

The logo for SCA, consisting of the letters 'SCA' in a bold, white, sans-serif font. The letters are slightly overlapping, with the 'S' and 'C' sharing a vertical stroke. The logo is centered on a blue background with concentric circles.

**MODERN SLAVERY
STATEMENT 2023**



MODERN SLAVERY STATEMENT 2023

This statement sets out actions taken by Southern Cross Media Group Limited ACN 116 024 536 and its related bodies corporate (together, **SCA**) to address modern slavery and human trafficking risks in our business and supply chain for the year ended 30 June 2023 (**Reporting Period**). It has been prepared in accordance with the *Modern Slavery Act 2018* (Cth).

SCA requires group entities to comply with SCA's corporate policies, including the assessment and mitigation of modern slavery risks. SCA has consulted with subsidiaries and business units within the SCA Group to gather the required information to prepare this statement.

OUR STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Organisational structure and business

Southern Cross Media Group Limited is an Australian public company listed on ASX. SCA is one of Australia's leading media companies and the home of LiSTNR, the Hit and Triple M networks and regional television stations, reaching more than 95% of the Australian population.

The LiSTNR digital audio app hosts a library of free and compelling digital audio content available anytime, anywhere. It houses SCA's 99 FM, AM, and DAB+ radio stations, including AFL, NRL and international cricket coverage, 27 music genre stations, and over 600 podcasts from leading Australian and global creators, plus local news and information. With more than one million signed-in users, LiSTNR has something to entertain, inform, and inspire all Australians and helps advertisers to connect with highly engaged and addressable audiences. The LiSTNR digital audio sales network reaches an estimated 8 million people each month.

SCA owns 99 radio stations across FM, AM, and DAB+ under the Triple M and Hit network brands and provides national sales representation for 56 regional radio stations, with 6.131 million listeners across the Hit and Triple M networks.

SCA broadcasts 96 free to air TV signals across regional Australia and represents or has a joint venture with 39 TV stations, reaching 3.6 million people a week. SCA broadcasts Network 10 programs in regional Queensland, southern NSW, and Victoria and provides national advertising sales representation for Network 10 programming in all Australian states and territories. SCA also broadcasts and provides sales representation for Seven Network programming in Tasmania, Darwin, and Remote Central and Eastern Australia and for Seven and Nine Network programming in Spencer Gulf and Broken Hill. SCA also features Sky News Regional in regional Queensland, southern NSW, and Victoria and sales representation in northern NSW, Griffith, and Mount Gambier. SCA provides Australian sales representation for global open audio platform SoundCloud and Sonos Radio. www.southerncrossastereo.com.au.

Our supply chain

SCA has a simple supply chain that is designed to efficiently acquire the goods and services necessary for our operations. The goods and services include office supplies, technology, broadcasting equipment, music and other content licensing, merchandise, IT infrastructure and support services, banking services, marketing services, merchandise, and audit, tax, legal and other professional services.

Through our procurement and supplier onboarding process, SCA seeks to obtain products and services from suppliers who are reputable commercial entities. In many instances, SCA has used the same suppliers over several years.

While most of our supply chain expenditure is in Australia, SCA sources some goods and services from global suppliers who have operations in other jurisdictions including the United Kingdom, the United States of America, Singapore, Hong Kong, Japan, and Indonesia. Of the suppliers based overseas, the industries in which these suppliers predominantly operate are IT equipment, IT platforms, communications infrastructure, banking, and legal advice. In

these instances, we most often deal with Australian-based subsidiaries of our global suppliers.

POTENTIAL RISKS IN OUR OPERATIONS AND SUPPLY CHAIN

Risks in our operations

Following guidance published and resources (including the Global Slavery Index) recommended by the Australian Government's Department of Home Affairs by the Australian Government's Department of Home Affairs, SCA has assessed risks in its operations and supply chain that may cause or contribute or be directly linked to modern slavery practices. We have concluded the risk of modern slavery practices in SCA's operations is low. SCA has well established appropriate processes to ensure compliance with applicable workplace and related regulatory requirements which are further detailed in this statement.

SCA's operations are conducted entirely within Australia where there is considerable regulatory oversight of the working conditions of our employees and contractors, particularly in comparison to some overseas jurisdictions.

SCA's workforce predominantly comprises professionals and other office-based workers who are not from groups associated with a high risk of modern slavery or worker exploitation. SCA does not work regularly with children but is aware of the legal and regulatory requirements that apply to working with children and has adequate training and processes in place to ensure compliance with these requirements.

Nevertheless, SCA acknowledges there are risks of modern slavery within our operations and supply chains. We are committed to taking necessary steps to identify these risks and, where applicable, to eliminate them.

SCA considers the following areas of our business contain a higher degree of modern slavery risk:

- procurement of hospitality services
- labour hire

- office cleaning services.

SCA understands these industries present an increased risk of worker exploitation because they are typically characterised by lower wages, potentially lower skilled workers, and often involve subcontracting arrangements that obscure direct accountability and responsibility from the contracting entity. Coupled with inconsistent regulatory enforcement, these factors can result in fewer protections for workers in these industries.

When SCA engages suppliers in these higher risk industries, SCA seeks out reputable Australia-based contractors that are committed to ethical business operations and fair treatment of workers. SCA's steps to addressing these risks are detailed further in this statement.

SCA's workforce includes a small number of visa workers in professional roles, and we have systems and processes to ensure their rights are upheld.

Risks in our supply chain

SCA considers the highest risks of modern slavery in SCA's supply chains lie in our procurement of the following goods and services:

- IT/technology equipment
- communications infrastructure
- promotional merchandise.

SCA understands from the Global Slavery Index's analysis of countries' vulnerability to modern slavery that goods and services in these categories are often imported or sourced from countries characterised by systemic low wages, downward cost pressures, lack of independent and effective oversight or regulation, and heightened risks of trafficking and labour exploitation. SCA's suppliers of goods and services in these categories have operations based in China, India, Philippines, Taiwan, and Malaysia.

ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

Supply chain diligence

SCA conducts due diligence on our suppliers through a Supplier Questionnaire (**Questionnaire**). Where necessary, SCA also seeks independent advice or research about the risks of any new goods or services we procure.

We monitor responses to our Questionnaires to identify trends and emerging risks that warrant further investigation or action.

During this Reporting Period, we converted our Questionnaire to a digital format for electronic completion by our major, higher-risk and new suppliers that meet certain eligibility criteria.

During the Reporting Period, we sent the Questionnaire to suppliers:

- whose contract with SCA has a total value of at least \$500,000 or an annual value of at least \$350,000
- that, regardless of the contract value, operate in a high-risk country or whose goods or services fall into a high-risk sector.

The digital format proved to be a user-friendly and effective way for SCA to collect information about our suppliers’ awareness and management of modern slavery risks. The software that houses the digital Questionnaire supports our assessment of the modern slavery and human rights risk profile of individual suppliers and our overall supply chain.

The digital Questionnaire has also enabled us to integrate this due diligence review into our onboarding process for new suppliers where we have made a purchase of over \$5,000, as well as to automate periodic review of existing suppliers.

The Questionnaire includes a system to give suppliers a score out of 1,000. If a supplier receives a score of less than 600, SCA will review the supplier’s responses and any supplementary modern slavery materials available or provided to SCA. If SCA remains unsatisfied with these responses, we may request additional

information about the supplier’s awareness and management of modern slavery risks to warrant ongoing dealings with the supplier. Requests for additional information may also be triggered by a supplier’s responses to individual questions.

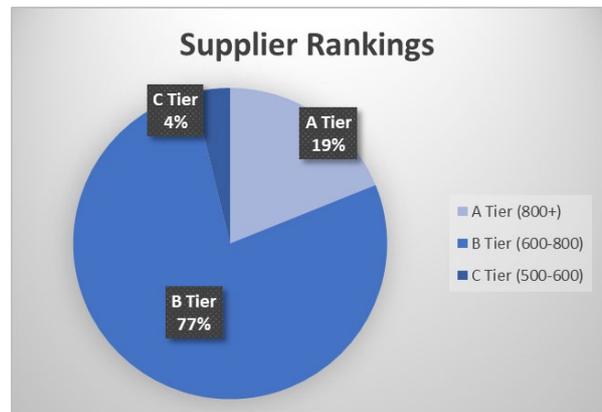
If upon review of additional information provided by the supplier, SCA considers the supplier’s awareness or management of modern slavery risk to be unsatisfactory, SCA will follow the remediation procedures described below.

During the Reporting Period, we reviewed 45 supplier responses to our Questionnaire or other equivalent information about their management of modern slavery risks (such as their own modern slavery statement or internal policies provided in response to our Questionnaire).

The value of SCA’s contracts with these suppliers during the Reporting Period ranged from \$200,000 to \$19 million.

The response rate to the Questionnaire was higher than in previous years where we used a more manual process, highlighting the improved oversight this new digital format provides.

The graph below summarises the scores of suppliers that completed the Questionnaire. Nineteen percent of responding suppliers ranked in the A Tier with a score of 800 or more. Most suppliers ranked in the B Tier, scoring 600-800. This demonstrates the high degrees of compliance with modern slavery laws and mitigation of modern slavery risk among SCA’s suppliers. Only one supplier scored below 600. It scored 598 and, after review of supplementary materials published by that supplier, we are satisfied it does not pose modern slavery risks.



To date, over 120 suppliers have responded to our Questionnaire (including in its previous non-digital form) or provided us with other relevant information about their management of modern slavery risks.

Due to the nature of our business, and our primarily Australian supply chain, we consider this mechanism is proportionate to the risk faced by SCA's business model.

Policy and procedures

SCA's policies and operational procedures establish expectations for our people and the responsible conduct of our business. To address the risk of modern slavery in our operations and supply chains, SCA regularly reviews, updates, and recirculates these policies and procedures, including with respect to employee conduct, staff training and the due diligence process when onboarding new suppliers.

Our Supplier Code of Conduct (**Code**) sets out SCA's expectations and the minimum standards of behaviour required of our suppliers in the areas of ethical business practices, conflicts of interest, environmental impacts, and health and safety. It also specifically addresses labour, human rights, and modern slavery standards. The Code is publicly available on SCA's corporate website and is provided to suppliers during the contract procurement and negotiation process. It is a requirement that all suppliers read and understand the Code as part of the Questionnaire.

In summary, the Supplier Code states our expectation that suppliers will:

- engage and manage people ethically and to comply with all laws, regulations, and standards in respect of modern slavery, including human trafficking, exploitation, forced labour and child labour
- monitor compliance of modern slavery and human rights laws and notify SCA if they become aware of an actual or potential breach
- take reasonable steps to address, remedy and prevent the recurrence of any breach of the Code.

With the introduction of our digital Questionnaire as part of the onboarding process for new suppliers, SCA now requires all these suppliers to have read and understood the Supplier Code. Additionally, we incorporate standard clauses requiring compliance with relevant modern slavery laws and standards in our contractual agreements with major or high-risk suppliers. SCA also seeks to emphasise the importance of compliance with these terms in the negotiation of our supplier agreements.

Purchasing practices

SCA tries to reduce the risk of modern slavery by implementing responsible purchasing and procurement practices.

These practices include:

- ensuring prompt payment and working collaboratively with suppliers (particularly overseas suppliers and suppliers in high-risk industries)
- planning orders in a way that considers the interests of workers and avoids any sudden changes in workload
- establishing and maintaining strong and open relationships with all major suppliers to discuss any future purchase orders or changes to our service requirements.

Training

We require all new employees to read and acknowledge our Modern Slavery Fact Sheet during their induction. This document sets out SCA's obligations under modern slavery legislation as well as the steps we have taken to assess and address modern slavery risks. We host these training materials on our employee intranet so they are available to our employees at any time.

Our annual compliance training requires employees to review these materials to maintain awareness of modern slavery risk and our procedures for identifying and managing modern slavery risks.

Grievance mechanisms

We offer various internal channels for employees to access information, report concerns, or raise grievances in relation to workplace conduct, including modern slavery, fraud, unethical activity, and other irresponsible acts. We encourage our people to raise concerns as soon as possible with their manager, a member of the senior leadership team or the Head of Legal and Corporate Affairs. If an employee does not feel comfortable speaking with any of these people or wishes to report anonymously, we encourage them to raise their concern via our internal Speak Up Program or our Whistleblower Policy and whistleblower hotline. These channels are accessible by our employees, contractors, and other parties 24/7 via our employee intranet or via our external whistleblower hotline, Your Call. We provide employees and contractors with information about how to access these procedures at the point of induction. Corporate officers nominated in our policies are trained to conduct necessary investigations and, when required, to take corrective action.

Remedial action

Where required, SCA will aim to assist any suppliers with modern slavery risks or any actual incidents of modern slavery. If these circumstances arise, we will consider contributing to an action plan to remedy any issues with these suppliers. We would also consider engaging with affected suppliers to provide further training on addressing modern slavery risks. If these actions are not feasible, SCA would look to terminate its contract with an offending supplier, particularly if any breach were severe or repeated.

CONSULTATION

During the Reporting Period, SCA actively engaged with entities we own or control within the SCA group, including our two joint venture radio stations in Canberra. This consultation involved discussion of SCA's expectations in relation to awareness and management of modern slavery risks. To this end, we also shared updated training materials, so these could be appropriately adapted and distributed to the

workers in these entities - including an overview of our new digital Questionnaire. As part of this consultation, SCA received updated data and responses from the suppliers of these entities to further inform our knowledge of the modern slavery risks facing the SCA Group.

MEASURING EFFECTIVENESS

During the Reporting Period, we have not received any reports of actual or suspected modern slavery incidents via the above grievance mechanisms or otherwise.

We will continue to measure our effectiveness in mitigating modern slavery risks by tracking the number of suppliers that respond to our new Questionnaire (or otherwise provide relevant information about their modern slavery standards).

We expect that by next year we will be able to expand the scope of our review downstream to our major advertising clients. We will also review our Supplier Code, Questionnaire, training materials, and risk assessment processes each year to ensure they remain up to date and effective in assessing modern slavery risks.

This statement has been endorsed by the Board of Southern Cross Media Group Limited.



Chief Executive Officer AND Managing Director
17 August 2023