

Modern Slavery Statement 23/24

SOUTHERN CROSS CARE
(SA, NT & VIC) INCORPORATED
1 JULY 2023 TO 30 JUNE 2024

Better
for life®



Southern Cross Care (SA, NT & VIC) Incorporated (“Southern Cross Care”) has been providing quality accommodation and care services to members of its community for more than 55 years.

Southern Cross Care was founded in 1968 and believes that every person has the right to experience a good quality of life regardless of age, location, economic situation, cultural background or health challenges.

Southern Cross Care operates in South Australia, the Northern Territory and Victoria and has services such as Health & Wellness, Home Care, Retirement Living and Residential Care.

This is Southern Cross Care’s modern slavery statement for the reporting period of 1 July 2023 to 30 June 2024.

CRITERIA 1

REPORTING ENTITY

This modern slavery statement is by Southern Cross Care (SA, NT & VIC) Inc ARBN 129 895 905 South Australia, Liability Limited, ABN 53 682 143 626.

CRITERIA 2

STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Structure of Southern Cross Care

Southern Cross Care is an incorporated association (not for profit), an Australian registered body and a charity registered with the Australian Charities and Not-for-profits Commission.

Southern Cross Care operates more than 55 service locations across South Australia, the Northern Territory and Victoria, in addition to in-home care and support services across all three regions. Southern Cross Care has its central office in South Australia at 25 Conyngham Street, Glenside, South Australia.

Southern Cross Care undertakes its business through a range of business names reflecting its broad range of initiatives. All services operate under the registered 'Better for life' trademark.

Southern Cross Care is supported by approximately 2,900 employees made up of full-time, casual and predominantly part-time personnel, along with approximately 300 volunteers who support its operations.

Operations

Southern Cross Care provides accommodation and care services across South Australia, the Northern Territory and Victoria. This includes the provision and management of:

1. **Residential aged care accommodation** to over 3,000 residents across 17 residential care facilities;
2. **Retirement living villages** with approximately 1,800 residents in independent living homes, villas, apartments and units across 40 retirement living communities;

3. **Home care** to approximately 2,600 clients including home cleaning, personal care, nursing care as well as garden and general maintenance; and
4. **Health and wellness services** to approximately 2,800 clients for rehabilitation, respite, fitness classes and individual and allied health services such as telehealth, physiotherapy, occupational therapy, massage therapy, exercise physiology and podiatry.

Southern Cross Care also holds a portfolio of financial investments which is managed by an external investment adviser and manager.

Supplier relationships

In order for Southern Cross Care to provide accommodation and care services it requires the support of a range of suppliers across various industries. Southern Cross Care has approximately 2000 suppliers who are located across Australia.

Southern Cross Care has a procurement policy to ensure consistent engagement with suppliers and tendering when appropriate. Southern Cross Care operates a centralised procurement team and warehouse, whereby it manages the selection and performance of suppliers. For suppliers to provide goods and services to Southern Cross Care, they are required to:

- Be approved by the Central Office and accounts set up in the financial and procurement system.
- Before entering a Southern Cross Care site, the supplier and the supplier representative must register in the Rapid Contractor Management system which references the mandatory compliance requirements.
- When arriving at a Southern Cross Care site, all supplier representatives must register via the Rapid Visitor Access system which will confirm whether the supplier is compliant to enter.

Southern Cross Care has implemented an electronic procure to pay system and goods or services can only be ordered in accordance with the Board approved Delegation of Authority.

Depending upon the nature of the services or goods procured, Southern Cross Care enters into short-term or long-term contractual relationships. All material contracts are competitively tendered on a regular basis under strict probity rules.

Supply chains

The large majority of Southern Cross Care's immediate suppliers are based in Australia.

Southern Cross Care procures goods and services to enable it to carry out its operations such as food, medical supplies, cleaning products and services, furniture, fittings and equipment, office supplies, ICT equipment and services, vehicles, temporary staff from labour-hire agencies, repairs and maintenance. Southern Cross Care undertakes capital works programs and works with construction companies and builders to deliver this service.

There is a central office which supports operations and there is a need to use external service providers and consultants such as auditors, lawyers, IT professionals and marketing.

CRITERIA 3

RISKS OF MODERN SLAVERY

Southern Cross Care acknowledges that modern slavery can be present in vulnerable populations, higher risk industries and high risk locations, and accordingly will focus on these sections of its supply chains to identify risks of modern slavery.

In considering whether Southern Cross Care causes, contributes to or is directly linked to modern slavery:

1. Southern Cross Care considers that its operations do not directly cause modern slavery practices.
2. Southern Cross Care does not consider that it contributes to modern slavery. However Southern Cross Care is aware that setting unrealistic costs targets and short delivery timeframes can contribute to modern slavery risks.
3. Southern Cross Care continues to investigate whether it could be linked to modern slavery practices through the activities of its suppliers.

To ensure compliance and risk assessment of modern slavery, Southern Cross Care has engaged the services of an external legal firm, Cowell Clarke.

CRITERIA 4

ACTIONS SOUTHERN CROSS CARE HAS TAKEN

During the reporting period the following actions have been undertaken.

Undertake a scoping exercise where suppliers are characterised into high, medium and low potential modern slavery risk

Southern Cross Care's external legal counsel, Cowell Clarke, developed a Supplier Risk Matrix - Modern Slavery (Matrix), which categorises suppliers into a high, medium and low potential modern slavery risk. The Matrix is based upon the approximate annual spend with the supplier, the industry in which the supplier operates and the geographical location of the suppliers and others in their supply chain.

Every supplier was assessed in accordance with this Matrix and assigned a high, medium or low risk classification.

Risk screening on selected suppliers

The modern slavery questionnaire (Questionnaire) was reviewed and updated by Cowell Clarke. The Questionnaire poses a total of 31 questions seeking to identify relevant information including country of origin, country of suppliers and country of raw material.

For this reporting period, the multiple choice questionnaire was updated and we continued with the online collection of responses to the Questionnaire. This improved the effective collection of contractor responses and provided a more user-friendly response interface.

The Questionnaire was sent to 123 suppliers. Those suppliers selected were based on the Matrix ensuring vendors were selected across all high, medium and low categories. A breakdown of the risk categories is summarised in the table below.

Category	Percentage of vendors selected
Very Low Risk	0%
Low Risk	29%
Moderate Risk	22%
High Risk	49%

The selected suppliers covered a wide range of services, including labour hire, cleaning, food providers, textiles, construction, ICT and furniture. Review of Questionnaire responses identified 20 suppliers with potential modern slavery risk and their details were sent to Cowell Clarke to undertake further detailed investigation. Cowell Clarke's detailed investigation revealed no modern slavery risk from those suppliers.

Ongoing annual audits will be completed on suppliers who have previously been flagged as High Risk

Implementing a modern slavery procedure

A modern slavery procedure (Procedure) was prepared by Cowell Clarke and is reviewed annually. The purpose of the Procedure is to:

- explain what modern slavery is;
- set out the requirements with regard to employee training;
- explain how employees may report modern slavery or suspected modern slavery, and
- explain the procedure for due diligence.

The Procedure is now published on the Southern Cross Care intranet for all staff to view and refer to as required. The procedure will be continually updated as improvements are made.

Employee training

Modern slavery training material is reviewed and updated annually in collaboration with Southern Cross Care management and Cowell Clarke to ensure alignment with legislative changes. This training was distributed via an internal learning management tool to all Southern Cross Care's relevant employees.

Reporting mechanism

Southern Cross Care has now implemented an internal online modern slavery reporting process to monitor and identify modern slavery practices with suppliers. The incident reports are sent through to central management and the procurement team who undertake due diligence on modern slavery risk if deemed appropriate.

Code of conduct

Southern Cross Care has a Code of Conduct which requires compliance with the Modern Slavery Act.

Modern slavery contractual clause

Cowell Clarke drafted a modern slavery contractual clause which was reviewed by management. This clause has been inserted into Southern Cross Care's Contractor Agreement.

All Southern Cross Care's tender documents have a modern slavery clause which will require compliance with the Modern Slavery Act and support Southern Cross Care's position on modern slavery.

When existing supplier contracts come up for renewal, a contractual letter of variation has been prepared requiring compliance with the Modern Slavery Act and Southern Cross Care's policies on modern slavery. These documents form part of the renewed supplier contractual agreement.

During this reporting period Southern Cross Care continued to implement the management of all new contracts and letters of variations to the contract, within the online contract management module. This management system has facilitated the reporting, management, storage and audit of contracts. Modern Slavery compliance statement continues to be an integral component of all Southern Cross Care's contractual agreements.

Modern slavery supplier remediation plan

Where Southern Cross Care identifies gaps in a suppliers' knowledge of modern slavery from the responses to the Questionnaire, management will develop a modern slavery remediation plan. The remediation plan will be tailored to risk, category and scenario and may differ for individual suppliers having regard to the risks identified.

With the assistance of Cowell Clarke, Southern Cross Care customised a Modern Slavery Supplier

Partner Training program (Remediation Plan) to educate and guide suppliers regarding modern slavery. This will be reviewed, as required, if further beneficial remedial actions are identified. The training plan is completed online so that Southern Cross Care management can track progress and completion.

From the Questionnaire responses, no suppliers within this reporting period were identified as having gaps in their understanding of modern slavery, therefore no remediation plan was sent.

CRITERIA 5

ASSESSING EFFECTIVENESS OF ACTIONS

For this reporting period Southern Cross Care assessed effectiveness of actions taken by undertaking the following.

Assessing the appropriateness of and any feedback on the actions taken

Southern Cross Care has partnered with Cowell Clarke to guide, assist and review actions, processes and procedures in dealing with compliance to the Modern Slavery Act. Cowell Clarke is a participant within the UN Global Compact (the world's largest corporate sustainability initiative focused on areas of human rights, labour, environment and anti-corruption). This ensures Southern Cross Care is current and up to date with modern slavery compliance and best practice.

Feedback received from Cowell Clarke is reflected in all of Southern Cross Care's documents and procedures dealing with modern slavery.

An online internal feedback form is available to record and report any evidence of modern slavery. This form is available to all employees and covers both operational and corporate sites. Feedback is treated as confidential. To date there has been no feedback from Southern Cross Care employees evidencing acts of modern slavery.

Audit of Questionnaire responses and follow up

Southern Cross Care audits the supplier responses to the Questionnaire. For those suppliers who don't complete the Questionnaire, written communications are sent at multiple points in the reporting period to ensure the Questionnaire

is completed. If written communication is not complied with, direct contact is made with the supplier via telephone calls to encourage completion of the Questionnaire.

Internal modern slavery training

Southern Cross Care's online learning management system reports on those employees that have completed the modern slavery training. Auto reminders are sent to those staff who have not yet completed the training.

CRITERIA 6

CONSULTATION

This criteria is not relevant to Southern Cross Care.

CRITERIA 7

OTHER INFORMATION


Southern Cross Care has now completed the planned actions set out in the previous reporting period. This will be built upon for the next reporting period.

For the next reporting period Southern Cross Care will:

- continue due diligence on tier 1 (ie High Risk) suppliers (re-issue questionnaires);
- ensure training is kept up to date with all relevant purchasing staff via training modules and in person presentations;
- utilise previous modern slavery screening data and learnings to undertake further due diligence into high risk supply categories;
- ensure changes in legislation are incorporated and reflected in processes, documents and training materials;
- ensure the modern slavery screening questionnaire is reviewed and updated for the next reporting period to identify any changes in practice or sourcing in the supply chain by suppliers;
- review remediation plan to streamline processes to gain further efficiencies;
- develop a centralised repository for Southern Cross Care staff to access Modern Slavery material including feedback and reporting forms.

Southern Cross Care supports the global focus on combating modern slavery practices. Southern Cross Care has rolled out a number of initiatives which are fully supported by the Board and Executive Management and is committed to continuously monitor and improve these initiatives.

This modern slavery statement for the reporting period was approved by the Board of Southern Cross Care.



David Martin
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