



Modern Slavery Statement

K Care Holdings Pty Ltd (ABN 80 626 058 035) (ACN 626 058 035)

For the financial year 2021/2022

1. REPORTING ENTITY

This Modern Slavery Statement is a joint statement (this Statement) made by K Care Holdings Pty Ltd (KCH) and its subsidiaries listed below (together KCH) pursuant to the *Modern Slavery Act 2018* (Cth). This statement sets out actions we have taken to address Modern Slavery risks within our business and supply chain in the financial year ending 30 June 2022 (Reporting Period).

2. ORGANISATIONAL STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Structure

KCH is a limited propriety-company which operates with the following entities:

- K Care Healthcare Solutions Pty Ltd (ACN 159 431 099) (ABN 47 159 431 099)
- The County Care Group Pty Ltd (ACN 088 222 226) (ABN 26 088 222 226) (**Country Care Group**)
- Country Care Management Services Pty Ltd (ACN 606 437 101) (ABN 23 606 437 101)
- Country Care Group Home Modifications Pty Ltd (ACN 619 350 435) (ABN 81 619 350 435)
- Specialised Mobility Pty Ltd (ACN 159 633 664) (ABN 59 159 633 664)
- MT Hogan Enterprises Pty Ltd (ACN 616 278 829)
- Willaid Pty Ltd (ACN 616 282 663) (ABN 98 616 282 663)

Operations

We are an Australian national business with strong family values. We manufacture distribute and sell innovative healthcare products in Australia and overseas both independently and through a national group of resellers. We also provide services such as equipment leasing, maintenance and home modification in Australia.

Our head office is located in Mildura, Victoria. We have 32 manufacturing, distribution, warehousing and retail locations across Australia.

Our manufacturing and distribution division, “K Care Healthcare Solutions” (**K Care**), is one of Australia’s largest manufacturers and wholesalers of healthcare equipment. We are proud to design, develop and manufacture a wide variety of industry-leading products in Australia. We sell our products through distributors, and resellers (including Country Care stores). We also sell directly to aged care facilities, residential homes, hospitals, and healthcare centres across Australia.

Country Care Group is our retail and contracts division, which provides healthcare equipment to individuals through its retail stores, as well as through servicing major government contracts, such as Department of Veterans’ Affairs, Queensland Government Medical Aids Subsidy Scheme, Victorian Government State-wide Equipment Program, Western Australia Health, Transport Accident Commission and HealthShare NSW.



Country Care Home Modification provides home modification services to customers to enable them to live more independently.

Supply Chain

We procure goods and services from 1050 suppliers from around the world, including the procurement of:

- manufactured products
- raw materials
- warehousing & logistic services
- marketing & advertisement services
- goods needed for the Group's everyday corporate operations, including office supplies.
- services needed for the Group's everyday operations, including professional services such as recruitment, marketing, legal and tax, and services such as IT, telecommunications, and cleaning.

We have 31 suppliers in China, Taiwan, Malaysia, and Thailand. From these international suppliers we source health care related equipment such as raw materials, assistive technology equipment including components for assembling and manufacturing, as well as beds, hygiene equipment, pressure care, wheelchairs, commodes, lifts, and hoists.

Goods procured from our Australian suppliers include castors, stainless steel sheets and tubular products, manufacturing consumables.

3. RISKS OF MODERN SLAVERY PRACTICES IN THE GROUP'S OPERATIONS AND SUPPLY CHAINS

We have mapped out our operations and supply chains and identify activities that carry a greater risk of Modern Slavery and acknowledge that Modern Slavery risks are higher in some of the countries where our suppliers are located.

Sector and Industry

Given the extensive supply chain within the-healthcare equipment industry there is a risk that Modern Slavery practices may be present.

Product and services

The products and services that we offer to our customers carry a low risk of Modern Slavery in terms of the manner in which our products are produced, provided, or used.

Geographic

We have identified the following geographic areas that may present a high risk to our operations:

- Taiwan
- China
- Malaysia
- Thailand

We have analysed our suppliers in these regions and believe that approximately 10% of them may be exposed to the risks of Modern Slavery.



Suppliers

We analysed the top 20 suppliers of products and services to our operating businesses for the risks of Modern Slavery and we consider our suppliers to be medium risks.

Overall, for the reporting period, we consider our exposure to Modern Slavery risks to be medium.

4. ACTIONS TAKEN BY THE GROUP TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

We have carried out an initial assessment of our Modern Slavery risks and have identified areas that requires improvement and put measures in place to address them. Some of such measures are as follows:

Modern Slavery Policy

We have created and implemented a Modern Slavery Policy that applies to all employees, directors, officers, labour hire staff, contractors, other representatives of our business and businesses in our supply chain.

The policy outlines our commitment to complying with the *Act*, preventing Modern Slavery practices from occurring within our operations and supply chain and ensuring that the risks of Modern Slavery practices are understood.

The policy has been made available to all staff through our online quality management system.

Risk assessments

We identified 36 suppliers that met the risk assessment criteria for this reporting period, which included international product suppliers operating within the high-risk geographic areas, as well as our top 20 suppliers of products and services overall.

A risk assessment tool was developed in line with the Global Slavery Index and online resources provided by the Australia Border Force Modern Slavery Register. We then completed the risk assessment on the 36 suppliers which identified improvements and recommendations to our current controls and how we can reduce the risk to our operations in the future.

Going forward we intend to continue to assess those key suppliers as well as increase the number of suppliers we complete the risk assessments on.

Due Diligence & Screening

We have prepared a Supplier Questionnaire in order to understand our supply chain risks from our supplier's perspective. Questions included whether they have visibility around their own supply chains, the extent to which they understand their Modern Slavery risks and whether they have implemented any remedial actions to prevent Modern Slavery practices in their organisations.

We forwarded this questionnaire to the 36 suppliers identified above and received 100% completed responses. The survey answers were analysed and were applicable incorporated into the risk assessment for that supplier.

We have identified a need to strengthen our due diligence and screening process and, in the future, intend to:

- Create a due diligence checklist and screen new suppliers for Modern Slavery risk, and take necessary precautions to reduce the risks to our operations
- Complete our own audits of existing suppliers, where achievable
- Continue to obtain responses to the questionnaire from the suppliers already analysed.



- Extend the questionnaire to a much broader group of our suppliers.

Supplier Agreements

We will streamline our supplier agreements to ensure that clause with respect to Modern Slavery is included so that it imposes obligations on contracting parties to comply with the Modern Slavery Act.

Training

We are developing a training program which currently includes annual training on Modern Slavery-for all staff.

The “Combatting Modern Slavery” training developed by a third-party provider was rolled out to all staff, resulting in a 94% completion rate. Training included a general overview on what Modern Slavery-practices could look like and required actions if Modern Slavery is identified in our operations or supply chain.

Potential future training has been identified in procurement and contracting areas for staff in key purchasing or decision-making roles, including senior management.

Continuous improvement

Our focus moving forward is to continue to:

- assess and monitor Modern Slavery risks within our operations and supply chain.
- use supplier questionnaire to evaluate our existing and new suppliers.
- take action on any allegations or finding of involvement in prohibited practices.
- implement due diligence measures on our suppliers.
- strengthen our procurement practices to ensure that our suppliers and third-party labour providers operate ethically and where applicable address Modern Slavery risks in their business and supply chain.
- develop and implement a supplier code of conduct.
- further develop and implement our employee training program on Modern Slavery.
- review agreements to ensure that contracts with new suppliers contain Modern Slavery clauses.
- reinforce our whistle-blower protection policy, to allow people to raise concerns about individuals or organisations that we associate with, including clients, suppliers, and others.

Monitoring

The continuous improvement actions identified will be monitored by our Legal, Quality and Compliance team. Our successes in investigating our Modern Slavery-risks will continue to be reported to Directors and Senior Management.

As this is our first reporting period, we will assess our actions taken so far, and intend to continuously improve our Modern Slavery risks management systems and processes in the future.

5. HOW THE GROUP ASSESSES THE EFFECTIVENESS OF OUR ACTIONS

In the next reporting period, we intend to take several steps to assess our Modern Slavery-risks and assess effectiveness of actions taken in its first reporting period.

We have established a Modern Slavery Priority Actions plan for 2022-2023 and have identified a number of actions to be completed within the key areas of Policy, Process, People and Suppliers.



Our Legal, Quality and Compliance team will oversee the implementation of the Modern Slavery Priority Actions for 2022-2023 and report to Directors and Senior Management of its progress on a regular basis, being at least Quarterly.

6. HOW KCH CONSULTS WITH THE ENTITIES IT OWNS OR CONTROLS

At least one Director of KCH is also a director of its wholly owned subsidiary entities and has awareness and transparency of all operations, actions, and responses across the Group.

Senior Management of the operating businesses have visibility across all operating businesses within the Group and meet weekly to discuss Group operations.

7. OTHER RELEVANT INFORMATION

Our Modern Slavery practices are in early stages of development, and we are committed to continuously improving our understanding of our suppliers, understanding the risks of Modern Slavery, and mitigating those risks through supplier contracts, communication, education, and effective due diligence.

We recognise the importance of identifying and bringing Modern Slavery practices to an end and are committed to working with our supply chain to eliminate these practices.

8. PRINCIPAL GOVERNING BODY APPROVAL

This joint statement is made by K Care Holdings Pty Ltd and its subsidiary entities for the financial year ending 30 June 2022.

9. AUTHORISED BY

This statement was approved by the Board of Directors of K Care Holdings Pty Ltd as the parent entity of the subsidiaries and is signed by Thomas Hogan in his role as the Director and Chief Executive Officer of K Care Holdings Pty Ltd.

Thomas Hogan

Director and Chief Executive Office

Amendments

Section	Reason	Date Amended
8	Additional section as per MSS Compliance Action	24/03/2023
9	Additional section as per MSS Compliance Action	24/03/2023