

Modern Slavery Statement

ACH Group 2025

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Aged Care & Housing Group Inc Modern Slavery Statement

This statement sets out the actions taken by Aged Care & Housing Group Incorporated ARBN 142 240 499 ABN 99 437 071 895 (ACH Group) to address modern slavery risks in its operations and supply chain for the financial year ended 30 June 2025 (the reporting period).

1. A message from the Chair

ACH Group is deeply committed to upholding the dignity and rights of every individual we care for and employ and as a leading aged care provider, we recognise ACH Group's responsibility to ensure our supply chain is free from modern slavery.

In doing so, we are fully 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.

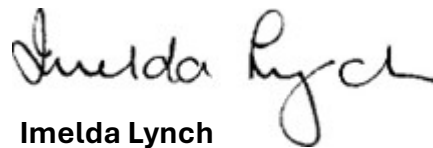
The ACH Group Board, through the Governance, Risk and Compliance Committee, continues to provide strong leadership and oversight in strengthening our ability to manage the risk and assessment of modern slavery within our operations and supply chain.

Through this Modern Slavery Statement, I am pleased to share with you an update on our ongoing commitment to combatting modern slavery within ACH Group operations and supply chain.

At ACH Group, we recognise that the elimination of modern slavery is an ongoing journey. I am confident that the steps we are taking today will strengthen our position in the future.

ACH Group can take pride in our leadership and commitment to addressing modern slavery and I commend the ACH Group workforce for their efforts in, and dedication to, ethical practices and social responsibility.

This statement is made pursuant to Section 13 of the *Modern Slavery Act 2018* (Cth) and constitutes the Modern Slavery Statement of Aged Care and Housing Group Incorporated for the period 1 July 2024 to 30 June 2025 and has been approved by the ACH Group Board.



Imelda Lynch

Chair

Aged Care and Housing Group
Incorporated

2. About ACH Group

ACH Group is one of South Australia's largest approved aged care service providers, operating residential aged care homes, providing home care services and offering retirement village living.

ACH Group's total workforce consists of approximately 1,900 people, made up of full-time, part-time and casual employees. ACH Group has over 130 volunteers contributing their time to support the organisation.

ACH Group is a registered not-for-profit organisation whose purpose is to support older people to live a good life. What sets ACH Group apart is its focus on real experiences for older people, combined with a reablement approach to support older people to age their way.

ACH Group has defined six elements which make up an ACH Group 'good life'. These are being in control, having your uniqueness valued, having your contributions recognised, being as healthy as you can be, having a sense of hope and goals to work towards and having a sense of belonging and connection with your community.

Modern slavery contradicts everything ACH Group stands for.

ACH Group recognises and is committed to taking steps to help eliminate modern slavery practices in its supply chains and overall operations.

3. Structure, operations and supply chain

3.1 Structure

ACH Group is an incorporated association registered with the Australian Charities and Not-For-Profits Commission (**ACNC**).

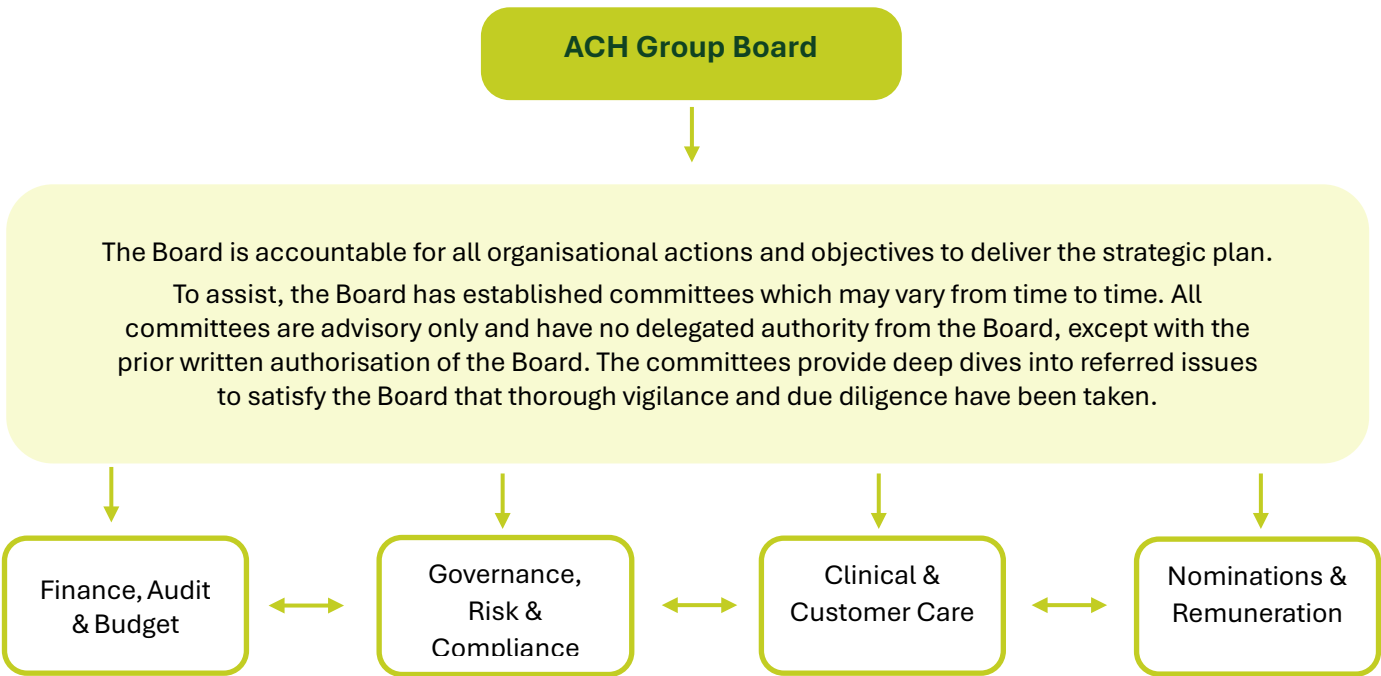
ACH Group’s head office is located at 22 Henley Beach Road, Mile End, South Australia.

The ACH Group Board oversees the performance, strategy and operations of ACH Group in accordance with the ACH Group Constitution and in line with its purpose of providing accommodation facilities and services for older people so they can live a good life.

The Board has established sub-committees to assist with the governance of the organisation.

The Governance, Risk and Compliance Committee (**GRAC**) is responsible for overseeing modern slavery risk identification, assessment and management for the Board. ACH Group is the only reporting entity covered under this statement and ACH Group does not own or control any other entity.

The governance structure of ACH Group is set out below:



3.2 Operations

ACH Group provides and manages:

- residential aged care to approximately 665 residents at its 7 residential aged care homes;
- retirement living villages with approximately 660 residents living in independent living units and apartments across 35 retirement villages;
- home care to approximately 7,000 customers including cleaning, personal care and gardening; and
- health and wellness services to approximately 1,900 customers for rehabilitation, respite, fitness classes and individual allied health services.

All ACH Group operations are situated in metropolitan Adelaide and surrounds.

Further information about ACH Group and its operations can be found at www.achgroup.org.au or on the ACNC website www.acnc.gov.au.



3.3 Supply Chain

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

ACH Group purchases construction related goods and services, such as building materials and equipment, in order to complete various capital works projects. ACH Group also purchases office supplies, IT infrastructure and support services, as well as professional services such as audit, tax and legal advice.

Overall, ACH Group engages approximately 1,000 varied suppliers. The majority of these suppliers are based in Australia.

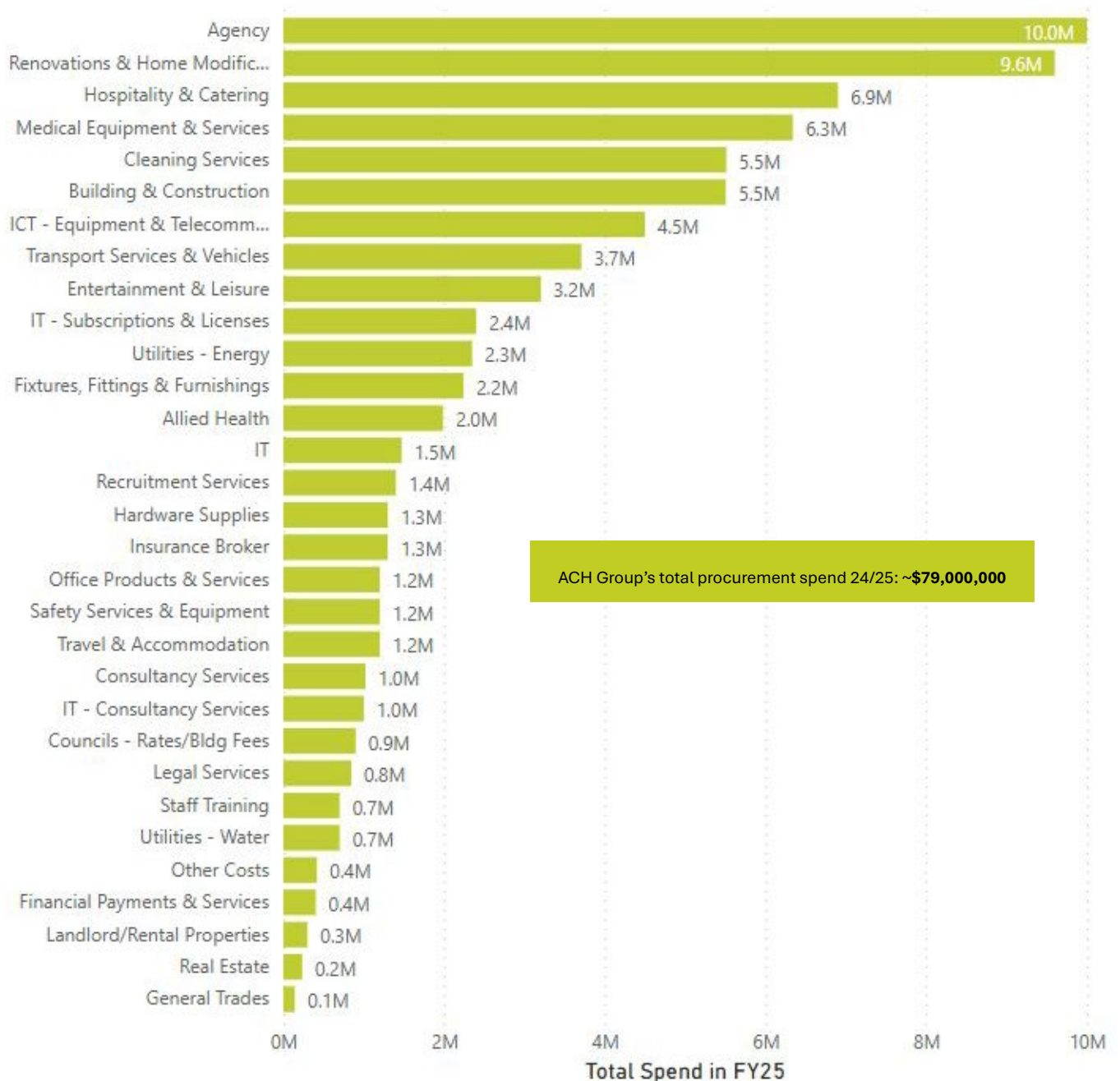
However, ACH Group acknowledges that its suppliers may source goods from countries and industries that are vulnerable to modern slavery.

ACH Group has a centralised Procurement Team that oversees and manages the engagement of all suppliers. All contracts of significance are competitively tendered, reviewed and managed on a regular basis. All supply contracts include obligations on suppliers to take action to prevent modern slavery.

ACH Group has a detailed procurement process which is underpinned by ethical and sustainable business practice. ACH Group maintains a register of preferred suppliers who have completed an extensive supplier pre-qualification process. This pre-qualification process requires potential suppliers to answer questions about the steps they take to identify and prevent modern slavery in their supply chains. The pre-qualification process extends to any supplier ACH Group engages with, whether on a short or long-term basis.

A graph of ACH Group's procurement spend by category is set out below:

Spend by Category



4. Risk of Modern Slavery in ACH Group's operations and supply chain

4.1 Operations Risk

ACH Group operates solely in South Australia. All ACH Group employees are required to provide evidence of their right to work in Australia. ACH Group's workforce is employed in accordance with relevant modern awards, enterprise agreements and industrial laws.

Labour hire or agency staff requirements are filled by local organisations that operate in accordance with South Australian laws. All organisations must provide evidence of their employees' right to work in Australia prior to engagement with ACH Group. ACH Group's contracts with labour hire or agency providers include terms that require these organisations to take steps to identify and prevent modern slavery.

ACH Group also has a robust set of policies and procedures that assist in protecting against modern slavery, including:

- Modern Slavery Procedure;
- Whistleblower Policy; and
- ACH Group's Employee Code of Conduct.

To further support ACH Group's workforce to raise issues or concerns related to modern slavery, all members of ACH Group's workforce are invited to participate in an annual online survey along with escalation pathways where any concerns can be raised anonymously. Additionally, ACH Group employees have access to a free Employee Assistance Program, which can be accessed for any work or non-work related reasons.

Given the above, ACH Group considers the risk of modern slavery within its operations to be low.

4.2 Supply Chain Risk

ACH Group recognises that its large and diverse supply chain means it could unknowingly engage with suppliers who participate in modern slavery practices, or whose own supply chains have an increased risk of modern slavery.

To address this risk, ACH Group applies a structured risk-based approach during the onboarding of all new suppliers. This process includes assessing the industry, size and geographic location of suppliers for potential risks of modern slavery practices based on information published by the Attorney-General's Department in May 2023 titled 'Commonwealth Modern Slavery Act 2018 Guidance for Reporting Entities'.

Suppliers identified as having a high risk of being involved in modern slavery practices are subject to further scrutiny. They are referred to as ACH Group's Head of Procurement and asked to complete ACH Group's Modern Slavery Supplier Questionnaire (**Questionnaire**).

This Questionnaire seeks details regarding the supplier's operations including:

- workforce size and employment conditions;
- existence and effectiveness of whistleblower mechanisms; and
- relevant policies, procedures and practices to safeguard workers from exploitation and modern slavery.

If the Head of Procurement is not satisfied with the response provided in the Questionnaire, the matter is escalated to the CEO for further consideration. The CEO must be satisfied that appropriate safeguards are in place before ACH Group engages that supplier.

During this reporting period, ACH Group has not identified any instances of suspected modern slavery within its supply chain.

5. Addressing the risk of Modern Slavery practices

As part of ACH Group's 2024–2025 modern slavery due diligence, a targeted review of 41 ACH Group suppliers was undertaken to assess and mitigate potential modern slavery risks within the supply chain.

This review followed a structured, risk-based process:

1. Suppliers were searched on the Australian Government Modern Slavery Statements Register to determine if a Modern Slavery Statement had been published.
2. If no statement was available, the supplier's official website was reviewed for a modern slavery policy or equivalent documentation.
3. Where no relevant documents were found, the supplier was assessed to determine the risk of the supplier potentially being involved in modern slavery.
4. Suppliers identified as being at a medium or high risk of being involved in modern slavery were sent an ACH Group Questionnaire requesting further information on their company size, employment practices, and any relevant policies or procedures in place to prevent modern slavery in their operations and supply chains.
5. Questionnaire responses were reviewed to identify any potential indicators of modern slavery and inform further action if required.

To date, ACH Group has not identified any instances of modern slavery within its supply chain through this review process.

The review of the 39 suppliers focused on the:

- top 20 highest spend suppliers;
- top 10 highest spend cleaning suppliers; and
- top 9 highest spend building and construction suppliers.

These 41 suppliers were reviewed as they were considered to carry a higher risk of being connected with modern slavery practices.

The following results were obtained:

- 9 suppliers have a current Modern Slavery Statement registered on the Australian Government Modern Slavery Statements Register;
- 2 suppliers have a current Modern Slavery Statement available on their website;
- 28 suppliers were risk assessed for potential risk of being involved in modern slavery:
 - 5 suppliers were evaluated as low risk – no further action was taken; and
 - 23 suppliers were evaluated as medium-high risk, these suppliers were sent the Questionnaire for further review.

The responses to the Questionnaire were then reviewed and used to inform whether ACH Group ought to take any actions to mitigate the risk of modern slavery practices connected with its supply chain.

The results from the annual supplier review indicate that:

- there is a low risk of modern slavery practices from the suppliers who were reviewed;
- suppliers who had their own Modern Slavery Statements were assessed as low risk for modern slavery practices due to their demonstrated compliance with the Australian *Modern Slavery Act 2018* (Cth) and alignment with the United Nations International Labour Conventions;
- suppliers classified as medium – high risk provide adequate employment conditions, although a number of suppliers did not provide an anonymous mechanism for staff to raise workplace grievances; and
- suppliers providing agency staffing services were identified as presenting the highest level of modern slavery risk. This is due to the increased likelihood of vulnerable workers being engaged in temporary employment arrangements. ACH Group's contracts with these suppliers include terms that require them to take action to identify, prevent and address any risk of modern slavery practices. ACH Group also works closely with these suppliers to ensure their business practices align with modern slavery requirements, including requiring sighting of employment documents for all agency staff and reviewing their due diligence processes to support ongoing compliance.

6. Actions taken

6.1 Actions ACH Group has taken to address the risk of Modern Slavery practices

In the 2024–2025 financial year, ACH Group continued to implement its modern slavery action plan, taking a proactive approach to identifying and mitigating modern slavery risks within its operations and supply chain.

The actions taken during the reporting period included:

- revising the annual supplier review process to improve supplier engagement and ensure a more thorough and meaningful assessment of modern slavery risks;
- conducting a targeted review of the highest-spending suppliers across key categories, including general high-spend suppliers, cleaning services, and building and construction;
- introducing modern slavery awareness training as a mandatory component of the induction program for all new ACH Group employees;
- delivering an annual modern slavery awareness campaign to reinforce understanding and support workforce wide efforts to prevent modern slavery in the supply chain; and
- updating procurement onboarding documentation to include a modern slavery risk assessment. Suppliers identified as high risk were subject to further review by the ACH Group Head of Procurement. Where further review identifies a potentially unacceptable risk, the matter is escalated to the GRAC Committee for further assessment. In 2024–2025, no suppliers were referred to the Committee for review.

6.2 ACH Group's Contractor Code of Conduct and 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 specifically addresses modern slavery standards.

In accordance with the Code, suppliers must take reasonable steps to identify, assess and address the 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 or supply chains used in the provision of any goods or services to ACH Group, the supplier must as soon as reasonably practicable report the identified practices to ACH Group and take all reasonable action to address or remove these practices, including where relevant by addressing any practices of other entities in its supply chain.

6.3 Actions ACH Group intend to implement in the 2025 – 2026 financial year

The actions which ACH Group intend to implement during the next reporting period are as follows:

- implementation of a new supplier onboarding system to strengthen the rigour and transparency of modern slavery requirements for incoming suppliers;
- revision of the Questionnaire to ensure alignment with ACH Group's risk profile and to promote more meaningful engagement and communication from suppliers;
- ongoing delivery of modern slavery awareness training to all existing members of the ACH Group workforce;
- continued enforcement of mandatory modern slavery training as part of the induction process for all new employees;
- ongoing development and supplier engagement initiatives led by the Procurement Team to foster strong supplier relationships and improve mutual understanding of modern slavery obligations; and
- a continued focus on sourcing from local suppliers wherever possible, particularly South Australian businesses, to enhance oversight and understanding of suppliers' operations and supply chains.

7. Assessing effectiveness of actions

To date, ACH Group has reviewed 9 Modern Slavery Statements, 2 internal policy documents, and identified 5 suppliers as low risk and 23 medium or high risk suppliers who were asked to complete the Questionnaire.

All suppliers have actively participated in the process and have demonstrated a collaborative approach in working with ACH Group.

The risk of ACH Group engaging in modern slavery practices remains low.

In the 2024-2025 financial year, ACH Group assessed these actions as being effective.

ACH Group will continue to monitor and assess the effectiveness of its actions, including socialising such issues at Board level and by reviewing the results of supplier audits undertaken.

By continually assessing the effectiveness of its actions, ACH Group expects to achieve a greater level of awareness and in turn, reduce the risk of modern slavery within its supply chain.



100%

Contacts signed in FY2025 contained modern slavery clauses



41/41

High risk supplies audited



0

Cases of modern slavery identified

8. Consultation

ACH Group does not own or control any other entities, therefore no consultation process with entities owned or controlled by ACH Group was necessary.



**Leaders in aged care
since 1952.**

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