



MODERN SLAVERY STATEMENT FY2020/2021

PEOPLECARE HEALTH LIMITED

ABN 95087 648 753

REGISTERED OFFICE: Corner Victoria & Young Streets, Wollongong, NSW, 2500

WHO ARE WE?

Peoplecare is a member-owned not-for-profit health fund that exists purely to benefit its members all over Australia.

Peoplecare formed in 1952 as the health fund for John Lysaght Australia Ltd and later expanded to BHP in the late 1970s. The fund grew from 2000 to offer health insurance to the employees of BlueScope Steel, One Steel, BHP Billiton and a range of more than 40 affiliated companies.

In 2006 Peoplecare opened itself up to anyone to join and officially first became known as Peoplecare.

Growing for more than 69 years, Peoplecare now covers more than 70,000 people on more than 33,000 memberships and employs more than 200 people across its business.

Peoplecare commits to eradicating modern slavery (under the Modern Slavery Act 2018) from its operations and this statement is provided to outline the actions taken to do this for the 2020/2021 financial year ("reporting period").

Structure and Operations

Peoplecare Health Limited ABN 95 087 648 753 (trading as "Peoplecare") is a company limited by guarantee that operates predominately in Wollongong, NSW.

Peoplecare's core operations is to underwrite and distribute private health insurance through hospital and extras policies that are issued through direct sales and via intermediaries.

Further to its private health insurance underwriting and distribution, Peoplecare:

- operates a diversified business model through the provision of outsourced management services and licensing of marketing and management agreements to third party health insurance funds and insurance organisations; and
- operates a dental and optical store, Peoplecare Eyes and Teeth.
- Peoplecare currently has two non trading subsidiary entities and whilst ever they remain dormant the requirement to consult with these entities is not applicable.

Supply Chain

Peoplecare engages suppliers, predominately based in Australia, across its business for the provision of goods and services to support its operations, and these include:

- IT equipment and services
- Telecommunication services
- Health professional services

Peoplecare Health Limited, a registered private health insurer

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- Medical consumables
- Merchandise and office supplies

Peoplecare reviews its key suppliers, in accordance with the regulatory standards required and its own internal policies and procedures.

MODERN SLAVERY RISKS

As a provider of private health insurance in Australia, Peoplecare's risk of Modern Slavery within its operations is considered low due to it predominately operating in an office environment.

However, Modern Slavery risks are likely to be found within our supply chain. To identify key risk areas for Modern Slavery Peoplecare has developed an Industry Supply Chain Risk Matrix which utilises supplier and geographic risk. The Industry Supply Chain Risk Matrix allows Peoplecare to identify and assess the risk of modern slavery within an organisation that we engage with or are interested in engaging with.

Peoplecare has continued its work from the previous reporting period to review and assess its current high-risk suppliers to determine whether or not they are or are at risk of engaging in modern slavery within their operations and/or supply chain.

To assist Peoplecare in addressing Modern Slavery risks within its operations and supply chains it has previously introduced, and reported on, the following:

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| Modern Slavery Procedure | <i>The Modern Slavery Procedure establishes our commitment to addressing modern slavery risks in our business as well as detailing the steps to undertake to address modern slavery risks.</i> |
| Updating company policies | <i>We have updated relevant procurement policies to introduce safeguards for modern slavery risks.</i> |
| Modern Slavery Supply Terms | <i>A Modern Slavery clause included in all new and ongoing engagements which introduces a number of safeguards for modern slavery risks, including audit rights, termination rights and provision of assistance where known instances occur.</i> |
| Modern Slavery Questionnaire | <i>Our Modern slavery questionnaire requires supplier responses prior to entering into a formal arrangement. The questionnaire assesses the risk of modern slavery within the operations and supply chain of the direct supplies to determine whether Peoplecare is comfortable that modern slavery risks are effectively managed by them, prior to entering into an arrangement.</i> |
| Modern Slavery Statement of Commitment | <i>We have published a statement of commitment to publicly declare our commitment to working to eradicate modern slavery practices from our operations and our supply chain.</i> |

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| Whistleblower Policy and Training | <i>Our whistleblower policy allows employees and others to anonymously report on any misconduct, which includes modern slavery.</i> |
| Compliance Obligations Framework | <i>Our compliance obligations framework incorporates regular management attestations to confirm Peoplecare's compliance with Modern Slavery Obligations.</i> |

ACTIONS

During the 2020/2021 reporting period, Peoplecare undertook the following key actions to address the risk of modern slavery practices within its supply chain:

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| Updates to ongoing engagement with Modern Slavery Supply Terms | <i>We have been working through all current 'High-Risk' suppliers (as per our Industry Supply Chain Risk Matrix) and updating their supply terms to include Modern Slavery Clauses.</i> |
| New Supplier Modern Slavery reviews and inclusion of Modern Slavery Supply Terms | <i>All new suppliers are being reviewed in accordance with our Modern Slavery Procedure to ensure we aren't engaging with any supplier who do or are considered high-risk of engaging in modern slavery practices within their own organisation or through their supply chain. Suppliers must have a Modern Slavery clause included within their Agreement or, where this is not possible, sign a Modern Slavery declaration.</i> |
| Dental and Optical supplier reviews | <i>Peoplecare operates a Dental and Optical practice that engages with suppliers through supply orders as opposed to having a formal services agreement. We have been, and are continuing to, review these suppliers in accordance with our Modern Slavery Procedure to identify and assess high-risk suppliers and to review completed Modern Slavery questionnaires.</i> |
| Management Operational Risk Committee | <i>Peoplecare has -introduced a Management Operational Risk Committee, with the intention to engage key persons in the business to review and consider operational risks. Risks and risks incidents relevant to Modern Slavery will be considered as raised and required. This is a key mechanism for ensuring the organisation has a risk culture and that key members of the organisation are actively involved in the assessment and consideration of Peoplecare's risks.</i> |
| Whistleblower Training and Disclosures | <i>Peoplecare staff were required to complete their annual Whistleblower training. During the period Peoplecare received no whistleblower disclosures that related to non-compliance with Modern Slavery obligations.</i> |

It is important to note that COVID-19 had a significant impact on our ability to complete actions to the amount and level desired. Notwithstanding this, the actions implemented in 2019/2020 further enhances Peoplecare's ability to manage modern slavery risks.

ASSESSMENT

Peoplecare recognises the importance of monitoring the effectiveness of our modern slavery processes and actions. In our operations and our supply chain we are working to improve how we assess the effectiveness of our actions to address modern slavery.

The processes and actions we are undertaking:

- periodically assessing supplier compliance (as outlined in Actions section of this report);
- establishing ability to conduct supplier audits in relation to modern slavery through established modern slavery clauses and declarations by suppliers;
- regular reviews and attestations of our operational compliance to modern slavery; and
- regular reviews of our processes and actions to ensure they allow us to meet our commitment to meeting the ethical standards we have committed to and our modern slavery obligations

OTHER RELEVANT INFORMATION

Next Steps

Peoplecare is committed to continuous improvement and maintaining high ethical standards and will continue to review the effectiveness of our processes and actions to improve our ability to detect, mitigate and reduce the risk of modern slavery within our business and supply chain. For the following reporting period we have identified the following key actions:

- Work through supplier reviews of Medium and Low risk suppliers
- Continue supplier reviews of all new suppliers we engage with
- Continue to review our dental and optical suppliers and address any modern slavery concerns identified
- Introduce periodic Modern Slavery declarations with suppliers to ensure that the Modern Slavery supply terms are being complied with
- Continue to attest to our modern slavery obligations and introduce control testing
- Independent monitoring and evaluation of Peoplecare's actions to address modern slavery risks

This statement is made for the financial year ending 30 June 2021 and was approved by the Board of Peoplecare on 3rd December 2021. It is signed below by the Chair of the Board on behalf of the Board of Directors and Peoplecare's Chief Executive Officer as a responsible member of the organisation.



Glenn Lennell
Chair, Board of Directors
Peoplecare Health Limited



Dr Melinda Williams
Chief Executive Officer
Peoplecare Health Limited