

# Community Housing Limited (“CHL”) Group

## Modern Slavery and Human Trafficking Joint Statement – 2022-23

Date of submission: 14 December 2023

This **Modern Slavery and Human Trafficking Joint Statement** (“Statement”), pursuant to s14 of the *Modern Slavery Act 2018* (Cth), sets out the actions taken by Community Housing Limited<sup>1</sup> (“CHL”) to address the risks of modern slavery and human trafficking in our business and supply chains for the financial year ending 30 June 2023.

CHL is committed to maintaining and improving systems and processes to avoid complicity in modern slavery or human rights violations related to its operations, supply chains, services, and programs. We understand that modern slavery occurs in many forms, including forced labour or services, domestic and sexual servitude, child labour, bonded labour, sex trafficking, debt bondage, deceptive recruitment for labour services, forced or servile marriages, workplace abuse, human trafficking and other slave-like practices.

In this statement, the terms ‘modern slavery’ and ‘human trafficking’ relate to and include the above various forms of coerced labour.

CHL is committed to delivering its mission in a responsible and ethical manner and does not tolerate any form of slavery in our business and supply chain.

### ABOUT US:

CHL is a not-for-profit company delivering housing for vulnerable and low to moderate income people who are unable to secure long-term affordable housing. CHL originated in Australia in 1993 and has since grown its operations to South Asia, South-East Asia, Central Africa, and South America.

We are committed to providing good-quality, affordable and sustainable housing in regions of the world where there is a dire need. Our focus is on developing housing options for those experiencing housing difficulty and continuously improving our service delivery to tenants so they can enjoy stable lives, raise families, engage in employment or study, and generally be able to live adequately day to day.

We develop housing strategies in partnership with communities and their governments to predominantly assist:

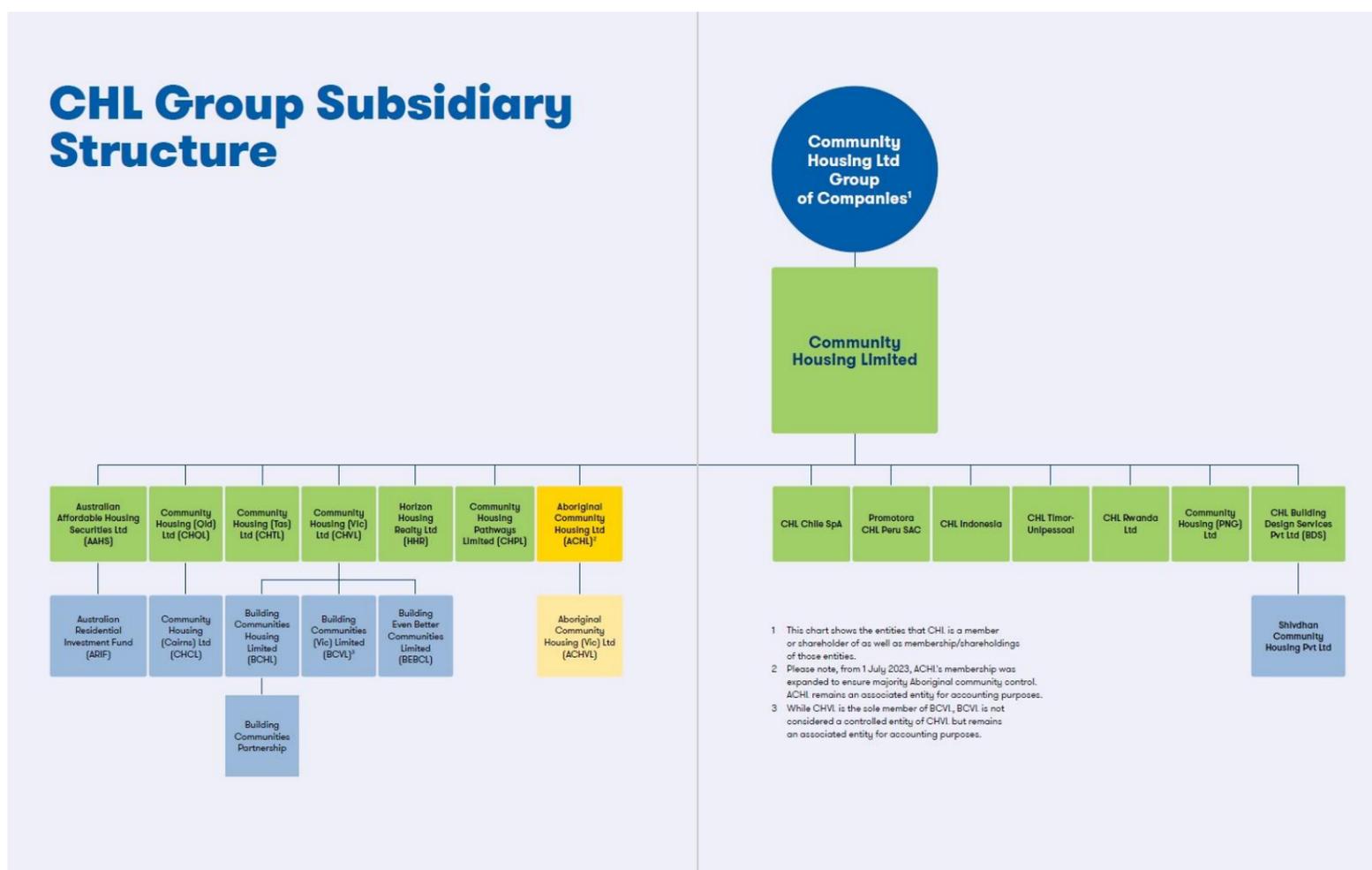
- **In Australia:** Low to moderate income people across both metropolitan and regional Australia who are in highest housing need and/or have been disadvantaged by market failure on the path to securing long-term rental or home ownership.
- **Internationally:** People who live in informal housing within our international locations and who are unable to secure long-term affordable housing.

CHL is building a strong national presence across Australia and expanding its international footprint across those regions where extreme poverty remains pervasive.

As of 30 June 2023, CHL had a portfolio of over 11,000 properties with our operational footprint extending across Australia in six States and one Territory, being Victoria, New South Wales, Western Australia, South Australia, Queensland, and Tasmania.

Internationally, with a presence in Timor Leste, Chile, Papua New Guinea, Peru, India, Indonesia, and Rwanda, we aim to assist those who are disadvantaged by market failure by securing a pathway to secure housing. We recognise and acknowledge that long-term rental and home ownership is one of the means by which the poor can escape poverty.

### CHL GROUP STRUCTURE (As of 30 June 2023)



<sup>1</sup> “Community Housing Limited” refers to Community Housing Limited ABN 11 062 802 797 and as defined under s50 of the Corporations Act 2001 (Cth), its related bodies corporate.

## Risks of Modern Slavery

For over 29 years, CHL has been managing and developing affordable housing solutions in partnership with governments, and communities. CHL have a robust governance framework, with oversight by the Boards and direct monitoring of risk and compliance activities through the delegated Audit and Risk Committees. Underpinning our governance framework are several policies, in particular the following in relation to modern slavery:

- Modern Slavery Policy
- Code of Conduct Policy
- Whistleblower Policy
- Risk Management Policy
- Compliance Policy
- Procurement Policy
- External Conduct Standards Policy

These policies guide the delivery of CHL's mission with a focus on ethical and lawful behavior.

To the best of our knowledge, we comply with all employment, labour, and whistleblower laws in Australia, including fulfilling our obligations under the *Fair Work Act 2009* (Cth). CHL is committed to providing a safe working environment with a workplace free from harassment, discrimination, and bullying. Across its operations, CHL acts ethically and lawfully in its business conduct and engages all stakeholders with respect and honesty. CHL has adopted an internal audit program, which provides assurance on the effectiveness of the risk control framework and compliance with policies. Whilst we consider the potential to cause or contribute to incidents of modern slavery to be very low, some areas of vulnerability in our group operations are outsourced services such as the use of labour hire contractors, cleaning, and facility management.

## OPERATIONS

CHL undertakes projects to create additional housing stock and provides accommodation services to those at risk of homelessness, people who cannot access the private rental market and those living with a disability. Additionally, CHL provides accommodation services for Aboriginal and Torres Strait Islander communities.

Tenant-related services are undertaken by our in-house staff, who are employed under the appropriate awards and receive remuneration in accordance with applicable awards.

Businesses contracted by CHL are generally required to:

- Comply with Australian labour laws.
- Receive an induction from CHL.
- Comply with CHL's policies, including the External Conduct Standards Policy and other policies directed by CHL as relevant to their activities; and
- Ensure any subcontractors adhere to the aforementioned requirements.

Some of the services we provide to Aboriginal and Torres Strait Islander people in remote communities are contracted to locally based Organisation's. The extent of risk from modern slavery in these areas needs to be assessed separately and appropriate actions taken regarding any risks identified. Notwithstanding this, the Modern Slavery Policy is applicable to the services provided in these communities.

The overseas entities of CHL are located in South Asia, South-East Asia, South America, and Central Africa. Entities in Timor Leste, India, Chile, Indonesia, and Peru are engaged in construction activities or service delivery while the entities in Papua and New Guinea, Rwanda are at a formative stage of development and are exploring project development opportunities.

The modern slavery risk is higher where there are ongoing activities and the CHL staff at these locations are sensitive and alert to the issues of modern slavery and have practices in place should any instances be detected. Where construction has yet to occur, the risk of modern slavery is considered in determining the business relationships CHL enters into. In this regard, this is consistent with CHL's zero tolerance to corruption and other unlawful practices.

## SUPPLY CHAINS

Within the supply chain for goods and services in Australia, CHL procures a diverse range of goods and services to support its core business and aims to provide affordable and sustainable housing for a world without housing poverty. The goods and services that are connected to the construction of new dwellings rely on engagement with builders, architects, project managers and stakeholders in industries associated with real estate, the law, banking, and the provision of finance. CHL deals with reputable businesses thus the risk of modern slavery is considered low within these industries.

The supply chain for rental properties involves engagement with organisation to undertake urgent, responsive, and routine maintenance on the properties. The supplies for the maintenance services are acquired from reputable Australian trade and retail suppliers which range from large national maintenance organisations to small local businesses. Some maintenance is also undertaken by in-house CHL staff. Other minor supplies are acquired to assist residents with the goods necessary to establish the fundamentals of a home. While the risk of modern slavery associated with supplies for rental properties is considered low, CHL continues to look to improve the mechanisms it employs to address the prevention of modern slavery in its selection criteria and contractual arrangements with the suppliers to ensure strict adherence to the norms for the prevention of modern slavery.

### **Assessment of risk in our supply chain**

Throughout 2022-23, CHL updated its Modern Slavery Policy, reinforced by its Procurement Policy. To date, we have not found any significant risks from our suppliers. However, while CHL predominantly uses Australian suppliers, it recognises that the goods and services may come from countries other than those of supplier's locations. From CHL's international operations, assurance has been sought that the international subsidiaries procure or engage with suppliers who in-turn engage with companies that do not produce goods manufactured by child and forced labour. CHL has increased its consultations with international operations during the 2022-23 year to ensure the vulnerabilities and potential modern slavery risks across its operations are adequately assessed.

When goods are purchased from major suppliers, but manufactured by a third party, the risk of modern slavery within the layers of the supply chain cannot be eliminated.

CHL will be undertaking further work to understand the vulnerabilities and potential modern slavery risks across its operations. In particular, we consider the cleaning services industry to have inherent risks of modern slavery that warrant further attention, and we have initiated measures to strengthen controls in this area.

## **ACTIONS TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS, INCLUDING DUE DILIGENCE AND REMEDIATION PROCESSES.**

CHL is committed to the protection of workers' human rights and vulnerable individuals from exploitation and all forms of slavery. The Modern Slavery Policy adopted by CHL is aimed at ensuring all employees are socially responsible through awareness of modern slavery, the risks of slavery and the appropriate action to take in such circumstances. We aim to limit the risk of modern slavery occurring within our activities, existing within our supply chains, other activities, or relationships.

Furthermore, CHL has adopted the following policies to address operational risks, including modern slavery risks:

1. **External Conduct Standards Policy** - CHL is committed to ensuring the safety and wellbeing of all staff and associated parties, as well as transparency in its operations and allocation of resources. This policy aims to ensure all employees are socially responsible through an awareness of the risks of fraud and threats to individuals' human rights, and the appropriate action to take to minimise the risk of these during business.
2. **Whistleblower Policy** - This policy outlines CHL's commitment to creating and maintaining an open working environment in which the whistleblower can raise concerns regarding actual or suspected misconduct, malpractice, unethical or unlawful behavior without fear of retribution. It aims to provide clarity on how CHL will support whistleblowers so that they:
  - are encouraged to express their concerns.
  - know how to express their concerns, including their right to remain anonymous.
  - know what will happen when they express their concerns; and
  - feel safe in expressing their concerns and knowing they will not be subject to retaliation or victimisation in response.CHL has engaged a third-party firm (RSM Australia Pty Ltd) as a nominated eligible recipient of whistleblower reports. The service allows eligible whistleblowers to make a disclosure by accessing a dedicated portal, which is operated 24 hours a day, 365 days a year.

## **CONSULTATION**

CHL engages directly with the management team of each subsidiary to form a view on the modern slavery risk in that subsidiary's operations. Where appropriate, each subsidiary Board adopted the 2022 Group Modern Slavery Statement.

## **RISK ASSESSMENT AND MANAGEMENT FOR FY 2022-23**

CHL's focus for 2022-23 was to improve its understanding of potential modern slavery risks from within the operations and supply chain. Recognising the management of modern slavery risks across all our operations, we formed a Modern Slavery Committee comprising representatives from each of the following departments: Asset Management, Operations, International Operations, Governance and Legal and Risk and Compliance.

The purpose of the Modern Slavery Committee is to:

- Prevent and minimise the risk of modern slavery occurring within CHL's operations, supply and partnerships by enacting reasonably control and risk management procedures.
- Create a positive working environment from any forms, or threats of, slavery.
- Inform the Board and CHL executive leaders on modern slavery issues.
- Adhere to reporting requirements and to support, contribute and review CHL's Modern Slavery Statement prior to submission to the Board.
- Document, develop and strengthen CHL's modern slavery resources and tools.
- Promote the long-term success of CHL in relation to Environmental, Social and Governance (ESG) matters; and
- Recommend to CHL's Managing Director (or delegate) any changes to existing policies, procedures, arrangements, or agreements that require their approval.

In 2022-23 CHL utilised the questionnaire developed in the previous year to and obtain information on the management of modern slavery within supplier operations and to allow us to assess the risk of modern slavery against set criteria. As part of this process, we have utilised the risk assessment criteria, the method of distribution and data analysis methodology, which will continue through the 2023-24 year. CHL also aims to prepare guidance on how best to work with suppliers to obtain their cooperation and participation in the process and how to respond to any situation of modern slavery that is identified.

## **ASSESSING THE EFFECTIVENESS OF OUR ACTIONS.**

We acknowledge the importance of assessing the effectiveness of our actions to manage and mitigate risks of modern slavery in our operations and supply chain. CHL recognises that modern slavery may be to be an area of high exposure for CHL, specifically for international operations. However, risks can be assessed through the questionnaire and engagement with suppliers and submission of the annual Modern Slavery Statement.

## **FUTURE COMMITMENTS**

CHL recognises that modern slavery is a multi-faceted issue that requires ongoing attention, and it intends to continue to strengthen the consultations and assessments of the effectiveness of CHL's modern slavery risk management to further our understanding of the risk of modern slavery within our supply chain.

As information is obtained and the risk of modern slavery is assessed it is expected that trends in those risks will emerge, which will allow the effectiveness of our processes to be established.

## **BOARD APPROVAL**

This Statement has been approved by the Board of Community Housing Limited as the parent entity at its meeting held on 13 December 2023 and will be updated on an annual basis.

**Stephen Bevington**  
Managing Director  
CHL Group