

# ILS - Independent Living Specialists

## Modern Slavery Statement FY2022

(1 July 2021 – 30 June 2022)

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## Introduction

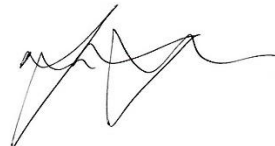
Independent Living Specialists (**ILS**) is an Australian leader in healthcare equipment solutions. Founded on a culture of empathy and empowerment, our customers are the core of what we do. We work closely in partnership with our clients and referral partners. Our clients are people who experience unique and highly personal challenges, and we continually learn from them by tailoring mobility solutions to meet their needs. This helps us to deepen our knowledge of best-practice mobility solutions and ensures that Quality and innovation shape our business decisions.

We understand that modern slavery is a complex and global issue. As an organisation, we are committed to identifying, preventing and addressing modern slavery in our supply chains. Forced labour and any exploitation of vulnerable workers have no place in our business or our supply chain. We welcome and support the introduction of the *Modern Slavery Act 2018* (Cth) (**Act**) by the Australian government.

This document is the second modern slavery statement of ILS, made for the reporting year 1 July 2021 to 30 June 2022 (**FY2022**). It has been prepared in accordance with the Act and covers steps we have taken in FY2022 to address modern slavery risks. We recognise this is a complex issue and we are taking, and will continue to take, a prioritised risk-based approach to our ongoing compliance with the Act.



David Sagar  
Chairperson  
15/12/2022



Mathew Morgan  
Chief Executive Officer  
15/12/2022

## 1. Reporting Entity

This modern slavery statement (**Statement**) is made by Independent Living Specialists Pty Limited, ABN 78 106 336 958 (referred to as **ILS, we, our** in this Statement). We are a reporting entity under the *Modern Slavery Act 2018* (Cth) (**Act**) and this Statement is submitted for the financial year ending 30 June 2022.

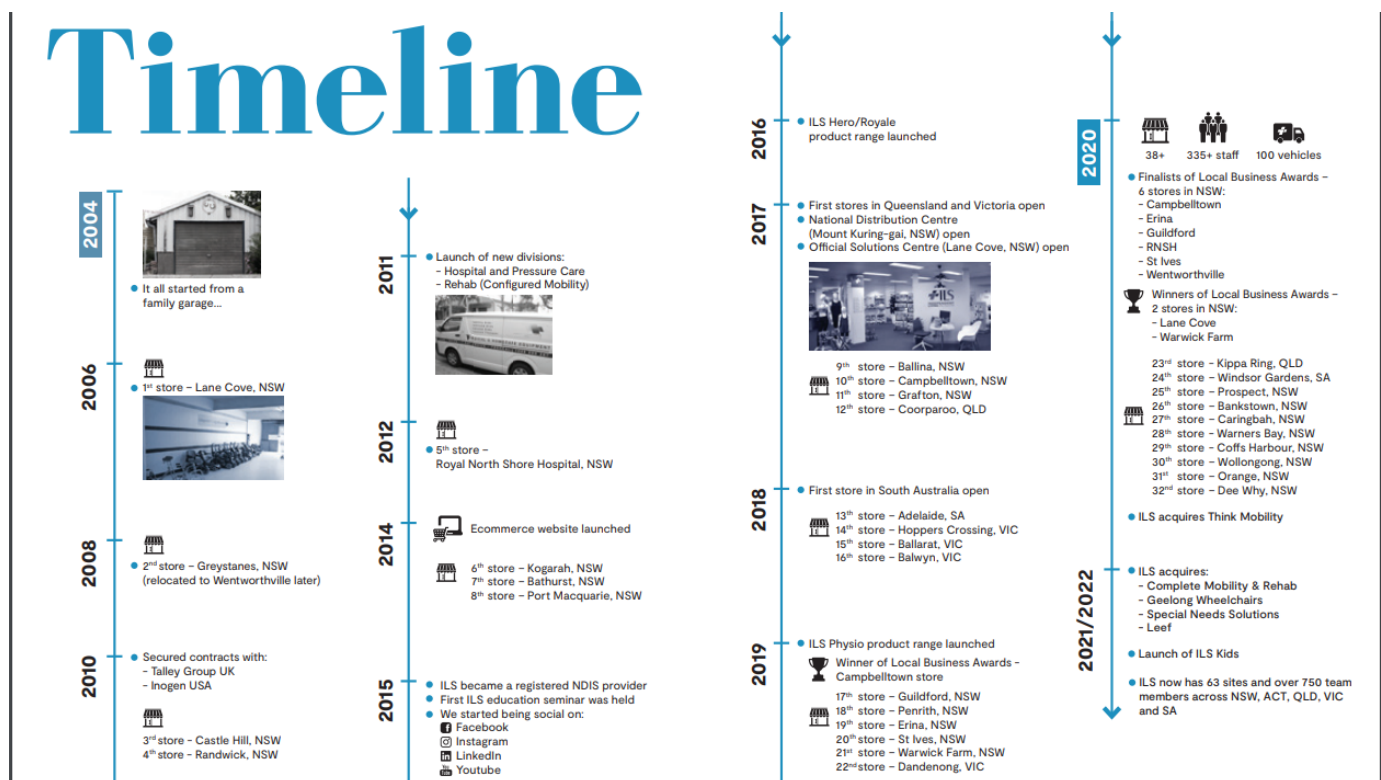
## 2. Structure, operations and supply chain

### 2.1. Our Structure

ILS is an Australian proprietary company, limited by shares and incorporated in New South Wales, Australia under ACN 106 336 958. For more than 18 years, we have been providing the Australian general public/community with healthcare mobility solutions, clinical services, hire equipment and other support services. Our headquarters is based in Lane Cove, NSW 2066 and also operates 44 retail stores across NSW, Victoria, Queensland and South Australia.

ILS does not own or control any subsidiaries and is not part of a larger group.

### ILS Timeline



### ILS Head Office / Showroom:

Unit 1 / 12 Mars Road (Via Entrance B), Lane Cove West Sydney NSW 2066

P: 02 9427 4995 F: 02 9427 4338 ABN: 7810 6336 958

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1300 008 267

Approximately 600 people work at ILS, a 15% increase over last reporting period, comprising permanent employees and contracted workers: in retail (in store and customer service), clinical support, warehouse, logistics, and business support services. Our clinical support team includes 40 people with extensive knowledge in assistive technology as occupational therapists, product specialists and educators.

## 2.2. Our Operations

Our business objectives and strategy are simple: to support our clients and empower them to live their most active and independent lives. We achieve this by delivering exceptional services to the general public, hospitals, residential aged care facilities and the wider allied health community in Australia.

We provide a wide range of equipment and clinical services including equipment hire. Our operations and product catalogue are divided into 5 key divisions:

- **Community Care:** We provide specialised equipment and clinical services, such occupational therapy consultations in retail stores and at-home. Whether our clients are looking for a mobility aid, equipment to assist with a medical condition, disability or general equipment to assist with the effects of ageing, we work with them to maximise mobility, safety, comfort and independence through our range of equipment solutions.
- **Hospital and Pressure Care:** We provide healthcare equipment and advice to hospitals and residential aged care facilities in Australia. Our team of occupational therapists and clinical product specialists offer products that will assist in the management of pressure injuries in hospitals or aged care facilities.
- **Rehab (Configured Mobility):** We provide expert clinical and functional solutions for individuals with complex seating and mobility needs, specialising in scripted power and manual wheelchairs.
- **Retail:** Our retail operations include 44 physical stores across NSW, Victoria, Queensland and South Australia and a web store providing a national service.
- **Technical Care:** Our qualified technicians provide support services across our extensive product range. Services and equipment repairs are conducted at locations across NSW, Victoria, Queensland, and South Australia. A wide range of services are offered including preventative maintenance, repairs, accessories to our products, battery testing and replacement, brakes, safety checks, spare parts, and equipment cleaning.

## 2.3. Our Supply Chains

We work closely with reputable suppliers, in Australia and internationally, to ensure that our customers access the best possible range of healthcare equipment. Our suppliers provide us with a range of goods and services such as:

- **Goods for resale,** including compression equipment, hygiene products, pressure care, baby care, bathroom aids, bedrooms aids, beds, chairs, chairlifts, mattresses, patient transfer equipment, ramps, respiratory equipment, scooters, seating products, walking aids and wheelchairs.

- **Non-stock goods (not for resale)**, including equipment that supports our operations, retail store fit out materials, staff uniforms.
- **Support services**, including cleaning services, IT support, security services, facilities, office management and other logistical support.

The majority of our direct suppliers are based in Australia. We do not manufacture goods or operate manufacturing factories.

Following the Guidance for Reporting Entities published by the Commonwealth Government (**Commonwealth Guidance**), we are taking a prioritised, risk-based approach. Last reporting, we began by focusing on our top 10 suppliers by spend and on our top 10 products. In line with our phased approach, we have expanded this to our top 15 suppliers by group spend and top 40 products. This approach ensures that we can identify risks where we have the most ability to impact change and identify new opportunities.

Out of our top 15 suppliers:	Out of our top 40 products:
<ul style="list-style-type: none"> <li>• 11 are based in Australia</li> <li>• 2 are based in China</li> <li>• 1 is based in the United Kingdom</li> <li>• 1 is based in America</li> </ul>	<ul style="list-style-type: none"> <li>• 12 are manufactured in China</li> <li>• 9 are manufactured in Australia</li> <li>• 8 are manufactured in the US</li> <li>• 3 are manufactured in the UK</li> <li>• 2 are manufactured in Taiwan</li> <li>• 2 are manufactured in Canada</li> <li>• 1 is manufactured in each of France, Germany Poland and Japan</li> </ul>

### 3. Risks of modern slavery

ILS understands that all products and services can include risks of modern slavery in supply chains. In this section, we identify the potential for ILS to cause, contribute to, or be directly linked to modern slavery through our operations and supply chains. In this context, risk refers to the risk to people. While specific instances of modern slavery have not been identified in our operations and supply chains, we recognise that the risks of modern slavery are influenced by variable factors that require us to regularly monitor and assess our risk profile such as vulnerable populations, high risk industries and high-risk countries.

#### 3.1. Our approach to risk analysis


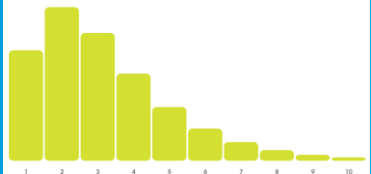
We have formed an approach to identifying modern slavery risks in our operations and supply chains taking into consideration the Commonwealth Guidance and the Global Slavery Index 2018. In line with the Guidance, and in conjunction with FairSupply we are taking a phased approach to our risk analysis. This methodology with the benefit of 12 months experience has led us to modify our approach:

- **Phase 1:** This preparation stage is intended to create and strengthen the approach related to modern slavery within our organisation. We are striving to insert modern slavery preventative practices into our management system and drive participation from our workforce. For year one the risk analysis was undertaken on our top 50 product suppliers. Due to an

identified change in supplier profile mix we again focused on our top 50 product suppliers albeit for a different supplier mix.

- **Phase 2:** In this stage, we will seek to identify where there is the most significant possibility of modern slavery. We will focus our actions where our organisation has the most considerable power to influence.
- **Phase 3:** Review opportunities from the first two phases to expand our actions to our entire supply chain.

*Identification of key risks*

<p><b>Geographic risks</b></p> 	<p>The majority of our direct suppliers (by spend value) are located in Australia, which is identified as a low-risk country for modern slavery risk.</p> <p>We have identified that a portion of our product catalogue is manufactured in China. We recognise that some countries may have a higher risk of modern slavery and that China has been identified by the Global Slavery Index 2018 as one of the largest estimated numbers of people in modern slavery, with a lower government response.</p> <p>Risks of modern slavery also arise beyond our direct suppliers. While the majority of our direct suppliers are based in low-risk countries, we understand that those suppliers may source products or components from overseas, including from countries that have been identified as higher risk countries.</p>
<p><b>Sector / Industry risks</b></p>	<p>We operate in the highly regulated healthcare sector which inherently carries a lower risk of modern slavery.</p> <p>The support services provided to us, such as IT support and cleaning services, are industries recognised as carrying a higher level of modern slavery risk.</p>
<p><b>Tier Risk</b></p> 	<p>The concepts of cause, contribution and direct linkage are set out in the UN Guiding Principles. We have undertaken a risk profile to Tier 10 and identified our highest likelihood of modern slavery as being in Tier two and Tier three of the supply chain.</p>
<p><b>Products / materials risks</b></p>	<p>We do not have any direct manufacturing operations of our products or equipment. However, we recognise that some products which may form part of our supply chain are from some</p>

of the highest risk product categories. This includes electronics and garments, and materials such as gold and cotton.

## 4. Actions we have taken to address any identified risks

### 1. Modern slavery framework:

Design a modern slavery framework by unifying it with established managerial practices.

### 2. Anti-slavery policy:

ILS have implemented an internal anti-slavery policy that defines the organisation's approach to ethical sourcing and preventing worker exploitation. We have developed standard documentation to support the modern slavery framework, including the development and introduction of a supplier verification form to complement supplier qualification audits in the areas of Environmental, Social (incorporating modern slavery) and Governance.

### 3. Supplier risk analysis:

ILS has engaged Fair Supply to undertake an annual comprehensive risk analysis of ILS' supplier list. This year the report has focussed on the Top 50 suppliers and the results of the supplier risk mapping undertaken by Fair Supply has determined high-risk and high-spend suppliers and as such has highlighted key opportunities to action.

### 4. Training:

We consider training and awareness a fundamental part of supporting the actions and the success of the initiatives related to modern slavery and its continuous improvement. Targeted training has been conducted on modern slavery with key stakeholders, primarily those in the modern slavery group, with a view to roll it out to all ILS staff members involved with supplier relationships.

### 5. Supplier Relationship

Supplier code of conduct: ILS are progressing through the implementation of a Supplier Code of Conduct that requires that all suppliers to declare and acknowledge they have read and accepted the terms. This code includes modern slavery clauses.

ILS have prepared and incorporated modern slavery clauses in all new supplier contracts and have developed a plan over the next 12 months to continue working through and updating existing supplier contracts.



## 5. Assessing the effectiveness of our actions

Developing in maturity and experience with regards to fulfilling the requirements of the modern slavery act we are pleased of the progress being made. ILS have developed a better understanding of our supply chain and the influence we can have over it. Several foundational processes combined with supporting documentation have been implemented and an increased awareness is developing across the organisation.

In the context of growing revenue, people and a more diverse range of products and support services, the practical application of our actions has resulted in ILS being able to:

Reduce the risk of slaves in our supply chain by 17.6%

Maintain our low risk of slaves per \$M spend

ILS will continue to seek and identify opportunities to improve the effectiveness of our actions. We will also continue to monitor modern slavery issues in the wider community and consider how our peers in the healthcare industry address modern slavery risks so that we maintain best practice actions.

## 6. The process of consultation

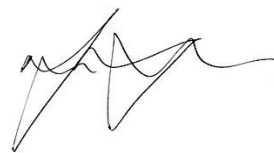
As we do not own or control any other entities, this criterion is not relevant for ILS.

### Approval

In accordance with section 16(2)(a) of the Act, this Statement is approved by our Board of Directors on 15/12/2022 and is signed by David Sagar as the Board's authorised representative and Mathew Morgan, Chief Executive Officer, ILS.



David Sagar  
Chairperson  
15/12/2022



Mathew Morgan  
Chief Executive Officer  
15/12/2022



*Empowering Australian families through mobility,  
dignity and independence since 2004.*

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