

Entrusted to care

Modern Slavery
Statement 2023



ST JOHN OF GOD
Health Care



Contents

Disclosure note

This is a joint modern slavery statement made by St John of God Health Care Inc (ARBN 051 960 911) on behalf of itself and the entities it controls or owns including:

St John of God Hawkesbury District Health Campus Ltd (ACN 608 054 379);

St John of God Outreach Services (ACN 064 831 965);

St John of God Foundation Inc (ARBN 066 805 132);

St John of God Midland Health Campus Ltd (ACN 152 874 845);

Dencross Pty Ltd (ACN 086 647 298);

St John of God Berwick Health Campus Ltd (ACN 606 404 915); and

Marillac (ACN 050 463 717) (together, for the purposes of this statement "St John of God Health Care")

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Roadmap



Initial awareness and mobilisation

Engaged with Catholic peer and industry groups

Undertook due diligence activities

2019

Approach

Conducted risk assessment and gap analysis

Reviewed ACAN Modern Slavery 101 training program and approved for use with minor adaptations for St John of God Health Care

Deployed training to steering committee

Developed policies and processes

Engaged with high priority Tier 1 suppliers

Established a working group

Launched awareness and communication campaign

2020

Extend and involve

Updated Agreement and RFX templates to include modern slavery clauses

Added modern slavery clauses in new agreements (top tier supplier, ICT and PPE categories)

Reviewed ACAN Modern Slavery 101 training program and added all available modules to SJGHC Learning and Development platform

Reviewed and updated Business Maturity Assessment

Reviewed approach/framework

Reviewed Change Impact Assessment

Added the Top 25 Suppliers to the SEDEX platform

Reviewed policies and procedures

Extended risk assessment beyond Tier 1 Suppliers

Reviewed goals, targets and KPIs

Partner with ACRATH to communicate the impact of Modern Slavery

2021

Effectiveness review and monitoring

Improved Agreement and RFX templates to include modern slavery clauses

Added modern slavery clauses in new agreements (top tier supplier, ICT and personal protective equipment (PPE) categories)

Reviewed all ACAN Modern Slavery training program modules and added all available modules to St John of God Health Care learning and development platform

Reviewed and updated Business Maturity Assessment

Review approach/framework

Reviewed Change Impact Assessment

Invited Top 50 Suppliers to the SEDEX platform

Reviewed policies and procedures

Extended taxonomy risk assessment to all suppliers active suppliers

Reviewed goals, targets and KPIs

Partnered with ACRATH, CNA, ACAN, Catholic Health and Catholic Missions to communicate the impact and collaborate of modern slavery risks in our supply chains

2022

Operationalisation - continue effectiveness review and monitoring

Improved and enhanced campaign to improve communication and awareness

Refined our supplier engagement and communication approach

Continued to rollout modern slavery training to 89 caregivers at St John of God Health Care

Continued to add Modern Slavery Clauses in new agreements (Top Tier Supplier, across key categories)

Set the Modern Slavery 101 training as compulsory for key procurement and supply chain, facilities management and selected team via the learning management platform

Reviewed and updated Business Maturity Assessment

Reviewed approach/framework

Reviewed our modern slavery policies and procedures

Improved supplier engagement across the high impact categories

Collaborated and leveraged the knowledge gain from engaging with Australian Catholic Anti-Slavery Network (ACAN), Catholic Negotiation Alliance (can) and our health care forum peers to improve visibility of supply chain risks



2023



Operationalisation - improve maturity and effectiveness

Improve and enhance campaign to improve communication and awareness

We will continue to focus on improving our maturity level across the following dimensions:

– Supply chain risk management practices

Engage the 427 supplier to review, understand and formulate risk mitigation plans if required

– Worker voice around risk management

Communicate the existing mechanisms to empower caregivers within the supply chain to speak up about issues related to modern slavery, labour exploitation, or human right abuses

– Caregiver engagement effectiveness

Launch an internal information campaign informing and equipping our workforce around the risk identification and management framework for modern slavery to empower participation in decision-making processes and workplace initiatives and foster meaningful contribution and impact

– Operations risk management practices

Initiate the reassessment of our strategies, processes and measures in place to assess, mitigate and monitor modern slavery risks

Equip our teams with reports and information to empower decision making and improvement activities

Continue with the existing activities to support maturity and effectiveness improvement

2024

About us



Established in 1895 in Western Australia by the Sisters of St John of God

>17,000

Employ more than 17,000 staff across Australia and New Zealand



27 facilities, comprising more than 3,300 hospital beds in Australia and New Zealand

St John of God Health Care is one of the largest Catholic providers of health care services in Australia.

Established in Western Australia in 1895, we are a not-for-profit private health care group and employ more than 17,000 staff across Australia and New Zealand.

We operate 27 facilities comprising more than 3,300 hospital beds in Australia and New Zealand, as well as home nursing, disability services and social outreach programs.

As a not for profit group, we return all surpluses to the communities we serve by updating and expanding our facilities and technology, developing new services, investing in people and providing our social outreach services to those experiencing disadvantage.

Vision

We are recognised for care that provides healing, hope and a greater sense of dignity, especially to those most in need.

Mission

To continue the healing mission of Jesus.

Values

Our core Values reflect our heritage and guide our behaviours:

Hospitality

A welcoming openness, providing material and spiritual comfort to all.

Compassion

Feeling with others and striving to understand their lives, experiences, discomfort and suffering, with a willingness to reach out in solidarity.

Respect

Treasuring the unique dignity of every person and recognising the sacredness of all creation.

Justice

A balanced and fair relationship with self, neighbour, all of creation and with God.

Excellence

Striving for excellence in the care and services we provide.



Our initiatives in 2023

Partnership with other Catholic health care providers

We continued our partnership with the Australian Catholic Anti-Slavery Network (ACAN) for a further year to leverage their strength and expertise across Australia's largest network of Catholic hospitals and aged care service providers.

We continued our partnership with Australian Catholic Religious Against Trafficking in Humans (ACRATH) for a series of Formation events to improve awareness of modern slavery.

We continued as a member of the Catholic Network Alliance (CNA) Joint Procurement Network (JPN) to increase our engagement with suppliers collaboratively.

Supplier surveys and risk management

As part of ACAN and CNA, we engaged our top 2,249 suppliers to understand their procurement and sourcing practices. We use the information for risk assessment and vendor management. We received comprehensive feedback from 427 providers through the engagement process with 37 providers joining the Sedex platform. There were three providers who elected not to join the Sedex platform.

In 2023, our suppliers undertook a total of five Sedex Members Ethical Trade Audit (SMETA), which identified one instance of non-conformance. The SMETA standard serves as a comprehensive framework for assessing a company's performance across key areas, including labour rights, health and safety, environmental practices, and business ethics.

Audits are an integral part of our supplier risk management program to monitor for and act on indicators of modern slavery. Audits provide an initial window into the real-world operations of suppliers, offering a preliminary but revealing view into their business practices. Audits can help us to understand how a supplier operates beyond what is promised or presented in formal documents and agreements by systematically evaluating and collecting evidence directly at the source. They also lay the groundwork for ongoing engagement and accountability.

Outcomes and findings related to non-compliances, worker interviews, document reviews, assessment of recruitment practices and subcontracting establish a baseline for measuring improvements and guiding future actions. Whilst we recognise the limitations of auditing, it can help to detect practices that may lead to or cover up labour abuse and modern slavery, serving as both a preventive measure and a means of discovery.

Contract management

We progressed with executing variations to contracts, including the new anti-slavery clauses for 91 of our suppliers. We continue to include the new anti-slavery provisions in new contracts through sourcing events and contract variations on existing contracts.

We continued to review our templates to ensure that the modern slavery provisions are up to date. We also continued to monitor the PPE and ICT category suppliers to ensure that we manage the supply chain risk in more detail.

In addition, we are varying the contract terms to include clauses addressing modern slavery risks across our top tier ICT with an annual spend of \$36mil and PPE with a yearly spend of \$5.9m.

Risk assessment and framework

As in 2022, independently of ACAN, we reviewed our supply chain risks to use as basis for discussion with our vendors and have put in place actions across the management cycle.

We conducted a reassessment of work completed previously in 2022 by conducting a taxonomy risk assessment across 3,460 suppliers from our 2023 supplier spend portfolio.

We engaged directly with 2,249 suppliers, requesting them to complete the online supplier risk assessment questionnaire. Additionally, we have been inviting our leading tier suppliers to join the SEDEX platform to collaborate on understanding modern slavery risks in the supply chain. To date, 37 of our top suppliers have joined the platform.

Ethical sourcing guidelines

We extended the use of the ethical sourcing guideline to 44 blanket purchase order agreement suppliers during the reporting period for \$11 million of the no-payroll spend.

St John of God Health Care has announced banning the use of a common anesthetic agent that has a significant impact on our environment. We are the first Australian private health care group to stop purchasing this product across its entire network, significantly reducing our carbon footprint as we progress with the activities included in our Environmental Sustainability Strategy.

Supplier Code of Conduct

Our *Suppliers Code of Conduct*, provides guidelines on the practices, behaviour and other requirements we expect of our suppliers, including compliance with ethical sourcing.

Modern slavery policy

The *Modern Slavery Policy* annual review was completed in Feb 2024. We updated the role names of Group Directors to Chief Officers aligned with the new organisational structure.

Education and training

We are extending the training to 89 key members in the procurement and supply chain, facilities management and other identified areas in St John of God Health Care. The eLearning modules were accessed resulting in 202 completions during the year. The five eLearning Modern Slavery modules continue to be available in our learning and development platform and compulsory training measures will be set for the aforementioned groups.

New members added to the working group undertook Modern Slavery 101, Business Readiness and Grievance Mechanisms and Remedy training, available on our learning and development platform.

During the year, 122 staff members from our invited suppliers participated in the capacity-building webinars hosted by ACAN.

Governance and reporting

We have continued standardised, regular reporting to the St John of God Health Care Board and Audit and Risk Committee to ensure scrutiny and oversight.

Communication

We continue to improve awareness as part of our Formation framework to help caregivers better understand modern slavery, the risks and flags they may encounter. Additionally, we clarify our organisational position, including St John of God Health Care's actions to reduce the risk of modern slavery within the procurement and supply chain environment.

We continue to leverage the International Day for the Abolition of Slavery to promote understanding and awareness of modern slavery internally through a range of mass communication via electronic channels.

Action plan

We have refined and extended our action plan, which outlines initiatives across due diligence, monitoring and reporting, training and awareness-raising, risk management and compliance, and communication, which forms part of a broader five-year roadmap.

Our plans for 2024 and beyond

We plan to:

Improve and enhance campaigns to increase communication and awareness.

Continue to focus on improving our maturity level across the following dimensions: supplier engagement, worker voice, operational processes, communication, and awareness.

Engage with the 427 suppliers to review, understand, and formulate risk mitigation plans if required.

Communicate the existing mechanisms to empower caregivers within the supply chain to speak up about issues related to modern slavery, labor exploitation, or human rights abuses.

Launch an internal information campaign to inform and equip our workforce about the risk identification and management framework for modern slavery, empowering participation in decision-making processes, workplace initiatives, and fostering meaningful contribution and impact.

Initiate the reassessment of our strategies, processes, and measures in place to assess, mitigate, and monitor modern slavery risks.

Equip our teams with reports and information to empower decision-making and improvement activities.

Continue with the existing activities to support maturity and effectiveness improvement.

Review our general terms for the supply of goods and services to include clear terms on modern slavery expectations.

Partnership with other Catholic health care providers

We continued to be part of a number of workgroups in partnership with the ACAN and CNA Joint Procurement Network to engage with suppliers collaboratively to address supply chain risks.

ACAN Health Working Group – collaborative approach with our peer healthcare providers to engage our suppliers on modern slavery risk in the supply chain.

CNA – Leadership Forum – discuss and collaborate with our catholic peer group on procurement and supply chain initiatives.

CNA – ICT Working Group – discuss and collaborate on ICT specific procurement and supply chain initiatives

Risk assessment

Following the extension of our taxonomy risk assessment to include 4,093 suppliers, we will review and update the analysis as we improve our understanding of the supply chain risk in the environment.

Education and training

We continue to review our training requirements and plan to develop job-specific training in the high risk areas for facilities managers,

supervisors and coordinators to extend the training beyond the current 89 caregivers.

We continue to roll out *Modern Slavery 101 Business Relevance, Implementing a Modern Slavery Risk Management Program, Grievance Mechanism and Remedy, and Modern Slavery Risk management for Suppliers* training through our learning and development platform for inclusion in mandatory training for key caregivers in the procurement and supply chain division during 2024.

Contract management

We will continue to complete and execute variations to contracts, to include the modern slavery provisions for our top tier supplier's categories, as well as across the leading tier suppliers in the ICT and PPE categories.

We will continue to work with 427 suppliers who completed the risk assessment to ensure that the contracts are reviewed and amended to include the relevant modern slavery clauses.

Supplier compliance framework

We continue to review modern slavery commitments in our supplier onboarding online application, and expect all new suppliers to be aware of the St John of God Health Care focus on modern slavery during the

onboarding process. We have launched an initiative to store supplier certifications in a central repository in our enterprise resource planning system.

We will continue to develop and implement supplier compliance frameworks, such as screening, ongoing evaluation, and auditing, to improve supplier practices through collaboration, relationship management and training for suppliers.

Change management

We will continue to confirm changes to policy and procedures with all facilities managers and undertake other change management activities to embed anti-modern slavery practices and initiatives within our organisation.

Governance and reporting

In accordance with our commitment to combat modern slavery, we will continue to implement and update our governance and reporting mechanisms to monitor the effectiveness of our efforts.

We will continue to monitor our KPIs to measure our progress and report to the St John of God Health Care executive team and Board for their oversight.

Furthermore, we recognise the importance of transparency in our reporting and will strive to continually improve it. Our current reporting framework provides information on spend, risk, and contracts by supplier

and category. We will work towards enhancing this framework to ensure that it remains relevant and effective in identifying and addressing modern slavery risks.

In line with our zero-tolerance stance on modern slavery, we will continue to actively monitor our grievance and whistleblowing platforms to address any concerns raised by internal or external parties. By doing so, we aim to provide a safe and confidential platform for individuals to voice their concerns and help us maintain the highest standards of ethical conduct across our operations.

Recruitment

In 2024, we remain focused on building and retaining an engaged workforce. We have kicked off the year with our first ever national television recruitment advertisement and we look forward to welcoming more caregivers from Australia and beyond who are committed to bringing hope and healing to all those who come to us for care.



Statement from St John of God Health Care Board Chair and Group CEO

In the tradition of the Sisters of St John of God our focus is on providing compassionate care and upholding the dignity of the human person.

We have zero tolerance for modern slavery and the exploitation of people in any form.

Modern slavery can be difficult to detect, particularly within supply chains. We recognise this and work closely with our suppliers and contractors to meet human rights obligations and promote fair, transparent practices towards combatting modern slavery.

St John of God Health Care has completed audits and risk assessments across a broad range of suppliers and negotiated anti-modern slavery terms in existing and new supply contracts. Our approach includes being clear that we have zero tolerance for modern slavery and applying principles of good corporate governance as well as nurturing an ethical and responsible organisational culture.

Our collaboration with other organisations, including the Australian Catholic Anti-Slavery Network (ACAN), Catholic Health Australia (CHA), and Catholic Network Alliance (CNA), has also helped improve our practices in identifying and mitigating modern slavery risks.

In line with our maturity roadmap, St John of God Health Care made progress in three key areas in 2023, namely across systems governance, policy and procedure, and supplier screening and traceability.

Eradicating modern slavery requires a collective effort, and we remain deeply committed to collaborating with government, and working with all our partners to address this issue.

We will continue to work to make progress in combatting modern slavery and uphold the dignity and rights of all individuals.

We are proud to present our third modern slavery statement, which has been reviewed and approved by the St John of God Health Care Board. We reaffirm our commitment to eradicating modern slavery in all its forms.



Hon Kerry Sanderson AC CVO



Bryan Pyne

This Modern Slavery Statement was approved by the principal governing body of St John of God Health Care Inc as defined by the Modern Slavery Act 2018 (Cth) (“the Act”) on **post ARC early May 2024**. This Modern Slavery Statement is signed by a responsible member of St John of God Health Care Inc as defined by the Act.



Reporting Criteria 1 & 2 About St John of God Health Care

Governance and organisational structure

St John of God Health Care Inc. is an incorporated association, the members of which are the directors of St John of God Australia Ltd, a civil and canon law entity established in 2004 to sponsor the ministry that was previously sponsored by the Sisters of St John of God.

The Sisters are members of St John of God Australia Ltd and share sponsorship of the ministry with eight of the dioceses in which the group operates as well as the Hospitaller Order of St John of God.





St John of God Health Care Organisational structure



Our governance framework

Our governance structure is two-tiered, comprising Trustees and a Board.

The Trustees have canonical responsibility for St John of God Health Care. They appoint and evaluate the performance of Board members.

The Board is accountable for the organisation's ongoing stewardship and strategic development. The Board is assisted by the Board committees in discharging its responsibilities.

St John of God Health Care applies principles of good corporate governance and good practice, based on recommendations by the Corporate Governance Council of the Australian Stock Exchange and others.

The roles and responsibilities of the Trustees, Board and management are set out in the St John of God Health Care Inc. constitution and delegated responsibility to management is outlined in a *Governance Authority Matrix* and a *Management Authority Matrix*.

The Audit and Risk Committee (ARC) has accountability for oversight of the management of modern slavery risks.

Our people

St John of God Health Care employs more than 17,000 people across Australia and New Zealand.

We are an inclusive organisation and recognise the contribution of all our people for their skill, expertise, experience and innovative thinking.

A snapshot of our workforce reveals that 50 per cent are professional nurses and midwives, and 80 per cent are female. Our workplace is where people can be themselves and feel they belong. Volunteers are an important part of our community, and 1,003 volunteers worked alongside

us to ensure patients and visitors were as comfortable as possible in our care.

The employment of people with disability and a heightened level of inclusion is a growing feature of the organisation's recruitment and selection process and a critical component of our *Disability Action and Inclusion Plan*.

Caregiver wellbeing and wellness is an important area of focus, particularly in light of the challenges of the past three years. In April 2023, after extensive consultation across the organisation, we released a refreshed OHS and Wellbeing Policy Statement. The new policy, signed by our Group CEO, Bryan Pyne, reflects our commitment to provide a safe and healthy working environment that is positive, productive and grounded in both ethical and legislative responsibilities. It recognises the importance of good mental health and wellbeing, leadership at all levels, a safe workplace culture, and engagement and collaboration with caregivers on health and safety matters impacting them.

Our operations

St John of God Health Care is a provider of high quality health care and community services.

Hospital operations and nursing

We are an experienced hospital operator with 14 private acute hospitals in Western Australia, Victoria and New South Wales. Most of our hospitals are acute and we are particularly well-known for our maternity, oncology and orthopedic services.

In addition to our general acute hospitals, we have three specialist mental health hospitals, St John of God Richmond and Burwood Hospitals in New South Wales and St John of God Langmore Centre in Victoria, and a specialist rehabilitation hospital, St John of God Frankston Rehabilitation Hospital in south east Melbourne.

We operate two public hospitals under public private partnerships (PPPs), St John of God Midland Public Hospital in Western Australia and Hawkesbury District Health Service in New South Wales.

In total, we have 3,360 hospital beds.

In 2022-23 we treated more than 370,000 overnight and same day patients. More than 11,000 babies are born at our hospitals every year and are the biggest provider of private maternity services in Western Australia.

We operate a range of public and community health care contracts in all three states.

St John of God Social Outreach services

As a not-for-profit organisation, St John of God Health Care has a proud history of providing outreach services in areas of unmet need. These are delivered by St John of God Social Outreach for free or at low cost through an allocation of eligible revenue from hospitals across 53 locations in Australia.

Outreach services build capacity and support the physical, mental and emotional wellness of vulnerable and disadvantaged communities. Social Outreach supported 4087 people, provided 48,487 nights of stable accommodation in 2022-2023

The services build capacity and support the physical, mental and emotional wellness of people in vulnerable and disadvantaged communities in WA, Victoria, NSW and the Asia Pacific.

Services include:

- Community mental health counselling and support provided by St John of God Mental Wellbeing Services and Midland Head to Health
- Specialist mental health support for new parents via St John of God Raphael Services

- Support for people with drug and alcohol dependence, provided by the South West Community Alcohol and Drug Service and the Drug and Alcohol Withdrawal Network
- Accommodation services for young people and adults experiencing, or at risk of, homelessness, at St John of God Horizon House and Casa Venegas

St John of God Social Outreach's international health team also works with several governments and health care providers in the Asia Pacific region:

- Timor-Leste – the team supports the Timorese government and counterparts to develop the capability of the health care workforce
- Papua New Guinea – St John of God Social Outreach supports the Brothers of St John of God to operate the first drop-in centre in the nation for people experiencing mental health issues

St John of God Accord

For over 65 years, St John of God Accord has worked to make a difference in the lives of people with disability. They specialise in supporting people with intellectual disability, providing a range of services across all metropolitan regions of Melbourne.

- Support coordination
- Therapy services
- Individualised services
- School leaver employment supports
- Disability employment services
- Short-term accommodation
- Supported independent living
- Accord Plus (after hours)

They supported 1036 clients in 2022-2023 in 40 accommodation houses and 45 sites in Melbourne's northern, eastern, western, and southern suburbs.

St John of God Healthcare at Home

St John of God Healthcare at Home provides compassionate and timely health care from 10 service delivery centers to people in their own home following a hospital stay, so they can continue to receive expert assistance while benefitting from being in comfortable and familiar surroundings with those they love.

In 2022-23, we delivered more than 76,546 episodes of care.

Services are provided in metropolitan and regional WA and Victoria, and include:

- After hospital clinical care at home
- Postnatal home assistance for families who have recently welcomed a new baby
- Rehabilitation in the home provided by therapists to enable patients to continue to build their strength and endurance after treatment or surgery in hospital

Disability services

We provide disability services across 43 sites in Victoria through St John of God Accord, and accommodation services through Marillac. We also provide disability services at a range of locations in New Zealand, through St John of God Hauora Trust.

St John of God Foundation

Our fundraising and philanthropic arm, called St John of God Foundation, exists to provide support for state-of-the-art advancements in medical technology and research carried out at our hospitals. From the profound personal impact of tailored treatment, to the far-reaching effects of leading medical research, St John of God Foundation is helping transform both individual patient experiences and community health outcomes across Australia.

Group services and corporate functions

Our corporate head office is split with most functions managed from our office on Wellington Street, Perth and a small number of functions managed from St Kilda Road, Melbourne.

Recruitment campaign

While there are still challenges in certain specialties, notably midwifery, theatre and anaesthetic nursing, St John of God Health Care has significantly reduced vacancy rates across all hospitals and services through a targeted, large scale national and international recruitment campaign. This included a highly targeted digital and public relations advertising campaign, and participation in 24 trade events and career expos targeting doctor, nursing, midwifery and allied health recruitment. In the last two years we expanded our domestic recruitment to target international recruits, and in 2022-23 we launched a large-scale campaign focusing on the UK and Ireland.

Our recruitment campaign has been very successful and 1,653 new doctors, nurses and midwives commenced in 2022-23. We supported 182 new clinical caregivers from overseas to relocate to Australia on sponsorship visas.

1,653

new doctors, nurses and midwives commenced in 2022-23.

182

new clinical caregivers from overseas supported to relocate to Australia on sponsorship visas.

Our supply chain

As a health care organisation, our direct supply chain consists primarily health care service provision to our patients and community we operate in.

What we buy:

prosthetics

medical and surgical supplies

facilities management

construction

clinical services

drugs and pharmaceutical products

recruitment and agency

ICT

professional services

logistics

clinical capital, repairs and maintenance

food and beverage

corporate services

utilities

finance

marketing and advertising

leasing and property expenses

consulting

property advisory

uniforms

conferences and training

advertising

equipment hire

fleet and vehicles

In 2020 we had 153 active contracts and \$760 million non-payroll procurement spend with our suppliers where annual spend is >\$50,000 across Approximately 4,800 suppliers.

In 2021 we had 201 active contracts and \$808 million non-payroll procurement spend across approximately 4,300 suppliers. We have established long-term relationships with most of our suppliers, the majority of which are located in Australia and comprise 98 per cent of our total expenditure. 80 per cent of our procurement spend is with 179 suppliers.

In 2022 we had 284 active contracts and \$1,089 million non-payroll procurement spend across approximately 4,266 suppliers. We have established long-term relationships with most of our suppliers, the majority of which are located in Australia and comprise 97 per cent of our total expenditure. 80 per cent of our procurement spend is with 175 suppliers.

In 2023 we had 376 active contracts and \$949 million non-payroll procurement spend across approximately 4,093 suppliers. We have established long-term relationships with most of our suppliers, the majority of which are located in Australia and comprise 95 per cent of our total expenditure. 80 per cent of our procurement spend is with 190 suppliers.

Our supply chain: key statistics

\$949m

spend with suppliers

4,093

Appx. 4,093 suppliers

~379

active contracts

24

categories

Reporting Criteria 3

Modern slavery risks in our operations and supply chain

Operational risks

St John of God Health Care has been operating for more than 125 years and is an integral part of the communities we serve.

Our Mission, Vision and Values set the foundation for a reflective and ethical culture. Our service ethos and deep belief in the dignity of the human individual are fundamental to our operations and guide decision-making.

In addition to external audit, we have a well-resourced and effective internal audit function that operates and reports to the Audit and Risk Committee. The focus of internal audit is on the key risks faced by the organisation. This is supported by integrated assurance, which is focused on building the systems that provide confidence that St John of God Health Care can reliably, repeatedly and efficiently understand and communicate changes in risks that matter.

Ongoing assessment of the adequacy and effectiveness of risk management systems is undertaken by the Board through its committees and various internal, external and regulatory agency reviews including the internal audit program.

A dedicated risk and compliance team are responsible for establishing and monitoring the systems that enable the key risk and compliance artefacts articulated by the Board to be operationalised across the group.

Internal audits are undertaken in relation to specific areas of risk for the organisation. The internal audit program operates in accordance with an internal audit charter and an annual internal audit plan.

Areas of assurance are mapped against key risk areas as part of the annual internal audit planning process, ensuring targeted and effective reviews. Management responses to risk issues, and action plans to rectify identified or potential risks, are monitored to ensure effectiveness and appropriate implementation.

We have a Code of Conduct that all employees are required to abide by, which supplements our Mission, Vision and Values. Our goal is to ensure we provide the highest standards of care and support to patients and clients within an environment that ensures the behaviours and actions of caregivers comply with all regulatory and legislative requirements and are honest and transparent.

In the wake of COVID-19, health care recruitment became more competitive than ever with many health care providers competing against each other to fill high workforce shortages. Grappling with these challenges, St John of God Health Care launched a national and international recruitment strategy to bring new and highly skilled caregivers to the organisation.

During 2022 and 2023, St John of God Health Care recruited more than 8,500 caregivers including 534 international recruits and reduced the vacancy rate from 10 per cent in December 2022 to three per cent by the end of the financial year.

In 2024, we remain focused on building and retaining an engaged workforce.

Supply chain risks

In 2023, we identified our highest risk suppliers according to the risk indicators below.



Industry sector

Specific industry sectors deemed as high risk in international and national guidance documentation.



Commodity/product

Specific products and commodities deemed as high risk by the US Department of Labor's 2018 List of Goods Produced by Child and Forced Labor, the Global Slavery Index (GSI) and other international guidance materials.



Geographic location

Based on estimated prevalence of modern slavery and the government responses as outlined in the 2018 GSI. While we predominantly use Australian suppliers, we recognise that our goods and services may come from countries other than those of suppliers' headquarters.



Workforce profile

In undertaking our supplier analysis we considered the type of labour involved in the production of our goods and services, particularly where low skilled, vulnerable or migrant labour is used, or where the work is deemed as '3D' work (dirty, dull or dangerous).

The total spend for the 3,460 suppliers for whom the taxonomy risk assessment was completed amounts to \$939 million.

Our focus for 2023 has been on the 2,249 suppliers which we invited to complete the online supplier risk assessment questionnaires. We focus on two additional categories (PPE with spend of \$12 million and ICT with spend of \$32 million) to mitigate any risk with plans in place to extend our focus during the next 12 months.

Additionally using the taxonomy categories, we identified that the high risk spend is within six spend categories: prosthetics, medical and surgical supplies, facilities management, construction, clinical capital repairs and maintenance, and fleet and vehicles (61.84% per cent).

These six highest risk spend categories are made up of 1,899 suppliers out of 3,460 suppliers.

Suppliers classed according to risk with total spend

62%

● (\$581,189,658.48, 1,899 suppliers) are in the high risk category

29%

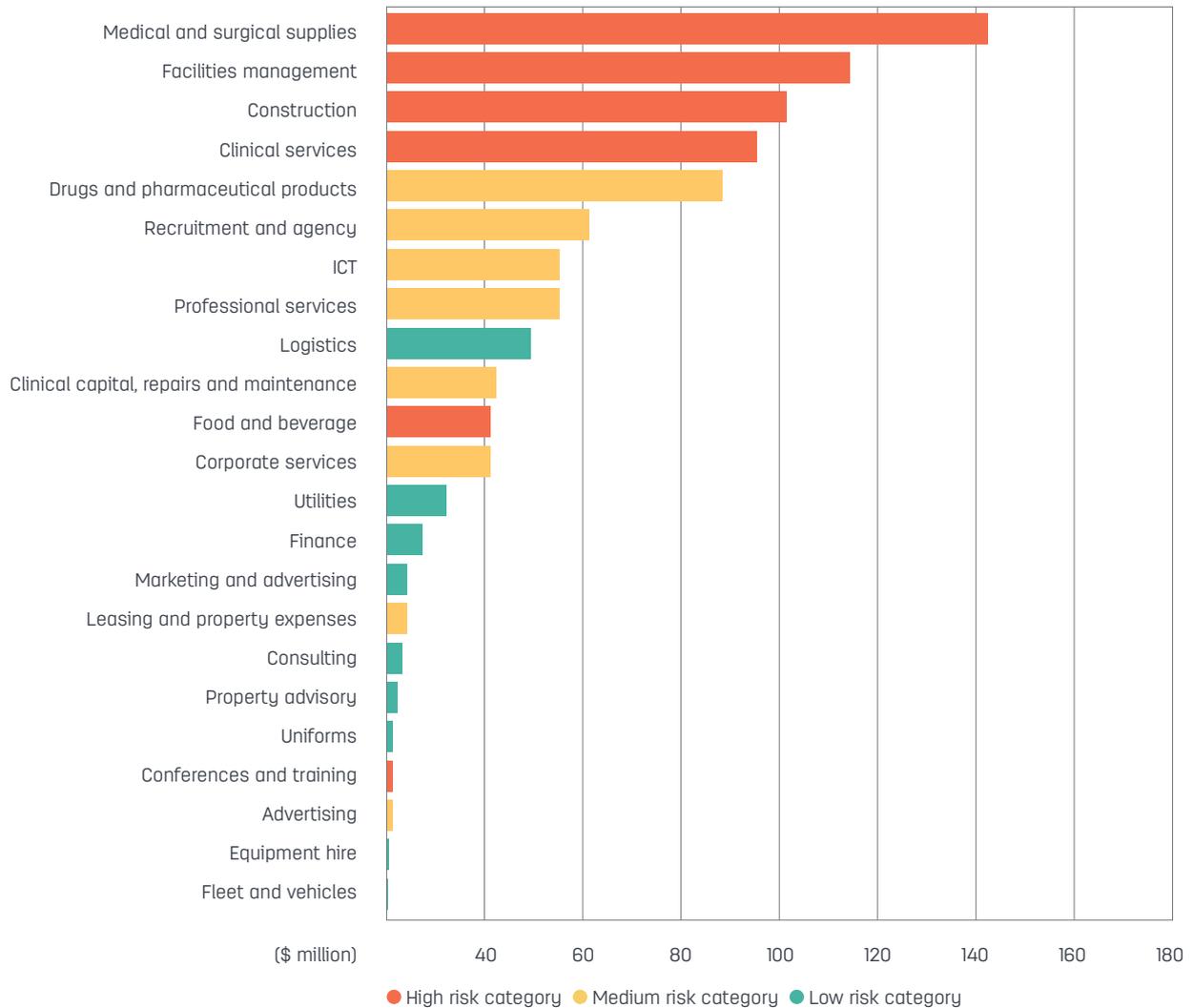
● (\$274,569,252.35, 992, suppliers) are in the medium risk category

9%

● (\$84,089,738.99, 569 suppliers) are in the low risk category



Modern slavery risk by spend category



Donations to St John of God Foundation

St John of God Health Care receives donations from members of the community and undertakes fund raising through St John of God Foundation.

We have a written procedure in place governing the acceptance, recording and acknowledgement of gifts. In addition to other things, this outlines responsibilities if there is suspected unethical or socially irresponsible behaviour and specifically references modern slavery as an example of unacceptable behaviour.

We undertake due diligence on all gifts valued at \$10,000 or more.

Reporting criteria 4

Actions taken to assess and address risk

St John of God Health Care assessed the risks of modern slavery in more detail during 2023 across our top 2,249 suppliers with 427 completing the online risk assessment questionnaires.

Modern slavery gap analysis

St John of God Health Care assessed the risks of modern slavery in more detail during 2023 across our top 2,249 suppliers with 427 completing the online risk assessment questionnaires.

We conducted a maturity/gap review during Dec 2023 to measure against our previous gap assessment on how we are tracking in our approach to the modern slavery risks.

The results showed a small improvement across three areas with no change across 19 areas across the key indicators of management systems, and procurement and supply chain.

St John of God Health Care has progressed slightly from last year's gap analysis and continue to drive initiatives across all the listed categories above.



Indicator/target	Progress by calendar year			
	2020	2021	2022	2023
Management systems				
Governance				
Commitment				
Business systems				
Action				
Monitor and report				
Risk management				
Risk management framework				
Operational risk				
Identifying external risk				
Monitoring and reporting risk				
Human resources and recruitment				
Awareness				
Policies and systems				
Training				
Labour hire/outsourcing				
Customers and stakeholders				
Customer attitude				
Information provision				
Feedback mechanisms				
Worker voice				
Procurement and supply chain				
Policy and procedures				
Contract management				
Screening and traceability				
Supplier engagement				
Monitoring and corrective action				

ACAN introduce new maturity score methodology

We retired the aforementioned gap analysis scoring methodology towards a focus on the maturity of our modern slavery risk management approach. As we present the fourth modern slavery statement for those involved with ACAN from the start, it's essential to recognise the need for a reset to aim for continuous improvement.

This transition underscores the importance of assessing our approach's maturity to drive the impact against modern slavery. The maturity scorecard is designed to provide a comprehensive view of our efforts across different key areas of operation, presented as pillars:

- 1. Business process and governance:** Establishes the overarching structure and policies guiding our efforts, emphasising the importance of oversight and clear responsibilities.
- 2. Operations:** Focuses on internal practices and how effectively we manage risks within our day-to-day activities.

- 3. Supply chain:** Examines our external partnerships and the mechanisms in place to assess and mitigate risks beyond our immediate operations.
- 4. Worker engagement:** Addresses how we manage worker engagement and the standards upheld to prevent exploitation.
- 5. Entity's program and activities:** Looks at the broader initiatives and engagements we undertake to combat modern slavery.
- 6. Grievance mechanisms and remediation:** Evaluates the channels available for reporting concerns and the processes for addressing them.

In line with best practice and reporting requirements, the maturity is measured cross governance, risk assessment, risk management, and effectiveness measures.

Modern slavery working group

We revisited the workgroup activities and membership of 11 representative across various functional area. We invited six new members to replace the outgoing members of the

workgroup and continued working as a cross-functional working group from procurement and supply chain, workforce, legal, international health, corporate affairs, compliance, policy and risk. We plan to meet every other month during the next period.

Partnered with other Catholic health care and education providers

We continued working with ACAN to leverage their strength and expertise across Australia's large network of Catholic hospitals and aged care service providers.

We continued to collaborate with the CNA Joint Procurement Network to engage with suppliers collaboratively.

We maintained our partnership with ACRATH via our Formation team across a range of events to promote awareness of modern slavery and specifically human trafficking.

We continued our partnership with Catholic Mission's during their Christmas Reflection to highlight what St John of God Health Care has done in the anti-slavery space to inform their community awareness programs.

The analysis by pillar for the corresponding 2023 gap assessment using the maturity scorecard are presented below:

Pillar	A	B	C	D	2023
	Governance	Risk Assessment	Risk Management	Effectiveness of Actions	Maturity Score
1. Business Process and Governance					
2. Operations					
3. Supply Chain					
4. Worker Engagement					
5. Entity's program and activities					
6. Grievance Mechanisms and Remediation					
Average					

International day for abolition of slavery

Communication and Awareness – On the International Day for Abolition of Slavery, we shared that as a Catholic ministry, we at St John of God Health Care believe in personal freedom and the intrinsic and unique dignity of every person. We have zero tolerance for modern slavery and the exploitation of people in any form. We recognise that this can be insidious and difficult to detect, particularly within supply chain management, and we apply principles of good corporate governance and foster an ethical and responsible organisational culture to reduce the risk.

Supplier surveys

As part of ACAN and CNA, we expanded our previous survey of our top 2,249 suppliers to understand their procurement and sourcing practices. We received 427 comprehensive responses and continue to work with our remaining top suppliers to address modern slavery supply chain risks in more detail.

Risk assessment and framework

Following the extension of our risk assessment to include the 2,249 suppliers, we will continue to review and update the analysis as we improve our understanding of the supply chain risk in their environment while focusing on the 427 suppliers who provided detailed feedback.

We revisited the work done identifying and conducting a taxonomy risk assessment of our 3,460 suppliers. We continue to invite our leading tier suppliers to join the SEDEX platform to work together to understand modern slavery risk in the supply chain. 37 of our top suppliers have joined the platform to date with 3 supplier preferring to engage with St John of God Health Care from outside the platform.

Ethical sourcing guidelines

We extended the use of the ethical sourcing guideline to 44 of blanket purchase order agreement suppliers during the reporting period for \$11 million of the no-payroll spend.

St John of God Health Care has announce banning the use of a common anesthetic agent that has a significant impact on our environment.

We are the first Australian private health care group to stop purchasing this product across its entire network, significantly reducing our carbon footprint as we progress with the activities included in our Environmental Sustainability Strategy.

Supplier code of conduct

We reviewed the *Suppliers Code of Conduct*, which provides guidelines on the practices, behaviour and other requirements we expect of our suppliers, including compliance with ethical sourcing on an annual basis. The supplier code of conduct is available on internal and external platforms for visibility and as information on how to engage with St John of God Health Care.

Modern slavery policy

The *Modern Slavery Policy* annual review was completed in Feb 2024. Updates were identified and added to the policy during the review period.

Education and training

We extended the training to 89 key members in the procurement and supply chain, facilities management and other identified areas in St John of God Health Care. The eLearning modules was accessed resulting in 202 completions during the year. The five eLearning Modern Slavery modules continue to be available in our learning and development platform and compulsory training measures will be set for the aforementioned groups.

New members added to the working group undertook Modern Slavery 101, Business Readiness and Grievance Mechanisms and Remedy training, available on our learning and development platform.

Capacity building

ACAN hosted regular webinars to facilitate supplier engagement across a variety of industry sectors. During the webinars ACAN shared information on the mission and vision of catholic entities, identifying risks to people in supply chain operations, increase awareness of relevant modern slavery legislation and informed the suppliers about catholic customer/buyer expectations. 122 staff members from our invited suppliers participated in the capacity-building webinars hosted by ACAN.

Governance and reporting

We have continued standardised, regular reporting to the St John of God Health Care Board Audit and Risk Committee to ensure scrutiny and oversight.

Our current reporting framework provides information on spend, risk, and contracts by supplier and category. We will work towards enhancing this framework to ensure that it remains relevant and effective in identifying and addressing modern slavery risks. We also highlight specific risks once we become aware or identify the risk to our supply chain.

In line with our zero-tolerance stance on modern slavery, we will actively monitor our grievance and whistleblowing platforms to address any concerns raised by internal or external parties. By doing so, we aim to provide a safe and confidential platform for individuals to voice their concerns and help us maintain the highest standards of ethical conduct across our operations.

Vendor onboarding

We re-assessed the processes and documentation for onboarding new vendors and modern slavery is explicitly stated as a focus. Vendor onboarding links directly to the *St John of God Health Care Supplier Code of Conduct*.

We have included modern slavery commitments in our supplier onboarding online application, and expect all new suppliers to be aware of the *St John of God Health Care* focus on modern slavery during the onboarding process. We plan to refine the storing of certifications and relevant information while we transition to a new enterprise resource planning system.

Modern slavery action plan and roadmap

Action plan

We have a five year roadmap with an action plan in place, which outlines initiatives across due diligence, monitoring and reporting, training and awareness-raising, risk management and compliance and communication.

Year 1/2019	Year 2/2020	Year 3/2021	Year 4/2022	Year 5/2023	Year 6/2024
Awareness and Mobilisation	Approach	Extend and Involve	Effectiveness Review and Monitoring	Effectiveness Review and Monitoring	Maturity and Effectiveness Improvement
Establish working group	Conducted risk assessment and gap analysis	Reviewed approach/framework	Communication and awareness campaign	Improved communication and awareness campaign	Improve communication and awareness campaign activities
Review and understand obligations under the Act	Performed a change impact assessment	Extended risk assessment beyond Tier 1 suppliers	Improved supplier engagement and communication	Improved supplier engagement and communication	Improve supplier engagement and communication by involving more members across the organisation
Engaged with Catholic peer and industry groups	Reviewed St John of God Health Care Code of Conduct and existing policies relating to investment, donations, and whistleblower and developed new Modern Slavery Policy and processes as required	Reviewed goals, targets and KPI's	Extended SEDEX adoption across all tier 1 suppliers	Continued to extend SEDEX adoption across all tier 1 suppliers	Continue to extend SEDEX adoption across all suppliers who indicate that they may be willing to join the platform
Undertook due diligence activities	Established regular reporting	Completed all top 50 suppliers' contract variations	Rollout Modern Slavery Training to a broader group of caregivers	Continued to rollout Modern Slavery Training to a broader group of caregivers	Continue to rollout Modern Slavery Training to a broader group of caregivers beyond the identified caregivers
Engaged Board and Audit and Risk Committee	Engaged with high priority tier 1 suppliers (top 50)	Review and update our supply risk assessment and present progress	Revisit assessment and show maturity improvement	Revisit assessment and show maturity improvement	Review the new matrix model and align assessments and actions to show maturity improvement
Established communication with ACAN	Updated governance framework	Implement Modern Slavery 101 training for caregivers as identified through gap analysis and change impact	Operationalise Supplier Risk Assessment	Continued to operationalise Supplier Risk Assessment beyond the Procurement and Supply Chain team	Continue to operationalise Supplier Risk Assessment beyond the procurement and supply chain team by involving more teams

Year 1/2019	Year 2/2020	Year 3/2021	Year 4/2022	Year 5/2023	Year 6/2024
Awareness and Mobilisation	Approach	Extend and Involve	Effectiveness Review and Monitoring	Effectiveness Review and Monitoring	Maturity and Effectiveness Improvement
Identified top tier suppliers	Develop and deployed initial training for working group	Extended the inclusion of the modern slavery clauses into next 50 suppliers	Progressed the embedment of supplier engagement on modern slavery practices and supply chain risk in annual/quarterly contract review meetings	Continued to embed supplier engagement on modern slavery practices and supply chain risk in annual/quarterly contract review meetings	Continue to embed supplier engagement on modern slavery practices and supply chain risk in annual/quarterly contract review meetings by conducting information and follow-up sessions
	Launched awareness and communication campaign	Initiated the implementation of Modern Slavery training for key caregivers in St John of God Health Care learning and development curriculum		Actively engaged with CNA through the various established forums to engage suppliers jointly to manage modern slavery risk across supply chains	Actively engage with CNA through the various established forums to engage suppliers jointly to manage modern slavery risk across supply chains
	Changed the vendor onboarding process and documentation	Updated Agreement and RFX templates to include Modern Slavery clauses		Continued to engage with ACAN and other Catholic peers to identify, understand and refine our modern slavery risk management practices	Continue to engage with ACAN and other Catholic peers to identify, understand and refine our modern slavery risk management practices and review the submissions received from the suppliers
	Commenced contract reviews for the top 50 suppliers to include the modern slavery clauses	Revisited Change Impact Assessment		Refined the Modern Slavery reports on the analytics portal and provide access to the reports for the executive and operations teams where appropriate	Refine the Modern Slavery reports on the analytics portal and provide access to the reports for the executive and operations teams where appropriate
	Reviewed the supply chain risk associated with COVID-19 and undertook range of actions	Added top 25 suppliers to SEDEX platform		Initiated a Modern Slavery KPI Dashboard to measure and monitor supply chain risk, supplier engagement and performance across our supply chain	Establish a Modern Slavery KPI Dashboard to measure and monitor supply chain risk, supplier engagement and performance across our supply chain
	Reviewed and updated the Supplier Code of Conduct and published on St John of God Health Care website	Reviewed modern slavery policies and procedures			Review the supplier risk assessment obtained to determine the next actions to verify the risk if any
	Prepared first Modern Slavery Statement	Partnered with ACRATH to communicate the impact of modern slavery to improve awareness across SJGHC			

Reporting criteria 5

Effectiveness assessment

Our modern slavery governance and risk management action plan is reviewed on a regular basis as part of our audit and risk management review process.

Our Audit and Risk Committee meets on a regular basis to review and potential risk in our organisation and provide guidance and propose mitigation actions for all the risk identified in across our organisation as a whole.

Assessing the effectiveness of our actions is an important actions to manage and mitigate modern slavery risks in our operations and supply chain. We plan to develop specific measures during the next period to ensure that we track progress and identify any potential risk proactively.





For this reporting period we have assessed the effectiveness of our actions against the following key process indicators:

Indicator/target	Achieved
Re-assessed the business maturity across the main modern slavery criteria – Adopting the new proposed maturity scoring methodology from ACAN	Yes
Extended the Supplier Risk Assessment across a the 2023 spend range of supplier and categories	Yes
Progressed with the inclusion of the modern slavery terms across Top Tier, PPE and ICT Suppliers	Yes
Continue partnership with ACRATH to communicate the impact of modern slavery to improve awareness across St John of God Health Care	Yes
Continued partnership with ACAN and CNA partners for a further term	Yes
Reviewed and updated modern slavery policies and procedures	Yes
Added/on-boarded top 37 Suppliers to the SEDEX platform	Yes
Extended partnerships with University of Notre Dame, Catholic Mission and Health on key initiatives	Yes
Detail risk assessment across 2,249 key suppliers with 427 returning completed questionnaires	Yes
Improved spend and taxonomy category spend visibility	Yes
Maintained and communicated awareness on modern slavery principles and key events during the period	Yes
122 supplier staff members attended capacity building webinars	Yes
14 Sedex SAQ completed	Yes
5 Social Audit completed with one corrective actions taken	Yes
202 eLearning modules completed by caregivers	Yes
Invite six new members to join the modern slavery working group to replace those whose tenure has come to an end	Yes

Reporting criteria 6

Process of consultation with owned or controlled entities

The controlled entities are listed in the disclosure statement at the front of this document. They all operate under the direction and governance of St John of God Health Care Inc and share the same executive management.

St John of God Health Care places great emphasis on consultation with its owned or controlled entities to ensure effective communication and collaboration. This process involves regular meetings where stakeholders from these entities are invited to provide input, share concerns, and discuss potential strategies. Through these consultations, St John of God Health Care aims to foster a sense of partnership, ensuring that decisions made are well-informed and reflective of the collective goals and priorities of all involved parties. Open communication and transparency are key principles guiding this process, allowing for a cohesive approach to decision-making and ultimately enhancing the quality of care and services provided by St John of God Health Care and its affiliated entities.







ST JOHN OF GOD
Health Care