

Modern Slavery Statement





Aged Care & Housing Group Inc
Modern Slavery Statement

This statement sets out the actions taken by Aged Care & Housing Group Inc ARBN 142 240 499 ABN 99 437 071 895 (ACH Group, we, us, our) to address modern slavery risks in our operations and supply chain for the financial year ended 30 June 2020 (the reporting period).

1 STRUCTURE, OPERATIONS AND SUPPLY CHAIN

Our structure

ACH Group is an incorporated association and an Australian registered body which is registered with the Australian Charities and Not-For-Profits Commission (ACNC). Our head office is located at 22 Henley Beach Road, Mile End, South Australia, and we hold the “Good Lives for Older People” brand. ACH Group does not own or control any other entity.

Our operations

ACH Group is one of the largest South Australian approved providers of aged care services, operating residential aged care facilities, providing home care services and offering retirement village living. Our total workforce consists of approximately 1,800 people made up of full time, casual and part time employees. We also have over 300 volunteers who assist with our operations.

We provide and manage:

- residential aged care accommodation to approximately 750 residents at our 8 residential aged care facilities;
- retirement living facilities with approximately 1,000 residents in independent living units and apartments across 50 retirement villages;
- home care to approximately 4,000 customers including cleaning, personal care, and gardening; and
- health and wellness services to approximately 6,000 customers for rehabilitation, respite, fitness classes and individual and allied health services.

Further information about ACH Group and our operations can be found on our website (Good Lives for Older People | Retirement Living | ACH Group) or on the ACNC website (Aged Care & Housing Group Inc | Australian Charities and Not-for-profits Commission (acnc.gov.au)).

Our supply chain

ACH Group acquires goods and services from more than 870 suppliers. All of ACH Group’s direct suppliers are based in Australia, with the exception of some software licences which are sourced from international suppliers.

ACH Group purchases products and services needed for the day to day care of our residents at our residential aged care facilities, and for the care of our customers in our retirement villages as well as their homes. These goods and services include, but are not limited to, catering, cleaning products and services, waste management services, health related services, medical goods and equipment, pharmaceuticals, linen, furniture, motor vehicles, property repairs and maintenance, employee training and recruitment, and temporary employees from labour hire agencies.

We purchase construction related goods and services such as building materials and equipment in order to complete various capital works projects (i.e new buildings, major upgrades and restorations). ACH Group also purchases office supplies, IT infrastructure and support services, as well as professional services such as audit, tax and legal advice.

Supplier relationships

ACH Group has a centralised procurement team which oversees and manages the engagement of suppliers. All material contracts are competitively tendered, reviewed and managed on a regular basis. We have a detailed procurement policy which ensures consistent engagement with suppliers, and this policy is underpinned by key principles of our brand and values based on ethical and sustainable business practices.

ACH Group maintains a register of preferred suppliers which have all completed an extensive supplier pre-qualification process, including providing evidence of national criminal history record checks and specific insurances. We have stable long-term relationships with our preferred suppliers. Short term supplier engagement complements this and usually only occurs when a customer requests a particular product or service.

2 RISK OF MODERN SLAVERY IN OUR OPERATIONS AND SUPPLY CHAIN

The COVID-19 pandemic has created significant challenges for the aged care sector. Due to COVID-19, ACH Group was not able to complete or implement any of its planned initiatives during the reporting period.

ACH Group has carried out a risk assessment of modern slavery practices across our operations and supply chain, informed by guidance from the Department of Home Affairs. As part of this process, ACH Group has considered risks that may possibly cause, contribute, or be directly linked to modern slavery practices, and identified which areas it considers to be at higher risk of modern slavery practices.

ACH Group does not consider that its operations directly result in modern slavery practices, nor that it contributes to modern slavery, however we acknowledge that setting low cost targets or unrealistic delivery timeframes can potentially contribute to modern slavery risks.

We recognise that our large and diverse supply chain means that we may engage with suppliers which might then participate in modern slavery practices themselves, or whose own supply chains might be at increased risk of modern slavery.

3 ADDRESSING THE RISK OF MODERN SLAVERY PRACTICES

Our initial risk assessment has focused on those suppliers which we spend more than \$300,000 on annually, or who operate in industries with a higher risk of modern slavery (i.e foods such as fish and rice, cleaning services), or who operate in countries with a slightly higher prevalence of modern slavery in their workforce using the Global Slavery Index Vulnerability Model (high risk suppliers). This Model identifies countries with a greater frequency of modern slavery due to governance issues and the impact of internal and external conflicts.

We have identified a very small number of suppliers of software licences who are located in, or procure their goods from, countries with a slightly higher prevalence of modern slavery in their workforces according to the Global Slavery Index Vulnerability Model. ACH Group has requested that these suppliers complete our Modern Slavery Supplier Questionnaire and their responses will be used to inform our consideration of any remediation actions.

Actions ACH Group has taken to address the risk of modern slavery practices

Due to COVID-19 ACH Group was not able to implement any actions during the reporting period (financial year ended 30 June 2020). However, as part of the financial year ending 30 June 2021 (next reporting period), actions ACH Group has taken and continues to take to address the risk of modern slavery include:

- our assessment and audit of the modern slavery risks in high risk suppliers and their supply chains;
- updating our Contractor Code of Conduct and Work Health and Safety Booklet;
- having high risk suppliers complete our Modern Slavery Supplier Questionnaire; and
- updating our standard supply contract terms.



Actions which ACH Group intends to implement during the next reporting period and moving forward, include:

- providing training and education to our employees to reinforce our compliance obligations;
- updating relevant policies and procedures, including our Complaints Procedure and Whistleblower Policy;
- developing and implementing a modern slavery policy and modern slavery remediation plan; and
- continuing to reassess, revise and develop our approach to modern slavery compliance.

Contractor Code of Conduct & Work Health and Safety Booklet

ACH Group's Contractor Code of Conduct and Work Health and Safety Booklet (the Code) establishes ACH Group's expectations and minimum standards of behaviour required of its suppliers in the areas of ethical business practices, conflicts of interest, environmental impacts and health and safety. It also now specifically addresses modern slavery standards.

In accordance with the Code, suppliers must take reasonable steps to identify, assess and

address risks of modern slavery practices in the operations and supply chains used in the provision of any goods or services to ACH Group. If at any time a supplier becomes aware of modern slavery practices in the operations and supply chains used in the provision of any goods or services to ACH Group, the supplier must as soon as reasonably practicable take all reasonable action to address or remove these practices, including where relevant by addressing any practices of other entities in its supply chain.

The Code is publicly available on ACH Group's website at our supplier portal (Contractors Code of Conduct & WHS Booklet | ACH Group).

Modern Slavery Supplier Questionnaire

In the next reporting period, high risk suppliers will be asked to complete our Modern Slavery Supplier Questionnaire, and their responses will be used to inform our consideration of any remediation actions.

Standard Supply Contract Terms

For the next reporting period, we will revise our standard supply contracts to include provisions which require suppliers to comply with modern slavery standards.

4 ASSESSING EFFECTIVENESS OF ACTIONS

During the reporting period it was not possible for ACH Group to meaningfully assess the effectiveness of its actions.

During the next reporting period and moving forward, ACH Group intends to:

- assess the appropriateness of actions already taken;
- review responses to the Modern Slavery Supplier Questionnaire and assess whether to take any remediation actions;
- review the modern slavery statements of our material suppliers;
- review processes for due diligence on new suppliers;
- review the number of employees who have completed modern slavery education and training;
- audit compliance with the modern slavery policy and remediation plan;
- partner with industry to benchmark identification and remediation actions; and
- continue to revise and develop our approach to modern slavery compliance.

5 OTHER INFORMATION

ACH Group employees love what they do, aren't afraid to take action, constantly put their hands up for challenges and celebrate the uniqueness of our community. Modern slavery is the antithesis of our mission to ensure people live good lives. We are committed to taking meaningful action to ensure we engage with suppliers who share our values, ethics and approach to sustainable business practices and are aligned with our stance on modern slavery.

This statement has been approved by the Board of ACH Group.



Frank Weits, CEO

For over 65 years, ACH Group has been supporting good lives for older people.

Let's talk **1300 22 44 77** Visit **achgroup.org.au**

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