

# MODERN SLAVERY STATEMENT

**Year Ended 30 June 2025**





**Serving everyone connected to Defence.**

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# 1 MODERN SLAVERY STATEMENT

**This Statement provides background information on Navy Health’s business operations and sets out the actions taken by Navy Health to identify, assess and address modern slavery risks across our operations and supply chains in the financial year that ended 30 June 2025.**

This Modern Slavery Statement (Statement) is made on behalf of Navy Health Ltd ABN 61 092 229 000 of 601 Canterbury Road, Surrey Hills VIC 3127 (Navy Health) pursuant to section 13 of the *Modern Slavery Act 2018* (Cth) (the Act).

Navy Health is a reporting entity for the purposes of the Act. This Statement has been prepared in consultation with Senior Executives across the business.

This Statement was approved by the Board of Navy Health at its Board meeting on 4 December 2025.



**Michael Julian van Balen, AO**  
Chair of the Board



## 2 INTRODUCTION

**At Navy Health, our mission is to open the door to better health and wellbeing. Our vision is to be the natural choice in health insurance for the Defence family.**

We pride ourselves on providing expert knowledge, compassionate service and understanding for our Members. As a purpose-led organisation, we aim to embed sustainable and responsible business practices.

We strive to work with suppliers that are aligned with our values and principles and that have appropriate policies and procedures in place to mitigate against modern slavery risk in our operations and supply chain.

### About us

Navy Health was established in 1955 for the family members of the Royal Australian Navy. We now operate as an independent, not-for-profit, restricted private health insurer that provides Hospital and Extras cover to serving and ex-serving members of the Australian Defence Force (ADF), related families and the Defence industry.

Navy Health provides claims processing services for the ADF Family Health program. Navy Health is also an agent for life insurance and travel insurance products.



### CEO's message

At Navy Health, our deep commitment to upholding and promoting human rights across our business, operations and supply chain remains unchanged. We recognise that as a healthcare provider, we have both a legal and moral responsibility to mitigate and address the risks of modern slavery.

### Governance

Navy Health is committed to strong corporate governance that meets its obligations and responsibilities as a responsible corporate citizen.

The governance practices across Navy Health's operations comply with prudential standards as an Australian Prudential Regulation Authority regulated entity. The Board of Directors of Navy Health has overall responsibility for our corporate governance.

Underpinning Navy Health's decision-making is doing the right thing for our Members, employees and community. Navy Health has established a framework supported by internal controls, risk management processes and governance practices designed to promote ethical conduct.

This year, we have further strengthened our efforts through our Supplier Due Diligence program to assess modern slavery risks and exposures when reviewing new or existing suppliers. We continue to reinforce awareness across Navy Health of our risks and obligations through delivery of a modern slavery training and awareness program.

As we believe that protecting human rights is a collective responsibility, so we also believe that we must remain undeterred in reducing our exposure to modern slavery risks.

Navy Health remains focused on working closely with our partners, suppliers and stakeholders to safeguard the dignity and rights of all individuals.

Thank you for your continued support as we strive to uphold these important principles.

**Ron Wilson**  
Chief Executive Officer

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# STRUCTURE, OPERATION AND SUPPLY CHAIN

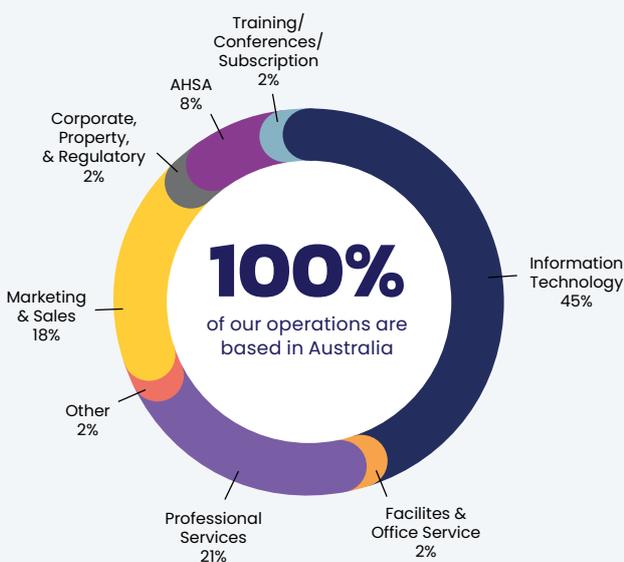
## Structure and operation

Navy Health is a single entity and a company limited by guarantee under the *Corporations Act 2001* (Cth) and governed by a Board of Directors elected by members of the Company. It is also registered under the *Private Health Insurance Act 2007* (Cth).

Navy Health provides health insurance products to a membership base of 28,500 covering the lives of 57,000 Australians and employs approximately 60 employees at our Head Office in Surrey Hills, Victoria, as of 30 June 2025.

Navy Health's core business is the provision of private health insurance and includes claims management of the ADF Family Health Program. We offer Hospital and Extras health insurance policies to Members in Australia.

Navy Health is also an agent for life insurance and travel insurance products.



## Supply chain

In our review of suppliers for FY25, Navy Health has identified 140 direct suppliers across services (95%) and goods (5%). Spend is apportioned across key categories shown in the chart.

Most of Navy Health's suppliers are based in Australia and all procurement of supplies is conducted in line with our existing Service Provider Management Policy and relevant procedures.

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## IDENTIFYING MODERN SLAVERY RISKS

### Assessment

Navy Health has conducted risk assessments in alignment with the Australian modern slavery guidelines by assessing potential risks within our business operations and supply chains for FY25.

Employing a risk-based methodology consistent with Navy Health's Risk Management Strategy, our assessment considers industry practices and international standards. We have identified and assessed potential modern slavery risks across operations and supply chains.

Analysing risks associated with supplier locations, sectors, industries and product nature, we acknowledge modern slavery risk exists within our supply chain, but this risk is low. Less than 8% of our suppliers pose a medium inherent risk, while residual modern slavery risk has been assessed as low, given that the majority of spend belongs to IT and Professional Services suppliers from Australian and other low-risk jurisdictions.

Of the medium risk assessed suppliers, we acknowledge attention is warranted for procurement in IT, including computer hardware and equipment, as well as general and promotional merchandise.

### Operations

As a health insurance company, the risk of modern slavery within Navy Health's operations is deemed low, attributed to the professional, office-based service roles carried out exclusively at our Surrey Hills headquarters. Navy Health promotes compliance with all laws including those relating to the recruitment and employment of our employees and the engagement of consultants.

New employees, including contractors, complete mandatory training modules relating to the PHI Industry Code of Conduct, Anti-Bullying and Harassment, Respect at Work and Modern Slavery through our induction training program. The Modern Slavery training module includes our stance on this risk, and employees are encouraged to be aware of this risk and speak up wherever they may suspect an occurrence.

Our investment portfolio, managed with ESG considerations, is assessed as low risk and is overseen by the Navy Health Investment Committee.

### Supply chain

The overall low residual risk profile assessment of our suppliers is unchanged. This is due to the high proportion of suppliers providing IT and professional services from Australian and low risk jurisdictions. Low risk likelihood still recognises that the occurrence of modern slavery may exist further within our supply chain when considering there may be products used or supplied that have been procured by our direct suppliers.

Consistent with our risk assessment performed in FY24, Navy Health did not identify any areas that present high risks of modern slavery. The following two areas continue to have medium inherent risk of modern slavery with our suppliers: IT, including computer hardware and equipment, as well as general and promotional merchandise:

- 1. General and promotional merchandise** – Navy Health procures various goods not for resale and promotional merchandise which are sourced via resellers. Although the resellers' locations are based in Australia, reasonable practical measures are undertaken to ensure that the products and materials are ethically sourced or manufactured.
- 2. IT, including computer hardware and equipment** – Navy Health procures computer and digital equipment such as laptops, monitors and mobile phones to support our operations. These goods are manufactured in countries with risks of exploitative labour practices and using conflict minerals in earlier stages of their supply chains.



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## ACTIONS TO ADDRESS MODERN SLAVERY RISKS

**Assessing and managing the risks of modern slavery within Navy Health is ongoing and we remain committed to working in partnership with our suppliers to drive change.**

Building on our approach from FY24, we continued our efforts to strengthen contractual arrangements with suppliers to incorporate modern slavery clauses. The Outsourcing Policy was replaced by a new Service Provider Management Policy which implemented enhanced supplier due diligence processes for material service providers – a key pillar of our delivery in complying with APRA Prudential Standard CPS 230 *Operational Risk*.

We continue to work to build and improve our previous Modern Slavery Statements, enhance relevant policies, conduct mandatory modern slavery compliance training for our staff and we maintain governance oversight through regular reporting to the Board and Risk and Compliance Committee.

**Our actions are focused on the four key areas shown in the following:**

### Governance

- Board
- Risk and Compliance Committee
- Investment Committee
- Change Management Committee
- Incident Management Framework

### Policy

- Risk Management Strategy
- Delegations Policy
- Whistleblower Policy
- Modern Slavery Statement
- Employee Code of Conduct
- Service Provider Management Policy
- Incident and Breach Management Policy
- Investment Policy

### Due Diligence

- Modern Slavery Clauses included in New Contracts
- Suppliers Due Diligence assessment checklist in place

### Training

- Modern Slavery Training and Awareness Program
- Modern Slavery due diligence refresher
- Risk Culture and Incidents Reporting training

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## MEASURING OUR EFFECTIVENESS

**Effectively measuring how our actions address modern slavery risk is a challenge. Despite this, we continue to monitor our progress across the four key focus areas outlined below.**

### Governance

Reporting is provided to the Board and Risk & Compliance Committee to give oversight for modern slavery risks, while modern slavery risk is incorporated into Navy Health's risk registers.

Navy Health's Risk Management Framework is designed to effectively identify, assess, manage, monitor and report risks including modern slavery. A three lines of defence approach is adopted to define risk management roles, responsibility and accountability.

Monitoring of material outsourced providers including suppliers' due diligence and modern slavery incident reporting is managed through Navy Health's Risk Management Framework. There were no modern slavery related incidents reported in FY25.

### Policy

The Whistleblower Policy was updated in March 2025, with a focus on the key requirements of ASIC's RG270 *Whistleblower Policies* guidance.

The Outsourcing Policy was retired in June 2025 and replaced by the new Service Provider Management Policy, providing compliance with APRA Prudential Standard CPS 230 *Operational Risk* requirements which came into effect on 1 July 2025.

Navy Health's fifth annual Modern Slavery Statement highlights the progress we've made since FY24 including the steps we have taken to identify, assess and mitigate modern slavery risks within our operations and supply chain.

The Employee Code of Conduct sets out the way employees, including Executives, work and the practical principles and minimum standards of expected behaviour.

### Training

Modern Slavery training program (includes training and awareness initiatives) is completed at induction and biennially by Navy Health employees. The training is mandatory for all employees to foster awareness and drive ethical actions and decision making as part of their roles in addressing modern slavery risks across Navy Health's operations.



### Due Diligence

As part of our onboarding process, we have introduced modern slavery related clauses for new material supplier contracts and/or review the supplier's modern slavery risk management process as considered appropriate.

We have also updated our supplier due diligence questionnaire to reflect current requirements. Where responses are not acceptable or not aligned to our expectations, we would not proceed with the supplier engagement.

# 7 NEXT STEPS

**Navy Health recognises that our business has the potential to impact surrounding communities and the environment, and therefore it is important that we consider environmental and human rights issues when making business decisions.**

Whilst we are encouraged by the work completed to date in identifying and assessing the risk of modern slavery within our operations and supply chain, we recognise more can be done. We look to continually enhance our ongoing monitoring and control environment for this risk.



# CONTACT US

To find out more about  
Navy Health's approach to  
addressing modern slavery,  
contact:

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