



2023-24  
**Joint Modern  
Slavery Statement**

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for

**CBHS HEALTH FUND LIMITED**  
**ABN 87 087 648 717**

and

**CBHS CORPORATE HEALTH PTY LTD**  
**ABN 85 609 980 896**



## Contents

<b>1</b>	<b>INTRODUCTION</b>	<b>3</b>
1.1	Purpose	3
<b>2</b>	<b>STRUCTURE &amp; OPERATIONS OF CBHS HEALTH</b>	<b>3</b>
2.1	Legal Structure	3
2.2	Organisational Structure	3
2.2.1	Board of Directors	3
2.2.2	Group Chief Executive Officer	3
2.2.3	Business Units & Functional Areas	3
2.3	Business	4
2.4	Operations	4
2.5	Employees	4
<b>3</b>	<b>STRUCTURE &amp; OPERATIONS OF CBHS CORPORATE</b>	<b>5</b>
3.1	Legal Structure	5
3.2	Organisational Structure	5
3.2.1	Board of Directors	5
3.2.2	Chief Executive Officer	5
3.2.3	Business Units & Functional Areas	5
3.3	Business	5
3.4	Operations	5
3.5	Employees	5
<b>4</b>	<b>GROUP SUPPLY CHAINS</b>	<b>6</b>
4.1	Tier 1 Suppliers as Primary Focus	6
4.2	Industry Sectors of Tier 1 Suppliers	6
<b>5</b>	<b>RISKS OF MODERN SLAVERY PRACTICES</b>	<b>7</b>
5.1	Relevant MS Risks	7
<b>6</b>	<b>MANAGING MODERN SLAVERY RISKS – GENERAL</b>	<b>8</b>
6.1	Introduction	8
6.2	Group Compliance	8
6.3	Assessing Effectiveness of Anti-MS Policy	8
6.4	Progress Report on Planned Activities - 2023-2024	9

<b>7</b>	<b>MANAGING MODERN SLAVERY RISKS IN SUPPLY CHAINS</b>	<b>9</b>
7.1	Supplier Obligations	9
7.2	Update of Service Provider Management Clauses and Supplier Agreements	9
7.3	Assessment of Effectiveness of Supply Chains MS Risk Management	9
7.4	Planned Activities For 2024-2025	10
<b>8</b>	<b>MANAGING MS RISKS IN GROUP OPERATIONS</b>	<b>10</b>
8.1	Continued Application of Beneficial Employee Policies	10
8.2	Assessment of Effectiveness of Controls	11
<b>9</b>	<b>PROCESS OF CONSULTATION WITH GROUP ENTITIES</b>	<b>11</b>
<b>10</b>	<b>SIGNING</b>	<b>12</b>

## 1 INTRODUCTION

### 1.1 Purpose

This document is the joint modern slavery statement (**Joint MSS**) of CBHS Health Fund Limited (**CBHS Health**) and CBHS Corporate Health Pty Ltd (**CBHS Corporate**). Both entities are referred to in this Joint MSS as the **CBHS Group** or **Group**.

The Joint MSS covers the period 1 July 2023 to 30 June 2024.

Each Group entity is a reporting entity within the meaning of section 5 of the Commonwealth Government's Modern Slavery Act 2018 (**Act**).

The document provides updates on the activities carried out as well as planned for the next reporting period under the Modern Slavery (MS) Risk Management Strategy set out in previous Joint MSS.

## 2 STRUCTURE & OPERATIONS OF CBHS HEALTH

### 2.1 Legal Structure

CBHS Health is a public company limited by guarantee within the meaning of the Corporations Act 2001.

### 2.2 Organisational Structure

#### 2.2.1 Board of directors

CBHS Health has a Board whose composition, powers and functions are governed by relevant requirements in the Corporations Act 2001, prudential standards of the Australian Prudential Regulation Authority (**APRA**) and CBHS Health's Constitution.

#### 2.2.2 Group Chief Executive Officer

The day-to-day affairs of CBHS Health are managed by the Group Chief Executive Officer (**Group CEO**) under a delegated authority from the Board. The Group CEO also serves as an executive director on the Board.

#### 2.2.3 Business Units & Functional Areas

Direct reports of the Group CEO are members of the Executive Leadership Team (ELT) and are responsible for a business unit or functional area.

The current business units or functional areas are:

- (a) Legal & Company Secretariat;
- (b) Member Solutions (which includes Marketing, Product Strategy and Proposition, International Product, Sales and Partnerships);

- (c) Finance (which includes Finance, Actuarial, Business Insights Group and Strategy);
- (d) Member Delivery (which includes Member Services, Performance and Planning, Benefits and Provider Relations, Experience and Transformation);
- (e) People & Culture (which includes Organisational Development, People-related Operations, Employee Experience and Internal Communications);
- (f) Information Services (which includes IT: Security, Operations, System Development, & Business Services, Digital, Project Management Office);
- (g) Risk Management and Compliance; and
- (h) Internal Audit.

## 2.3 Business

CBHS Health is a registered restricted access private health insurer under the Private Health Insurance (Prudential Supervision) Act 2015.

## 2.4 Operations

The core operations of CBHS Health are:

- (a) Developing private health insurance and health-related products and services;
- (b) Marketing and promoting its products and services;
- (c) Selling its products and services;
- (d) Establishing and maintaining accounts for its policy holders (Members);
- (e) Entering and maintaining arrangements with hospitals and other healthcare providers for Members;
- (f) Assessing and paying the Members' claims;
- (g) Data and information security operations;
- (h) Finance and accounting operations;
- (i) Risk Management and Compliance (including legislative and regulatory change); and
- (j) Recruiting and managing employees.

## 2.5 Employees

Employees of CBHS Health fall under the following categories:

- (a) Permanent;
- (b) Part-time;
- (c) Casual; and
- (d) Fixed term.

All employees are ordinarily resident in Australia.

## **3 STRUCTURE & OPERATIONS OF CBHS CORPORATE**

### **3.1 Legal Structure**

CBHS Corporate is a proprietary company within the meaning of the Corporations Act 2001. It is a 100%-owned subsidiary of CBHS Health.

### **3.2 Organisational Structure**

#### **3.2.1 Board of directors**

CBHS Corporate has a Board whose composition, powers and functions are governed by relevant requirements in the Corporations Act 2001, prudential standards of the Australian Prudential Regulation Authority (APRA) and CBHS Corporate's Constitution.

#### **3.2.2 Chief Executive Officer**

The day-to-day affairs of CBHS Corporate are managed by the Group CEO (GCEO) under a delegated authority from the Board. The GCEO also serves as an executive director on the Board.

#### **3.2.3 Business Units & Functional Areas**

CBH Corporate has a Master Services Agreement with CBHS Health under which CBHS Corporate's operations are carried out by the business units and functional areas identified for CBHS Health in Section 2.2.3 above.

### **3.3 Business**

CBHS Corporate is a registered open-access private health insurer under the Private Health Insurance (Prudential Supervision) Act 2015. It also offers health-related benefits to international students and visitors who are required to maintain private health insurance as a condition of their specific visa type.

### **3.4 Operations**

The core operations of CBHS Corporate are:

- (a) Developing private health insurance and health-related products and services;
- (b) Marketing and promoting its products and services;
- (c) Selling its products and services;
- (d) Establishing and maintaining accounts for Members;
- (e) Assessing and paying the claims of Members; and
- (f) Carrying out legislative and regulatory reporting.

### **3.5 Employees**

CBHS Corporate has no employees. Its operations are carried out by CBHS Health's employees identified in Section 2.5 above.

## 4 GROUP SUPPLY CHAINS

### 4.1 Tier 1 Suppliers as Primary Focus

The Group's supply chains are divided into two main categories, namely:

- (a) Third parties with whom the Group has a direct contractual arrangement and who invoice the Group directly for the goods or services provided to the Group (**Tier 1 Suppliers**); and
- (b) Third parties who supply goods or services to Tier 1 Suppliers (**Tier 2 Suppliers**).

The Group best manages the MS Risks in its supply chains by focussing on, and risk rating, Tier 1 Suppliers. The Group is positioned to leverage the relationship with Tier 1 Suppliers to drive MS Risk management outcomes in their underlying supplier operations.

### 4.2 Industry Sectors of Tier 1 Suppliers

The following table provides details of the industry sectors and geographical locations of Tier 1 Suppliers.

Reference	Supply chains industry sectors	Location of main operations
1.	Financial Auditing and Actuarial	Australia
2.	Insurance and Banking	Australia
3.	Investment Management	Australia
4.	Legal Advisers and Consultants	Australia
5.	Hospital Contracting and Regulatory Reporting	Australia
6.	Information, Communication and Technology (including hardware, software, and internet services suppliers)	Australia & Overseas
7.	Landlord and Property Management	Australia
8.	Recruitment and Human Resources Consultants	Australia

Reference	Supply chains industry sectors	Location of main operations
9.	Marketing and Advertising	Australia
10.	Printing and Mailing Services	Australia
11.	Clinical and Health Services (including hospitals, general practitioners, optometrists, dentists, and ancillary health service providers)	Australia

## 5 RISKS OF MODERN SLAVERY PRACTICES

### 5.1 Relevant MS Risks

We determined that the Group and its supply chains may reasonably face the following MS Risks in their operations. The risks are linked to the modern slavery offences in the Act.

Reference	Modern slavery offence	Risks
1.	Slavery	The risk that the Group or its supply chains may exercise powers of ownership over another person, including the power to make the person an object of purchase and use their labour in an unrestricted way.
2.	Servitude	The risk that the Group or its supply chains may significantly restrict the personal freedom of a person to the extent that the person is not free to stop working or leave their place of work.
3.	Forced labour	The risk that the Group or its supply chains may prevent a person from stopping to work or exercise the freedom to leave their place of work.
4.	Debt bondage	The risk that the Group or its supply chains may pledge the services of a person for a debt that is manifestly excessive or may not apply the person's services to



Reference	Modern slavery offence	Risks
		liquidate the debt, or the length and nature of the services may not be limited and defined.
5.	Child labour	The risk that the Group or its supply chains may exploit a child through slavery or similar practices or engage the child in hazardous work which may harm the child's health, safety, or morals.
6.	Deceptive recruiting for labour or services	The risk that the Group or its supply chains may deceive a person about whether they will be exploited through a type of modern slavery.

## 6 MANAGING MODERN SLAVERY RISKS – GENERAL

### 6.1 Introduction

As detailed in our previous Joint MSSs, the Group has in place an overarching Modern Slavery Act Compliance Program whose critical elements are:

- (a) Anti-modern Slavery Policy;
- (b) Supporting MS Risk management policies and procedures;
- (c) Enterprise Risk and Compliance management system (Protecht) which contains MS obligation modules and sets MS-related management attestations;
- (d) LexisNexis obligations alerts and new MS obligation feeds through Protecht; and
- (e) ELT accountabilities for MS identification and management.

### 6.2 Group Compliance

During the financial year, the Group complied with its Anti-MS Policy in relation to the Group's own operations (see Section 8 for details).

The Anti-MS Policy continues to be communicated to all our Tier 1 Suppliers using a risk-based approach. Section 7 below provides information on the extent to which we communicated the Policy to our Tier 1 Suppliers.

### 6.3 Assessing Effectiveness of Anti-MS Policy

The Group has assessed its Anti-MS Policy as an effective step in the Group's MS Risks management as it lays the foundation for a systematic approach to MS Risk management in the operations of the Group and its supply chains.

## 6.4 Progress Report on Planned Activities - 2023-2024

The following provides an update on the key MS activities (2023-2024).

### Planned Activities Completed (2023-2024)

The following activities noted for action were completed during this period:

- (a) Ongoing implementation of standard MS Risk management clauses in new third-party agreements and in any third-party agreement as they fall due for review or renewal;
- (b) CBHS Corporate (International) continued to increase MS awareness including rights and reporting channels for their overseas workers and students;
- (c) Ongoing monitoring of potential health claims for international members that might indicate involvement in potential sex trafficking.

### Other activities

In addition to the previously noted list of actions, the following activities are currently underway or have been completed:

- (a) Development of a new risk-based supplier tiering model;
- (b) Ongoing monitoring of experiences of other Australian reporting entities and domestic, overseas, and international organisations involved in the detection or prevention of MS practices through participation in broader industry community-of-interest MS groups.

## 7 MANAGING MODERN SLAVERY RISKS IN SUPPLY CHAINS

### 7.1 Supplier Obligations

During the financial year, we continued to communicate Service Provider obligations to all Tier 1 Suppliers. The refresh of the Supplier Code of Conduct is being undertaken as part of the rollout of CPS230, together with other supplier obligations/assurance requirements.

### 7.2 Service Provider Management Clauses and Supplier Agreements

MS Risk management clauses for Tier 1 Suppliers in renegotiated and new agreements are reviewed by Legal to ensure the necessary MS Risk clauses are contained within.

### 7.3 Assessment of Effectiveness of Supply Chains' MS Risk Management

CBHS has established a strong foundational base to manage MS risks. There remains an opportunity to continue to strengthen the consistency and rigour of operational supplier due diligence and assurance processes, which will look to be addressed through the activities noted below.

We consider that the above-mentioned revision of our Supplier Code of Conduct (Code) to be a high priority and is to be communicated to identified risk-rated Tier 1 Suppliers, for the following reasons:

- (a) Our modern slavery risk management expectations of our Tier 1 Suppliers will supplement our existing Service Provider obligations;
- (b) Our risk-based approach to the management of MS Risks practices in our supply chains will allow us to apply resources as required to where the risks of these practices are highest;
- (c) The Service Provider obligations imposed on our Tier 1 Suppliers provide the foundation for the modern slavery expectations within the Code. The Code will be extended as a result of CPS230 to provide a more holistic risk-management approach including MS, CPS234 and other regulatory requirements.

#### **7.4 Planned Activities For 2024-2025**

The following activities were carried over and will run to July 2025 as they are being integrated with the broader CPS230 rollout:

- (a) Development of a revised Group Procurement Policy (including provisions for ongoing consolidated supplier attestations/assurance) (In Progress as part of CPS230);
- (b) Expansion of the above-mentioned existing Supplier Code of Conduct to align with broader CPS 230 requirements for issuing to our Tier 1 Suppliers;
- (c) Refresh and further extend the MS training specifically for new managers and third-party relationship managers within the organisation, focusing on how to identify and assess MS Risks of Tier 1 Suppliers and on how to conduct modern slavery due diligence of suppliers;
- (d) Strengthening the rigour and 2LOD oversight of upfront and annual supplier assurance processes as part of CPS230, including MS risk assessment of current Tier 1 Suppliers and associated reporting.

## **8 MANAGING MS RISKS IN GROUP OPERATIONS**

### **8.1 Continued Application of Beneficial Employee Policies**

Our previous MSSs provided details about our policies that delivered MS Risk management outcomes for employees.

The Group continued to follow those policies. The following are some of the actions the Group undertakes under those policies:

- (a) All employees were sourced from Australia following internal and external advertisements of vacant positions;
- (b) All employees were given written employment contracts prior to commencing work for the Group;
- (c) Advice was obtained on current employment legislation, applicable awards and collective agreements and their requirements applied to the terms and conditions of the employees' employment where necessary;
- (d) The Remuneration Policy continues to provide clarity regarding the basis and components of employees' remuneration;
- (e) The Group Code of Conduct has been improved to provide more detail around respect at work provisions and requires an attestation that the employees agree to be bound by the Code prior to employment with the CBHS Group;

- (f) The Group's Fair Workplace Policy includes MSS requirements including available escalation channels and is communicated to all new and existing employees;
- (g) The Group's Workplace Health and Safety Policy was extended to make provision for not just physical but also psychosocial risks (including associated internal and external reporting channels/organisations);
- (h) The Group's Whistleblower Protection Policy was reviewed and communicated to all new and existing employees; and
- (i) Senior management report regularly to the Board's People and Remuneration Committee as appropriate on the above actions.

## **8.2 Assessment of Effectiveness of Controls**

We considered the above risk-based actions were effective in managing the risks of modern slavery practices in the Group's operations. There is a structured controls testing program in place, with independent assurance of the outcomes by the second line of defence.

We did not receive any reports under our Whistleblower Protection Policy during the financial year that would have indicated weaknesses in the existence and application of our beneficial employee policies.

## **9 PROCESS OF CONSULTATION WITH GROUP ENTITIES**

As mentioned in Section 3, CBHS Corporate is a 100%-owned subsidiary of CBHS Health and relies on the latter's business units, executive leadership team (ELT) and employees to carry out its operations.


MS Risk management accountabilities and responsibilities of the ELT were exercised in relation to the operations of both Group entities.

The Board considered and approved the Joint MSS.

The Board accepted management's recommendation that the Chair of the CBHS Health Board be authorised to sign this Joint MSS on behalf of the CBHS Group.

## 10 SIGNING

This MSS was approved by the Boards of CBHS Health Fund Limited and CBHS Corporate Health Pty Ltd.

Name	Position	Signature	Date
<b>Peter MacCuspie</b>	Chair, CBHS Health Fund Limited		29 November 2024