



Bedford

FY24

Modern Slavery Statement

About Us

Bedford is the second largest employer for people with disability in Australia.

Our purpose is to support people with disability to live the life that they choose, and our mission is to provide people with disability with a diverse range of skill-building opportunities, from social activities through to supported or open employment.

We are proud to be wholly South Australian based, with 21 sites around South Australia.

This Statement

This is Bedford's first modern slavery statement ("**Statement**"). In this Statement, we outline the processes and procedures that we have implemented in our foundational year of compliance.

CEO Statement

Bedford is an organisation that prioritises our people and our organisational values. Our organisational values are aligned with our compliance obligations under the Act.

In accordance with our strategic plans, Bedford has grown in scale with our social enterprises. We are conscious of the inherent risks associated with our business growth and acknowledge that our actions undertaken in this reporting period are crucial to being able to have rigorous oversight of our supply chain and operational risks.

This Statement outlines what Bedford has implemented in its foundational year as a reporting entity under the Act.

Mandatory Reporting Criteria

This Statement has been prepared to meet the mandatory criteria prescribed by section 16 of the *Modern Slavery Act 2018* (Cth) ("**Act**").

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Criteria 1

Identify reporting entity

The reporting entity is Bedford Group Ltd ABN 34 158 717 447 (“**Bedford**”) on behalf of the entities that it owns and / or controls (“**Bedford Group**”) for the reporting period of 1 July 2023 to 30 June 2024. The entities in the Bedford Group are outlined further below.

Criteria 2

Describe the structure, operations and supply chains of the reporting entity

Structure and Operations

Bedford is a not-for-profit organisation and is registered with the Australian Charities and Not-for-profits Commission. Our head office is located at 615 Goodwood Road, Panorama SA 5041.

Bedford operates within South Australia and employs approximately 550 open employees and 840 supported employees. Our employees are engaged in either open employment or supported employment.

Bedford is the head company of the Bedford Group which consists of a group of controlled entities, including our social enterprises who provide open employment opportunities to workers with disabilities.

Through our entity Bedford Social Enterprises Ltd ABN 13 667 167 777 (“**BSE**”), Bedford operates various social enterprise business operations which consist of the following:

Entity	Operations
Cultivate Food and Beverage Pty Ltd ABN 59 670 424 076	Cultivate Food and Beverage supplies over 2,000 stores with its food and beverage manufacturing capabilities bulk food services, storage solutions and distribution services.
Dovetail Advanced Manufacturing Pty Ltd ABN 86 758 265 615	Dovetail specialises in the manufacturing of quality timber products and furniture for consumers and businesses. This includes flat pack and ready-made furniture manufacturing, kitchen and cabinet manufacturing and decking solutions.
GreenInc Inclusive Enterprises Pty Ltd ABN 44 670 538 235	GreenInc offers a range of landscaping and horticultural services, including large scale custom landscape construction and community recreation space establishment and maintenance.

Through our entity Bedford Services and Advisory Ltd ABN 24 839 364 005 (“**BSA**”), Bedford operates various business streams which provide opportunities for supported workers under the National Disability Insurance Scheme (**NDIS**):

Business Stream	Description of operations
Electronic Recycling Australia and Bounce Back Mattress Recycling	Recycling of electrical, electronic goods and mattresses.
Blend Creative	Corporate marketing, brand development and other graphic design services.
Beacon Laundry	Provision of professional laundering of linen and clothing.
Adelaide Property & Gardens	Provision of landscaping and horticultural services across metropolitan Adelaide and regional South Australia.
Packaging	Packaging solutions that can wrap, shrink, seal, polish, label and de-label, and produce a range of goods.
Day options and experiences and centre-based programs	Provision of fun, challenging and capacity building social activities to suit the needs of individuals and small groups. These activities help to develop independent living skills such as cooking and numeracy and literacy and social and recreation activities such as art and sports.
Supported Independent Living	Provision of residential services for independent living.

Sites

Our operations are across South Australia, in the following locations:

Regional South Australia

1. Port Lincoln
2. Whyalla
3. Port Pirie
4. Wallaroo
5. Kadina
6. Mount Gambier

Metropolitan Adelaide

- | | |
|-----------------------|--------------|
| 1. Elizabeth | 9. CBD |
| 2. Edinburgh | 10. Panorama |
| 3. Pooraka | 11. Tonsley |
| 4. Gepps Cross | 12. Reynella |
| 5. Ottoway | 13. Lonsdale |
| 6. Brooklyn Park | 14. Lobethal |
| 7. Torrensville | 15. Totness |
| 8. Balyana at Clapham | |

Governance

Bedford is governed by a Board which oversee our broader compliance and governance obligations. We have various sub-committees which help drive our compliance and governance obligations.

Our Executive Team leads the day-to-day operations of Bedford. Our General Counsel is responsible for overseeing and managing our modern slavery risks and the associated compliance framework.

Supply chains

Our suppliers are vital to our operations. In this reporting period, Bedford engaged with approximately 1,300 Tier 1 suppliers¹ across varying industries and sectors.

Our key supply chains that support our services are:

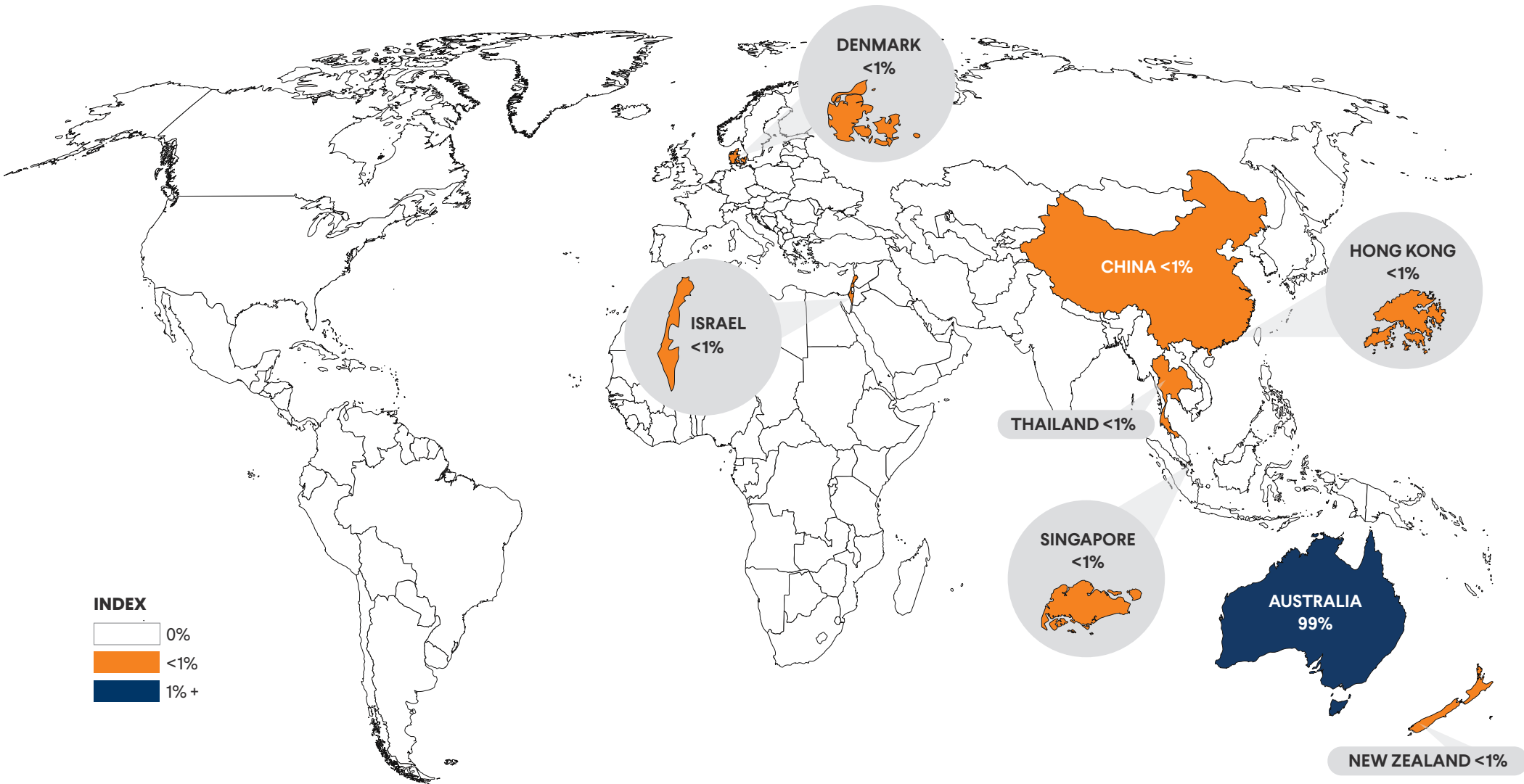
Supplier type	Percentage of Tier 1 Suppliers (%)
Horticulture and Landscaping	28%
Timber Manufacturing	23%
Corporate	22%
Packaging	6%

99% of our suppliers are based in Australia. At Bedford, we prioritise sourcing from local, Australian suppliers. However, we also engage a small number of suppliers from various overseas jurisdictions.

The map on the following page shows pictorially where all of Bedford's Tier 1 suppliers are located geographically.

¹ Tier 1 suppliers are the suppliers that Bedford directly engages with (i.e., directly enters into contractual arrangements with and / or pays for products / services).

Bedford Tier 1 Supplier Locations



The colours refer to the percentage of suppliers located in jurisdictions in accordance with the index.

Criteria 3: Describe the risks of modern slavery in your operations and supply chain

Bedford has adopted the “cause, contribute to and directly linked to” framework from the United Nations Guiding Principles on Business and Human Rights to guide its modern slavery risk assessment.

Using this framework, Bedford assesses the modern slavery risks in its operations and supply chains that could be deemed to cause, contribute to, or be directly linked to risks and / or instances of modern slavery.

Operational risks

Bedford is located in South Australia and operates in a highly regulated sector.

Our employees are engaged in either open employment or supported employment. All of our employees are paid in accordance with the relevant awards, including our supported employees whose wages are calculated in accordance with the Supported Employment Services Award.

To support our workers, we have various frameworks in place such as employee assistance programs and grievance and reporting mechanisms.

Supply chain risks

During the reporting period, we conducted our first supply chain risk assessment. As part of this process, Bedford has adopted a risk matrix which assesses suppliers against various risk factors such as:

- Geographic risk
- Product and service risk
- Entity risks
- Sector and industry risks

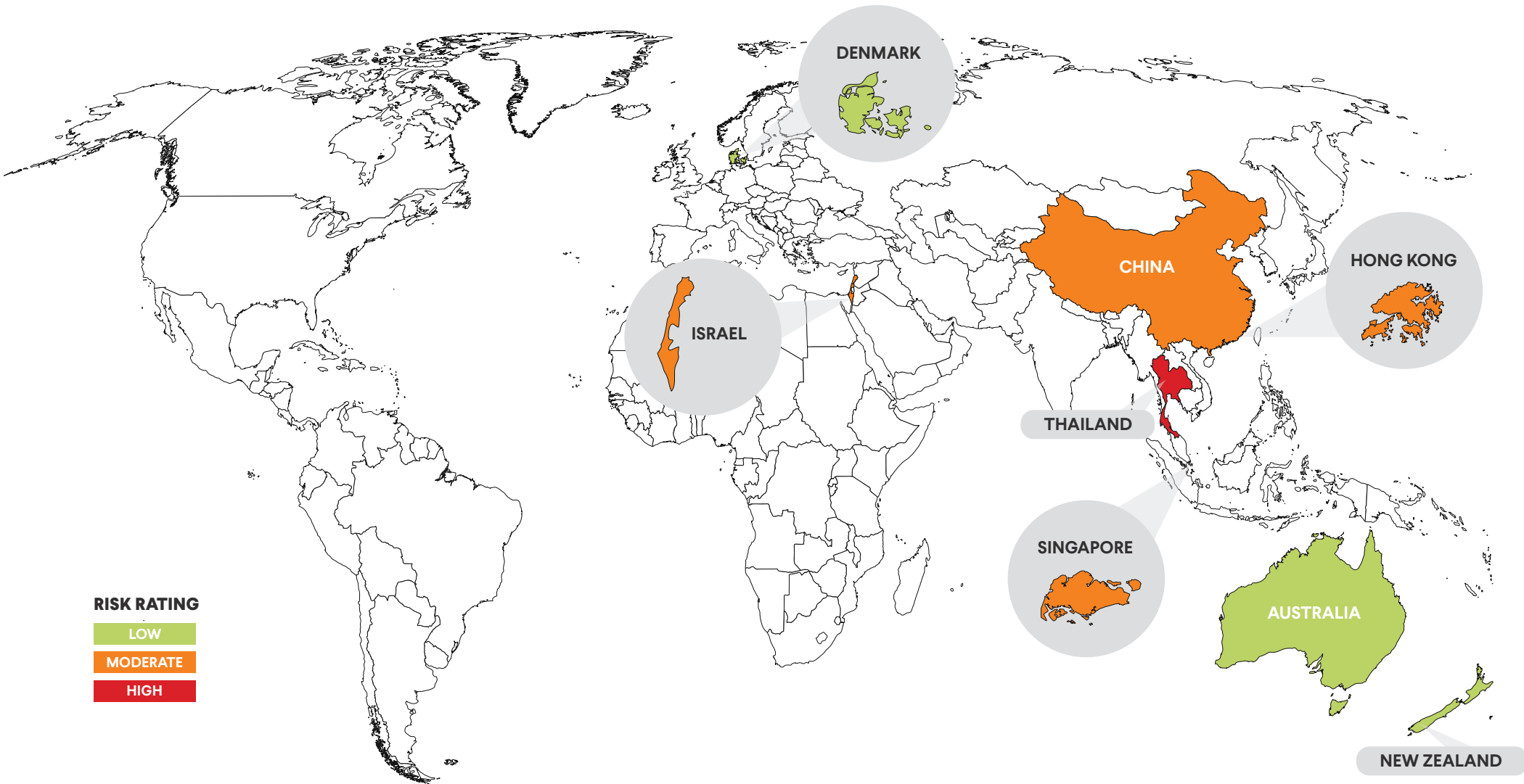
Through this scoping exercise, we have identified and become aware of the inherent risks in the following commodities and industries. This will inform future due diligence efforts in future reporting periods:

<p>Linen and uniforms</p>	<p>Linen (and therefore the raw material cotton) is purchased and used by Bedford to fulfill its services. We also purchase linen and cotton in the form of uniforms for our staff.</p> <p>Based on our initial risk assessment, the risk associated with linen and uniforms suppliers appears to be a risk that may be present deeper in our supply chains (i.e., Tier 2 and beyond).</p>
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<p>Linen and uniforms (cont.)</p>	<p>Cotton is a high-risk raw material for modern slavery. Cotton supply chains are often complex with many suppliers in the supply chains involved in the sourcing and processing of cotton.</p>
<p>Timber manufacturing</p>	<p>Bedford engages with many timber suppliers who are primarily based in Australia and New Zealand.</p> <p>However, the timber manufacturing industry has been associated with heightened modern slavery risks, particularly from jurisdictions such as Brazil, China, Peru and North Korea.</p> <p>Bedford has identified timber manufacturing suppliers based in China and are cognisant of the associated risks with these suppliers and their operations. These supply chains include risks of forced labour, debt bondage and working conditions that are unhealthy and unsafe.</p>
<p>Cleaning</p>	<p>The cleaning industry has long carried heightened modern slavery risks because of risk factors such as:</p> <ul style="list-style-type: none"> • volume of migrant workers in the industry who are more vulnerable to falling into modern slavery conditions; and • the prevalence of deceptive recruiting factors (for example, debt bondage).
<p>Horticulture and Landscaping</p>	<p>Within the “horticulture and landscaping” category of suppliers, we engage various suppliers in the fields of waste removal and broader labour and construction suppliers.</p> <p>In these industries, there can be heightened modern slavery risks. For example, the waste industry has a high prevalence of migrant workers in the workforce who are more prone to exploitation. Migrant labour is also commonly used in the labour and construction industry which, combined with the complex supply chains which are difficult to trace, heightens the modern slavery risks associated with these supply chains.</p> <p>The Fair Work Ombudsman and the Senate Select Committee on Temporary Migration have both identified the Australian horticulture industry as at a significant risk of labour exploitation.</p>

The map on the following page shows pictorially a risk map of Bedford’s Tier 1 suppliers geographically.

Bedford Tier 1 Supplier Risk Map



RISK RATING

- LOW
- MODERATE
- HIGH

The colours refer to the risk rating of the suppliers in accordance with the index.

Criteria 4: Describe the actions taken to assess and address the risks

This reporting period has been a foundational year where we have scoped our key modern slavery risks and commenced a due diligence-based framework based on identified risks. The actions undertaken in this reporting period have set us up for undertaking ongoing supply chain due diligence in future reporting periods.

- **External advisors**

To assist us in starting our modern slavery compliance journey, we have engaged the assistance of external advisors who have helped us develop and implement our modern slavery compliance framework.

This oversight and guidance ensures that we are adhering to our legislative compliance obligations and will, in future reporting periods, improve our approach to modern slavery compliance as required by the "continuous improvement" approach underlying the requirements of the Act.

- **Modern Slavery Portal**

With the assistance of our third-party advisors, we have started to implement a Modern Slavery Portal ("**Portal**"), a digital solution which streamlines our supplier management and due diligence processes.

The Portal assists us in:

- » automating due diligence procedures, including automating the overarching supplier risk score resulting from this due diligence, which is outlined further below;
- » sending out supplier questionnaires and broader supplier correspondence;
- » tracking changes in the risk profile of suppliers in each reporting period;
- » integration with our Contract Management System for an overarching supplier and contract management solution; and
- » tracing and mapping of supply chains – where any suppliers are found deeper in our supply chains (for example, Tier 2 suppliers), we can create links between the supplier profiles to be able to trace and map individual supply chains.

The implementation of the Portal has been a significant project to assist with setting up the foundation for our reporting requirements.

Case Study

Linen and Laundry Supplier – High Risk Jurisdictions

During the reporting period, Bedford issued a modern slavery questionnaire to a linen and laundry supplier. The supplier has identified that they operate in Bangladesh and China and that its suppliers and raw materials are sourced from Bangladesh and China.

These jurisdictions are both high risk jurisdictions for modern slavery risks. With Bedford at the beginning of our due diligence framework, this risk identification assists us with identifying suppliers for further due diligence.

- **Supplier Due Diligence**

During this reporting period, Bedford has undertaken initial due diligence procedures on our Tier 1 suppliers.

These initial due diligence procedures will form part of Bedford's ongoing supply chain due diligence. The steps in these due diligence procedures are outlined below:

- **Risk matrixing**

As outlined in Criteria 3 above, Bedford assesses suppliers against a risk matrix.

This is the first level of due diligence that occurs when suppliers are added to the Portal, whereby suppliers are automatically risk assessed against our risk matrix.

In this reporting period, we undertook risk matrixing on our Tier 1 suppliers.

- **Risk screening**

All suppliers are also subject to risk screenings through a risk and compliance tool which assesses suppliers for broader risks, including:

- » Integrity risks - for example, bribery and corruption;
- » Environmental, Social and Governance (“**ESG**”) risks - for example, modern slavery risks and environmental risks;
- » Data and cyber risks;
- » Operational and quality risks;
- » Identity risks – for example, transparency risks; and
- » Financial risks

Whilst broader risks are not evidence of explicit instances of modern slavery, they are risk indicators of broader non-compliances which could lead to heightened risks of modern slavery. Further, such information is used to identify where deeper due diligence on suppliers be prioritised. During this reporting period, our Tier 1 suppliers were subject to risk screenings.

- **Questionnaires**

Bedford have developed a supplier questionnaire which has been issued to 18 suppliers during this reporting period.

During this reporting period, Bedford chose to focus on high-risk suppliers to be issued with questionnaires based on their overarching risk profiles. Within this, we have focused our due diligence efforts on the suppliers of our social enterprise **Beacon Laundry** due to the heightened modern slavery risks associated with linen suppliers.

The questionnaire assesses suppliers based on their broader ESG risks. As outlined above, an assessment of a supplier's broader risk profile is important to consider as part of their overarching risk profile.

For example, the questionnaire asks suppliers about:

- » the environmental policies and procedures that suppliers have in place;
- » whether the supplier undertakes any due diligence on its suppliers; and
- » what processes and procedures the supplier has to minimise bribery or corruption within their organisation.

o **Sedex**

Bedford utilises Sedex for oversight over some of its timber suppliers to fulfill the modern slavery and ethical sourcing requirements of one of Bedford's customers.

As part of this process, Bedford has oversight over suppliers deep in its supply chains, in some cases down to where the raw materials are sourced, for example, particleboard and melamine.

Through Sedex, we have visibility of the supply chains, from the forests that the wood comes from through to the suppliers that process and manufacture the wood products that are provided to Bedford.

The forests and suppliers are largely based in China. The industry combined with the location of these suppliers mean that there is a heightened modern slavery risk associated with these suppliers.

This heightened risk is partially mitigated through the supply chain oversight provided by Sedex which allows us to see:

- » forestry certificates obtained by the suppliers who log the wood from the forests; and
- » results of ethical site audits and questionnaires issued to these suppliers (which are required to be completed to maintain Sedex membership).

Accordingly, all suppliers in these supply chains are required to have Sedex membership and undertake regular questionnaires and ethical site audits.

Each month, Bedford gets a report on the ethical sourcing status of these suppliers and whether these suppliers have any outstanding requirements, allowing us to have continued oversight over these supply chains and take action on any non-compliances identified.

Criteria 5:

Describe how the entity assesses the effectiveness of its actions undertaken.

The aim of our first modern slavery reporting period has been to build the foundations of our modern slavery compliance framework and to establish robust due diligence processes to set us up for future reporting periods.

Bedford understands that to meet the “continuous improvement” approach under the Act and continue to improve its oversight over its modern slavery risk that it must continually evaluate its modern slavery compliance framework.

Bedford has reflected on the actions undertaken during the reporting period with its third-party advisors and has begun developing an action plan for the FY25 reporting period based on the progress made during this reporting period. Some of these action items are outlined in Criteria 7 below.

Broadly, in the next reporting period, Bedford will be focusing on establishing our supplier due diligence processes as “business as usual” processes and expanding our due diligence efforts across our supply chains.

As Bedford matures in its modern slavery compliance framework, Bedford will implement further robust, annual review mechanisms to ensure that it is meeting the continuous improvement approach underlying the Act.

Criteria 6:

Describe the process of consultation with any entities that the reporting entity owns or controls.

This modern slavery statement has been prepared on behalf of the Bedford Group.

The Board governs the entire Bedford Group and Bedford’s executive leadership. Furthermore, all Bedford policies and procedures apply across the Bedford Group.

The Chief People Officer and our Procurement Team, which work across all organisations within the Bedford Group, are tasked with monitoring Bedford’s modern slavery risks and undertake due diligence on suppliers on behalf of all entities within the Bedford Group.

Furthermore, to prepare this modern slavery statement, there has been collaboration and consultation across the Procurement Team, the Audit and Risk Committee, our newly appointed General Counsel, our Board and our Communications and Marketing Teams which work across the Bedford Group.

Accordingly, Bedford considers that there has been consultation across the Bedford Group during the FY24 reporting period.

Criteria 7: Any other relevant information.

As the foundation year in our modern slavery compliance framework, Bedford has started to establish concrete foundations for its modern slavery compliance framework.

In the next reporting period, we will be focusing on embedding these new processes and procedures as “business as usual” in our operations and expanding on supplier due diligence efforts undertaken in this reporting period.

This will include:

- formalising our due diligence processes into a due diligence workflow;
- reviewing our policy and procedure framework surrounding modern slavery compliance; and
- expanding on supplier due diligence efforts undertaken in this reporting period (for example, issuing supplier questionnaires to a broader range of suppliers) and implementing annual due diligence refresher schedules for all suppliers.

Sign off

This modern slavery statement for the FY24 reporting period was approved by the Board of Bedford.

Signed



Richard Hockney
Chair

10 December 2024