



Modern Slavery Act Statement

Financial year ending 30 June 2021



Anglican Community Services

This statement pursuant to the *Modern Slavery Act 2018* (Cth) sets out the actions taken by Anglican Community Services (referred to as “ACS”, “us”, “we” or “our”) to address modern slavery and human trafficking risks in our business and supply chain for the financial year ending 30 June 2021.¹

Our values of Integrity, Justice, Compassion and Excellence are fundamental to all our operations and activities. In our relationships with suppliers, and with those involved at all levels in the supply chain, we strive to be honest and transparent and to uphold the right to fairness and dignity for all people. See www.anglicare.org.au/about-us/suppliers

Integrity

We are honest and transparent in the way we treat others and actively promote a culture of trust and respect.

Justice

We seek fairness, equity and inclusion for all people, regardless of who they are. We honour and uphold the right to dignity and an enriched life.

Compassion

We put empathy into action, connecting with individuals by seeking to understand their feelings, thoughts, needs and experiences.

Excellence

We seek to exceed the expectations of those we serve and achieve the highest standards in all we do.

In 2021, we engaged in further due diligence with nine key suppliers that returned a modern slavery risk profile at the higher end of moderate following our questionnaire process. We also raised awareness of modern slavery within our business by communicating our commitment to assessing and addressing modern slavery risks and distributing a short video to highlight slavery in supply chains. In addition, we required key staff within Anglicare who procure high value contracts to undertake training on modern slavery risks in supply chains.

This statement was approved by the Board of ACS on 11 December 2021.

Signed,



Greg Hammond OAM
Chairman, Anglican Community Services

December 2021

¹ Anglican Community Services, trading as Anglicare, is an incorporated entity independent from any other 'Anglicare' or entity associated with the 'Anglicare' name.

1. About us

ACS exists to serve people in need in our community, enrich lives and share the love of Jesus. We offer life-enriching care and compassion for each person, meeting material, physical, emotional, social and spiritual needs. We provide a range of services that promote dignity, safety, participation and wellbeing for people in their relationships, homes and communities.

As a public benevolent institution, our objectives are to further the work of the Anglican Church Diocese of Sydney by promoting and proclaiming the gospel of the Lord Jesus Christ while undertaking works of public benevolence that reflect the love of God as shown in Christ.

Organisational structure

Anglican Community Services, trading as Anglicare, is a body corporate incorporated under the powers given to the Synod of the Anglican Church Diocese of Sydney by an Act of NSW Parliament, now known as the *Anglican Church of Australia (Bodies Corporate) Act 1938*.

On 1 July 2016, Anglicare Sydney (also known as Sydney Anglican Home Mission Society) and Anglican Retirement Villages (ARV) officially merged to become 'Anglican Community Services', trading as Anglicare.

ACS is a charity registered with the Australian Charities and Not-for-profit Commission and our head office is located at Level 2, 62 Norwest Boulevard, Baulkham Hills NSW 2153. ACS provides services across Greater Sydney, the Illawarra and Shoalhaven and Norfolk Island (Diocese of Sydney) and Northern Inland (Diocese of Armidale), under the trading name Anglicare.

Operations

Our operations are entirely based in Australia and comprise nine business units: Community, Corporate Services, Finance, Mission & Partnership, Operational Support, Property, Residential Aged Care, Retirement Living and Customer Experience.

Our operations include:

- the provision of retirement living (retirement villages);
- the provision of residential aged care;
- the provision of home care services to older people living in their own homes within the wider community;
- the provision of accommodation to older people at risk of homelessness (or already homeless);
- the provision of a range of nursing and paramedical support services to older people; and
- the provision of a wide range of community support services including, mental health and care support, family and relationships services, out of home care, sustainable living support services, advocacy and social research, disaster recovery services, chaplaincy and pastoral care.



Property development is a substantial component of our operations based on the annualised procurement spend across the organisation. Our property team manage all developments related to Retirement Living, Residential Aged Care and Social and Affordable Housing.

ACS employs 4,038 people (comprising 3,841 permanent, 197 fixed term employees) who perform a range of roles falling within the following careers:

- care, health and lifestyle;
- operations and hospitality; and
- corporate and administration.

More than half of our workforce perform the following types of roles:

- Carer/care worker;
- Registered nurse and nursing assistants;
- Served staff;
- Lifestyle worker / lifestyle carer;
- Laundry staff; and
- Administration assistant.

ACS' employees also include trainers, support workers, managers, coordinators, physiotherapists, maintenance personnel, cleaners, gardeners, drivers, counsellors, chaplains, case workers and cooks. However, cleaning and maintenance is predominately outsourced for most of our sites, with one contractor appointed to service the cleaning needs across our residential aged care, retirement living and offices. Nursing agencies, allied health and property services are also sectors where ACS draws on outsourced workers as and when required. The outsourcing of staff is our fourth largest area of spend.

Supply chain

ACS recognises that our corporate and social responsibilities reside in both our own direct activities and our supply chains and seeks to purchase products and services that are ethically produced. We look for suppliers that demonstrate a commitment to implementing policies and practices

consistent with, and complementary to, our own. Our Ethical Purchasing Policy (Policy) and Supplier Code of Practice (Code) commenced on 1 January 2020 www.anglicare.org.au/about-us/suppliers/. New suppliers tendering for ACS works or suppliers currently supplying goods and services to ACS are now required to certify their compliance with the Code.

The Code outlines 12 general principles with which we believe our suppliers should comply in order to minimise slavery or human trafficking in their workplaces or supply chains. Suppliers required to report pursuant to the *Modern Slavery Act 2018* (Cth) must also certify their compliance with the legislation.

In the financial year ending 30 June 2021 our total procurement spend was approximately \$400 million on goods and services to support our operations.

Our procurement categories remained largely unchanged from those listed in

our first Modern Slavery Act Statement, namely, goods and services from the following sectors:

- Property development;
- Allied health services;
- Business support services;
- Communications;
- Staffing – allied health and clinicians;
- Facilities management – security, maintenance, landscaping;
- Food services;
- Catering and kitchen equipment;
- IT equipment and software;
- Vehicles;
- Professional services;
- Legal and consultancy;
- Insurance;
- Marketing and advertising;
- Mobility and aged care equipment;
- Furniture and fittings;
- Medical supplies;
- Travel services;
- Utilities; and
- Waste removal.

The top categories of spend in the financial year ending 30 June 2021 are shown below:

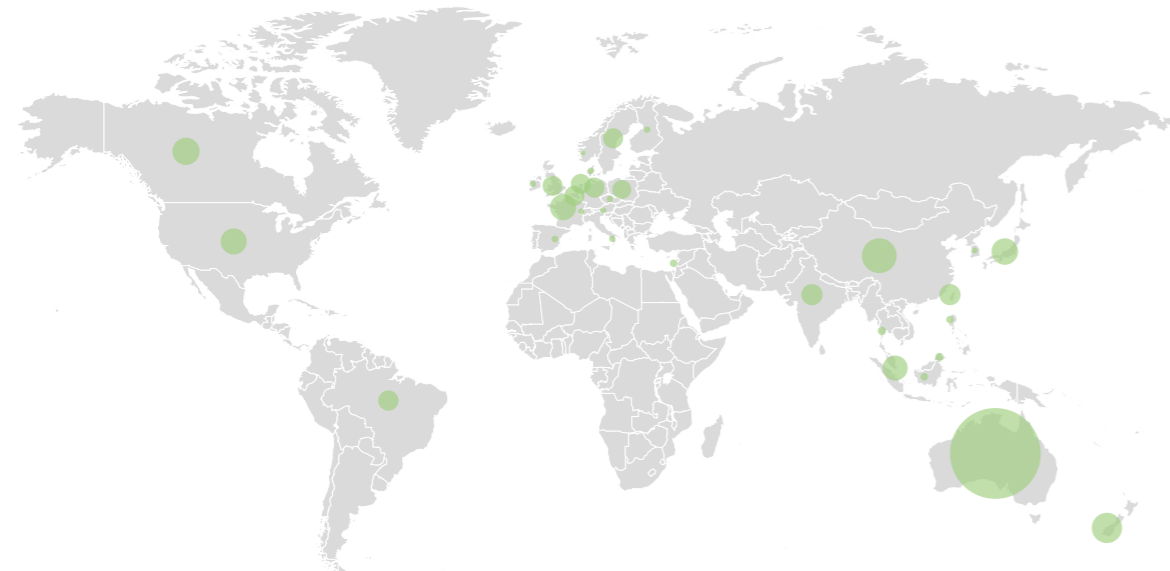
150 suppliers top category spend



1. \$272,600,781	Property development	15. \$2,147,073	Professional services
2. \$39,584,908	Property maintenance	16. \$1,777,704	Waste removal
3. \$14,889,661	IT equipment & software	17. \$1,514,655	Audio visual
4. \$9,383,514	Staffing	18. \$712,254	Cleaning chemicals & equipment
5. \$8,337,166	Medical supplies	19. \$690,798	Furniture & fittings
6. \$6,951,853	Utilities	20. \$687,129	Print & stationery
7. \$6,751,150	Food services	21. \$553,508	Finance
8. \$6,284,801	Other	22. \$417,228	Hospitality supplies
9. \$4,600,895	Communication	23. \$405,855	Apparel
10. \$3,862,027	Legal & consultancy	24. \$403,844	Signage
11. \$3,457,872	Insurance	25. \$337,046	Security
12. \$2,736,279	Marketing & advertising	26. \$226,015	Laundry
13. \$2,632,728	Mobility & aged care equipment	27. \$248,057	Catering / kitchen equipment
14. \$2,354,265	Motor vehicle fleet	28. \$205,706	Learning & development

Property development and property maintenance continued to be the two main categories of spend in the financial year ending 30 June 2021. IT equipment and software were the third largest area of spend, followed by staffing and medical supplies.

The geographic footprint of our suppliers from 2020, as shown below, represents the footprint of our suppliers in 2021:



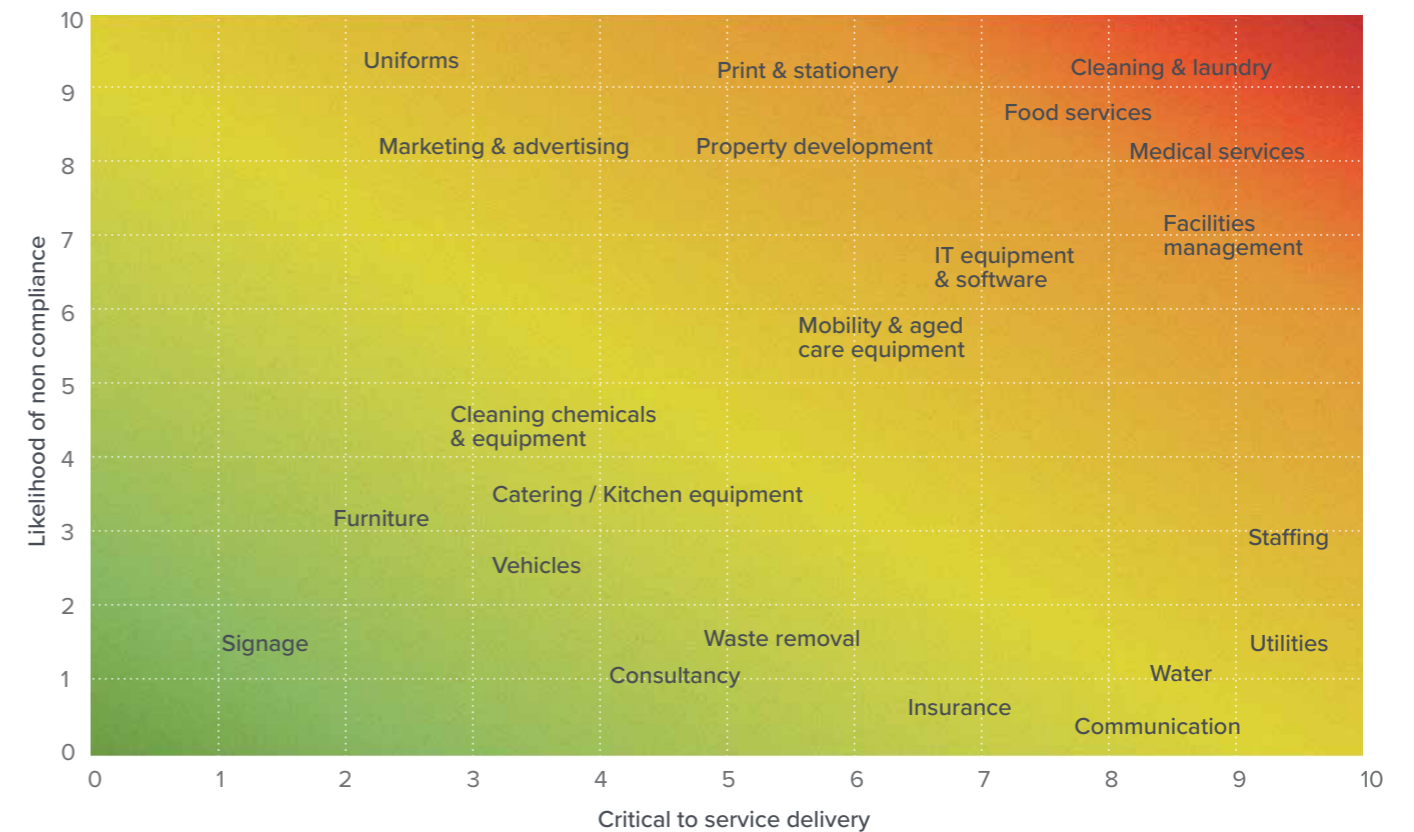
2. The risks of modern slavery in our operations and supply chain

In our operations

We recognise that by virtue of our direct employment of workers, including workers performing base-skilled roles, ACS may cause, contribute or be directly linked to modern slavery risks. However, for the reasons we set out in our first Modern Slavery Act Statement, we maintain the view that the risk of modern slavery in our workforce is low. This is largely due to the strict regulations in the aged care and nursing sectors and employment laws with which ACS is required to comply.

In our supply chain

In line with the United Nations Guiding Principles on Business and Human Rights, we adopted a risk based approach when assessing the human rights risks in our supply chain in 2020. We identified our major suppliers where the combined procurement spend was approximately \$230 million and the higher risk suppliers by reference to our supply chain modern slavery matrix² shown below:

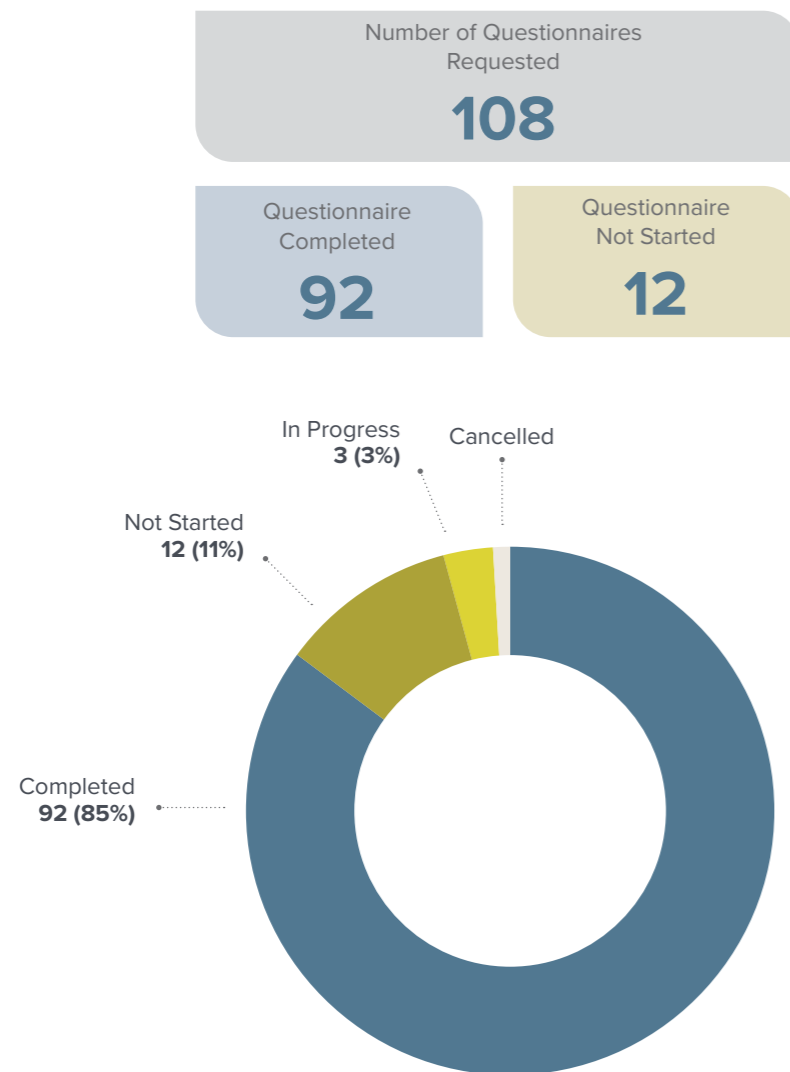


² The vertical axis refers to the modern slavery risk by supply category and the horizontal axis refers to the supply categories that are critical to the care provided to our residents.

As all of our direct suppliers are based in Australia, our risk assessment was based on sector risk only. Despite the fact that Australia is considered a low risk jurisdiction for modern slavery, we recognise that the risk of modern slavery may permeate via the second and subsequent tiers of our supply chain. The online modern slavery questionnaire on the ethiXbase platform was chosen for its ability to inquire about the supply chain of our suppliers, particularly where an Australian business supplies products that originate from other jurisdictions.

The sub-set of suppliers identified through the matrix and spend analysis process were then placed on the ethiXbase

platform and were issued a modern slavery questionnaire via email. As reported in our first Modern Slavery Act Statement, we achieved a completion rate of approximately 69%. The results of the questionnaire enabled us to identify risk patterns and the suppliers requiring closer attention. Those suppliers were contacted for further diligence in the second reporting period, as explained in more detail in this statement. In 2021, a further 50 suppliers were issued questionnaires. The completion rate has increased to 85%. A snapshot of our cumulative results from 2020 and 2021 are shown below:



Our top suppliers by spend, although based in Australia, may have a higher risk of modern slavery in their supply chain by virtue of their sector risk, as set out in the table below:

Sector	Generally known modern slavery risks ³
Cleaning and laundry	The cleaning industry is considered high risk for modern slavery largely due to the nature of the workforce and the often opaque nature of operations. The cleaning sector does not require tertiary qualification in many instances, as such, the workforce is often low-skilled. On top of this, those who enter the cleaning sector are often from migrant populations, with limited understanding of their legal rights or a limited understanding of English. As a result, those employed in the cleaning industry who fall into the aforementioned circumstances have a restricted ability to bargain with their employers or those with whom they contract.
Food services	Due to the nature of the work involved in the production, processing, packaging and transport of food and produce, food related supply chains have a high risk of modern slavery. These risks are not only a concern for supermarkets and suppliers generally; they impact producers, distributors, packers, exporters and caterers. Some examples of modern slavery risks in the food services industry that are frequently cited as areas of concern are the engagement of labour hire contractors who recruit backpackers and seasonal workers for fruit and vegetable picking on farms and poor conditions, passport retention and bonded labour in food processing.

³ The risks outlined in this table are general and not relate to any actual instances of modern slavery in the supply chain of our first tier suppliers.

Sector	Generally known modern slavery risks ³
Medical supplies	A large percentage of the world's PPE is produced in China and Malaysia. Some factories have been reported to be manufacturing rubber gloves and other rubber products using migrant workers making them work excessive overtime of up to 160 hours a week in unsafe conditions, where passports were confiscated, and high recruitment fees kept workers in debt bondage. ⁴ Other items of PPE, such as medical robes, are sourced largely from factories in China where there are increased risks of modern slavery. For example, in November 2020, it was reported that the British government sourced PPE for the NHS from factories where hundreds of North Korean women were secretly working in conditions of modern slavery. ⁵
Property maintenance	The prevalence of subcontracting in the property maintenance industry can lead to contractual liabilities and obligations diminishing to the point where the human rights of workers on site may go unnoticed through lack of transparency.
IT equipment and software	IT companies with the necessary materials to produce electronic goods, and parts of those goods present a risk. For example, cobalt is an essential component of rechargeable lithium-ion batteries. More than half of the world's cobalt is mined by the Democratic Republic of Congo, where, according to UNICEF, approximately 40,000 miners are children. Another problematic material sourced for IT equipment is mica. India produces 60% of the globe's mica. The most prevalent areas of mica production are in Jharkhand and Bihar, where a third of the population live below the poverty line.
Property development	In the property development industry, the prevalence of opaque subcontracting arrangements and frequent use of labour hire companies increase the risks of modern slavery. Additionally, the industry often relies on low-skilled workers, who may also be migrants with low levels of English. The use of building materials such as concrete, timber, steel, quarried stone products, glass, construction films, textiles and other goods all carry inherent modern slavery risks. Producers of these items often operate in high-risk locations. For example, forced labour and child labour have been found in brick kilns in countries such as India, Pakistan, Bangladesh and Cambodia.

4. www.corporate-responsibility.org/clean-hands-dirty-supply-chains/ and www.theguardian.com/global-development/2018/dec/10/claims-that-nhs-rubber-gloves-made-by-forced-labour-spark-inquiries.

5. www.theguardian.com/global-development/2020/nov/20/uk-sourced-ppe-from-factories-secretly-using-north-korean-slave-labour

Impact of COVID-19

In our first Modern Slavery Act Statement, we described the significant impact of the pandemic on our supply chain of PPE. Our tier 1 suppliers for medical supplies and PPE were unable to service all of our supply needs due to the supply shortages experienced nationally and globally. In 2021, we were able to source our required PPE stock as a result of supply chains for PPE stabilising and broadening our supply channels so that we did not depend on a single source for supply.

During the peak of the pandemic between March and July 2020, our ability to assess modern slavery risks before making our purchasing decisions on PPE was limited. Our efforts were focussed on securing supply for our staff and residents and ensuring that the PPE we purchased had CE, FDA certification and met the TGA standards. Following the stabilisation of the pandemic from around August 2020, ACS' risk assessment process resumed to normal, which included considerations of modern slavery risk.

3. Actions taken to assess and address the risks, including due diligence and remediation processes

As described in our first Modern Slavery Act Statement, our actions in the financial year ending 30 June 2021 focussed on developing the foundational policy documents and processes relating to procurement in order to embed human rights considerations when making purchasing decisions. An overview of our existing policies and procedures are set out in **Annexure A**.

Our online modern slavery questionnaire was used to assess the modern slavery risk profile of a sub-set of our major suppliers from 2020. The risk ratings were used to inform our supplier engagement process for 2021. During the course of 2021, we communicated with nine suppliers identified as requiring further engagement based on the results of the questionnaire. A snapshot of the outcomes and progress is described below:

Supplier industry and reason for further engagement		Outcome/progress
1.	A furniture company headquartered in Australia warranted further discussion on the basis of the modern slavery risks associated with the products manufactured in Turkey.	The supplier provided us with a letter from the manufacturer in Turkey verifying that their manufacturing locations are free of slavery-like practices.
2.	An Australian roller shutter company manufactured products in China, India and Thailand and relies on itinerant workers but did not have a policy safeguarding against modern slavery or provide human rights training to workers.	The supplier has advised that it has improved its screening process for new staff and developed policies to review their supply chain risks.
3.	An Australian facilities maintenance company employed young workers. The combination of operations in a higher risk sector and the utilisation of potentially vulnerable workers resulted in the supplier being identified for discussion.	The supplier provided us with a copy of their Young Workers Policy and confirmed that they are compliant with Anglicare’s contractual obligations requiring them to contract only with qualified and experienced trade workers.

Supplier industry and reason for further engagement		Outcome/progress
4.	An Australian construction company referred to temporary labour as a risk area in their Modern Slavery Act Statement and indicated that they conduct audits of their contractors.	The supplier was asked to disclose whether any red flags were identified in relation to the services supplied to us. The supplier confirmed that they did not identify red flags but they plan to expand their survey to traffic control, site security and final clean contractors.
5.	Another Australian construction company was identified as using temporary labour but their modern slavery questionnaire response suggested that they were not as far along in the journey of understanding modern slavery risks in their business.	The supplier is developing policies and implementing a framework to assess modern slavery risks in their supply chain.
6.	A furniture company headquartered in Australia warranted further discussion on the basis of the products manufactured in China.	The supplier confirmed that they only procure products from two factories directly and do not use intermediaries. The owner of the business visits the factories on a regular basis and considered that there were no issues with modern slavery.
7.	An Australian commercial cleaning company appeared to have a robust suite of policies and procedures to mitigate the risk of modern slavery. However, their utilisation of potentially vulnerable categories of workers warranted further discussion as to the adequacy of the processes in place to identify red flags and how they would approach remediation. This company also sourced products from higher risk countries.	The supplier provided us with a detailed response and supporting documentation to our satisfaction.

Supplier industry and reason for further engagement		Outcome/progress
8.	An Australian meat processing company was identified for further discussion based on their higher sector risk, utilisation of potentially vulnerable categories of workers and low training rates in relation to human rights.	The supplier provided us with a copy of their ethical standards documentation and contacted their supplier of meat who confirmed compliance with our procurement principles.
9.	Another meat processing company was identified for further discussion based on their modern slavery questionnaire response “no” to the question seeking compliance with our Ethical Purchasing Policy.	The supplier confirmed that the “no” response was done in error and they re-submitted their modern slavery questionnaire response.

We recognise that human rights due diligence needs to be ongoing. Accordingly, our approach is to maintain open dialogue with the above suppliers to monitor the actions taken by the suppliers that commenced steps to improve their capacity to assess and address modern slavery risks in their operations and supply chain.

In 2021, we communicated our approach to ethical purchasing by publishing our policies and our first Modern Slavery Act Statement on our website www.anglicare.org.au/about-us/suppliers/.

In relation to our operations, we:

- communicated our commitment to eradicating modern slavery with our employees by sharing our first Modern Slavery Act Statement and simple videos designed to create awareness of modern slavery in supply chains;
- rolled out modern slavery awareness training for 20 key staff who have responsibilities for carrying out major procurement in ICT, property and construction. This training was designed to assist staff with a procurement function to identify modern slavery red flags, the legal framework and our reporting obligations; and
- continued to monitor the reports made pursuant to our Whistleblower Policy for issues relating to modern slavery. Our Whistleblower Policy is published on our website www.anglicare.org.au/about-us/whistleblower-policy and provides a way for employees, volunteers, residents, clients, vendors, contractors and others to report their concerns confidentially, freely and without fear of repercussion. If, hypothetically, we caused or contributed to modern slavery, we would take guidance from the UN Guiding Principles on Business and Human Rights (UNGP), which provides that entities in this situation need to remediate the impact by taking a person centred approach, protecting the safety, privacy and wellbeing of the affected 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. We have not identified any reports that could be linked to modern slavery during the financial year ending 30 June 2021.

4. How we assess the effectiveness of our actions

As described in the UNGP, “tracking is necessary in order for a business enterprise to know if its human rights policies are being implemented optimally, whether it has responded effectively to the identified human rights impacts, and to drive continuous improvement”.

In our first Modern Slavery Act Statement, we sought to track the effectiveness of our actions over the subsequent reporting

periods by setting goals in relation to our operations and supply chain. We have provided in the table below an overview of our progress against these goals.

During the course of the next reporting period, we will continue to review, monitor and embed our processes in accordance with the table below.

Workstream	Activities	Methods for tracking effectiveness	Status as at FY21
Operations	Annual review of ACS’ processes to identify and address modern slavery risks in our operations.	a. Obtaining and assessing feedback from staff and management teams regarding the adequacy of the policies in place to address modern slavery risks in our operations	Ongoing
		b. Revising policies and processes as and when required to improve the way in which modern slavery is addressed	Ongoing
		c. Developing staff training designed to raise awareness of modern slavery risks	Completed
	Review of grievance mechanism	d. Regularly review reported cases with an eye to how these were handled, and how the response could have been improved	Ongoing
	Partnering with an external party	e. Progressing discussions with Baptist Care to share knowledge and insights	Ongoing

Workstream	Activities	Methods for tracking effectiveness	Status as at FY21
Procurement	Conduct an audit of the prequalification checks for suppliers to determine if mitigation measures have been consistently actioned	f. Conducting checks with the assistance of the Finance team to see if any supplier invoices were paid without the supplier undergoing the prequalification checks so as to close out gaps (if any)	To be progressed in FY22
		g. Assessing the percentage of supplier agreements entered into with the updated modern slavery clause and looking into the circumstances of when suppliers sought to negotiate out of the clauses (and reasons for same)	Ongoing
		h. Comparing ethiXbase questionnaire responses as against prequalification documentations (to check for any irregularities)	Ongoing
	Track the number of high-risk suppliers and levels of awareness among staff.	i. Comparing the results of the ethiXbase questionnaire year on year	Ongoing
		j. Identifying the higher risk suppliers via the ethiXbase questionnaire and developing plans for further due diligence measures	Completed
		k. Tracking the number of individuals who have undertaken modern slavery training	Completed

Workstream	Activities	Methods for tracking effectiveness	Status as at FY21
	Supplier engagement	l. Conducting periodic checks on suppliers to verify their compliance with the Code	Ongoing
		m. Recording the instances of non-compliance and developing corrective action plans as and when required	Ongoing
	Further due diligence	n. Engaging further with the suppliers that responded in the modern slavery questionnaire for the financial year ending 30 June 2021 that they have been the subject of a negative human rights audit and/or have not implemented controls to protect the health and safety of their workforce to determine appropriate next steps (eg remediation, corrective action plans)	To be progressed in FY22

5. Consultation with any entities owned or controlled

ACS is the Trustee of the Anglicare Foundation Funds ('the Foundation') (ABN 24 086 334 058) which was established by a Trust Deed dated 31 December 1984 and subsequently varied on 15 November 1989 and 11 September 2018. The amendments made on 11 September 2018 give effect to the creation of an ACS gift fund for identifying and recording gifts that can only be used in accordance with the

objects of ACS. The deed provides that the Foundation's Trust Funds shall be applied and used exclusively for the support of the work of ACS, the Trustee.

The Foundation does not have any operations that are independent of ACS. Therefore, consultation with the Foundation was not required for the purposes of preparing this statement.

6. Any other relevant information

Through the many services we offer, such as food and financial assistance, housing, cross cultural services and counselling, we seek to contribute to addressing the structural factors that can lead to modern slavery. For example, we work to assist migrants, refugees and asylum seekers to learn English, provide counselling and facilitate community connections. ACS also provides a range of social and affordable housing options for households on very low, low and moderate incomes. We seek to provide households with pathways to unassisted housing and affordable housing solutions. Our financial assistance programs includes no interest loan schemes financial counselling, utility bill assistance, rental arrears assistance, bond assistance, medical assistance to assist with pharmacy costs, and advocacy support to negotiate lower specialist fees.

ACS currently provides assistance to 220 older Australians through their social and affordable housing program in the Greater Sydney region. Across eight locations, our residents are provided with a safe place to call home and in which to belong to a community. Tailored case management support is also provided to residents where required. Most residents are comforted by the fact that they have a place where they can live whilst they are still able to remain independent. During 2021 and 2022, ACS will seek to deliver an additional 450 social and affordable housing units in Greater Sydney

We believe these are just some of the ways ACS can contribute to addressing the root causes that can lead to modern slavery.

Annexure A – Mandatory reporting criteria & page reference

Mandatory criteria		Page number/s
a)	Identify the reporting entity	5
b)	Describe the reporting entity's structure, operations and supply chains.	5
c)	Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	9
d)	Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.	14
e)	Describe how the reporting entity assesses the effectiveness of these actions.	17
f)	Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls (a joint statement must also describe consultation with the entity covered by the statement).	20
g)	Any other information that the reporting entity, or the entity giving the statement, considers relevant.	20



Anglicare