

Modern Slavery Statement



1. INTRODUCTION

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. ACH Group's total workforce consists of approximately 2,000 people made up of full time, casual and part time employees. ACH Group has over 170 volunteers who assist with our operations.

Our purpose is supporting older people to live good lives. ACH Group's point of difference is that we focus on real experiences for older people, promote a reablement approach, support people to maintain valued roles or find new ones, all while maintaining right relationships.

By doing this, our customers will feel the six elements that define a good life – to be healthy, remain in control, have their uniqueness valued and contribution recognised with a feeling of optimism and a sense of belonging and connection with community.

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

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 our operations and supply chain for the financial year ended 30 June 2022 (the reporting period).



2. STRUCTURE, OPERATIONS AND SUPPLY CHAIN

2.1 Structure

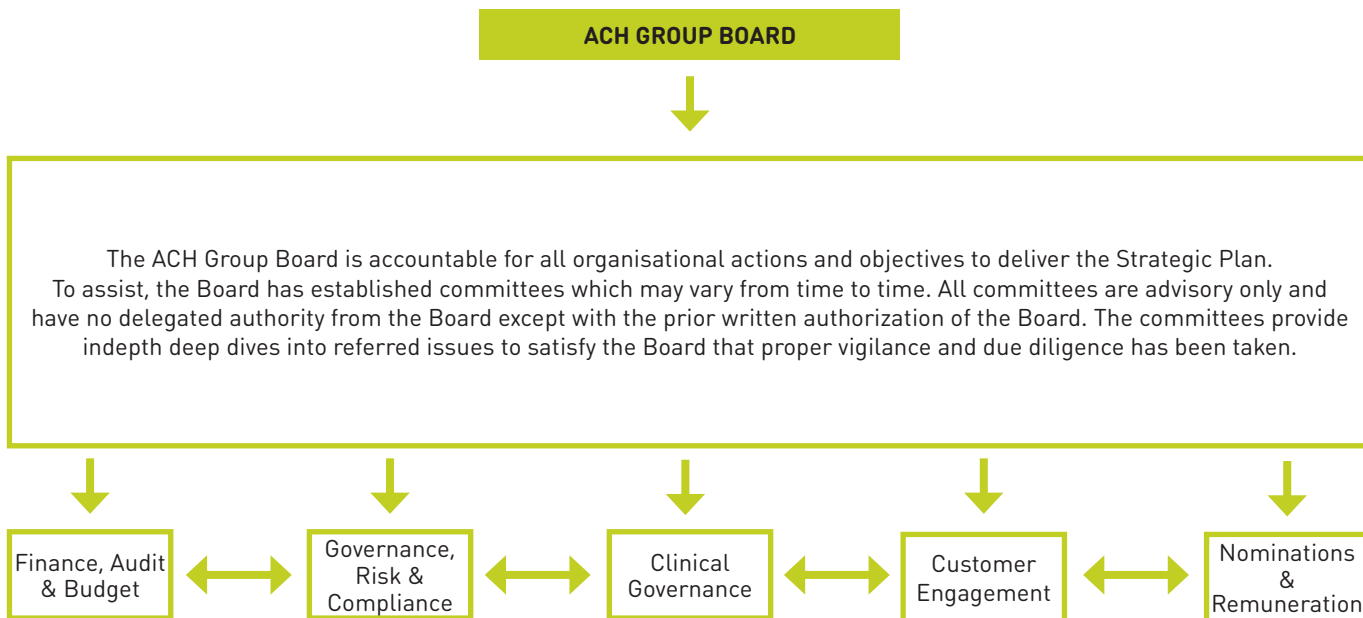
ACH Group is an incorporated association registered with the Australian Charities and Not-For-Profits Commission (ACNC). ACH Group's head office is located at 22 Henley Beach Road, Mile End, South Australia.

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.

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

The Governance, Risk and Compliance Committee is responsible for overseeing modern slavery risk identification, assessment and management for the ACH Group Board. ACH Group does not own or control any other entity.

The governance structure of ACH Group is set out below:



2.2 Operations

ACH Group provides and manages:

- residential aged care accommodation to approximately 750 residents at 8 residential aged care facilities;
- retirement living facilities with approximately 1,000 residents in independent living units and apartments across 49 retirement villages;
- home care to approximately 5,000 customers including cleaning, personal care, and gardening; and
- health and wellness services to approximately 1,700 customers for rehabilitation, respite, fitness classes and individual and allied health services.

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

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)).

- Health Clinics
- Community Services Offices
- Day Respite Program
- Retirement Living Units
- Residential Care Homes
- Corporate Office

Home Support, Social Experiences, Nursing and Health Services are delivered across Metropolitan Adelaide, Gawler and the Fleurieu Peninsula.



2.3 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.

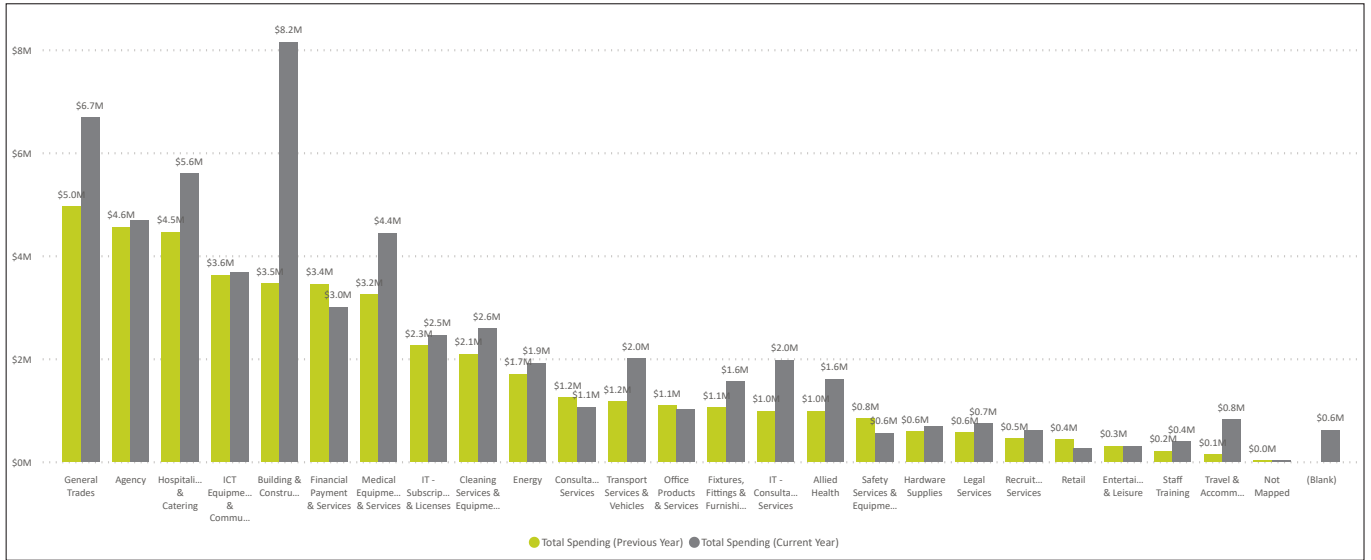
ACH Group purchases products and services needed for the day to day care of our residents at our residential aged care facilities, and for the care of our customers in our retirement villages as well as their homes. These goods and services include, but are not limited to, catering, cleaning products 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.

ACH Group also purchases 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.

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. ACH Group has a detailed procurement policy which ensures consistent engagement with suppliers – this policy is underpinned by key values based on ethical and sustainable business practices.

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

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



3. RISK OF MODERN SLAVERY IN ACH GROUP'S OPERATIONS AND SUPPLY CHAIN

3.1 Operations of Risk

ACH Group operates only in the state of South Australia and all ACH Group employees have provided evidence of their right to work in Australia.

Any labour hire or agency staff requirements are filled by local organisations which operate in accordance with the laws of South Australia and who provide evidence of their staff's right to work in Australia prior to engagement by ACH Group.

All members of ACH Group's workforce are employed in accordance with all relevant modern awards, enterprise agreements and industrial laws and ACH Group has a robust set of policies and procedures that assist to protect against modern slavery.

Given the nature of its operations and engagement of its workforce, ACH Group considers the risk of modern slavery within its operations to be minimal.

3.2 Supply Chain Risk

The COVID-19 pandemic created significant challenges for the aged care sector which have continued into 2022. Despite these challenges, ACH Group has carried out its annual risk assessment of modern slavery practices across its operations and supply chain.

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 supply chain operations directly result in modern slavery

practices, nor that it contributes to modern slavery, however ACH Group acknowledges that setting low cost targets or unrealistic delivery timeframes can potentially contribute to modern slavery risks and as such, avoids these practices.

ACH Group further recognises that its large and diverse supply chain means that it may engage with suppliers who might then participate in modern slavery practices themselves, or whose own supply chains might be at increased risk of modern slavery.



4. ADDRESSING THE RISK OF MODERN SLAVERY PRACTICES

ACH Group's annual modern slavery practices risk assessment has focused on:

- those suppliers with whom it spends more than \$300,000 annually; or
- suppliers who operate in industries with a higher risk of modern slavery (i.e foods such as fish and rice, cleaning services, manufacturing, etc); and
- suppliers who operate in countries with a higher prevalence of modern slavery in their workforce, based on the Global Slavery Index Vulnerability Model (which identifies countries with a greater frequency of modern slavery due to governance issues and the impact of internal and external conflicts) (higher risk suppliers).

ACH Group asks its high risk suppliers to complete a Modern Slavery Supplier Questionnaire annually. The responses are then reviewed and used to inform consideration of any required actions to mitigate the risk of modern slavery practices connected with ACH Group's supply chain.

Responses from ACH Group's suppliers to the Modern Slavery Supplier Questionnaire have thus far indicated:

- there is low risk of modern slavery practices from the majority of suppliers. However, many smaller suppliers do not yet have policies or processes relating to modern slavery.
- higher risk suppliers provide adequate employment conditions. A number of suppliers did not provide an anonymous mechanism for staff to raise workplace grievances.
- higher risk suppliers comply with the United Nations International Labour Conventions, although some indicated that they did not yet have policies or processes that prohibit forced labour or human trafficking in their operations and supply chain.

The highest level of risk identified from the responses to the Modern Slavery Supplier Questionnaire was from the group of suppliers that provide building services to ACH Group.



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

As part of the financial year ending 30 June 2022, actions ACH Group has taken and continues to take to address the risk of modern slavery include:

- implementation of a modern slavery policy and procedure;
- undertaking a voluntary modern slavery compliance audit;
- annual assessment and audit of the modern slavery risks in higher risk suppliers and their supply chains;
- provision of training and education to relevant employees on preventing modern slavery and reinforcing ACH Group's compliance obligations;
- ACH Group has updated its policies and procedures to include explicit reference to modern slavery prevention, including the Complaints Procedure and Whistleblower Policy; and
- continuing to reassess, revise and develop our approach to modern slavery compliance.

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

- develop and implement a modern slavery remediation procedure;
- continuing to work with those suppliers identified as having gaps in their modern slavery practices to implement appropriate policies, procedures and reporting mechanisms, particularly those organisations supplying building services to ACH Group; and
- implement further modern slavery awareness training for all employees.

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 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 or 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 supplier portal via its website at **Contractors Code of Conduct & WHS Booklet | ACH Group**.

5. ASSESSING EFFECTIVENESS OF ACTIONS

To assess the effectiveness of its actions during the reporting period, ACH Group has:

- conducted an independent audit of key suppliers to assess the risk of modern slavery practices in connection with each supplier's operations and supply chain;
- reviewed responses to the Modern Slavery Supplier Questionnaire;
- reviewed the modern slavery statements of our material suppliers; and
- reviewed the number of employees who have completed modern slavery education and training.

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

- implement any improvements identified by the independent audit into modern slavery risk at ACH Group;
- implement further modern slavery awareness training for all employees;
- continue reviewing responses to the Modern Slavery Questionnaire and modern slavery statements of our material suppliers; and
- continue to revise and develop our approach to modern slavery compliance.

6. 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. ACH Group is committed to taking meaningful action to ensure it engages with suppliers who share its values, ethics and approach to sustainable business practices and are aligned with its stance on modern slavery.

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 2021 to 30 June 2022 and has been approved by the Board of ACH Group.



Mary Patetsos

Chair
Aged Care and Housing Group Incorporated

ACH Group is a not-for-profit community organisation promoting opportunities and services to support good lives for older people since 1952.

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

