is differentiated by quality and safety for nearly 130 years.

We provide complete in-home care services in Western Australia, South Australia, Victoria, Queensland and New South Wales, in partnership with our clients, as well as governments, primary health networks, local health districts, retirement communities, private companies, and hospitals and health services.

Our services comprise nursing, palliative care, home help and support services, hospital in the home, allied health services, chronic and complex care, digitally enabled care, and the provision of equipment and monitored personal alarms. We employ more than 4,400 people, including nurses, doctors, allied health, care experts, and a dedicated research and innovation division.

Our aspiration is to create a better home care system for all Australians. The provision of our services includes our commitment to impactful and ethical operations, and to countering modern slavery. It is in this context that we submit our third Statement, made in compliance with the *Modern Slavery Act 2018* (Cth), in respect of the period 1 July 2021 to 30 June 2022.

For more information about Silverchain, visit www.silverchain.org.au.

Reporting Entity

For the relevant reporting period, Silverchain was a Public Company Limited by Guarantee, with the following wholly owned subsidiary:

- Access Care Network Australia Pty Ltd (ACN 601 017 430) (**ACNA**).

Silverchain also has the following related entities:

- Silver Chain - Victoria Limited (ACN 649 647 914) (a public company limited by guarantee);
- Royal District Nursing Service of SA Limited (ACN 15 858 025) (a public company limited by guarantee); and
- Silver Chain Foundation Incorporated (ACN 077 086 670) (a West Australian registered Incorporated Association).

These related entities have the same Board membership as Silverchain.

Silverchain, its wholly owned subsidiary, and its related entities are all registered charities with the Australian Charities and Not-for-Profit Commission.

Governance

Silverchain's corporate governance is established through company constitutional documents, a Board Governance Charter and a Reserved Powers and Delegated Authorities Policy. Silverchain also has in place an Intercompany Agreement and Subsidiary Governance Protocol for the management of its subsidiary, and an Intercompany Agreement for services provided to its other related entities. The Board is assisted by Board sub-committees, comprised of members of the Board and external members, and is supported by the Silverchain Group Executive team.

Modern Slavery Risk Areas

Silverchain has not identified any instances of modern slavery in our operations, however we acknowledge that there is potential for Silverchain to be linked to modern slavery risks in our supply chain and through labour hire.

Supply Chain

Silverchain's supply chain includes a diverse array of 2,751 suppliers across a variety of procurement categories. Our annual spend reached $121.54 million in the financial year 2021/2022.

Our supply chain includes the purchase of products and services needed for day-to-day operations including personal protective equipment, vehicles and maintenance, uniforms, medical supplies and equipment and information technology products and services, which includes technology based personal equipment such as alarm systems to support the care of clients.

We continue to maintain around 1,200 active supplier contracts which warrant particular focus, as these represent the current and critical suppliers for our business operations. These suppliers have been scored against modern slavery risk factors, with the top 35 completing self-assessment questionnaires (**SAQ**) which were used to verify their credentials to scrutinise their operations at a higher level.

The table below represents all active vendor contracts by sector using the Global Industry Classification Standards (**GICS**). A further summary is provided of the top two tiers of our supply chain, which defines the entities we contract with (Tier-1) and their primary suppliers (Tier-2).

Table 1: Breakdown of Silverchain's Supply Chain by Global Industry Classification Standard (GICS)

GICS Sector	# of Suppliers
Utilities	41
Real Estate	3
Information technology	42
Communication services	18
Consumer discretionary	75
Consumer staples	21
Financials	51
Health care	469
Industrials	539
TOTAL	**1,259**

Silverchain's Tier-1 supply chain comprised 1,259 contracted suppliers in the financial year 2021/2022 and spanned five countries. More than 98% of our Tier-1 suppliers are Australian entities, with only 15 companies having a principal place of business overseas.

All of our overseas Tier-1 suppliers provide either enterprise or specialist technology services, or medical services and products.

While most of our Tier-1 suppliers are based in Australia, we acknowledge that many of our products are sourced from overseas. We anticipate our Tier-2 supply chain to be much more complex and intend to assess this data for selected high-risk suppliers as part of our next phase in addressing modern slavery risks.

Our assessment of Tier-1 suppliers also evaluated industry and sector risk across our supply chain to identify which of our industry groupings represent the highest risk. The largest industry risk grouping identified is environmental and facilities services such as cleaning or waste control across our operations which includes more than 200 suppliers. The risk profile of this class of suppliers is elevated by the probable use of outsourced, temporary, migrant, or sub-contracted labour with less transparency over the conditions of employment.

As a result of the identification of modern slavery risk by industry groupings, Silverchain has added 16 additional suppliers to our high-risk classification, now totaling 51. This designation is important as it triggers our maturing supply chain engagement process where we administer the SAQ to each high-risk vendor to confirm or revise their risk designation and to determine the best way we can engage further.

Labour hire

As a health and aged care organisation, we are reliant on a workforce of nurses, care staff and casual workers, many of whom work in Australia under a visa arrangement. Whilst we take all reasonable steps when onboarding new employees, we are aware of the modern slavery risks associated with the visa process, including but not limited to deceptive recruitment of labour or services, debt bondage and people trafficking.

For any labour hire, recruitment or agency partnerships, we have ensured that Silverchain's contractual relationship with each vendor contains anti-slavery clauses, reporting and auditing mechanisms. Silverchain continues to work closely with these vendors to understand their processes for managing and eliminating modern slavery.

Actions Taken to Address Modern Slavery FY 2021/2022

For financial year 2021-2022 Silverchain has undertaken the following coordinated actions to mitigate modern slavery risks:

- Administered the Modern Slavery SAQ to Tier-1 suppliers designated by our supply chain assessment to be high risk suppliers and to any new suppliers.
- Engaged expert external advisor to assist in review and assessment of Silverchain's Tier-1 suppliers, including SAQ responses received. The external advisor provided Silverchain with a risk assessment tool (**Risk Assessment Tool**) to enable in-depth analysis of its supply chain and score suppliers against a risk rating.
- Input of data into the Risk Assessment Tool, including all supplier names, location, spend, SAQ responses and any further investigations completed by Silverchain's Procurement team. After analysis, no suppliers were identified as high risk.
- Added a Modern Slavery risk into the organisation's corporate Risk Register.
- Included processes to address Modern Slavery risks in relevant policies and procedures contained in the organisations Policy Document Management System.
- Rolled out training:
  o High level training and engagement with Silverchain's procurement, human resources, governance and legal teams.
  o Introductory level training and engagement with executive, leadership and upper management.
- Implemented anti-slavery contractual terms and policies across the organisation.
- Incorporated anti-slavery goals into Silverchain's Sustainability Strategy.
- Establishment of the Modern Slavery Working Group, which meets on a monthly basis.

Further Actions Scheduled to Address Modern Slavery Risks

Silverchain's approach to addressing modern slavery risk has continued to evolve and mature as different strategies are implemented and as we build our capacity to identify and tackle such risks.

As part of our continued commitment to preventing modern slavery, Silverchain plans to undertake the following actions over the next reporting period:

- Annual administration of the Modern Slavery SAQ to Tier-1 suppliers for FY23 designated by our supply chain assessment to be high risk and engage with suppliers that we continue to identify as being high risk following review of their SAQ responses.
- Continue to assess and monitor high risk suppliers.
- Ongoing use of the Risk Assessment Tool, with input of new data and monitoring risk ratings.
- Preliminary assessment of Tier-2 suppliers and strategy of review.
- Develop and present in-house training for all Silverchain employees.
- Update our Whistleblower Policy to make it available to suppliers and to incorporate references to disclosures relating to modern slavery.

- Engage with HR/labour hire agencies to address any risks, mitigation strategies and how we can partner with and support these agencies.
- Silverchain's recruitment team will engage a visa and migration specialist, which will help ensure the appropriate engagement of international workers.

Consultation with Related Entities

Silverchain and its related entities (excluding ACNA) are managed and governed by the same Executive and Board and have been fully included in the process of consultation in connection with this Statement.

Approval

This Statement has been approved by the Board of Silverchain and is submitted on behalf of Silverchain, its wholly owned subsidiary, and related entities, and is signed for and on behalf of all such entities.

Anne Skipper
Silverchain Board Chair

Dale Fisher
Chief Executive

Health. Human. Home.