

Modern Slavery Statement

Reporting Period: 1 July 2019 – 31 December 2020



Silver Chain

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Introduction

Silver Chain Group Ltd (Silver Chain) has a rich history as pioneers, innovators and leaders of care in the home. For almost 130 years, Silver Chain has been caring for the community, promoting the rights and providing choices for people to be cared for in the home, and advocating for a new future in home care.

Silver Chain is one of Australia's leading not-for-profit providers of community health and aged care services, with services expanding across Western Australia, South Australia, Victoria, New South Wales and Queensland.

Our aspiration is to create a better home care system for all Australians, which we will achieve through our unique value proposition as a national leader in complex health and aged care in the home. Driven by our purpose and values, we believe in the right to be cared for at home and to remain active and involved in the community.

Our work to deliver our purpose is guided by our values: in everything we do, we value integrity, respect, trust and compassion.

We are committed to care safety and quality, which we support through our investment in innovation and technology, partnerships with experts and undertaking world-class research, to deliver the highest quality in-home care for Australians of all ages.

Our services support our clients to recover from illness, injury or surgery, manage long-term conditions at home, avoid unnecessary rehospitalisation or to die in the comfort of home with their loved ones.

Silver Chain values and respects all human rights while strongly opposing all forms of modern slavery. We recognise that there is a risk of modern slavery occurring in our supply chains and are committed to working towards ensuring that modern slavery does not exist in our operations and supply chains.

This statement is made in compliance with the *Modern Slavery Act 2018* (Cth). This Modern Slavery Statement discloses Silver Chain's risk of modern slavery and sets out the steps Silver Chain has taken and will undertake to manage, prevent and mitigate the risks of modern slavery in its supply chains or in any part of its business.

Reporting entity – company structure

Silver Chain Group Limited (ABN 771 19417018) is a public company limited by guarantee, with wholly owned subsidiaries:

- Royal District Nursing Service of SA Ltd ABN 21 588 603 824;
- Access Care Network Australia Pty Ltd ABN 39 601 017 430;
- Silver Chain Corporate Services Pty Ltd ACN 600 403 601 (currently in the process of being wound up);
- Related entity, controlled through Board membership, Silver Chain Foundation Inc. ABN 85 077 086 670 (a West Australian registered incorporated association).

Silver Chain Group and its related entities (excluding Silver Chain Corporate Services Pty Ltd) are all registered charities with the Australian Charities and Not-for-Profit Commission (ACNC).

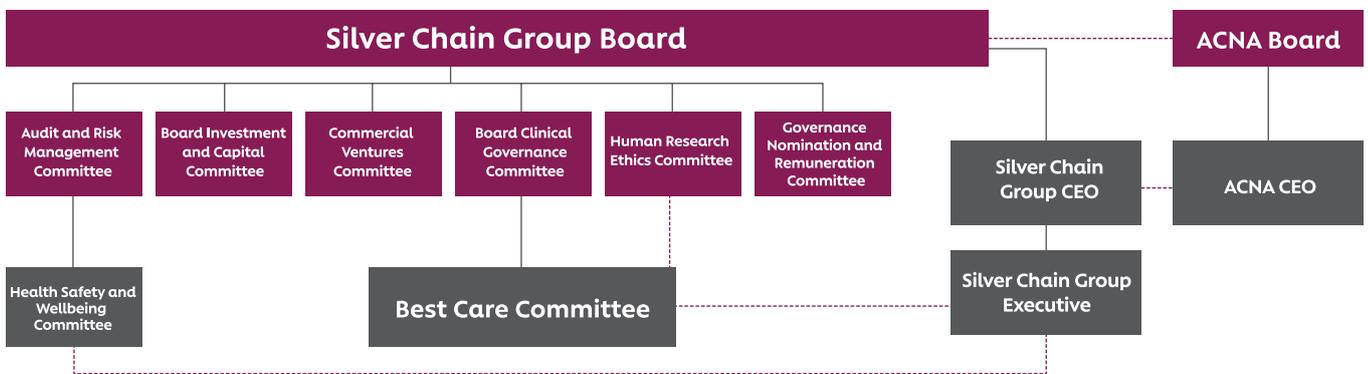
This Statement is made on behalf of Silver Chain Group Ltd and its associated entities.

Governance framework

Silver Chain Group's corporate governance is established in company Constitutional documents, Board Governance Charter, Reserved Powers and Delegated Authorities Policy together with an Intercompany Agreement and Subsidiary Governance Protocol for the management of its subsidiaries. The Board is assisted by Board sub-committees, comprised of members of the Board and some external members, and is supported by the Group Executive team. Figure 1 below depicts Silver Chain's Governance Structure.

Silver Chain's Governance Framework further entails systems, policies and processes ensuring consistent and effective management of all quality, safety, risk, compliance, and resource management activities throughout the whole organisation. This includes the effective prevention and mitigation of modern slavery. Silver Chain's governing bodies focus on monitoring and improving the performance of all services and ensuring the organisation's Best Care approach is applied regardless of service type or location.

Figure 1: Silver Chain's Governance Structure as at 30 June 2020



Operations

2019/20	Total
Occasions of service	3,516,991
Hours of care	2,525,807
Number of distinct clients	106,412

Our services are differentiated by quality and safety. Silver Chain's service goal is to provide a high-quality, safe, personal, connected, and effective experience to every client, every time.

Services span complex health and aged care, including specialist nursing, palliative care, home care and support services, wound care, home hospital, chronic and complex services, and allied health services (including occupational therapy, physiotherapy, podiatry, pharmacy, speech pathology, social work, dietetics).

Supply chain

Silver Chain's annual spend for the operating of the business is \$96.95 million. 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.

Silver Chain's expenditure is split across 15 procurement categories with over 2,490 suppliers. Silver Chain's approach to working with suppliers is preferring long-term engagement with most contract terms of 3-5 years. While our suppliers are in Australia, we acknowledge that many of our products have supply chains that originate overseas.

Key procurement categories

Community and home care subcontracted/brokered services	Medical supplies and consumables	ICT software support, and telecommunications
Office products and printing	ICT hardware	Labour hire
Allied Health services	Utilities	Uniforms and clothing
Vehicles	Fleet management	Travel and hospitality
Events and marketing	Professional services	Furniture, fittings and equipment

Modern slavery risk areas

Silver Chain undertook an assessment to understand the level and location of modern slavery risk within its supply chains and operations. To perform the risk assessment, publicly available information on modern slavery risk was applied to our procurement categories to identify high risk suppliers.

The risk of modern slavery was found to be present in three main areas of procurement:

- Subcontracting/brokered services or outsourcing of business services of low skill or that may be performed offshore;
- The purchasing of products known to have supply chain risk; and
- The outsourced agency labour hire of nurses, cleaning staff and other workers.

Silver Chain has identified 34 suppliers that, based on the type of goods and services they provide, fall into low to high-risk categories. These suppliers represent 35% of Silver Chain's total spend and are recurring suppliers.

Of the 15 key categories of procurement, high-risk suppliers fall into six categories which include:

Office products and printing	ICT hardware
Medical supplies and consumables	ICT software support and telecommunications
Labour hire	Corporate uniforms

The types of modern slavery that are likely to occur in these categories are:

- Forced labour
- Debt bondage
- Child labour
- Deceptive recruitment for labour or services
- Trafficking in persons

Actions taken to address modern slavery risks 2019/2020

Communication with relevant stakeholders

Silver Chain delivered a communication campaign with key internal staff and leadership, including the Board and Executive to raise awareness of the *Modern Slavery Act 2018* and the actions being taken towards compliance.

In addition, a Modern Slavery Work Instruction document was developed which outlined Silver Chain's position towards modern slavery and the processes prepared to assess and address modern slavery risks in procurement across the business.

Supplier due diligence

Silver Chain understands that the risk management of modern slavery starts with the way in which we procure our goods and services and the suppliers with which we work. Silver Chain has prioritised the screening of new suppliers and the dialogue on modern slavery with existing suppliers.

The following actions have been undertaken with the purpose of raising awareness, setting expectations for supplier performance and understanding our supplier's action to mitigate modern slavery:

- Developed two Modern Slavery Self-Assessment Questionnaires (SAQ); a general SAQ for suppliers identified as low risk and a detailed SAQ for completion by suppliers identified as medium to high risk.
- Contract variations have been drafted for all low to high-risk supplier agreements to incorporate modern slavery requirements.
- Modern slavery pre-screening has been included as part of Silver Chain's tender process and incorporated within our RFT and RFP templates. Risks identified through pre-screening are assessed and mitigated at tender process stage.
- Most relevant procurement agreement templates have been amended to include modern slavery requirements. Templates now include responsibility on suppliers to notify Silver Chain Group upon becoming aware of any modern slavery risks in their supply chain.

Grievance and feedback

Silver Chain has a Whistle Blower Policy available to internal staff and contractors which encourages staff to make protected disclosure on real or perceived wrongdoing. To promote and support reporting, Silver Chain has a whistle blower reporting platform publicly available on the website in which employees, contractors, employees of contractors, associates, or related entities can make anonymous reports.

This includes communicating that reports can be made anonymously to encourage all people to raise concerns regarding unethical, unlawful or undesirable conduct.

Silver Chain Group did not receive any disclosures or identified instances of modern slavery within the business or its suppliers in the 2019/2020 reporting period.

Actions scheduled to address modern slavery risks in 2020/2021

Silver Chain acknowledges that modern slavery is a risk within its operations and supply chain. Our approach to modern slavery risk will continue to evolve as different strategies are implemented.

As part of its continued commitment to preventing modern slavery, Silver Chain plans to undertake the actions detailed below over the next reporting period.

Governance

To continue the implementation of the risk assessment methodology, the following actions will be implemented throughout the next reporting period:

- Development of a modern slavery action plan that includes a strategic and staged approach to modern slavery prevention and mitigation;
- Assign responsibility to staff throughout the organisation for the oversight and accountability of modern slavery due diligence; and
- Conduct an organisational gap analysis to understand and identify areas for improvement to better address the risk of modern slavery.

Supplier risk and due diligence

Silver Chain will continue to engage suppliers and contractors to understand their level of risk and will actively encourage continuous improvement in their performance overtime. To achieve this Silver Chain will:

- Incorporate into its risk assessment matrix the actions staff should take when assessing and onboarding suppliers depending on their level of assessed modern slavery risk.
- Continue to incorporate modern slavery requirements for new suppliers and existing contractors in its new and existing contracts.
- Commence requiring suppliers to have grievance mechanisms in place to encourage the voice of the worker to be heard.
- Start to map Silver Chain's supply chain to improve the quality of Silver Chain's due diligence practices and be more informed when engaging suppliers.
- Conduct a detailed risk assessment of suppliers. A deeper analysis into high-risk categories will provide Silver Chain with the knowledge needed to improve understanding of the types and locations of modern slavery risks.

Training

One of the key areas for addressing modern slavery is training staff and suppliers to support understanding of modern slavery and enhance recognition of the signs of modern slavery. To do this, the following actions will be taken:

- Embed training addressing modern slavery in Best Care Foundations Level 1 to make it available to all staff via the Learning Centre.
- Embed education in the Leaders Essentials program (including; modern slavery laws and Silver Chain's Modern Slavery Work Instruction policy document, risk assessment and the process for reporting any concerns of modern slavery) to make this available to all managers.
- Develop targeted education for procurement staff.

Communication to our supply chain

Silver Chain's communications efforts have prioritised educating our employees and leadership teams. The priority for 2021 will be to communicate to suppliers and contractors on modern slavery, to raise awareness throughout tier one of our supply chain.

Grievance and feedback

The Whistle Blower Policy and whistle blower reporting platform will be updated to reference modern slavery risks and will be promoted to stakeholders in the supply chain to encourage the identification of modern slavery in our supply chains.

Auditing

Incorporate into internal auditing program to measure the effectiveness of the mitigation actions implemented and assess compliance with Silver Chain policies.

Remediation

Develop a Remediation Plan in order to work with identified suppliers to address modern slavery on a case-by-case basis with the aim of protecting victims of modern slavery from further harm.

Effective assessment of actions

In 2021 Silver Chain will be working on establishing systems for reporting to relevant stakeholders on our efforts to combat modern slavery in our operations and supply chain on an annual basis.

Annual reporting will include:

- Number of issues raised through grievance mechanisms.
- Number of employees that have completed training.
- Number of contracts amended to include modern slavery clauses.
- Number of questionnaires issued and returned, and number of corrective actions taken.
- Number of allegations or concerns raised and investigated.

Annual internal review

Silver Chain will establish a governance framework for monitoring the progress of actions taken towards modern slavery and assessing their effectiveness. The purpose of this evaluation process is to ensure that the actions that Silver Chain is taking have the intended impact.

Through this governance framework, the annual evaluation of the effectiveness of actions includes a review of:

- Modern slavery risks at a supplier level to identify any changes over time.
- Responses to the Modern Slavery Supplier Questionnaire and the due diligence steps taken to manage high risk suppliers.
- The reports submitted using the grievance mechanisms such as the whistle blower reporting platform.
- Any remediation cases that have taken place and how the learnings can be used in the prevention of future cases.

If no cases of modern slavery have been found, Silver Chain understands that this does not mean it does not have modern slavery within its operations or supply chains, but that it needs to review the effectiveness of the whistle blower hotline and due diligence practices.

External advice

In 2021 Silver Chain has sought expert external advice for an independent assessment of the effectiveness of the modern slavery actions it is currently undertaking.

The external evaluation will include:

- Undertaking a gap analysis.
- Developing a modern slavery action plan.
- Reporting advice and recommendations on best practices.

Vulnerability to COVID-19

Silver Chain recognises that the global COVID-19 pandemic has impacted on many aspects of our supply chains, potentially resulting in unforeseeable changes. We recognise that this complex environment increases the risks of modern slavery occurring in our supply chain, as more people find themselves in vulnerable positions.

The main challenge the pandemic created for Silver Chain has been on the sourcing of critical goods.

During the pandemic, the following modern slavery risks have been identified in the supply chain:

- New medical supplier entrants to the market, with limited transparency on the company or product information.
- Manufacturers of medical consumables and PPE such as gloves were recently accused of modern slavery practices.
- Suppliers with onsite accommodations for workers are at a higher risk of modern slavery due to the pandemic.

Silver Chain actions regarding these modern slavery risks identified include:

- Employment of a pandemic PPE sourcing officer.
- Designing and implementing a centralised store inventory model for PPE items (previously Silver Chain procurement had been 'just in time' model).
- Contracting a third-party distributor to hold and dispatch PPE inventory.

As the pandemic continues to increase the vulnerability of workers in our supply chain to modern slavery, Silver Chain will continue to consider and monitor the impact of the pandemic and our procurement practices and encourage dialogue with our suppliers. In 2021 Silver Chain will extend the Whistle Blower Policy and whistle blower reporting platform to the workers in our supply chain to encourage the identification, reporting and mitigation of modern slavery.

Consultation with related reporting entities

Silver Chain Group Ltd and its related entities (excluding ACNA) are managed and governed by the same Executive and Board and have thus been fully included in the process of consultation. Consultation with independent subsidiaries is undertaken through engagement with autonomous entity management and Board members, in alignment with internal governance arrangements, namely subsidiary governance protocols and intercompany agreements.

This statement has been formally approved by the Directors and Board of Silver Chain Group Ltd, covering all entities owned and controlled by Silver Chain Group Ltd, and is signed on its behalf.



Anne Skipper

Board Director



Dale Fisher

Chief Executive Officer