

Community Impact Report 2022

# With you, New Zealand



# Nau mai!

As champions for health and wellbeing, we want every New Zealander to live their healthiest life.

In this fifth report, we highlight where we have contributed in the last year to help our communities be as healthy as possible.

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# Healthier lives for more New Zealanders



We're with you. At Southern Cross, we aim to be an indispensable partner in advancing the health and wellbeing of all New Zealanders.

As a group of businesses sharing a for-purpose ethos, we pledge to stand alongside people, with communities, and with our partners.

Southern Cross is New Zealand's largest private funder and provider of healthcare services. Our group comprises the Southern Cross Health Society, a member-focused Friendly Society and New Zealand's largest health insurance business; and the Southern Cross Health Trust (Southern Cross Healthcare), New Zealand's largest independent healthcare network and a charitable trust focused on all New Zealanders.

Operating independently of each other, the Southern Cross group of businesses offers the broadest range of health and wellbeing-related products and services, employing almost 4,000 people across the motu. Our shared history is built on trust, compassion, care, leadership, energy, and innovation.

We are united by a common brand and a shared vision of delivering healthier years for more New Zealanders. We want to inspire people to advance their health and wellbeing, so they can live well for longer.

We have been with New Zealanders for over 60 years. When you're with us we can partner with you on your health and wellbeing journey, caring for you and your loved ones when you're sick at home or away, protecting your pets as part of your family, and encouraging you to live your healthiest life.

Our fifth Community Impact Report highlights the positive change we are driving and contributing to: caring for our environment; supporting our members, patients and customers; championing diversity, equity, and inclusion; celebrating our charitable partners; and so much more.





Update from the Chair

# Committed to our responsible business framework

Our responsible business framework will, in time, span all our activities and deeply influence how our businesses align their activities towards the fulfilment of our purpose. This framework charts our journey, encompassing the work we do now and challenging us to explore ways to do even more.



## Kia ora koutou. Welcome.

I'm pleased to present the 2022 Community Impact Report, which highlights the work we do to drive positive change in our communities.

Southern Cross was initially established as a not-for-profit Friendly Society to ensure New Zealanders had access to quality, affordable, private healthcare.

Sixty-one years later, our commitment to this founding principle remains strong. We have evolved to become a group of independent businesses sharing this for-purpose ethos, a common brand, and a vision to deliver healthier years for more New Zealanders.

Our unique shared history, brand, and vision allow us to work together to achieve the greatest positive impact for our people, communities, and environment. This shared commitment to being a responsible group of businesses underpins everything we do, and we are building clear programmes of work to continue this focus.

We have developed a shared framework for the Southern Cross group, setting out our vision, commitment, and focus areas under three pillars – our social impact, our care for the environment, and our commitment to the ethos of our group.

While all three focus areas are important, our priority pillar is “social impact”. With our experience and expertise in supporting access to better health and wellbeing, this is where we believe we can achieve the greatest positive outcomes for our people and our communities.

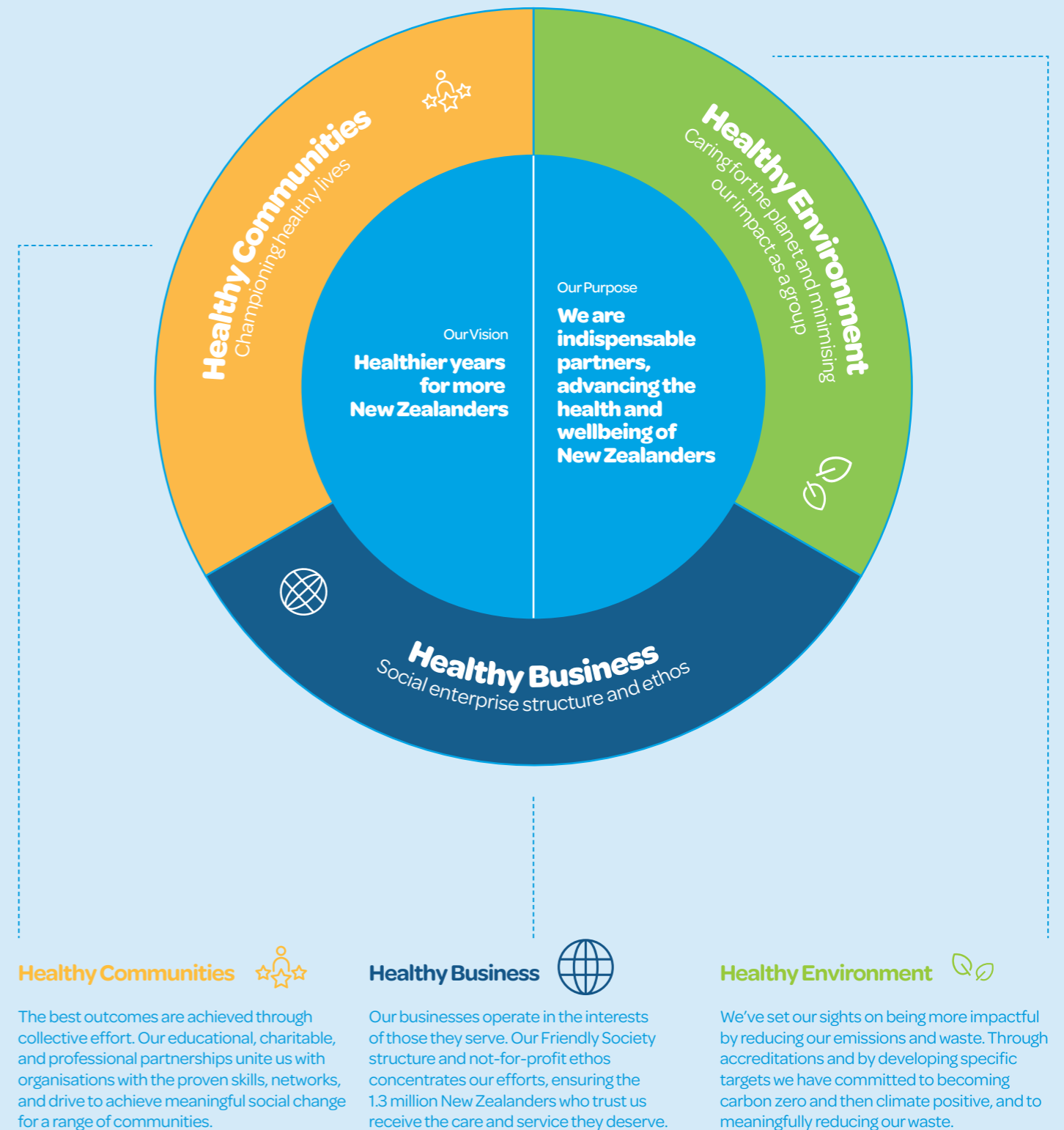
Our flagship social impact initiative is the Pause Breathe Smile mindfulness programme, which is fully funded by Southern Cross Healthcare for all primary and intermediate schools. The programme is having a significant and proven positive impact on tamariki. I encourage you to learn more about Pause Breathe Smile and its effectiveness on page 12 of this report.

I warmly invite you to read on to understand our commitment to helping New Zealanders live well for longer with Southern Cross.

**Ngā mihi,**  
**Murray Jordan**

Head to our website to learn more about our history and leadership  
[southerncross.co.nz/about-southern-cross](https://southerncross.co.nz/about-southern-cross)

# Our responsible business framework





# Highlights from 2022

Southern Cross has been trusted by New Zealanders for decades. We are committed to helping New Zealanders live healthier lives through the work we do and the projects we support.

Here are some of our highlights from the last year:

\* All financial data relates to the financial year ending 30 June 2022, unless stated otherwise.

## COVID-19 response

**We stepped up again to offer support for those affected by Covid-19.**

- + As New Zealand faced Covid-19 in the community, Healthcare responded with new protocols to keep people safe, and our doors open.
- + Healthcare continued to support the broader health system by providing elective surgical care to Te Whatu Ora – Health NZ patients.
- + Among other initiatives to assist the wellbeing of frontline and support staff, Healthcare employees were provided a week of special Covid-19 pandemic leave to support those awaiting a test result and the required isolation period for sickness.
- + Health Insurance will use a significant portion of the larger-than-expected surplus from FY22 to help ease premium increases for its members, at a time of economic strain and uncertainty.
- + Travel Insurance offered Covid cover for domestic and international travel, paying out more than \$1.5 million in claims for New Zealanders' travel plans affected by the pandemic in the year 2022.



## Hospitals

Joint-venture Southern Cross Central Lakes Hospital opened in January, as did the expansions to Southern Cross New Plymouth Hospital. Joint-venture Southern Cross Silverdale Hospital is due to open in Q4 FY23, and the redevelopment of Southern Cross Wellington Hospital is anticipated to begin in December 2022.

## Better '22

As of 30 September, 10,703 Southern Cross Health Insurance members had taken up a free CareHQ consult, 12,775 Raise counselling sessions were conducted, and 31,901 free 'flu vaccination vouchers were ordered, as part of the Better '22 campaign to support members' health and wellbeing.

## Employee benefits

Healthcare has significantly enhanced its employee benefits package to recognise the value and care the team provides for patients. All permanent employees will receive unlimited mental health and physical sickness leave (trials for 12 months), an extra day's annual leave (Nurses Appreciation Day), and significant pay increases for frontline clinical teams.



## Te Ao Māori

The Southern Cross group continues its commitment to deepening its knowledge of Te Ao Māori, providing te ara reo Māori classes to employees, celebrating Matariki and te wiki o te reo Māori, and offering the Te Kaa Māori cultural competency programme to our people.



## Reducing plastic waste

Southern Cross Healthcare saved 9.4 tonnes of plastic from going to landfill in FY22, helping to preserve our precious environment.



## 18,627 safe nights

Pet Insurance is very proud to be a partner of Pet Refuge, New Zealand's first shelter dedicated to temporarily housing pets affected by domestic violence. Since the shelter opened in 2021, Pet Refuge has provided 18,627 safe nights, helped 220 pets and their families, and reunited or rehomed 178 pets.



## Multiple award wins

Health Insurance was voted New Zealand's most trusted health insurer for a sixth year at the Reader's Digest Most Trusted Brands Awards, while Travel Insurance won Gold for the fourth year in a row at the Reader's Digest Quality Service Awards and Travel and Health Insurer of the Year at the International Travel Insurance Journal (ITIJ) Awards.



## Growing healthy minds

Since 2020, when Southern Cross started to fund the Pause Breathe Smile mind health programme, more than 96,000 children in 352 primary and intermediate schools have learned effective ways to deal with life's ups and downs.



## Travel Insurance claims paid

Travel Insurance was with its customers as the world began to open up again after Covid-19. The business insured 60,600 New Zealand travellers in FY22 and paid New Zealand customers \$1.45m in travel claims.



## Healthy Futures

This year, the Southern Cross group launched the 2022 Healthy Futures Report, the biennial study analysing New Zealanders' attitudes to physical, emotional, and social health and wellbeing. The report helps us understand what matters most to New Zealanders.



## National Consumer Council (NCC)

The NCC is an independent voice to champion the patient experience in our hospitals. This year it has supported the refresh of patient resources, our patient satisfaction survey, and the patient experience from a te ao Māori perspective.



## More healthy smiles

To date, 6,000 people have benefited from necessary dental treatment as a result of the Smile NZ Free Dental Days programme. This joint initiative between the Southern Cross Health Trust and the New Zealand Dental Association is now in its eighth year.



# Leading the team



**Nick Astwick**  
CEO, Southern Cross Health Society

## Kia ora,

What drives me every day is the opportunity to lead an organisation that is purpose-driven and operates in the best interests of its members, communities, and New Zealand. Southern Cross has a vision to make a significant and positive contribution to our country and its people.

Our Community Impact Report gives us the opportunity to look back at how we have supported our people and communities over the past year, and to look at how we'll deliver more benefits for our members, our people, and the wider community in the future. We are all about helping people to live well for longer and we're constantly innovating to find better ways to support this goal.

At our core we are a large-scale social enterprise, and our not-for-profit, for-purpose status drives every decision we make. This really matters – it means we put surpluses back into making a difference with accessible private healthcare, we focus on quality and affordability, and we work hard to be as sustainable as possible in our business and for the environment.

This year I am especially thankful to Southern Cross members who have chosen to be with us on their healthcare journey. It is our privilege to serve you, your families, and communities.

By enabling nearly one in five New Zealanders to get on top of their health needs with insurance cover, we believe we are making a difference. Through our Better '22 offer we increased access to health and mental wellness consultations for our members, helping them to live well for longer.

We're also giving back in other ways – by reducing our environmental footprint, empowering our tamariki to thrive, supporting our Southern Cross whānau and team, improving diversity, equity and inclusion, and being with travellers, beloved pets, and their much-appreciated vets. We are committed to understanding and reducing our impact on the environment by reducing carbon emissions where possible, and ensuring our investment activity is both responsible and sustainable – read more on page 24.

I'm deeply passionate about the work we do and our reasons for doing it – Southern Cross' purpose, values, and vision enable us to work together to achieve something bigger than us. Southern Cross is proudly here for a healthier, happier, flourishing Aotearoa New Zealand.

**Noho ora mai,**  
**Nick Astwick**



**Chris White**  
CEO, Southern Cross Healthcare  
& Southern Cross Health Trust

## Tēnā koutou katoa,

Whānau is how we think about all the people who work with us at Southern Cross, our joint venture partners, and the many New Zealanders we welcome into our hospitals and treatment facilities every day.

And whānau make sure they leave something good behind for those who follow. As a parent and a leader of Aotearoa's largest private healthcare business, the motivation to leave a positive legacy to those who are to come is deeply personal. The resulting challenge of delivering high quality healthcare, sustainably, is one of my team's key performance drivers. Tomorrow has already arrived, so the time to act is now. Living and conducting business more sustainably must be at the heart of all we do and the decisions that we make.

With this in mind, Healthcare has developed and implemented a new plan which commits us to increasing our positive social influence, improving our organisational governance, and reducing our impact on the environment. To make real change we must also commit to tangible actions with measurable outcomes and timelines that hold us to account.

We have already taken steps to reduce our carbon emissions and now accurately measure and verify our achievements via ongoing audit and accreditation with Toitū. Some examples of our changes include converting our largest hospital from diesel to LPG, sourcing sustainable products (e.g., compostable gowns), partnering with Medsalv to re-manufacture single use medical devices from our hospitals, converting to reusable sharps bins, and replacing pool cars with hybrids. We are also committed to Green Star ratings for our new buildings.

We know we have a long way yet to go, but our footprints will show our direction and progress.

As we take stock of all we have done and have yet to do, I am exceptionally proud of our work, our people, and the decisions we make at Healthcare and as part of the wider Southern Cross group, to give more New Zealanders healthier years.

**Ngā mihi,**  
**Chris White**



## Social impact

# Healthy communities

The best outcomes are achieved through collective effort. Our educational, charitable, and professional partnerships unite us with organisations with the proven skills, networks, and drive to achieve meaningful social change for a range of communities.

At Southern Cross we're committed to delivering healthier years for more New Zealanders. We aim to be a true champion for supporting healthy lives in Aotearoa.

The core focus in our responsible business framework is the "social impact" pillar. It's in our nature to look after New Zealanders' wellbeing and we're building on our long-term commitment to help people live well for longer.

Our initial focus areas include growing healthy minds by supporting a flagship mind health programme for New Zealand's children, supporting the future of Aotearoa's nursing capacity and capability, and maintaining our commitment to cultural competency and safety, diversity, equity, and inclusion.

Southern Cross is immensely proud to partner with some incredible organisations in Aotearoa New Zealand, including the Pause Breathe Smile Trust, Pet Refuge, the New Zealand Dental Association, the New Zealand Veterinary Association, and Auckland City Mission. Read on for more about these partners making such a difference in our communities.



## Calder Health Centre settles on Home Ground

We're on a mission to support HomeGround through the Calder Health Centre, a Southern Cross Health Trust charitable partner.

HomeGround is the new home of the Auckland City Mission – Te Tāpui Atawhai, and an essential part of its service to Auckland's most vulnerable citizens is the Calder Health Centre. Back in 2008 there was one doctor based in a tiny room. Today, there are five part-time GPs and four nurses providing essential health support. The Centre has seven consulting rooms, a social worker's station, a nurse's station, and a comfortable area.

The Mission's primary healthcare model is nurse-led, providing medical care on-site and in the community through an outreach service. Two of those on-site nursing roles are funded by the Health Trust.

The Calder Health Centre sees some of the most complex and high-needs clients in New Zealand, many of whom are homeless, in crisis, have mental health concerns, or are battling addiction. The Centre also coordinates services with other health providers, including primary mental health services, and can provide secondary pop-up clinics on-site, such as those for diabetes.

Throughout the challenging winter health period, the Calder Health Centre continued to provide Covid-19 and 'flu vaccinations. The impact of Omicron meant the Mission's health services team had to work around restrictions just like everyone else, but staff were able to strengthen their relationship with the people they support by working in a more cooperative way thanks to the Centre's new location at HomeGround.



Pause Breathe Smile

# Growing healthy young minds



Brought to schools by Southern Cross

Pause Breathe Smile is delivered under license from  
**Mental Health Foundation**  
mauri tu, mauri ere  
www.mentalhealth.org.nz

Tamariki at Riversdale School in Southland practise their mindfulness skills.

## Pause Breathe Smile is helping our kids cope with life's ups and downs.

Healthcare funds Pause Breathe Smile (PBS) throughout New Zealand. PBS is a mindfulness programme for primary and intermediate-aged children and is having a positive impact on our tamariki.

### Wellbeing Survey

We've just released independent research by Mindquip using the New Zealand Institute of Wellbeing and Resilience (NZIWR) School Wellbeing Staff Survey. The results are extremely promising.

The research shows significant improvements in how the teachers describe their students' wellbeing and behaviour having implemented PBS. They say learners are more focused, considerate, self-motivated, perseverant, supportive, hopeful, interested, and engaged, and less anxious, pessimistic, upset, and withdrawn\*. The techniques children learn in school are also working for them at home with whānau. Teachers say they benefit from PBS techniques too.

\*New Zealand Institute of Wellbeing and Resilience (NZIWR) School Wellbeing Staff Survey Impact Evaluation Report, Mindquip, 2022

### Kura Māori

In 2021, PBS ran a Kura Māori pilot to determine the effectiveness of the programme when delivered in Māori to tamariki Māori. Findings from this pilot have been used to enhance the programme for the benefit of all schools, including English-medium and full immersion Māori settings. PBS has now developed te reo and Te Ao-led resources and is delivering the programme bilingually to ensure it is fully accessible for kaiako and ākonga who teach and learn in Māori immersion settings.

### Pause Breathe Smile

Pause Breathe Smile (PBS) was developed at the Mental Health Foundation of New Zealand, with specialist input from experts in education, mental health, and mindfulness.

In 2020 Southern Cross joined forces with the Pause Breathe Smile Trust and the Mental Health Foundation. Now sponsored and fully funded by Healthcare, the PBS programme is available free of charge to any primary or intermediate school in New Zealand.

Workshop facilitators train teachers to deliver the eight-week programme in their classrooms, ensuring it is embedded within the school. Focus areas include mindful breathing, eating, and movement, and gratitude, emotional literacy, kindness, and resilience. There is an emphasis on empowerment and equipping children with the skills to manage life's challenges.

Southern Cross has now extended its funding through to June 2024.



# 99%

of teachers said Pause Breathe Smile approaches are highly suitable for Māori tamariki and rangatahi\*

# 98%

of teachers indicated Pause Breathe Smile had a positive impact for children in their classrooms\*

\*Ihi Research Impact Evaluation Report, 2020

"Participating in the Pause Breathe Smile programme was an incredible experience and the mindfulness techniques we learned were truly invaluable. I can't wait to continue using this in the future."

*Student teacher  
Cobden School, Greymouth*



## By December 2022, Pause Breathe Smile had reached:

### 96,000+ children

(10% of all New Zealand kids aged 5-12)

### 7,000+ educators

### 350+ schools





Our charitable partners

# Caring for vets as they care for our pets

## NZVA and Southern Cross Pet Insurance – helping pets live their best lives.

Pet Insurance works closely with vets and is proud to be a partner of the New Zealand Veterinary Association. Pet Insurance jointly launched the 'Value of Vets' campaign on World Veterinary Day in April this year to highlight the work vets do and to shine a light on the challenges they face every day.

Staffing shortages combined with long working hours, particularly since the pandemic began, are affecting the health and wellbeing of vets and vet nurses. Rates of burnout and compassion fatigue are high in the industry.

Despite the challenges, vets go on caring for their patients, playing an important role in our community and supporting everyone who has animals in their lives.

A key challenge for vets is pressure from the public. Veterinary care isn't subsidised like human medical care and some people see pet healthcare as expensive. This can lead to tough conversations about what's affordable and best for the animal – just one of the reasons we believe pet insurance is so important.

We know how hard vets work and we want them to know how much we appreciate them. Pet Insurance helps by supporting the mental wellbeing of vet clinic staff by offering them a counselling session with Healthcare joint-venture partner, Raise.

Pet Insurance's Value of Vets campaign suggested ways people can show their gratitude and appreciation for their vet from a simple "thank you" card updating them on a pet's progress, to trusting their expertise and leaving them positive reviews.



# Reasons to smile



## Health Trust partners with the New Zealand Dental Association (NZDA) to bring free dental treatment to those who need it most.

Smile NZ Free Dental Days (Smile NZ) provides free dental treatment to low-income New Zealanders. The programme returned this year after a break in 2021 due to Covid-19.

During Smile NZ dozens of dentists provide a range of treatments such as restorations, fillings and extractions at no charge to vulnerable patients.

Now in its eighth year, Smile NZ ran from 27 September to 7 October, with 60 dentists from 39 dental practices nationwide volunteering their time to support the programme. The Health Trust funds dental practices for the use of premises, equipment, and dental assistants. Patients also receive oral health education and a free hygiene pack.

To date, this hugely successful initiative has seen more than 6,000 people benefit from treatment. This year, 602 people were treated and 1029 procedures were performed, the most common being fillings, extractions, and scale-and-polishes.

According to Southern Cross' Healthy Futures research in 2022, 57 per cent of New Zealanders strongly associate having good teeth with being healthy. The Health Trust is proud to support Smile NZ which makes dental care accessible for more New Zealanders, so they can enjoy a healthier life for longer.





Healthy futures

# Leading a national conversation on health and wellbeing



Understanding what matters through research helps us to help New Zealanders.

Our 2022 Healthy Futures Report looked at the nation's physical, mental, and social health and wellbeing. Having surveyed 5,000 people since 2019 we use insights from the research to understand what matters to New Zealanders and how we can help meet their needs.

### Key findings and what we're doing

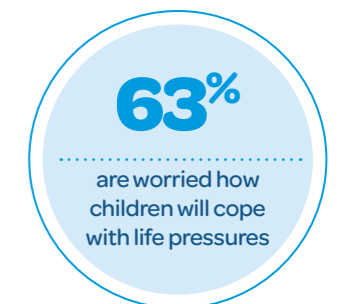
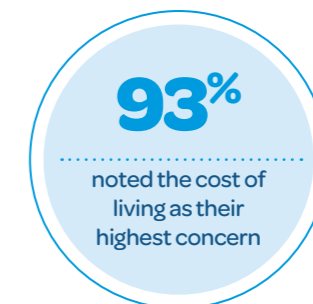
With 93 per cent of people noting the cost of living as their highest concern we see stress and anxiety influencing people's nutrition choices, sleep, and the motivation or energy for exercise. This affects physical health, which, in turn, impacts mental health. Cost is also the biggest barrier to accessing healthcare when we need it (34 per cent) and 25 per cent of New Zealanders say long wait times are a barrier.

To address these issues, Health Insurance now offers members unlimited online GP consultations with CareHQ, up to three online mental health sessions each policy year with Raise, and one annual health check for adults each policy year with MedPro.\*

The Health Trust also funds dental care for vulnerable people through Smile NZ Free Dental Days and supports the Calder Health Centre at the Auckland City Mission.

Many caregivers (63 per cent) are also worried about how children will cope with the pressures of life. This further supports Southern Cross' decision to fund Pause Breathe Smile – the mindfulness programme for children.

Having robust information on hand helps us make better decisions on how we support New Zealanders. To read the full Healthy Futures Report, head to [www.southerncross.co.nz/healthyfutures](http://www.southerncross.co.nz/healthyfutures).



\*Terms and conditions (including limits) apply.



Business and governance

# Healthy business



People underpin everything we do. We are committed to operating our businesses responsibly and ethically. Healthy ways of working, that bring out the best in our people and celebrate cultural and professional diversity, enable us to deliver results that make a real difference in people's lives.

## Supporting our members, patients, and customers.

More than 1.3 million New Zealanders look to Southern Cross to provide the services they need to live healthier lives. Our responsible business framework highlights the not-for-profit-but-for-purpose ethos of the Southern Cross group.

Our businesses operate in the interests of those they serve, and surpluses are reinvested to ensure we can continue to support the provision of healthcare services, keep insurance premium increases as low as possible, and offer a wider range of benefits for our customers.

### Focus on satisfaction

It is a privilege to be with our members, customers, and patients on their health and wellbeing journeys. We measure the experiences people have with us via ongoing customer and patient satisfaction surveys.

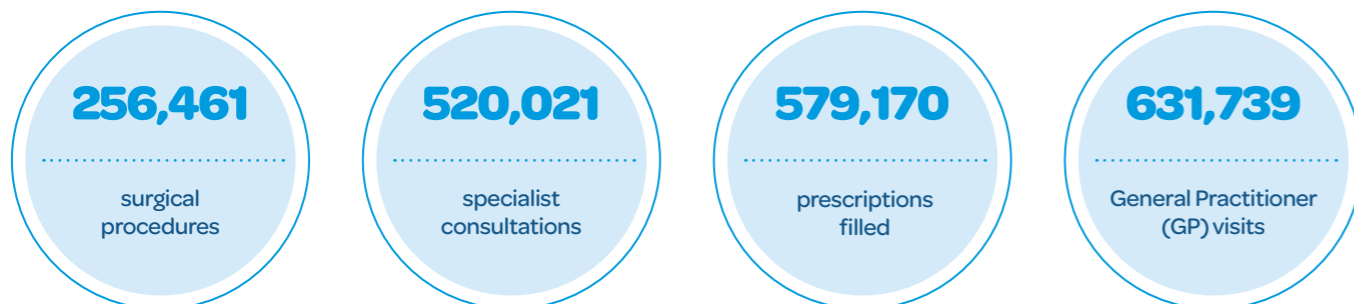
As at November 2022, Health Insurance achieved an above industry standard monthly average Net Promoter Score (NPS) of 54 and a Customer Effort Score (CES) of 81 per cent, which means our members value the service we provide and would recommend us to others.

In FY22, Pet Insurance achieved a NPS of 59 and a CES of 93 per cent. In FY22, Travel Insurance achieved a NPS of 50.

Healthcare's average NPS is 88 and the national average, including joint-venture partners, is also 88. Healthcare's Patient Experience Survey reveals 97 per cent of patients feel included in decisions about their care, and 98 per cent feel their individual, cultural, and spiritual needs are met while being cared for in our hospitals.

## Health insurance claims paid

Health Insurance supported New Zealanders through over three million health insurance claims in FY22, including:



### Travel insurance claims paid

Travel Insurance offered Covid cover for domestic and international travel, paying out more than \$1.5 million in claims for New Zealanders' travel plans affected by the pandemic in the year 2022.

### 60,000+ pets insured

Southern Cross Pet Insurance insured more than 60,000 furry family members and continued supporting vets through its partnership with the New Zealand Veterinary Association. Pet Insurance has also paid out more than \$22.76m worth of claims.

### Better '22

Health Insurance made available to all members some additional free healthcare services in 2022. The services, packaged as Better '22, included unlimited virtual GP consultations with CareHQ (Health Insurance's online health service with joint-venture partner ProCare); up to three counselling sessions with Raise; and free 'flu vaccinations with MedPro during April and May. Raise and MedPro are Healthcare joint-venture partners.

As at 30 September, 10,703 Southern Cross members had taken up a free CareHQ appointment and 12,775 had had a Raise counselling session. In April and May 31,901 'flu vaccinations were administered.

### Healthcare National Consumer Council

Healthcare's National Consumer Council (NCC) is tasked with providing guidance to continually improve the quality of patient experience and care, providing healthcare, Te Ao Māori, design thinking, and plain language expertise. The NCC is an independent voice to champion the patient experience in Southern Cross hospitals.

All financial data relates to the financial year ending 30 June 2022, unless stated otherwise.

## Southern Cross Healthcare by the numbers\*

80,215

people received surgical treatment

1,155

credentialled medical specialists

45,900

people received physical rehabilitation

123,954

people received workplace health services

25,676

people received mental health support

62,147

people received virtual care treatments

\*All data is from 1 July 2021–30 June 2022 and is for Healthcare's wholly-owned hospitals and joint-venture partnerships with Active+, MedPro, Raise and TBI Health. Work-related health services include workplace assessments, health checks, monitoring, vaccinations, rehabilitation, back to work assistance and mental health support.



Social impact – the health of our team

# Healthy people to help New Zealanders



We believe our greatest asset is our people, and the wealth of our organisation lies in their health and wellbeing.

Supporting our people to be and to stay well means we can continue to support our members, patients, and customers to live healthier lives.



Southern Cross Healthcare publicly thanked its nurses on International Nurses Day.

### Celebrating International Nurses Day

Healthcare has been very mindful over this past year how much clinical and support teams give of themselves to care for patients. To acknowledge this commitment, the executive leadership spent International Nurses Day in hospitals thanking the teams. This appreciation was also shown publicly through “thank you” messages on billboards and bus shelters around our hospitals, and the gift of a day of wellness leave to our 2,600 nurses.

### Registered Nurse Anaesthetic Assistant Programme (RN-AA)

This programme is designed for and delivered to private and public Registered Nurses who already hold a Bachelor of Nursing. It provides nurses with an expanded skillset to flex to support anaesthetics in surgery to ensure lists are not compromised. Thirty nurses from Healthcare and DHBs have graduated, with a further 43 RN-AAs working through the programme this year.

### Employee benefits

Health Insurance has a goal to be the healthiest high-performance workplace in Aotearoa New Zealand. With that ambition in mind, the business has refreshed the benefits available to employees to support their health and wellbeing, and these now include an expanded parental leave policy and five wellbeing days per year.

### Bolstering mental wellbeing

As part of the award-winning Switch2Well programme, Health Insurance initiated an employee wellbeing survey, which produces a personalised report for each employee along with tailored suggestions and resources to support them.

### Celebrating diversity

Travel Insurance was recently awarded the Rainbow Tick and praised for a leadership culture which allows all employees to feel respected and valued, especially those in the rainbow communities. The business is also a member of Diversity Works NZ.

### Building a healthy workforce

At a time when the wellbeing of our healthcare workforce has never been more important, Healthcare is working hard to protect and promote the health of its people. The Wellbeing Stakeholder team has championed the quarterly themes Thinking Well, Moving Well, Eating Well, and Sleeping Well by providing support and resources to lift awareness of these ever-important topics.



Southern Cross Travel Insurance was awarded the Rainbow Tick in February 2022.





Social Impact – it’s about whānau

# Diversity, inclusion & equity for our people



Southern Cross Travel Insurance was highly commended at the NZ Diversity Awards in August 2022.

The Southern Cross group of businesses believes in creating an accountable and inclusive workplace where everyone feels they belong.

The social impact pillar of our shared group framework includes our commitment to cultural safety, diversity, equity, and inclusivity for our people.

We acknowledge that we have not yet arrived at a destination; rather we are starting internally with our people.

### Te Ao Māori across the group

As a group, we are working towards weaving Te Ao Māori into our values and behaviours, and weaving Māori concepts of hauora into our wellbeing offerings and benefits. We hope these practices will support our vision for healthier lives for Māori and therefore all New Zealanders.

### Te Kaa:

Since 2020, Health Insurance has partnered with Maurea Consulting to run Te Kaa, a comprehensive training programme that ignites Māori cultural awareness and competency. Healthcare’s executive leadership team will undertake training in early 2023. Travel Insurance’s executive leadership team and diversity and inclusion forum members will be doing cultural and competency training in 2023.

### Te reo Māori:

We are committed to embracing te reo me ona tikanga (Māori language and customs) and interweaving them into our strategies and practices. Some of this year’s milestones:

- + The Health Insurance kapa haka roopu celebrates its fourth anniversary
- + Around 100 Health Insurance employees have graduated from te ara reo Māori on-site classes, and Healthcare is investigating how to introduce local te reo Māori education
- + Health Insurance and Healthcare held Matariki events and celebrated te wiki o te reo Māori

### Support for our communities

This year, the Health Insurance Diversity & Inclusion (D&I) Forum held events and activities to celebrate International Women’s Day, Pink Shirt Day, and NZ Sign Language Week, among others. The business announced the first recipient of a Southern Cross scholarship through the Rainbow Charitable Trust and raised a total of \$3,400 for Sweat with Pride.

### Travel Insurance celebrates success

Travel Insurance has had plenty to celebrate this year. In February the business was awarded its Rainbow Tick accreditation and the D&I Committee celebrated its first birthday in April. In August, Travel Insurance became a member of Diversity Works NZ and was awarded “Highly Commended” in the Inclusive Organisation Award for small to medium businesses at the NZ Diversity Awards. The business was a finalist in two categories at the NZ Rainbow Excellence Awards, and was also awarded the Best Plain English Legal Document at the Plain English Awards 2021 for its Domestic Travel Insurance policy (NZ).

### Healthcare commits to strategy development

Healthcare has established a Diversity, Equity & Inclusion (DEI) Steering Committee to oversee initiatives and drive strategy. In parallel, the business is putting focus on cultural competency, with a Cultural Competency Survey conducted to provide a baseline from which to support strategy development and measure progress.

## Gender representation

We’re striving for greater representation of all genders across our businesses, and to extend our metrics for diversity to other areas such as ethnicity and disability.

# 0.5%

of Health Insurance and Pet Insurance’s workforce identifies as non-binary

# 77%

of Health Insurance and Pet Insurance’s executive leadership team is made up of women

# 70%

of Healthcare’s hospital General Manager positions are held by women

# 69%

of Travel Insurance team members are women



Healthy environment – a healthy New Zealand

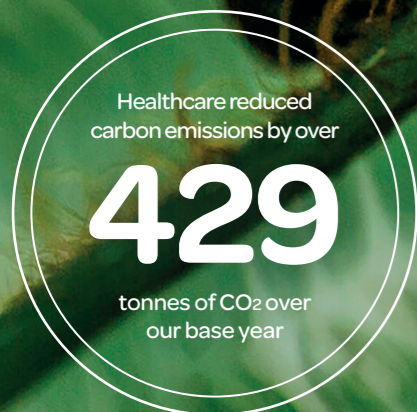
# Caring for our natural environment

We've set our sights on being more impactful by reducing our emissions and waste. Through accreditations and by developing specific targets, we have a long-term commitment to becoming carbon zero and then climate positive, and to meaningfully reducing our waste.

Being in nature is intrinsic to good health and wellbeing, that's why care for our natural environment is a priority for Southern Cross. All our businesses are committed to sustainable practices, reducing carbon emissions and waste, and are continually seeking ways to minimise our impact on the communities in which we work and our broader environment.

Each business has an action plan, which includes specific targets to work towards carbon reduction goals. The group as a whole will align on recognised accreditation processes to achieve these targets.

For example, we are committed to reducing emissions where we can and have signed up to the carbon reduction certification process offered by Toitū Envirocare.



## Southern Cross Health Insurance

During 2022, Health Insurance evolved the way we measure our carbon footprint. We've now added two new sources of emissions to our overall measurement of carbon emissions: working from home, and our employees' commute to the office.

These two new sources add to our overall measured carbon footprint for FY22, particularly compared with FY21. Health Insurance's measured carbon footprint for FY22 will therefore be higher than in FY21. However, if we compare the FY22 emissions that we also measured in FY21, these emissions decreased by eight per cent from last year and are 28 per cent below the like-for-like target. This decrease is largely due to Covid-19 restrictions.

We are on a journey to improve how we measure and how we could influence our broader supply chain and, as a result, we are likely to see an increase in our measured carbon footprint, as well as new initiatives to help address these indirect emissions. Given that we are widening the scope of how we measure emissions, it is unlikely that we will reach our original reduction target of 30 per cent by 2026. However, we are committed to understanding and reducing our impact on the environment; where possible, whatever emissions we are unable to reduce we will look to offset via carbon credits.

This calendar year we have also delivered other planned initiatives, such as introducing 21 new plug-in hybrid electric vehicles (PHEVs) for our sales teams, which will make a significant contribution towards reducing our carbon emissions in the future. We hope that enhancements to the My Southern Cross app will mean an increase in app usage by our members, and less printing and postage associated with claim outcomes, renewals, and welcome packs, therefore reducing our carbon emissions further. We also adopted a low-carbon approach to our investment portfolio to ensure a sustainable investment decision process.

## Southern Cross Travel Insurance

As part of its commitment to the shared group responsible business framework, Travel Insurance is working towards becoming Toitū Envirocare accredited. A sustainable action plan will be developed once the business establishes its baseline.

## Southern Cross Healthcare

As a leading New Zealand healthcare organisation, we strive to drive, embed, integrate, and take accountability for our sustainability, without compromising future generations.

We are in our third year of the Toitū Envirocare carbon reduction certification in accordance with ISO 14064-1. We have reduced our carbon emissions by over 429 tons of CO<sub>2</sub> over our base year, showing a decrease in our intensity-based emissions by 15 per cent and an absolute decrease of seven per cent.

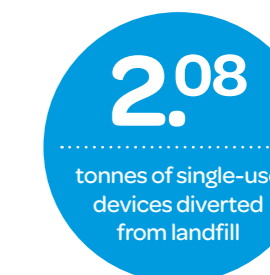
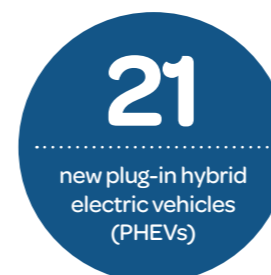
Our clinical teams are working hard to minimise desflurane use in our theatres, providing a saving of over 540 tons of CO<sub>2</sub> over last year's emissions. Our property and development teams, even while expanding our hospital network footprint, have implemented energy efficient changes to operational systems and made savings of over 170 tons of carbon emissions over our base year.

With digital services and access to increased technology bringing us all closer, we have saved over 50 tons of CO<sub>2</sub> emissions from reduced staff air travel. Transitioning our vehicle fleet to hybrid and our procurement team's ongoing work to bring more sustainable products to our network will continue to help mitigate our environmental impacts. We're proud of our commitment to adopt the Green Star rating for our new builds, starting with our upcoming build in Wellington.

We are committed to becoming New Zealand's largest net-zero carbon healthcare organisation by 2040.

Healthcare waste reduction:

- + Our network of wholly-owned hospitals has collected over 3,750kg of PVC IV bags for recycling, the equivalent of 250,000 bags
- + We have diverted 3,553.37 kg of plastic (the equivalent of 646,122 plastic shopping bags) from landfill by deploying reusable sharps collectors throughout our hospitals
- + We're reprocessing single-use devices, such as DVT sleeves and air transfer mats, and saving 2,088kg from being sent to landfill
- + Our procurement and supply chain teams have added over 25 sustainable products to our catalogue, including fully compostable thumb hook gowns, biodegradable and compostable sugar trays, dishes, and pill pottles
- + Many of our hospitals are now collecting single use medical instruments to be broken down, allowing for metal components to be recycled





To find out more about how Southern Cross  
is with communities, visit

**[southerncross.co.nz/CIR5](https://southerncross.co.nz/CIR5)**

There you can read more about our history,  
the charities the Health Trust supports and our  
flagship corporate social responsibility initiative,  
Pause Breathe Smile.

*Live well for longer, with Southern Cross.*

 **Southern Cross** With communities