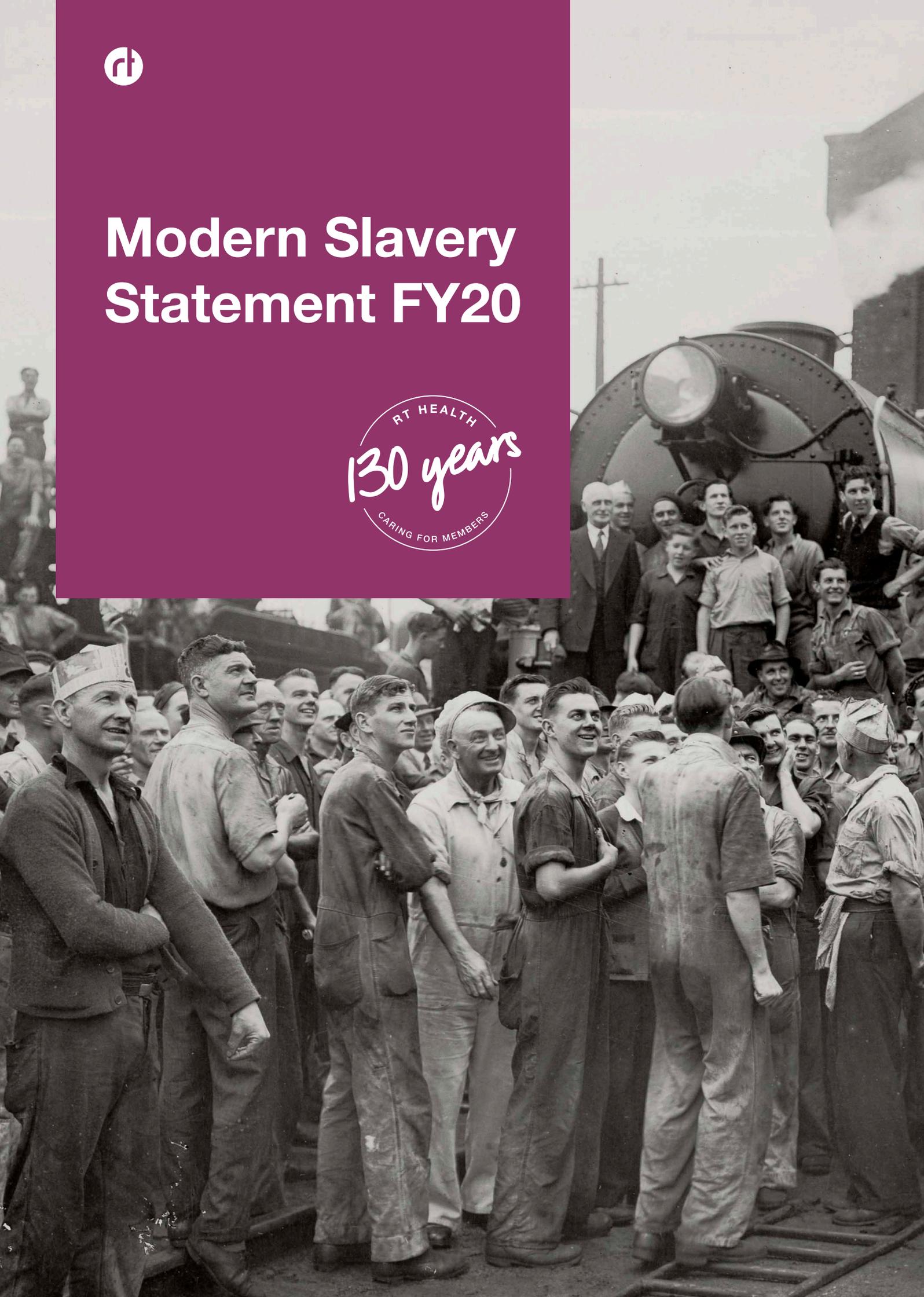




Modern Slavery Statement FY20



Modern Slavery Statement 2020

This statement is submitted on behalf of the reporting entity **Railway & Transport Health Fund Limited (rt health)** ACN 087 648 744, registered office Surry Hills, New South Wales and its wholly owned subsidiary Transport Health Pty Ltd (**Transport Health**) (together the **rt Group**).

This statement, pursuant to the *Modern Slavery Act 2018* (Cth), sets out the actions taken by the rt Group to address modern slavery risks in our business and supply chain over the financial year ending 30 June 2020.

Our approach and progress to date

This is rt Group's first statement, and it outlines our continued efforts to detect and respond to the risk of modern slavery across our business and supply chain. In line with the requirements of the Modern Slavery Act, it also describes our policies, which have in place the most appropriate response to that risk.

As an entity with consolidated revenue in excess of \$100m, rt Group is required to submit a Modern Slavery Statement for the first time in 2021 and annually thereafter.

About us

More than 130 years ago in rt health fund's history, a group of railway employees got together to form a cooperative. Each person regularly contributed a small amount of money to a fund that would be used to help any of the group members if they needed help with expenses related to illness or injury. Incredibly, that cooperative went on to form Australia's first registered health fund, now known as rt health fund.

Today, rt health is a mutual not-for-profit entity operating a Private Health Insurance health benefits fund under the provisions of the Private Health Insurance Act 2007, operating in all states and territories of Australia.

Membership of rt health is restricted to:

- a) employees of government or privately operated land, sea or air transport companies and associated government entities charged with administering the land, sea or air transport industries;
- b) employees of government or privately operated energy generation and delivery entities;
- c) employees of a contract company where those employees or former employees were employed by the contract company to provide services to the above organisations;
- d) the dependents and all relatives of any eligible persons as set out above; and
- e) current or former members of MOVE.

rt health also provided health related services at rt health dental and optical clinics in the reporting period.

Transport Health was purchased by rt health in 2016. It traces its origins back to 1888 when the founding organisation was established to serve the interests of Melbourne Tramway workers. In 2014, Transport Health changed from a fund restricted to the transport industry to a fund open to all Australians eligible for health insurance.



Today, Transport Health is a for-profit entity operating a Private Health Insurance benefit fund under the provisions of the Private Health Insurance Act 2007, operating in all states and territories of Australia.

Our position on modern slavery

We reject any form of slavery, servitude, forced or compulsory labour (including child labour) and human trafficking and are committed to implementing and enforcing effective systems and controls, such these practices do not take place in our own business or our supply chains. To this end, we aim to identify and manage any risks related to modern slavery across our own organisation and through our supply chain relationships.

Respecting human rights

Wherever we operate, we respect the human rights of our employees, customers, communities and those of our suppliers and business partners.

Policies and governance

Our Boards and their Committees provide leadership to implement strong corporate governance across the Group so that our decisions and actions are based on transparency, integrity, responsibility and performance, which promotes the long-term sustainability and ongoing success of our business.

rt Group has group policies in relevant areas, including:

- Employee Code of Conduct (the **Code**);
- Fraud and Corruption Policy;
- Whistleblower Policy;
- Outsourcing Policy;
- Procurement Policy;

- Contract Review, Approval and Administration Policy;
- Work Health and Safety Policy;
- Bullying, Harassment, and Discrimination Prevention Policy; and
- Diversity and Inclusion Policy.

We are reviewing and intend to strengthen relevant policies and standards such that they remain up to date and compliant with modern slavery requirements.

Ethics and conduct

As a responsible business, rt Group is committed to dealing honestly and fairly with our members and properly managing the risk of unfair member outcomes.

The Code sets out our commitment and responsibility to respect human rights. It also addresses our responsibilities to rt Group, to each other, and to our members, suppliers, communities, governments, and regulators. It sets out the standards of behaviour we expect of our people, which include our Directors and contractors and embodies our commitment to good corporate governance, responsible business and ethical practices.

In 2020 (FY21 reporting period), our Code and risk management policies were updated to respond to regulatory changes and community expectations of our business and ethical standards. The Code and risk management policies now include a stronger focus on our 'speak up' culture, data and privacy, and conduct.

Our workplace

We are committed to complying with relevant local and national laws, community expectations and ethical standards related to human rights and modern slavery in respect to our employees, our members and our business operations. We are an equal opportunity employer. We are committed to



our employment conditions meeting at least minimum wages, appropriate hours of work and leave provisions, as well as the ability to sustain the health, safety and wellbeing of our employees, contractors and visitors.

rt health whistleblower hotline

rt health has engaged an external service provider to ensure whistleblowers have access to the following reporting methods:

- telephone through a dedicated free-call number;
- website access to the external service provider website to allow eligible whistleblowers to enter details and submit reports, which are emailed through to a specialist service team;
- email to a dedicated reporting email address to allow disclosures via email;
- physical mail being a replied paid address for sending to the external service provider post office box; and
- fax to the external service provider dedicated fax address to allow disclosures by way of facsimile.

Training and awareness

There are a significant number of compliance obligations that apply across our day-to-day activities at work, whether they be laws, regulations, codes or business or ethical standards and we are committed to educating our people about them.

Compliance topics such as our Code, Fraud and Corruption, Bullying, Harassment and Discrimination Prevention, Whistleblower, Risk Management and Work, Health and Safety are supported by mandatory training.

Our operations

Activities undertaken by the rt Group to pursue our business objectives and strategy during the reporting period include:

- direct employment of workers;
- provision of private health insurance services (marketing, sales, membership administration, claims administration, contact centre, product design and pricing);
- associated support services within our business, delivered to internal 'customers' such as auditing, finance support, information technology, human resources, risk and compliance, secretariate, and facilities management;
- direct health care services – care coordination, dental and optical dispensary services; and
- property leasing (as an owner of leased commercial premises)

Our supply chain

rt Group's third-party landscape is made up of back-office suppliers including:

- professional services such as legal and taxation advice, corporate advisory services, actuarial services, and internal and external audit services;
- IT services and software;
- mail house and postage;
- commercial cleaning;
- banking;
- recruitment;
- training and development; and
- archiving and off-site back-up / disaster recovery.

We acknowledge and recognise the potential for modern slavery to occur within our supply chains, regardless of location. We expect our suppliers to manage their business and supply chain in a manner that respects human rights as set out in the International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights, and we are starting to reinforce this expectation within



the contractual obligations included in the terms of rt Group's own supply agreements for goods and services (**GSA**).

We have commenced the process of mapping and categorising our suppliers with whom we have a direct relationship (first tier suppliers). In 2020, we assessed an initial group of first tier suppliers to identify suppliers with an elevated risk and the potential for exposure to modern slavery and human trafficking.

Risk management and due diligence

rt Group's supplier management framework governs certain supplier arrangements and assists to manage rt Group's commercial risk in our dealings with suppliers. Supplier risk assessments are undertaken for certain procurement activities to identify the level of risk inherent in proceeding with a potential arrangement.

In 2020 (FY21 reporting period) we reviewed our third-party risk management processes and the internal tools to identify, assess, mitigate and monitor potential risk areas where rt Group could be exposed to modern slavery and human trafficking issues. We continue to develop and enhance our Third-Party Risk Management Framework to provide updated governance. This enhancement will include Modern Slavery considerations for our group.

In 2020 (FY21 reporting period) we also reviewed our existing due diligence processes for the appointment and onboarding of new suppliers, with a view to implementing enhanced procedures which encompass modern slavery risk. Existing suppliers identified as being higher risk, will form the initial group to be contacted and monitored, as part of our existing supplier activities.

Assessing the effectiveness of our actions

rt Group assesses the effectiveness of our actions in relation to identifying and

addressing the risks of modern slavery in the same way that we would assess the effectiveness of any other risk management activities under our Risk Management Policy, Strategy and Framework. This includes:

- inherent and residual risk assessments (probability and impact), risk mitigation and monitoring by risk owners on a regular basis;
- monitoring of key risk indicators e.g. employee training completion rates. Additional supply chain key risk indicators are under development for the FY21 reporting period such as the number of new high-risk suppliers engaged each quarter; the number of high-risk suppliers with appropriate contractual clauses;
- operation of the 'three lines of defence' model of risk management; and
- quarterly and by exception risk reporting to our Board Risk, Compliance and Governance Committee.

Ongoing activities

Our commitment to modern slavery not taking place within our business or our supply chains is ongoing. Building upon actions that are in-progress, some of the planned initiatives include:

- further enhancing supplier due diligence and rt Group's risk assessment processes, including consideration of tools to assist with the management of modern slavery risk;
- embedding risk assessment of suppliers throughout the business (where appropriate);
- developing processes, where suppliers identified as moderate or high risk being escalated for appropriate monitoring (or further action);
- embedding employee training, awareness and relevant case studies of



modern slavery and human right issues to help identify and report such issues when identified; and

- reviewing rt Group policies and processes such that they include modern slavery risk management, where appropriate.

rt Group is committed to continuous improvement and acknowledge that we are putting adequate policies, processes, systems and controls in place to identify and mitigate modern slavery issues and risks, within our business and supply chains.

We acknowledge that these matters continue to evolve, which in turn means that businesses must adapt to identify and mitigate these risks, but also understand the 'human' element, which requires all businesses to be vigilant and versatile.

This statement has been approved by the Board of rt health and the Board of Transport Health.

Signed,



Alan Bardwell
Chairman, rt health
March 2021



Michael Scanlan
Chairman, Transport Health
March 2021