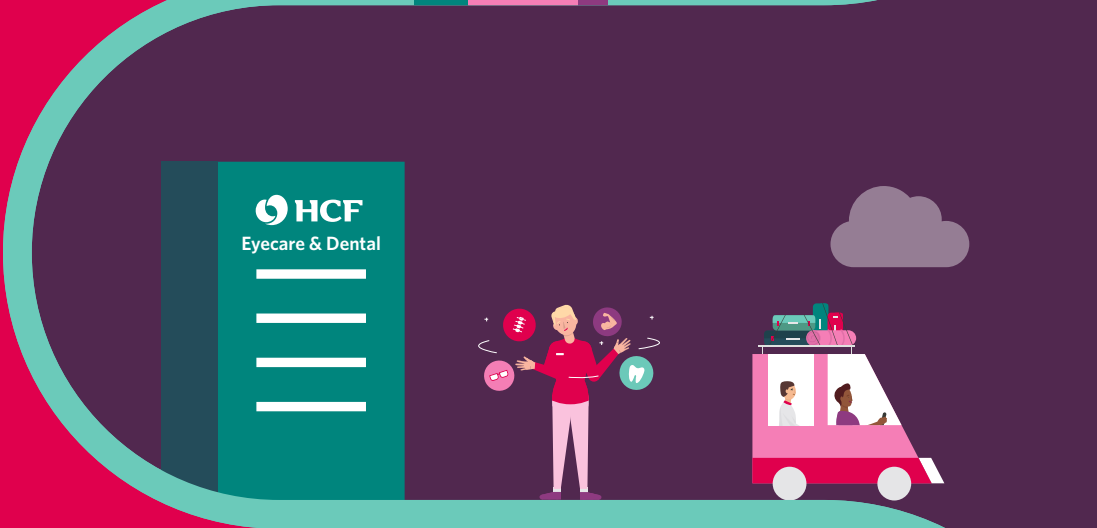
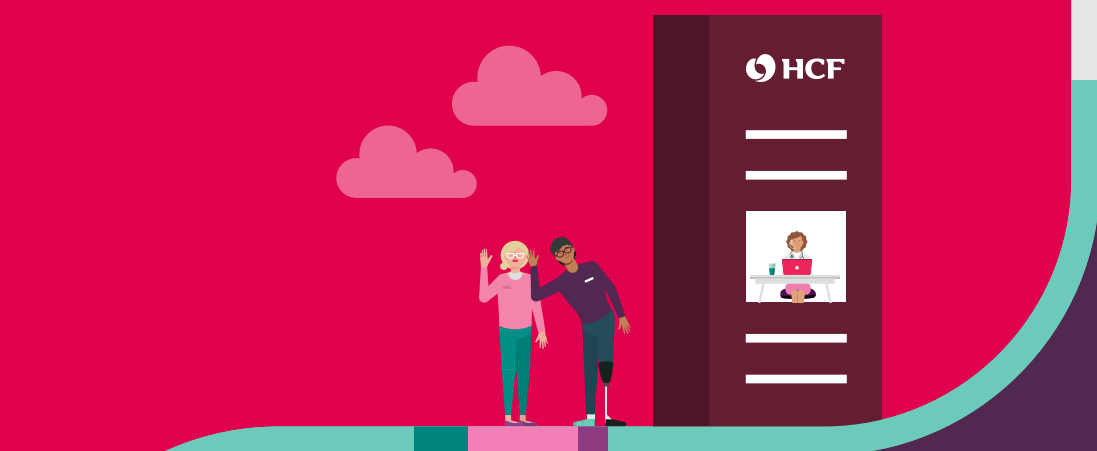


# MODERN SLAVERY STATEMENT FY25



# PURPOSE OF THIS STATEMENT

**This Modern Slavery Statement (Statement) is made on behalf of The Hospitals Contribution Fund of Australia Ltd ABN 68 000 026 746 of 403 George Street, Sydney NSW 2000 (HCF) pursuant to the *Modern Slavery Act 2018 (Cth)* (the Act). For the purposes of this Statement, "HCF Group" refers to HCF and each of its subsidiaries.**

This Statement provides background information on HCF Group's businesses and sets out the actions taken by HCF Group to identify, assess and address modern slavery risks across our operations and supply chains in the financial year ending 30 June 2025 (FY25).

HCF is a reporting entity for the purposes of the Act and is the only reporting entity within the HCF Group. Consequently, the HCF Board approved this Statement on behalf of the HCF Group at its board meeting on 6 November 2025.



**Lorraine Thomas**  
Chief Executive Officer & Managing Director



# ABOUT HCF

**From our purpose-driven beginnings in 1932 to becoming the nation's largest not-for-profit health fund, our focus is where it's been for nearly a century - ensuring our members have access to affordable, high-quality cover and the best possible health outcomes for themselves and their families.**

Today, we help protect the health and wellbeing of over 2 million Australians. Our not-for-profit status guides our every decision, allowing us to invest more in supporting our members rather than answering to shareholders. With a whole-of-health offering that includes life, overseas visitor, accidental injury, travel, pet, home, landlord and car insurance, we've remained focused on providing outstanding value and service, earning the trust of our members to be there when it matters most.

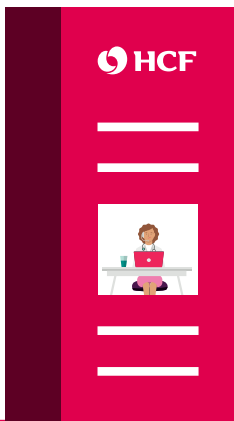
Our approach to sustainability is an extension of our organisational purpose - to bring a human touch to healthcare, now and for generations to come. We're making strong progress across our Environmental, Social and Governance (ESG) agenda, including understanding and addressing climate change, reducing our environmental impact, enhancing social outcomes and ensuring robust governance.

Our values are the way we do things at HCF - they show up in how we come together as a team and work alongside our partners and communities to deliver the best possible experience for our members. We 'Step forward' to identify and act on the risks associated with modern slavery and are committed to the fair and proper treatment of people in our operations and supply chain.

## OUR COMMITMENT

HCF Group is committed to the fair and proper treatment of people in our operations and supply chains, and we have taken steps to develop policy and processes to ensure we can identify and address risks associated with modern slavery.

Since 2020, we have released our annual Modern Slavery Statement providing a comprehensive outline of how we are addressing this issue in our supply chains.



# OUR STRUCTURE, OPERATIONS AND SUPPLY CHAIN

## HCF GROUP LEGAL STRUCTURE

The Hospitals Contribution Fund of Australia Ltd (HCF)

HCF Life Insurance  
Company Pty Ltd

Manchester Unity  
Australia Ltd

Railway and Transport  
Health Fund Pty Ltd

Transport Health  
Pty Ltd

HCF Research  
Foundation Ltd

Flip Insurance  
Pty Limited

**HCF is registered as a public company limited by guarantee under the *Corporations Act 2001 (Cth)*. It is also registered under the *Private Health Insurance Act 2007 (Cth)* and is Australia's largest not-for-profit health insurer.**

### OTHER HCF GROUP ENTITIES

#### **HCF Life Insurance Company Pty Ltd (HCF Life)**

is a wholly-owned subsidiary of HCF, providing life insurance to HCF members. HCF Life outsources several of its operational services to HCF under an outsourced services agreement. As a result, its operations and supply chain are integrated within HCF, and any actions set out in this Statement are also relevant to HCF Life. **Flip Insurance Pty Ltd (Flip)** is a wholly-owned subsidiary and authorised representative of HCF Life. The key business activity of Flip is the sale and service of personal accident insurance products.

**Manchester Unity Australia Pty Ltd** is a wholly-owned subsidiary of HCF, which primarily owns property for use by HCF.

**Railway & Transport Health Fund Pty Ltd (RT Health)** is a registered proprietary limited company limited by guarantee under the *Corporations Act 2001 (Cth)*, with HCF being its sole member. Effective from 28 June 2024, RT Health was converted from a public company limited by guarantee to a proprietary limited company limited by shares. On 1 November 2021, the RT Health private health insurance health benefits fund (and all its members) merged with the HCF private health insurance health benefits fund. It was deregistered as a health fund in December 2022 and now operates various contracts for HCF.

**Transport Health Pty Ltd (Transport Health)** is a wholly owned subsidiary of HCF. Effective from 1 January 2023, Transport Health private health insurance benefits fund (and all its members) merged with the HCF private health insurance benefits fund.

It was deregistered as a health fund on 16 February 2024 and now operates various contracts for HCF.

**HCF Research Foundation Ltd** is a public company limited by guarantee, with HCF being its sole member. HCF Research Foundation Ltd acts as the corporate trustee for the HCF Research Foundation (a charitable trust which sits outside HCF Group). The key business activity for the HCF Research Foundation trust is providing grants and support for research projects, for which there is minimal resource and cost to operate.

### GOVERNANCE

We're committed to maintaining a high standard in our governance practices and seek to:

- lead industry reforms through active engagement with the government and regulators.
- integrate best practice governance standards into our operations.

The governance practices across the HCF Group also comply with prudential standards applicable to HCF Group's Australian Prudential Regulation Authority regulated entities. The HCF Board of Directors has overall responsibility for the corporate governance of the HCF Group. The HCF Board guides and monitors the business affairs of the HCF Group.



## HCF GROUP OPERATIONS

HCF Group provides health and life insurance products to over 2 million members. HCF Group has a workforce of over 2,000 people, made up of full-time employees (65%), part-time employees (18%) and contractors or managed services (17%), at locations across Australia. Our locations include branch network (41 sites), dental centres (16 sites) and eyecare centres (9 sites), along with 3 corporate offices located in Sydney.

HCF Group's core operations are the sale and underwriting of health insurance products and the provision of all health-related services to members, including member claims management through our health provider network. Key products include hospital and extras policies to members in Australia, health insurance to overseas visitors and life insurance policies to existing HCF Group members, which are sold through several channels (including directly and through 3rd parties). HCF includes the RT Health brand which operates as a division within HCF. HCF Group also provides dental and optical services, through its national dental and eyecare operations.

HCF Group's hospital, medical and ancillary provider network is deemed to be part of HCF Operations for modern slavery reporting purposes. Any provider outside of the HCF Group's hospital, medical and ancillary provider network, where HCF Group simply pays the provider benefits on behalf of its members, are deemed not to be part of HCF Group's operations or its supply chain and are therefore not reported on in this Statement.

## HCF GROUP INVESTMENTS

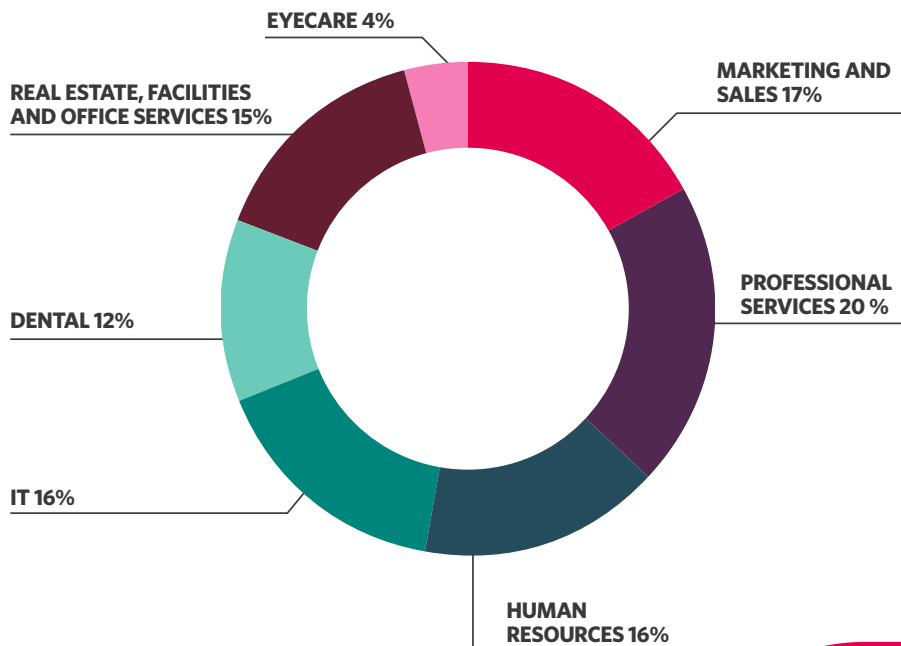
HCF Group investments are managed by an investment management supplier in line with the HCF Investment Policy and Strategy (approved by the HCF Board) which sets out the investment objectives, risk parameters and strategic asset allocation of HCF Group.

## HCF GROUP SUPPLY CHAIN

HCF Group's supply chain is made up of ~1000 suppliers comprising of services (~90%) and goods (~10%). The majority of HCF Group's requirements are delivered by large, reputable suppliers with operations based in Australia, along with a small number of global suppliers with operations overseas. The majority of HCF Group's business is conducted in Australia including all services and goods received. All procurements are completed in line with HCF Group Procurement Policy and associated frameworks and procedures.



## HCF'S VOLUME OF SUPPLIERS SPLIT BY PURCHASING CATEGORY



# MODERN SLAVERY RISKS

## HCF RISK MANAGEMENT

HCF Group recognises that risk is inherent in all aspects of its business and the ability to effectively identify and manage risks is critical for our members and the success of the company. HCF Group manages risk in line with a Board-approved Risk Management Framework, Risk Appetite Statement and Risk Management Strategy.

## SUMMARY OF THE HCF GROUP MODERN SLAVERY RISK PROFILE

HCF Group takes a risk-based approach to assessing modern slavery risks. This approach considers our ability to influence and address these risks to ensure we focus resources to make the biggest difference. Our approach to assessing risk considers guidance from external experts, relevant external sources of information and internal and external assessment tools.

HCF Group has identified the potential risk areas (outlined in Table 1) where modern slavery risks may be present within HCF Group. HCF revisits the overall risk assessment annually. Our business operations and practices have materially remained consistent in FY25, as a result we did not identify any change to our modern slavery risk profile and our overall assessment of modern slavery risk remains 'low' in causing, contributing to, or being deliberately linked to modern slavery practices.



RISK AREA	OVERALL RATING	SECTOR AND INDUSTRY RISK	PRODUCT AND SERVICE RISK	GEOGRAPHY RISKS	ENTITY RISK
HCF Group Operations	Low	Low	Low	Low	Low
HCF Hospital and Medical Providers (1st tier)	Medium	High	Low	Low	NA
HCF Ancillary Providers	Low-Med	Medium	Low	Low	NA
HCF Supply Chain	Low-Med	Low-Med	Low-Med	Low	NA
HCF Investments	Medium	Medium	Medium	Medium	NA






Inherent risk summary by risk area:

- HCF's operations are wholly in Australia and in a sector that is low risk.
- Whilst hospital and medical providers are deemed a high-risk sector, due to being located in Australia operating under Australian laws and regulations we have deemed this risk area to be medium.
- Our ancillary providers are based in Australia, however as a whole are rated a low-medium inherent risk due the high volume of labour involved in providing these services.
- The majority of our suppliers provide technology and services within Australia. Less than 2% of the total suppliers used by HCF are deemed high inherent risk for modern slavery to exist due to their industry, products and geography.
- HCF investments are rated medium inherent risk due to the inclusion of global companies.

# MODERN SLAVERY RISKS

The key risks facing HCF within our suppliers and providers and the products and services they deliver are:



 <p><b>IT PERIPHERALS AND EQUIPMENT</b></p>	<ul style="list-style-type: none"> <li>• The electronics industry often faces risks of forced labour and exploitation in the extraction of minerals (e.g. conflict minerals like tantalum, tin, tungsten, and gold) used in IT peripherals and equipment production.</li> <li>• Subcontractors and lower-tier suppliers within the IT supply chain may have less oversight and transparency, making them susceptible to labour exploitation.</li> </ul>
 <p><b>CLEANING SERVICES (LOW SKILL LABOUR) AND JANITORIAL PRODUCTS</b></p>	<ul style="list-style-type: none"> <li>• Cleaning services frequently rely on low-wage and migrant labour, which can be vulnerable to exploitation and poor working conditions.</li> <li>• Subcontracting within the cleaning industry can lead to a lack of visibility into labour practices further down the supply chain.</li> <li>• Suppliers of janitorial products may source raw materials that involve forced labour in their production, such as chemicals or palm oil.</li> </ul>
 <p><b>DENTAL AND EYECARE PRODUCTS AND CONSUMABLES</b></p>	<ul style="list-style-type: none"> <li>• Dental and eyecare products often contain materials like metals and plastics, which may involve exploitative practices in the extraction of raw materials.</li> </ul>
 <p><b>NATURAL THERAPISTS</b></p>	<ul style="list-style-type: none"> <li>• Natural therapy (remedial massage etc) services frequently rely on low-wage and migrant labour, which can be vulnerable to exploitation and poor working conditions.</li> <li>• Many natural therapists source products from small-scale producers and artisanal suppliers, which can be at risk of labour exploitation due to limited oversight and resources.</li> </ul>
 <p><b>HOSPITAL AND MEDICAL PROVIDERS AND THEIR SUPPLY CHAINS</b></p>	<ul style="list-style-type: none"> <li>• Low visibility over multi-tiered supply chains in a sector purchasing goods from global sources and a dependency on regional, temporary, and migrant workers from Asia and Pacific Islands to fulfil workforce shortages.</li> </ul>

# ACTIONS COMPLETED TO ASSESS AND ADDRESS RISKS

HCF Group continues to drive actions to assess and address modern slavery risk. Below is an outline of what has been delivered.

## POLICY, PROCESS AND OPERATING MODELS

- We have had a Group Modern Slavery Policy, along with the HCF Group Whistleblower hotline, in place for over 4 years. These documents include HCF's approach to managing modern slavery incidents.
- We take a companywide approach to modern slavery training, mandating it for all HCF Group employees. There is a heightened focus on key roles such as senior leaders, Procurement and provider management, which are required to complete comprehensive training. In FY25, 100% of HCF Group eligible employees completed the training.
- Modern slavery risk forms part of the HCF Group Procurement sourcing framework and ongoing supplier management activities.
- Our HCF Group Supplier Principles include requirements relating to modern slavery and help ensure our suppliers operate in an ethical and sustainable manner while doing business with any HCF Group company.
- HCF has continued to play an active role in the Private Health Association (PHA) Community of Interest (CoI) to align and develop a consistent approach to addressing modern slavery across the industry.
- We continue to keep across latest developments and practices through external conferences, webinars and research.

## OPERATIONS PROVIDERS

- We continued to engage our key hospital provider groups and review their modern slavery statements to gain an understanding of how modern slavery is being assessed and addressed across the HCF hospital provider network.
- We continued to require hospital and medical provider agreements contain the appropriate modern slavery clauses in line with the risks posed.

## INVESTMENTS

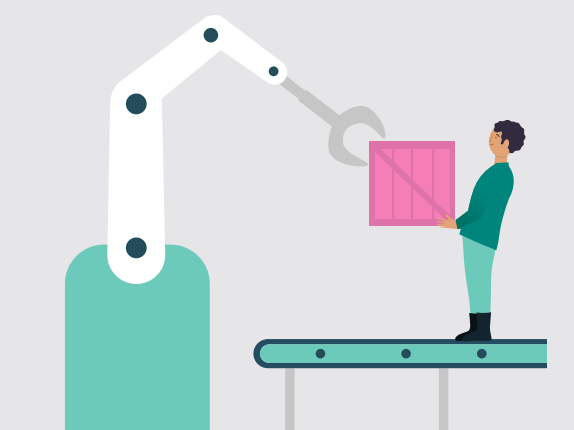
- HCF works closely with its investment management supplier, who focus their efforts on addressing modern slavery risks in the selection of its investment managers. HCF's investment management supplier monitors the modern slavery considerations of underlying managers within HCF's investment portfolios through ESG Asset Manager Assessments. Over the last year, there have been no identified cases of modern slavery amongst investment managers, neither have we been informed of any incidences of modern slavery amongst their investee companies and supply chains.
- HCF has implemented international investment restrictions applied to tobacco producers\* and controversial weapons\*\*. Within HCF's global equities investments additional investment restrictions apply to companies assessed to be breaching the United Nations Global Compact principles that represent responsible human rights, labour, environmental and anti-corruption practices and to companies that receive an overall failure designation for other global norms (OECD, ILO and UNGP) based on MSCI's ESG Controversies and Global Norms screening methodology.

\*Any security involved in the production of tobacco as classified per Global Industry Classification Standard (GICS) code 302030 and/or Bloomberg Barclays Indices Global Sector Classification Scheme (BCLASS) code CADG.

\*\* Any security involved in the production of whole weapon systems, delivery platforms or components of cluster munitions; production of whole weapon systems or components of landmines and biological or chemical weapons; production of depleted uranium weapons, blinding laser weapons, incendiary weapons, or weapons with non-detectable fragments; or is involved indirectly through ownership ties to companies involved in such products, as defined by MSCI.

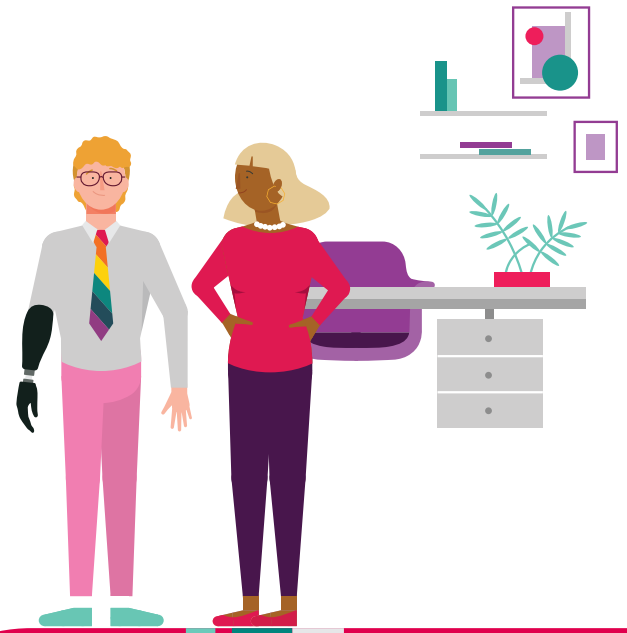
## SUPPLY CHAIN

- Our focus remains on our highest risks, and we continue to assess our suppliers providing products or services directly to HCF Group where the supplier has been identified to have a high potential for modern slavery risks, based on their sector and industry, geography or product and service.
- HCF Group utilises a technology platform service to support continued supplier and provider assessments, remediation, monitoring and reporting to drive continuous improvements across the supplier base.
- Suppliers are requested to improve their management of modern slavery risk through continuous improvement plans. We continue to work with a handful of low-risk suppliers as they continue to improve their approach to tackling modern slavery.
- HCF Group has continued to update supplier agreements where required with modern slavery clauses and ensure all new agreements entered in to include sufficient modern slavery clauses. HCF has no high residual risk rated suppliers and there were no reported incidents of modern slavery within the supplier base in FY25.



# ASSESSING THE EFFECTIVENESS OF OUR APPROACH

- In FY25 we have continued to deliver on the key activities to mitigate modern slavery risk within HCF and our supplier chain. We have delivered on our training of employees, continuation of supplier and provider assessments and engagements and continued the rollout of our Sustainability Principles that include requirements relating to tackling modern slavery.
- This statement is discussed, reviewed, and approved by the relevant Board Committee and Board which ensures that HCF is applying the appropriate level of governance over our approach to addressing modern slavery risks. In FY25 there have been no grievances raised through our whistleblower hotline relating to modern slavery.
- Our Modern Slavery Policy and processes are reviewed every 3 years, or in the event of legislative change or where there is a change to the underlying modern slavery risk at HCF.
- HCF Group has put substantial effort in to systemising and advancing the assessment, monitoring and remediation of suppliers. This has enabled HCF Group to accelerate the delivery of key assessments and actions to address modern slavery risk within the supply chain. We have implemented quarterly key metric reporting to the Board Risk, Compliance and Sustainability Committee to demonstrate performance against our commitments.
- HCF Group tracks the completion of mandatory compliance training of employees to ensure the effectiveness of raising awareness and education on modern slavery across the business. HCF regularly reviews reporting from the whistleblower hotline. To date, no reports of modern slavery or potential risks of modern slavery have been reported.
- HCF continues to support industry-wide collaboration through the PHA Modern Slavery Community of Interest (CoI). The PHA CoI provides a platform to implement best practices, share learnings and take a collective approach to influencing common suppliers for changes and improvements. As an active member of this forum, HCF has been able to validate and share our progress with peers to ensure HCF is taking steps in line with the industry. HCF continues to develop systems and processes to assess the effectiveness of its modern slavery risk management.



## CONSULTATION WITH REPORTING ENTITIES

HCF is the only reporting entity within the HCF Group. The operations and supply chains of HCF's subsidiaries are integrated within HCF. Therefore, all activities outlined in this Statement also apply to HCF's subsidiaries. All HCF Group entities have representation on the relevant executive committees, ensuring they are included in all consultation and reporting on HCF Group's approach and actions to address modern slavery risks.

# LOOKING AHEAD

**HCF Group is committed to delivering year on year improvements on its approach to addressing modern slavery risk.**

**Key priorities for reporting year FY26:**

- Continue to enhance stakeholder awareness and knowledge on modern slavery through ongoing training, education and engagement.
- Continue to support the industry-wide PHA Community of Interest and collaborate to drive improvements in effectively addressing modern slavery risks.
- Review the supplier assessment process to ensure it reflects the current maturity of modern slavery risk across the HCF supply base.
- Continue the re-assessment program of all suppliers for modern slavery risks in line with their regular assessment program aligned to their inherent risk.
- Ongoing engagement with suppliers and hospital and medical providers to foster collaborative efforts to improve transparency and identify areas for further due diligence.
- Develop strategies and planning to improve the effectiveness of HCF's approach to addressing modern slavery risk across hospital, medical and ancillary providers.
- Continue to monitor progress of the HCF investment management supplier actions to address modern slavery.

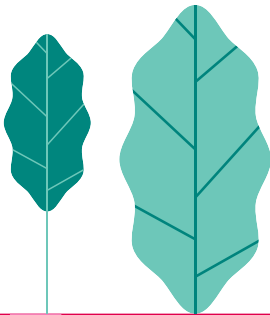
## DEFINITIONS

**Supplier** - means any third party that provides Goods and Services to the HCF Group.

**Hospital providers** - hospital and hospital groups providing medical and surgical services to patients, including HCF's members.

**Medical providers** - Australia-based specialist doctors, primarily surgeons. HCF Group engages and manages these providers as the need arises.

**Ancillary providers** - professions including dentists, optometrists, physiotherapists and chiropractors, as well as natural therapists, Chinese medicine practitioners and remedial massage therapists.



To find out more about our approach to addressing modern slavery, contact:

@ [HCF\\_Procurement@hcf.com.au](mailto:HCF_Procurement@hcf.com.au)

