



Modern Slavery Statement 2022

About Afford

The Australian Foundation for Disability (Afford) is a company limited by guarantee and is a charity and not-for-profit service provider registered as a Public Benevolent Institution (PBI) and with the Australian Charities and Not-for-profits Commission (ACNC). At Afford, we provide disability and employment services across Australia to support people to live the lives they want to and achieve their personal ambitions. We take a rights-based approach to service delivery and engagement, that puts our clients at the centre of everything we do.

Our Mission

To provide innovative, flexible and high-quality support to enhance lifestyle, learning and vocational opportunities for people with disability, their families and carers.

Our Vision

Afford is the partner of choice, supporting people with disability to shape their own lives.

Our Values

Integrity, Cooperation, Empathy, Respect and Excellence.

Afford's ABN and ACN

Australian Business Number (ABN): 99 000 112 729

Australian Company Number (ACN): 000 112 729.



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From the Chief Executive Officer

Afford is a purpose-led organisation, and making a positive social impact at the core of our ethos as an organisation and governs our mission and vision.

Social responsibility does not stop and start with what you put into the world through your products and services – it is a holistic position through which you engage with suppliers, vendors, partners, your employees and clients. Addressing the issue of Modern Slavery is about fairness, equity and respect and ensuring that exploitation is eradicated – and this applies across our supply and value chain.

Afford's mission is to provide innovative, flexible and high-quality support to enhance lifestyle, learning and vocational opportunities for people with disability, their families and carers. We're here to empower the choices and goals of our clients with the aim of furthering opportunity and social inclusion for people with disability in Australia – so fairness is at the heart of what we stand for. We work with various partners, suppliers, vendors and agencies across the Government, business and not-for-profit sector to achieve our mission.

This is our first Modern Slavery Statement at Afford and it will govern our ethical purchasing, partnering and procurement practice going forward. This document and the behaviour, processes and culture it represents at Afford is a statement of our commitment to end Modern Slavery.

Jo Toohey

Chief Executive Officer

1. Introduction

This is the first modern slavery statement for the Australian Foundation for Disability (Afford) (ABN 99 000 112 729) and its subsidiary Afford Pty Limited (ABN 081 699 685) and covers the reporting period 1 July 2021 to 30 June 2022.

This Modern Slavery Statement (Statement) is made pursuant to the Modern Slavery Act 2018 (Cth) (Act) by Afford Ltd (Afford, we, us, our) in respect of our actions taken to assess and address modern slavery risks in our operations and supply chains over the reporting period.

In line with our values – integrity, cooperation, empathy, respect and excellence – we are committed to:

- > acting ethically and with integrity and transparency in all of our business dealings and relationships; and
- > implementing processes to minimise the occurrence of modern slavery and human trafficking either in our own operations or in our supply chains.

2. Our structure, operations and supply chains

2.1 Structure

Afford is a company limited by guarantee and a registered charity with the Australian Charities and Not for Profit Commission. Afford has one dormant subsidiary, Afford Pty Ltd. Our National Head Office is located at 3-7 Marieanne Place, Minchinbury NSW 2770.



2.2 Operations

Afford provides essential services in accommodation, employment and lifestyle programs for people who have a disability.

Afford is one of Australia's most established disability service providers, with a 70-year history of working with our clients, their families and carers to achieve their goals, be empowered to make great choices and realise opportunities and aspirations in life and work.

We work in partnership with our clients, their families and carers to achieve these opportunities with independent living solutions, short-term accommodation, lifestyle centres and employment services for anyone over the age of 18.

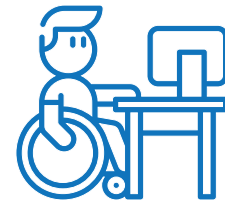
Afford also provides NDIS support and allied health coordination.

Afford operates in New South Wales, Queensland, South Australia, Victoria and Western Australia. We are a not-for-profit organisation and a registered Australian charity. We are also a Registered Provider under the National Disability Insurance Scheme (NDIS). Afford's mission is to provide innovative, flexible and high-quality support to enhance lifestyle, learning and vocational opportunities for people with disability, their families and carers. Our vision is to be the partner of choice, supporting people with disability to shape their own lives. Everything we do is underpinned by the values of integrity, cooperation, empathy, respect and excellence.

During the Reporting Period, Afford had approximately 152 sites across

Australia, delivering services in relation to Supported Independent living, Short term accommodation, Day Programs, Disability Employment Services (DES) sites, Australian Disability Enterprise (ADE) sites, and Supported Leaver Employment Supports (SLES) sites.

Afford had approximately 2,514 employees, comprising 363 full time, 1,236 part time and 916 casual staff.



Employment type

2,059

Other

455

Supported



Employment status

1,236

Part-time

363

Full-time

916

Casual

Afford executive structure



2.3 Supply chains

Afford procured goods or services from approximately 1,400 suppliers during the Reporting Period. In order to prioritise the most pertinent modern slavery risks in our supply chain, we focused on categorising Afford’s top suppliers by spend. These suppliers represent 20% of our supply chain but 80% of our expenditure. The majority of our arrangements with suppliers are longer-term in nature.

Afford procured goods and services from the following categories:

Pallets & Packaging	Fleet	Insurance
Property (Development, Management and Real Estate)	Professional Services	Recruitment
Marketing & Advertising	Consumables & Office Stationery	Clinical Products
Cleaning Products & Services	IT products and services, AV, Telecommunication	Travel & Accommodation
Freight services	Entertainment and Gifts	Learning and Development
Furniture	Finance, Audit and legal	Kitchen and Laundry Appliances
Utilities, Water Supply & Waste Management	Food – Dry and Fresh	Client Mobility & Direct Care equipment

Our direct suppliers are all located in Australia. However, we acknowledge that our direct suppliers are likely to rely on global supply chains. We plan to investigate our supply chain beyond the first tier in future reporting periods.

Our largest procurement expenditure categories were Pallets & Packaging, Fleet, Insurance, Property – Development, Professional Services, Recruitment, Marketing & Advertising, and IT Services.

Since the development of this statement Afford have sold our Pallet business and as a result for our next reporting period our expenditure for the Pallet category will not exist.

3. Risks of modern slavery practices in operations and supply chains

3.1 Modern slavery risks in our operations

In seeking to identify the modern slavery risks in our operations, we considered the potential for our organisation to cause, contribute to, or be directly linked to modern slavery. In doing so, we looked at:

- > the risk that our operations and procurement practices may directly result in modern slavery practices,
- > the risk that our operations and/or actions in our supply chains contribute to modern slavery; and
- > the risk that our operations, products or services are connected to modern slavery through the activities of another entity, including business partners.

Given that our operations are based entirely in Australia, our geographic risk for modern slavery is low according to the Global Slavery Index. Furthermore, the risk of modern slavery occurring in our direct employment of workers also is low having regard to our compliance with award rates and the legal framework regulating employment practices in Australia. However, we are mindful that having 36 per cent of our workforce on casual contracts might be seen as providing less security and protection for those workers. In acknowledgement of this risk, Afford recently undertook a casual conversion project where staff with regular and systematic patterns of work were invited to permanent employment. This is an ongoing process.

In recent years, there have been media reports in relation to concerns of forced labour and exploitation of workers in Australian Disability Enterprises (ADEs). Afford has no knowledge of any such complaints being received within our ADE business.

The measures we have in place, as described further in part 4.1 below, are designed to provide quality training, support and development to each individual and mitigate the risks of human rights impacts.

3.2 Modern slavery risks in our supply chains

Our most salient modern slavery risks may be present in our supply chain and its procurement practices, which includes a broad range of direct suppliers from various industries, including those generally considered at higher risk for modern slavery by virtue of their sector risk and/or the higher risk components and raw materials that form part of the products manufactured in the sectors. Examples include, food (dry and fresh), cleaning services, consumables, furniture, ICT hardware, construction and motor vehicles (fleet). The risk profile of these sectors is heightened by the utilisation of base skilled workers with limited ability to negotiate their wages and rights in the workplace. The risks in the goods procured from the aforementioned categories stem from the later tiers of our supply chain, over which we have limited visibility at this point in time.

We grouped our top 280 suppliers that provided goods or services during the Reporting Period, by expenditure into categories to produce a matrix, identifying areas across the supply chain where risks are likely to present.

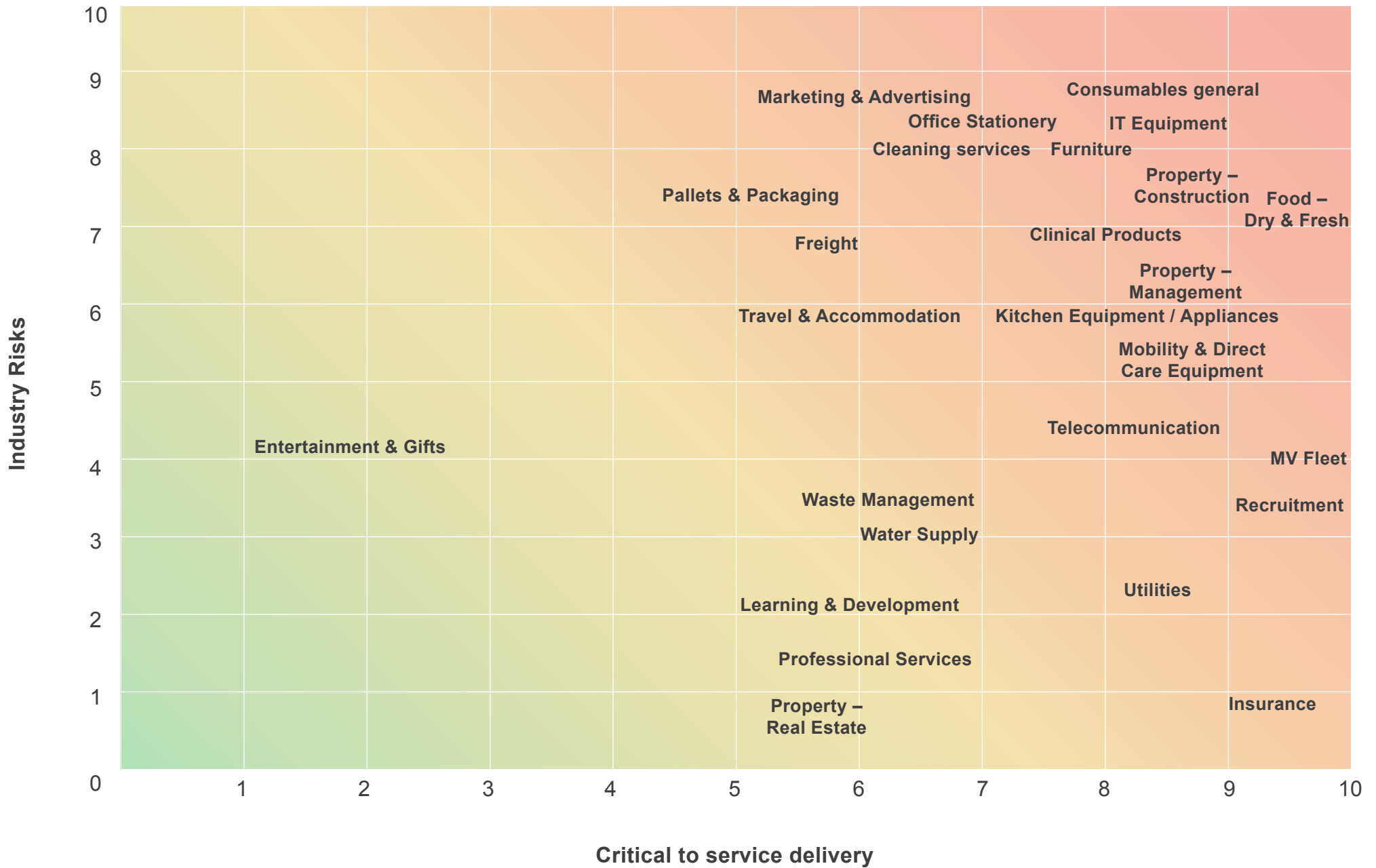


Supply Chain Modern Slavery Matrix (following page)

The matrix provided us with a preliminary assessment of the modern slavery industry risks in our supply chains as against the criticality of the goods or services to service delivery. Given the early stages of developing our approach to modern slavery due diligence and the lack of visibility beyond the first tier, our matrix was agnostic to country risk.

The matrix enabled us to identify the categories for prioritisation as we take a risk-based approach in assessing and addressing modern slavery risks in our supply chain.

Supply Chain Modern Slavery Matrix



4. Actions to assess and address the risks

During the Reporting Period, we took the following actions to assess and address the risks of modern slavery in our operations and supply chains:

4.1 In our operations

Development of a Human Rights Policy Statement

We commenced the development of a Human Rights Policy Statement during the Reporting Period. It articulates our shared commitment by Afford and all employees to promoting and upholding the human rights of all people. The Human Rights Policy Statement outlines Afford's commitment to upholding the principles enshrined in the United Nations Convention on the Rights of Persons with Disabilities, the Universal Declaration of Human Rights and the National Standards for Disability Services DSS 1504.02.15. The Human Rights Policy Statement sets out the right to make a complaint in respect of human rights impacts.

Establishment of a modern slavery working group

During the Reporting Period, we established a Modern Slavery Working Group (Working Group) comprising representatives from Human Resources, Brand and Engagement, Finance, Enterprise Risk, ADE division and Procurement teams. The Working Group have been meeting on a regular basis to plan and co-ordinate the business' approach and strategy in relation to mitigating modern slavery risks and drafting of the statement

Risk assessment of modern slavery practices

Management of our modern slavery obligations against legislation was included in our internal organisational risk register. Controls and treatment plans to ensure compliance against modern slavery legislation is monitored and actioned in accordance with our Risk Policy and Risk Procedure.

Procurement practices risk is also included in the risk register, to ensure the risk of uncontrolled or poor management of procurement activity when purchasing goods and services is managed in accordance with ISO 31000 Standard Principles as articulated in our Risk Procedure.

Recruitment processes

In addition to the casual conversion project referred to above, our employment processes are consistent across casual and permanent positions. Candidates apply for a position after having read through the job advert. Applications are reviewed by the Recruitment Specialist or Hiring Manager, and suitable candidates are shortlisted and contacted by a recruitment specialist to conduct a phone screen interview. If successful at the phone screen stage, they are invited to an interview with the relevant hiring manager.

If the candidate is successful at the interview, they are advised they are the preferred candidate and progress to the offer stage of the recruitment process. The compliance checks are initiated, and the

employment contract is provided to them, which sets out their employment terms and conditions per the National Employment standards and/or any applicable Industrial instrument. All employees are required to meet the role-specific screening and probity checks per the NDIS and our requirements. Employees are then required to complete the onboarding process and induction training requirements.

External employment agencies are used only in limited circumstances to fill certain positions that are difficult to fill such as Allied Health positions and support in operational areas. This type of engagement is managed by Afford Procurement where agencies go through the relevant compliance checks as part of the supplier onboarding process.

Processes for supported employees

As foreshadowed above, supported employees at our ADEs are provided with quality training, support and development for each individual. No one is locked into a fixed term contract and workers are free to leave upon giving two weeks' notice. Funding is allocated to the client, not to Afford, so that the client has full choice of where they choose to work. Under the Fair Work Commission, all Supported Employees are covered by the industry award - Supported Employment Services Award 2020 and the National Employment Standards (NES) that set the minimum conditions of employment. In calculating the wage rate for our supported employees, we use an approved wage assessment tool called Green Acres where the role is calculated based on productivity and support needs. In addition, Afford is audited annually by an external government agency to ensure compliance with the NDIA practice standards.

We offer varied types of works, which provides our employees with new

opportunities to grow their skills and facilitate career progression. In the last three years, Afford has been able to provide five supported employees the opportunity to gain forklift licences, which has helped them to secure a pay increase and are now paid as leading hands.

4.2 In our supply chain

Development of an Ethical Purchasing Policy

During the Reporting Period, we commenced the preparation of our Ethical Purchasing Policy. We intend for this Policy to apply to all Afford staff, and suppliers including their employees, agents, volunteers, contractors, consultants and business partners. We also intend for this policy to inform our suppliers that those obligated to report under the Act will need to provide Afford with a copy of their modern slavery statement. A review of our suppliers' modern slavery statements will allow Afford to further map our supply chains and assess our tier 2 and tier 3 suppliers.

The Policy requires our staff to take measures to monitor supplier compliance with the Code and the Act, create awareness of modern slavery risks among our people involved in procurement and purchasing arrangements and monitor legislative developments concerning modern slavery.

Development of a supplier code of practice

Afford is in the process of developing a Supplier Code of Practice (Code). Its purpose is to facilitate the elimination of slavery and human trafficking in Afford's supply chains.

The Code requires suppliers to self-certify

compliance with the Code by responding to questions in respect of the supplier's modern slavery due diligence mechanisms. The draft Code also includes, where applicable, requests for copies of the supplier's Modern Slavery Statement and internal policies relating to modern slavery.

Afford will not engage with a supplier if it discovers that a supplier's compliance with the Code is deemed impossible or if the supplier shows no willingness or ability to mitigate identified adverse impacts. The Code articulates our expectation that suppliers will comply with all laws and regulations (including those of the country of manufacture of their product), as well as other applicable standards, such as legislation, industrial awards, collective bargaining agreements or other applicable codes of practice.

Under the Code, contracted suppliers will be required to have in place the following:

- > a policy statement prohibiting slavery and human trafficking
- > due diligence mechanisms to assess modern slavery risks in their operations and supply chains
- > remediation measures

Framework for due diligence

As noted earlier in our Statement, our supply chain risk matrix was our preliminary assessment tool to assess modern slavery risks. We mapped our suppliers by reference to key categories of spend and criticality to service delivery to identify the suppliers requiring further due diligence. The framework for due diligence will be refined during the course of the next reporting period to include country risk and a questionnaire for suppliers.

4.3 Approach to remediation

Our Whistleblower Policy provides a way for our employees to report their concerns confidentially, freely and without fear of repercussion. We did not receive any reports of actual or suspected instances of modern slavery via our Whistleblower Policy during the Reporting Period. If, hypothetically, we found that our organisation had caused or contributed to modern slavery, we would follow the United Nations Guiding Principles, which provides that organisations in this situation need to remediate the impact by taking a person-centred approach protecting the safety, privacy and wellbeing of the impacted person. We would undertake a full investigation of the situation to ensure that an appropriate corrective action plan is implemented and assess how similar impacts could be avoided in the future.

5. Assessing the effectiveness of actions

During the Reporting Period, the Working Group created an implementation plan that sets out our goals, which we plan to track against to assess the effectiveness of our actions moving forward. The Working Group will update the Board in relation to our progress.

The goals are set out below:

Engage a subject matter expert to assist with modern slavery reporting and due diligence	Achieved
Review our internal policies to address modern slavery practices, including the development of an Ethical Purchasing Policy and a Supplier Code of Practice	In progress
Review our supplier contracts and tender templates and implement clauses that specifically address the prevention of modern slavery practices	Achieved
Further develop our modern slavery matrix	Achieved
Assess and engage with at-risk suppliers	In progress
CEO to communicate internally in relation to Afford's commitment to combat modern slavery	Future goal
Procurement to work with departments that carry out high value procurement to provide guidance on the requirements of Afford's Ethical Purchasing Policy	Future goal
Obtain access to an automated platform to assist with supplier risk assessments via a modern slavery questionnaire	Future goal
Communicate Afford's Ethical Purchasing Policy and our requirements with suppliers	Future goal
Provide staff training to raise awareness of modern slavery	Future goal

6. Other information

During the Reporting Period, we faced procurement challenges due to the ongoing impacts of the COVID-19 pandemic and supply chain delays worldwide. We encountered difficulties securing cleaning contractors, property management services, general consumables, janitorial supplies, paper and stationery. We observed price increases across these supply chain categories due to labour shortages and increased shipping costs. Because of these pressures, securing longer-term contracts was not always possible. We recognise that purchasing practices such as short production windows and last minute or short-term orders may increase modern slavery risks for workers in our supply chain. It has been our practice to pay for completed work on time to alleviate the pressures on our suppliers.

7. Process of consultation and approval

This Statement was prepared with the input of representatives from a number of functions operating across Afford and the subsidiary, including our human resources, procurement and finance teams.

Afford's Head of Procurement also briefed its Chief Financial Officer on our obligations under the Act by preparing a memorandum detailing the legislative reporting requirements and steps to be taken as a business to address modern slavery risks, including the development of this Statement.

This Modern Slavery Statement was formally approved by the board of directors of Afford on 26 October 2022.



Mike Allen

Chair


9 November 2022

Annexure – Reporting criteria

Reporting criteria	Page
1-2 Identify the reporting entity and describe its structure, operations and supply chains.	4-8
3 Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls.	9-11
4 Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.	12-14
5 Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks.	15
6 Describe the process of consultation with any entities the reporting entity owns or controls.	16
7 Any other relevant information.	16





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