

McKenzie Aged Care Group Pty Ltd

Modern Slavery Statement

Modern Slavery ACT 2018 No 153

This statement is made pursuant to the Modern Slavery Act 2018 no 153.

Introduction

Modern Slavery is a violation of human rights which deprives humanity in favour of personal or commercial gain in forms such as Slavery, servitude, human trafficking and forced compulsory labour.

McKenzie Aged Care is committed to improving practices within our organisation to combat this through ongoing education, improved visibility within our supply chain and renewed practices from increased awareness.

Reporting Entity

McKenzie Aged Care Group Pty Ltd ABN 26 006 276 124 as trustee for the McKenzie Aged Care Group Partnership - Partnership ABN 78 653 238 753; McKenzie Staff Trust ABN 67 277 452 542

Organisational Structure

McKenzie Aged Care Group Pty Ltd is an Australian Family Company in business as an Aged Care provider. McKenzie currently operates 17 Aged Care homes across three states: Queensland, New South Wales and Victoria and is licenced to provide care to 1,889 residents.

The operations of the 17 Aged care homes is supported by two regionally located support offices: located in Brighton Victoria and Varsity Lakes Queensland. In total McKenzie employs 2387 staff nationally. Support office staff make up 7% of the total staff numbers and support office staff engaged via Employment agreements in accordance with Fair Work Act 2009.

Facility Staff numbers are the remainder 93% of our workforce. They are remunerated under registered Enterprise Agreements for a combination of full time, part time and casual roles within McKenzie Aged Care.

It all starts with people



The outsourcing of Allied Health professionals and specialised maintenance contractors each qualified to be delivering specialised services in their in their fields of expertise are engaged as suppliers to our organisation rather than staff.

McKenzie Aged Care has an annual revenue of \$182 million in FY 19-20.

Supply chain

McKenzie Aged care Group supply chain is defined into the following main categories

- Care – including Allied health, medical consumables
- Activities - Additional services, resident entertainment & outings
- Kitchen - Grocery, dairy, Meat, Fruit & Veg, Cutlery & Crockery
- Laundry & Cleaning – linen & bedding, bulk chemicals & disposable cleaning products
- Maintenance – Preventative & Reactive Maintenance, Kitchen & laundry Maint, clinical equipment, grounds, specialised contract cleaning
- Administration – office supplies, operational fees, memberships registrations, postage, travel, utilities, rents
- HR & Training – Agency staff
- Sales & marketing – advertising & promotions
- IT services – hardware, Software and services support

MACG Procures goods and services from over 1500 active suppliers. Whilst we recognise 99% all procurement is done through the engagement of local Australian Businesses, we acknowledge that there are ranges of goods being supplied which were sourced from different countries around the world and as a result we are likely to be indirectly exposed to Modern Slavery from some areas in this global supply chain. We have acknowledged and identified that there are areas of higher risk within our supply chain that need additional focus, assessment and priority and the focus on these will be within FY21.

These categories of high risk to Modern Slavery Impact are Allied Health Providers - contractors, Resident Entertainment, Maintenance Contractors, Linen supplies, staff uniforms, Provision of agency/temporary staff, IT equipment and IT software support services.

We are committed to ensuring that we take actions to combat Modern Slavery in our supply chains and all areas of our business.

Modern Slavery Practices and checks

At McKenzie Aged Care, we are committed to the rights of all people. From the residents we care for to the staff we employ, the communities we live and operate in and all those that are influenced by the actions we take to deliver care. This is demonstrated by the Company's cornerstones, which outline the organisations approach to their standards of personal and professional conduct. Suppliers agree to the Procurement ethical statement, which also outlines the behaviours expected of everyone who works for or with McKenzie Aged Care.

We are closing the gap on being exposed to that Modern Slavery within our organisation and supply chain through the following actions:

- All MACG directly employed staff are on registered enterprise agreements or employment agreement in accordance with Fair work Australia.
- We will work towards all Agencies engaged by MACG being contractually bound to pay minimum wages and have signed statutory declarations meeting this requirement. We manage this as a minimum requirement through our supplier *It all starts with people*

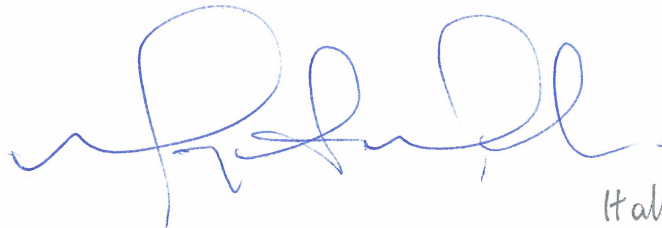
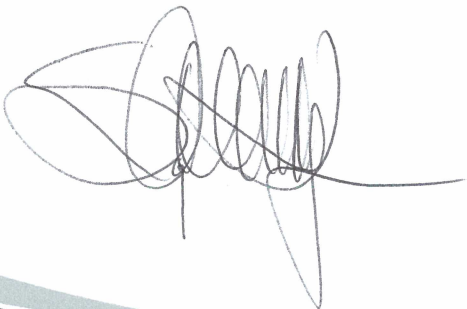
compliance platform LinkSafe. A successful registration with all qualifications met, make them compliant and eligible for transactional business.

- MACG Procurement team is working towards a commitment to include a Modern Slavery adherence clause as a minimum requirement within the tender, award and award of business criteria process. All contracts with future renewal will include a Modern Slavery Clause.
- MACG supplier on boarding and compliance platforms surveys business that they are aware of Modern Slavery and that they assess its risk in their own supply chain. They agree to be transparent in areas of potential exposure and agree to work towards further understanding and action towards combating Modern Slavery.
- McKenzie Aged Care Procurement team will continue to work with
- MACG Purchase order T& C have/will be updated to include Modern Slavery Clause.
- All Contract templates will be updated to comply with the requirements of the Modern Slavery Act 2018 and expects the same of its contractors. And in In the event that the provider (supplier) does not remedy, or provide an acceptable plan to remedy, any identified instances of Modern Slavery within a reasonable time frame, the organisation (MACG) reserves the right to terminate the supply Agreement.
- An additional requirement is to be included for suppliers to declare affiliations with professional bodies, which indicates the willingness of the supplier to adhere to the Modern Slavery Act.
- An Electronic declaration of all suppliers to confirm their understanding and awareness of Modern Slavery with the promotion of education redirecting to reputation source for information.
- Working with our highest risk categories in our supply chain as a priority.
- Develop training for McKenzie Aged Care staff on Modern Slavery Risks and impacts with more detailed training for Executive Leaders and the Procurement team to learn how to respond and act when exposure to Modern Slavery circumstances, victims or people have been identified.

Our use of a 3rd party benchmarking and assessment matrix has ensured our assessment has been thorough and consultative with all entities of our organisation.

McKenzie Aged Care Group will continually review and enhance our Modern Slavery Management practices to assess, monitor and respond to any areas of exposure to Modern Slavery within our organisation.

This statement was approved by the Board of directors of McKenzie Aged Care Group



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