

Modern Slavery Statement

For the year ended 30 June 2020



MODERN SLAVERY STATEMENT
ACTIV FOUNDATION INCORPORATED
FOR THE YEAR ENDED 30 JUNE 2020

Introduction

This is the first Modern Slavery Statement (“Statement”) for Activ Foundation Incorporated (“Activ”), as Activ is required to comply with the *Modern Slavery Act 2018* (Cth) (“Act”). This Statement covers the reporting period from 1 July 2019 to 30 June 2020 (“FY20”). The term ‘Modern Slavery’ in this statement has the same meaning given in the Act.

Activ understands the importance of its customers, employees and the broader communities in which it works and wishes to ensure that its service delivery and business practices are ethical and sustainable.

Activ recognises its role and responsibility to seek to safeguard the human rights of its customers who live with intellectual disability. It is entirely consistent with that focus for Activ to recognise and take steps to safeguard the human rights of the people who participate in its supply chain. This Statement explains what Activ is doing to address Modern Slavery risks in its operations and supply chain.

Our Structure

Activ is a Western Australian not-for-profit organisation incorporated under the *Associations Incorporations Act 2015* (WA). It does not have any subsidiary entities.

Activ has been supporting people living with disability since 1951 and is a leading provider of individualised services for people living with intellectual disability in Western Australia.

The Board of Directors is the ultimate decision-making body of Activ and is responsible for its overall governance. The Board delegates day-to-day operational management and decision-making to the Executive team.

The Chief Executive Officer has oversight of Activ’s risk and compliance obligations, including in relation to Modern Slavery reporting.

Our Operations

Activ works across Western Australia to enable people living with disability to pursue the life they choose. We deliver services and provide support at over 100 locations to people in the greater Perth Metropolitan area as well as in Albany, Geraldton, Kalgoorlie and the South West region. Activ has no operations outside of Western Australia.

Activ has approximately 3,400 employees and volunteers, and supports more than 1,900 individuals living with intellectual disability and their families. Our strategy is to deliver proven pathways to independence for people living with intellectual disability. We support people to live their own lives, set new goals and reach new milestones through services, including:

- Permanent and short-term accommodation
- Community Support and Engagement
- Employment
- Education & Training
- Behaviour Support

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We provide meaningful employment to more than 1,000 people living with disability across metropolitan and regional Western Australia through our Employment Services, Property Care and Administrative businesses. Supported employees have opportunities to be part of a commercial operation and to develop skills in diverse areas such as:

- Timber manufacturing
- Product packaging
- Industrial services
- Property care and horticulture
- Administration

Our Policies

Activ's Code of Conduct and Ethics (the "Code") sets the expectations for how Activ's people live and breathe the organisation's values and meet its aims and responsibilities as a disability services provider.

The Code applies to everyone – staff, employees, volunteers, work experience placements, managers, Directors of Activ and contractors – and sets a clear standard of what we expect in Activ-related activities. Activ's Code provides a practical set of requirements to help staff make decisions in their day to day work and outlines what is expected of, and the rights of, staff while working at Activ.

Activ has in place a suite of operational policies, of which all of them ultimately have an objective of ensuring that universally recognised human rights are safeguarded.

Our Suppliers

To support and facilitate its operations Activ purchases both goods and services from third party suppliers worldwide.

The goods Activ purchases include:

- Goods that are purchased to be transformed and then sold to customers, such as timber for Activ's timber manufacturing operations which is used to produce items such as pallets, crates and furniture.
- Goods that are purchased for use in providing services, such as plant and equipment used to provide property care and horticulture services or consumables used in providing industrial or administration services.
- Services that are purchased by Activ include information technology services, engagement of temporary personnel, transport and logistics services and professional services.
- International suppliers who principally supply Information and Communication Technology services.

While Activ purchases from suppliers who are based in Australia and overseas, its suppliers are predominately located in Australia and are Australian owned and operated and so are generally less likely to engage in practices that would constitute Modern Slavery. Activ has assessed that it purchases from its suppliers who operate in sectors, and supply goods and services, that do not involve high Modern Slavery risks.

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Actions to Assess and Address Modern Slavery Risks

Modern Slavery Working Group

Activ has formed a Modern Slavery Working Group (“MSWG”) to oversee the creation of this Statement. The MSWG consists of members of the Governance & Risk, Finance and Sales and Growth functions. Responsibility for Activ’s Modern Slavery work lies with the following departments:

- Policy – Finance and Governance
- Risk Assessments, Investigations and Due Diligence – Finance & Governance
- Training – People and Quality

Supply Chain Scoping

The MSWG assessed Activ’s supply chain by identifying all suppliers, their location and the value of spend during the financial year ending 30 June 2020 (FY20).

Activ applied a risk-based approach to identify suppliers who would be assessed during FY20 and selected fifty-one (51) Australian based suppliers (who represent over 60% of our annual expenditure) to survey for the risk of their exposure to Modern Slavery practices. These suppliers include organisations that supply agency staff to support our operations; groceries, furniture and whitegoods for our accommodation houses; and legal and professional services. In addition, six (6) international suppliers whose employees may be based in offshore jurisdictions where workers have fewer rights and protections than those afforded to workers in Australia, or whose organisations are unaware of the Australian Government legislative guidelines, were identified and asked to respond to the survey.

The survey asked suppliers to respond to a series of questions on their Modern Slavery reporting requirements, policies and procedures, identification and mitigation of risk, employee awareness and training, supply chain exposure, HR/IR recruitment practices and compliance with the Act.

For each supplier who has registered a Modern Slavery Statement under the Act or corresponding legislation in the United Kingdom, we have obtained a copy of that statement and we have included the information in it in our analysis of responses.

From fifty-seven (57) surveys, seventeen (17) responses have been received to date and a further thirty (30) Australian/UK Modern Slavery Statements or Supplier Codes of Conduct where references to Modern Slavery practices risk mitigation were included. There were ten (10) organisations who did not respond to the survey after repeated follow ups and for whom we were unable to source a statement from their publicly available information. 30% of the sample suppliers responded to the survey and 52% had in place Modern Slavery Statements or Supplier Codes of Conduct which referenced Modern Slavery practices.

Risk Assessment

A detailed review of the responses from our suppliers or their publicly available statements was conducted by the MSWG. The majority of Australian suppliers are specialised providers requiring highly skilled staff who are therefore likely to be well paid and have good working conditions and so we have assessed them as having a lower risk of Modern Slavery practices. The international providers were mostly unaware of the Australian legislative requirements. Through our engagement

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we have increased awareness of their responsibilities and we are working in partnership with these providers to understand their obligations. This has formed part of our mitigation steps to reduce any risk of Modern Slavery practices.

Mitigation Steps

Of those suppliers who responded to our survey or whose Modern Slavery statements we have reviewed, no Modern Slavery risks were identified that would warrant mitigation steps.

For those suppliers that did not respond to our survey or for whom we have been unable to identify and review Modern Slavery statements, as a mitigation step our Operations teams have been requested to suspend services until the supplier can demonstrate adherence with Modern Slavery requirements. Activ will work with unresponsive organisations to understand and meet Modern Slavery requirements.

From the knowledge Activ has gained and risk assessment steps we have undertaken, Activ has taken a number of steps to manage its risk by:

- implementing the MSWG;
- requested suppliers to complete a survey to identify any modern slavery risks;
- assessment of the risk of modern slavery practices within Activ's sample supply chain; and
- development of the supply code of conduct that will assist suppliers to understand the Modern Slavery practices in their own operations and supply chain and report to Activ.

Measuring Effectiveness

Activ's focus for its first Modern Slavery reporting period has been on mapping its supply chains and assessing the risks associated with individual suppliers. Activ has identified, and is pursuing, opportunities to embed leading and lagging indicators into its operational reporting processes to monitor the effectiveness of our actions to prevent, detect and respond to Modern Slavery risks.

If any instances of Modern Slavery are detected in its operations or supply chain, Activ will document and record such cases, prioritise investigation, remedy the situation and undertake corrective actions.

In addition, Activ will review on a periodic basis its relevant policies and procedures through the lens of seeking to mitigate Modern Slavery risks effectively.

Awareness and Training

To ensure organisation-wide understanding of the Modern Slavery risks within our operations and supply chains, Activ is developing the following training:

- New Staff- Orientation materials which include information on the basic principles of Modern Slavery and Activ's Policy for mitigation of Modern Slavery exposure and risk. This information will be included in the "NDIS Requirements – Our Policies and Procedures" online training modules for new staff;
- Existing staff- A communication outlining the basic principles of Modern Slavery and Activ's Policy for mitigation of Modern Slavery exposure and risk will be rolled out; and

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- Purchasing Staff- Mandated training on the importance of adherence to the Supplier Code of Conduct and Activ's legal requirements to identify potential risks and mitigate exposure to Modern Slavery practices.

Next Steps

Activ acknowledges that Modern Slavery risk management is a continuous process. Activ is committed to ensuring that the organisation understands its legal requirements to identify potential Modern Slavery risks and mitigate them, and as part of this, Activ will:

- conduct regular reviews of supplier lists and risk assessment criteria;
- implement internal modern slavery specific policies in combination with existing policies;
- conduct due diligence checks to minimise and mitigate the risk associated with the supplier including direct engagement with supplier to further understand risk mitigation procedures;
- introduce a Supplier Code of Conduct and consider changes to Activ's tendering process and contractual requirements in its contracts with suppliers;
- review relevant policies and procedures through the lens of risk mitigation of Modern Slavery, and
- develop a training program for all employees responsible for purchasing decisions

Board approval

This statement was approved on 30 March 2021 by Activ's Board of Directors.



Danielle Newport (Chief Executive Officer)
Activ

30 March 2021