

Code of Conduct

Purpose

The Code of Conduct (Code) sets out how Southern Cross employees should conduct themselves in all interactions connected with Southern Cross. Its purpose is to ensure employees act ethically and with integrity in the specific situations addressed in this Code and in their day-to-day business dealings.

Scope

The Code applies to all employees of Southern Cross Medical Care Society (Society) and Southern Cross Health Trust (Trust) and their respective subsidiary companies (Southern Cross). It should be read in conjunction with other policies relevant to an employee's business and role.

For the purpose of this Code the term employees includes temporary and fixed term employees and contractors.

Directors and Trustees will also conduct themselves ethically and with integrity - in a manner consistent with this Code - in all interactions connected with Southern Cross. Each Board will ensure that the principles contained in this Code are referred to in the relevant Board Charter(s).

Policy

Southern Cross is a long-standing and trusted organisation that's committed to sustainable business practices. We always aim to make the right (ethical) choices in balancing our financial, social and environmental risks, obligations and opportunities.

To this end, Southern Cross expects, and will support employees in achieving, the highest ethical standards. Employees will:

- Comply with all relevant laws, policies and regulations – in spirit and letter
- Deal fairly and honestly with members, patients, customers, suppliers, contractors, joint venture partners and each other
- Use due care, attention and professional judgement in the controls, monitoring and approvals associated with their roles
- Understand and adhere to ethical principles laid out in industry or profession-specific codes of conduct that may apply to them
- Recognise that every individual deserves to be treated with equal respect and that we're a welcoming, safe and inclusive workplace
- Support initiatives, and make choices, that are environmentally responsible and consistent with employee health and wellbeing
- Understand and adhere to the guidelines in this Code.

If a situation or action seems unethical or improper, or contrary to approved policies and procedures, employees should raise it with their manager or human resources manager; if an employee is unsure, they must seek further guidance before they act.

Guidelines

Diversity & Inclusion

Southern Cross is committed to achieving a diverse and inclusive workforce in order to:

- Harness the business benefits of diversity
- Further social justice; and
- Comply with legislation.

We regard diversity and inclusion as essential to successfully and sustainably achieving our organisation's goals and we respect and value the potential contribution of each employee. Discrimination is unfair, unacceptable and unlawful so we will not tolerate its active practice and are dedicated to eliminating its passive practice.

Southern Cross has a key role in educating its managers about the business benefits of diversity and inclusion, how to recognise discrimination and knowing what action to take. We embrace the key concepts of equal employment opportunities, equitable pay, flexibility & work life balance, accessibility, and cultural sensitivity & celebration amongst others.

Conflict of interest

Southern Cross employees must avoid conflicts of interest between their private financial situation or activities and the conduct of Southern Cross business. Conflicts (real or perceived) may arise if an employee has interests or obligations that are different to the legitimate business interests of his or her employer. Employees must, therefore, ensure they avoid any activity or circumstance that compromises their judgment or objectivity in the performance of their legitimate work duties.

Employees must also be conscious of, and avoid, the appearance of a conflict of interest; that is, where a reasonable observer might assume that a conflict of interest exists and the employee's objectivity or judgement could be impaired.

Gifts, entertainment and bribery

The purpose of business gifts and entertainment in a commercial setting should be to encourage goodwill and sound working relationships; not to gain unfair advantage or personal benefit.

As a general rule employees should not give or accept gifts, entertainment, or any other personal benefit or privilege that:

- Could in any way influence, or appear to influence, their involvement in Southern Cross business dealings; or
- Which either party would feel embarrassed to disclose to a third party (eg: the Board, colleagues, customers, media, external or internal auditors or a regulator).

Personal benefits (including invitations to conferences, functions, domestic and international travel and entertainment) may be given or received at a level that does not compromise any ethical business practices, decisions or actions of Southern Cross.

From time to time (particularly at Christmas) it is standard business practice in New Zealand for a customer or supplier to thank an individual employee/team as part of the client/business relationship by gift giving. Such gifts - whether giving or receiving - should not be anything more than a token and should not exceed a value that could compromise individual employee integrity or be perceived as creating a conflict of interest.

Southern Cross businesses (or teams within those businesses) should implement appropriate guidelines and procedures to help employees understand what is required of them, and employees must adhere to those guidelines and procedures. If employees are uncertain about any aspect of this Code and/or the guidelines and procedures that apply to them, they should consult with their manager in the first instance.

The direct or indirect offer, payment, inducement, solicitation, or acceptance of bribes in any form is unacceptable. Any attempted transaction of this nature should be immediately reported to a Southern Cross manager, or to Southern Cross' internal auditors.

Integrity of financial transactions and information

All business transactions on behalf of Southern Cross must be reflected accurately and fairly in the accounting records of Southern Cross, in accordance with New Zealand generally accepted accounting practice and established procedures, and are subject to audit.

Many Southern Cross employees have a role in ensuring the integrity of Southern Cross' external financial statements and internal management reports. Such employees must ensure applicable professional accounting practices and standards are adhered to, and any known inaccuracies or departures from applicable standards are reported immediately.

Employees should ensure that financial transactions they are involved with:

- Comply with policies, procedures, controls and authorities that apply to them; and
- Are appropriately, promptly and accurately lodged in Southern Cross' accounting systems.

Omissions or misrepresentations that result from intentional acts that may conceal or obscure the true nature of a transaction are clear contraventions of this Code.

Protection and proper use of property

Employees are responsible for the protection of all Southern Cross property they use and must take reasonable steps to prevent the theft, waste, unauthorised access or damage to, or misuse of, such property.

Southern Cross property includes physical assets, corporate information and intellectual property such as inventions, copyrights, patents, trademarks and technology. As Southern Cross may license intellectual property from other companies or organisations, employees must also ensure that property of this nature is protected in accordance with the agreements that give Southern Cross the right to use the property.

Equipment, materials, supplies, intellectual property and employee time are to be used only for the legitimate business interests of Southern Cross. Southern Cross property must not be borrowed, loaned, or disposed of, except in accordance with the appropriate Southern Cross policies.

Employees must not use any Southern Cross property or information, or opportunities arising from these, for personal gain or to compete with Southern Cross.

Confidential information

It is vital that confidential information relating to Southern Cross is kept confidential. Confidential information owned or controlled by one Southern Cross business may only be shared with another Southern Cross business, or with a third party outside of the Southern Cross group of businesses, in accordance with the Group Information Sharing Policy.

Confidential information includes proprietary, technical, business, financial, joint venture, member, customer and employee information and data that is not available publicly. It is the employee's responsibility to know what information is confidential and to obtain clarification when in doubt.

Within Southern Cross, employees should only access confidential information if it is necessary for them to do their job, and such information should be disclosed to other employees only on a "need-to-know" basis. Employees must not access or use confidential information for unauthorised purposes. They must also take reasonable care to protect confidential information against loss, theft, unauthorised access, unauthorised alteration, or misuse.

Employees must not disclose confidential information to any person outside of Southern Cross unless so doing is legally mandated or properly authorised. Confidential information must not be disclosed to family and friends. Where properly authorised disclosure of confidential information is made to persons outside of Southern Cross, efforts must be made to ensure the continuing protection and confidentiality of that information.

Departing Southern Cross employees who have had access to confidential information will be reminded of their continuing responsibility to protect it and maintain its confidentiality and return to Southern Cross any documents, records, and other property in their possession. Southern Cross expects employees joining it from other companies will not disclose the confidential information of those companies.

Environmental responsibility

Southern Cross is committed to good environmental practice and, to this end, expects employees to adhere to such practices, wherever practical. This includes:

- Complying with all relevant laws and regulations consistent with high standards of environmental business performance
- Conducting activities in an environmentally sustainable manner
- Creating, supporting and participating in programmes in the workplace that address material recycling, waste reduction, energy efficiency, best practice management of medical waste, reducing carbon emissions through use of alternative transport options, and furthering e-commerce to reduce administration, paper waste and improve service delivery
- Understanding business risks and contingency plans for an effective response to any environmental incident.

Non-compliance

All Southern Cross employees must understand and conduct themselves in accordance with this Code. They are expected to observe both the spirit and the letter of the Code in all of their interactions with external parties and each other. Non-compliance with this Code may result in legal liability and brand or reputational damage for Southern Cross and/or individuals who work here. As a consequence, any breach of this Code is a serious matter that may result in the relevant disciplinary policy being invoked and action taken against an employee or employees.

Reporting wrongdoing (whistleblowing)

Southern Cross seeks to promote a culture where employees, acting in good faith, feel comfortable questioning and/or reporting breaches of this Code or other wrongdoing. If an employee reasonably believes that wrongdoing has occurred, he or she should report it to an appropriate authority within Southern Cross (for example, their immediate manager, human resources manager, risk or compliance manager, General Counsel, CEO, the chair of the Board's Audit Committee).

Southern Cross businesses should consider what training or communication may be appropriate to their employees (potential whistleblowers) and/or management (potential recipients of reported wrongdoing) to ensure these outcomes are achieved.

This Code does not prevent employees from reporting a wrongdoing to an appropriate external party under an applicable law, regulation or prudential standard.

Protected Disclosures Act 2000

If the conduct being reported constitutes "serious wrongdoing" as defined in the Protected Disclosures Act 2000 (Act), that disclosure may be protected under the Act, subject to the following requirements.

"Serious wrongdoing" in the Act and this Code is:

- A serious risk to public health or public safety or the environment; or
- A serious risk to the maintenance of law, including the prevention, investigation, and detection of offences and the right to a fair trial; or
- A criminal offence.

If an employee reasonably believes that there has been serious wrongdoing within their business, wants that serious wrongdoing to be investigated, and makes the disclosure in accordance with the requirements and procedure set out below, then that disclosure will be protected under the Act. In these

circumstances Southern Cross will protect employees who make protected disclosures (in accordance with the requirements and procedure) from dismissal or disadvantage as provided by the Act.

Disclosure requirements and procedure

When making a protected disclosure an employee must:

- Believe on reasonable grounds the information they want to provide is about serious wrongdoing (and not some other matter); and
- Believe on reasonable grounds that the information is true or likely to be true; and
- Want to disclose the information so that the serious wrongdoing can be investigated; and
- Want the disclosure to be protected.

To make a protected disclosure the employee must:

- Identify themselves;
- Identify the person(s) the employee believes is(are) involved in the serious wrongdoing; and
- Specify the nature of the serious wrongdoing.

Disclosure must be made to Southern Cross' General Counsel except where the employee believes the General Counsel is involved in the serious wrongdoing, in which case the disclosure should be made to the relevant Southern Cross CEO.

Any disclosure will be investigated promptly. If no action is taken within 20 working days, there is urgency, or the employee believes the General Counsel or relevant CEO may be involved in the serious wrongdoing, then the employee may disclose the information to the Chair of the appropriate Audit Committee.

Under the Act a person to whom a protected disclosure is made then must use his or her best endeavours not to disclose information that might identify the person who made the protected disclosure unless:

- (a) That person consents in writing to the disclosure of that information; or
- (b) The person who has acquired knowledge of the protected disclosure reasonably believes that disclosure of identifying information:
 - (i) is essential to the effective investigation of the allegations in the protected disclosure; or
 - (ii) is essential to prevent serious risk to public health or public safety or the environment; or
 - (iii) is essential having regard to the principles of natural justice.

Protection will not be available under the Act or this Code for an employee who discloses information publicly or through the media, or if an employee knowingly makes a false disclosure or otherwise acts in bad faith. An employee is not authorised under the Act or this Code to disclose information which is protected by legal privilege. This Code remains subject to any other applicable rights and provisions under the Act.

Code maintenance and changes

This Code is approved by the Boards of the Society and Trust on behalf of their respective subsidiaries.

The Company Secretary has administrative responsibility for this Code, including regular reviews (in consultation with the businesses) to ensure the Code remains appropriate, legally compliant and fit for purpose.

In accordance with each employee's employment or engagement agreement, Southern Cross reserves the right at its discretion to amend all or part of this Code. Any changes to this Code must first be approved by the Society and Trust Boards before becoming effective.