



# Our Impact

2023 Report



### **180 years**

We've been supporting the wellbeing of Australians since 1840.



### **Member-owned**

We invest in the products and services that matter most to our members, customers and the community.



### **Wellbeing experts**

For more than 20 years we've partnered with Deakin University to measure the wellbeing of Australians.

# Contents

|  |    |
|--|----|
| A message from our Chair and Group Managing Director | 2  |
| Exploring our impact                                 | 5  |
| About Australian Unity                               | 6  |
| Our strategy   | 12 |
| Our portfolio  | 15 |
| Governance   | 16 |
| Social   | 24 |
| Lifelong wellness                                    | 34 |
| Economic empowerment                                 | 42 |
| Strong communities                                   | 50 |
| Progressing reconciliation                           | 56 |
| Real Wellbeing starts with our people                | 62 |
| Environment  | 72 |
| Limited assurance report                             | 80 |
| Basis for calculation and reporting criteria         | 84 |

# Welcome

## A message from our Chair and Group Managing Director

Welcome to Australian Unity's *Our Impact* report for 2023, detailing our efforts to deliver positive wellbeing and impact for our customers, members, employees and the broader Australian community.

The report also seeks to provide a basis for the independent scrutiny of these efforts, so that our data sets and methodology can be tested, informed and developed over time.

Calculated using our Community & Social Value Framework—a framework we developed in FY2021 with social impact specialists Social Ventures Australia to attribute a dollar value to the social impact achieved through our portfolio of health, wealth and care products and services—we are proud to have delivered \$1.76 billion of community and social value in the 2023 financial year.

As the third iteration of our report—having begun the journey of reporting our broader impact in FY2021—we have made significant progress over the last few years in refining our impact measurement framework in order to measure movements of our year-on-year impact, identify impact opportunities and to embed impact into our key strategic and business decisions.

Importantly, the framework enables us to demonstrate the important role that social enterprises in the private sector bring in delivering value beyond that traditionally measured by company accounts.

We hope that you find this report valuable in the holistic assessment of Australian Unity's activities. And we look forward to the continuing development of its methodologies and analytics, including with the benefit of the growing attention that these types of analyses are receiving from markets, regulators and communities globally.



*Lisa Chung*

**Lisa Chung AM**  
Chair



*R Mead*

**Rohan Mead**  
Group Managing Director  
& Chief Executive Officer











# Exploring our impact

Today, there is a growing expectation from consumers, investors, regulators and the public for more information about the impact of their choices and decisions on their community, environment and global society.

In response, it is becoming increasingly more important for organisations to report their environmental, social and governance (ESG) impact and efforts to meet this demand for transparency and accountability.

*Our Impact* documents Australian Unity's goals, progress and performance across these three areas.



## Environmental

We acknowledge the growing impact of climate change on the wellbeing of our communities, and look for ways to reduce our environmental impact across our broad portfolio of products and services.

Read about our 'E' from page 72.



## Social

As a wellbeing company, having a positive impact is at the heart of what we do. We use our Community & Social Value Framework to identify, measure, inform and report on our social impact.

Read about our 'S' from page 24.



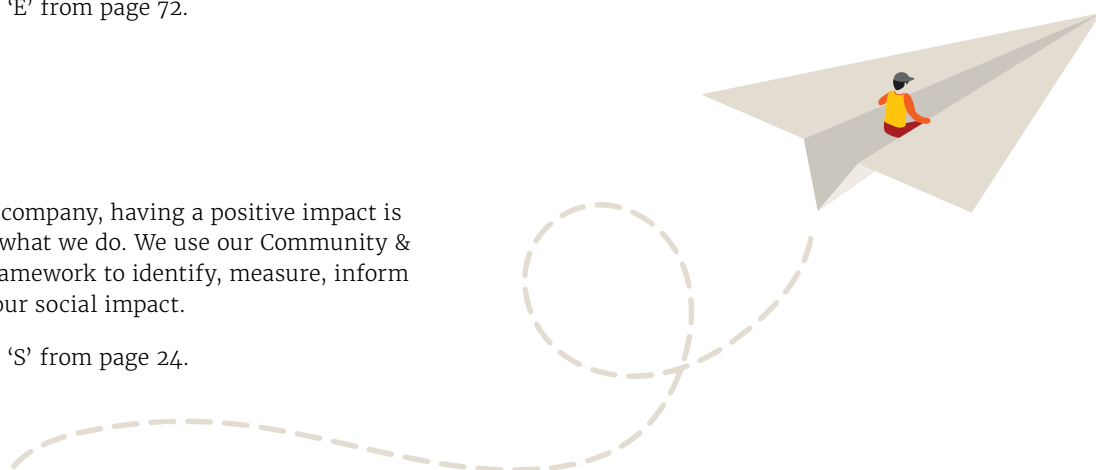
## Governance

We are proud of our strong social focus and presence—built on the foundations of good corporate governance and sound risk management practices. This enables us to deliver long-term sustainability and the ability to respond to the needs and expectations of our members, customers and the community.

Read about our 'G' from page 16.

Naturally, as a wellbeing company formed to help people and communities, the 'S' in ESG has remained a key focus throughout our history. Over time, we have become more sophisticated in measuring the S and in FY2021, we partnered with social impact specialists, Social Ventures Australia, to develop the Community & Social Value Framework.

This Framework allows us to measure and report on—in a robust and transparent way—the monetary value of the unique social impact our activities have on customers and the community. It also supports us to assess potential investments, by considering both our social impact and financial performance.





# We're for wellbeing

Established in 1840 by a group of everyday Australians looking to support the health and financial welfare of their families and community, we are Australia's first member-owned wellbeing company.

Today, Australian Unity delivers health, wealth and care products and services to support the wellbeing of our members, customers and the Australian community.

## Health

We're here to help you stay physically and mentally healthy—helping you wherever you are at in life, whatever you're doing or what you're up against.

## Wealth

We're here to help you financially support your loved ones, making the most of your income and helping you protect your wealth and assets—now and into the future.

## Care

We're here to partner with you to live life on your terms—whether that's through our industry-leading home care services, tailored residential aged care living or in one of our thriving retirement communities.







## What is 'wellbeing'?

For Australian Unity, wellbeing is more than just physical health.

Wellbeing relates to our overall quality of life, including how we feel about our personal lives and circumstances, such as education, health (including mental health) and our income and finances.

What marks us out as leaders in wellbeing is our commitment to understanding what really matters to Australians and their sense of wellbeing and developing solutions to meet those needs.

Since 2000, we've partnered with Deakin University to deliver the Australian Unity Wellbeing Index—one of Australia's most enduring and credible studies of subjective wellbeing.

The Wellbeing Index assesses the satisfaction of Australians with their lives across the following seven areas:







Since its introduction, we've used the Wellbeing Index to help us shape our products, services and investments in areas where we can positively impact wellbeing.

This includes addressing societal issues and challenges—such as through:

- investing in new infrastructure to help meet the demands on the healthcare sector,
- leading innovation in virtual healthcare services for older Australians and those with chronic conditions,
- supporting mental health through our Beyond Blue, MindStep® and Healing Minds partnerships and services,
- creating accessible financial products to help everyday Australians, such as education bonds.

**Key findings from the latest Australian Unity Wellbeing Index report, *The declining wellbeing of Australians in 2022*:**

- The overall life satisfaction of Australians has fallen to the lowest score on record in the research's 23-year history.
- The wellbeing of 18- to 25-year-olds has hit an all-time low, recording the highest level of mental distress.
- Australians aged 66 years and older had notably higher wellbeing scores compared to all younger age groups.
- Young Australians, despite being the most concerned about climate change, are also the most optimistic about tackling the issue compared to other age groups.

Read the latest report at:  
[australianunity.com.au/wellbeing](https://australianunity.com.au/wellbeing)

# Supporting the community since 1840

Historically and legally, we are structured as a mutual. This means that we're owned by members, not shareholders. With a primary purpose of creating social and community value and the flexibility to reinvest profits towards this purpose, in modern terms, we consider ourselves to be best described as a social enterprise.

At its simplest, a mutual is a member-owned organisation where people come together to meet their shared needs. We have no traditional shareholders with a claim on the profits of the company.

Australian Unity Members include individuals over the age of 18 with an eligible Australian Unity product or service and our employees—with membership providing them a voice in what we do and access to exclusive benefits to help them measure and improve their personal wellbeing.

With a 180-plus year history, sustainable social and community value is in our 'DNA' and at the heart of what we do. Over time, this value has been delivered in a variety of ways in the context of prevailing environmental and social conditions and the needs of the community.

Australian Unity's ambition and challenge is to evolve to build an institution of renewed and continued importance to the community. Though we exist in a period of significant change—driven by technology, economics and social developments—we already seek to deliver products and services to respond to key challenges such as an ageing population, rising rates of chronic conditions and the cost of (and access to) healthcare.

## Positively impacting the community for over 180 years

**1840**

Coming together of like-minded individuals in Melbourne to support the financial and welfare needs of their families and communities

**1860**

Establishing friendly society-run pharmacies, following concerns about the quality of medicines



**1932**

Creating jobs through the construction of Manchester Unity building during the Depression



**1846**

Raising money for streetlights on Queen Street in Melbourne to improve safety

**1870**

Building a home for aged and disadvantaged members in Carlton, Melbourne







Our financial products and services include private health insurance, investments bonds and banking services that are becoming increasingly valued by communities impacted by inflation and cost of living pressures.

This year, we also progressed our focus on our environmental impact, which is one of the key issues at the forefront of the community. Read more about our environmental efforts on page 72.



Australian Unity is unlike other corporates I've come across—it has a long history of addressing some of society's most pressing needs and supporting our members through good times and challenging ones. I am proud to work for a company that is focused on making the world a better place and being able to contribute to that legacy."

**Mark Gay**  
Group Executive Technology



**2001**

Launching the Australian Unity Wellbeing Index in collaboration with Deakin University



**2019**

Mutual Capital Instruments law introduced following successful advocacy to government



**1961**

Opening of our first dental clinic after identifying a need to provide dental services to the community



**2016**

Acquiring the Home Care Service of New South Wales and establishment of a dedicated Indigenous home care unit

**2023**

Continuing our presence as one of Australia's leading wellbeing companies focused on community and social impact

Read more about our history of impact at [australianunity.com.au/impachistory](https://australianunity.com.au/impachistory)



# Our strategy

## **Our purpose**

To help people thrive

## **Our vision**

To enable Real Wellbeing for our members, customers and community through our portfolio of commercial and sustainable businesses

## **Areas of operation**

Health, Wealth & Care

As a wellbeing company with a long history supporting the Australian community, our strategy and ways of working are integral to our ongoing commitment to delivering positive impact.

## **Our collective approach to wellbeing**

Although we have a diverse portfolio of businesses, we're all guided by the same approach to wellbeing for our members, customers, people and the community.

### **Create a great place to work**

By taking care of our people, our people can take care of our customers.

### **Put customers & members front & centre**

Customers and members have choices, and we want them to choose us.

### **Deliver sustainable performance**

We've been here for more than 180 years, and we want to be here for many more.

### **Make a difference to our community**

Community wellbeing is at the heart of what we do.

## Strategic priorities to grow our impact

In our endeavours to create positive and long-lasting impact, three strategic priorities direct our key growth efforts.

### Realising our value as a social enterprise

To create deeper relationships with our members, customers and the community based on data, member-centred initiatives and superior interactions—with a particular focus on innovating and delivering products and services that meet health and financial wellbeing needs.

### Leveraging our position across the continuum of care

To deliver a continuum of integrated wellbeing care and support—incorporating key determinants of wellbeing such as housing, community and social interaction, employment and education, as well as direct healthcare.

### Accelerating our social infrastructure position

To continue our momentum as a leader in the creation of social infrastructure that supports Real Wellbeing in our communities. Mobilise significant capital to support community needs across the health and ageing sector and broader social infrastructure opportunities.



## Supporting the next generation of co-operatives and mutuals

Australian Unity is pleased to be one of the first funders and investors of the latest Business Council of Co-operatives and Mutuals (BCCM) initiative, the Bunya Fund. Launched at the 2022 BCCM CEO Summit, the Fund seeks to support start-ups and early stage co-operatives and mutuals through grants, advice and capability building. The Fund represents a fantastic opportunity for long-established co-operatives and mutuals like Australian Unity to support new players in the sector wishing to create positive impact in the community.



The Bunya Fund will foster our next generation of scalable and sustainable co-ops and mutuals to bring change and impact to sectors where it's needed."

**Chris Yates**  
CEO Retail









# Our portfolio

In support of our wellbeing strategies, we've built a diverse and thematically linked portfolio delivering health, wealth and care products and services to support everyday Australians.

|                                     |                       |  |
|-------------------------------------|-----------------------|--|
| <b>Home Health</b>                  |                       | Home Health is an integrated healthcare business with solutions designed to be delivered in-home and in community settings across a range of modalities—from domestic assistance to clinical care and in person as well as virtually. Home Health also designs and delivers culturally appropriate care to Aboriginal and Torres Strait Islander customers through its dedicated team.   |
| <b>Specialist Care</b>              | Residential Aged Care | Australian Unity owns and operates Residential Aged Care precincts across New South Wales, Victoria and Queensland.  |
| <b>Retail</b>                       | Health Insurance      | Australian Unity policyholders are insured against a range of costs that, depending on cover, include hospital accommodation, theatre fees, prostheses and more—with extras cover extending to treatments such as dental, optical and physiotherapy.   |
|                                     | Banking               | Australian Unity Bank offers a wide range of personalised banking services, such as owner-occupied and investor home loans, personal loans, credit cards, everyday transaction accounts, savings accounts and term deposits.   |
| <b>Wealth &amp; Capital Markets</b> | Social Infrastructure | The Social Infrastructure business sources and manages capital to fund important healthcare facilities, office and retail spaces, specialist disability accommodation and student accommodation and housing. It also operates Australian Unity's Retirement Communities and provides facilities and asset management to the Residential Aged Care and Retirement Communities businesses. |
|                                     | Life & Super          | Australian Unity's Life & Super business provides investment and savings products to everyday Australians and families—including a range of investment bonds, funeral bonds and education savings plans.   |
|                                     | Funds Management      | The Funds Management business provides investment solutions through differentiated and relevant investment management capabilities in asset classes including venture and private capital, equities, property, fixed interest and cash.  |
|                                     | Trustees              | Australian Unity's Trustees business offers financial administration and management, attorney, estate and trust administration services.   |
|                                     | Advice                | Australian Unity's Advice business provides financial advice on investments, taxation, superannuation and insurance.   |

# Enabling impact through good governance

Our distinctive corporate structure as a member-owned company has enabled Australian Unity to deliver wellbeing and positive impact to the community since 1840.

Strong corporate governance and sound risk management practices have been foundational pillars for ensuring the sustainability and longevity of our organisation. They empower us to effectively navigate uncertainties, seize opportunities for innovation and growth, and to create lasting social and community value for our members, customers and the community—today and for generations to come.

## Our values

We recognise that responsible decision making, transparency and accountability in our governance practices are critical to fostering trust, ethical behaviour and societal impact. Our values of **bold**, **warm** and **honest** guide how Australian Unity makes decisions, fulfils its purposes and meets its goals, and guide how we show up to members, customers, communities, stakeholders and each other.

Our values are reflected in our Code of Conduct, which sets out our moral and ethical standards and requires our directors, employees, contractors and consultants to behave ethically and with integrity in their dealings with stakeholders and each other.

| Our values    | What they mean  | How our values are reflected   |
|---------------|---|--|
| <b>Bold</b>   | We think big, think it through, have a go, do it well, and keep learning.                                     | ESG considerations are embedded into our decision-making frameworks. By taking a proactive approach to considering and addressing social and community challenges, we do not shy away from tackling complex issues that may require significant changes to traditional business practices and extensive engagement with various stakeholders, including government bodies, regulators, industry peers and local communities, to achieve sustainable solutions. |
| <b>Warm</b>   | We care about people, welcome difference, inspire each other, understand our customers and make people smile. | Our focus on wellbeing, social and community impact and responsible decision making show our empathy and care for our members, customers, each other and the community. This warmth contributes to a positive corporate culture and fosters a sense of community, within and outside the organisation—fundamental to good governance.  |
| <b>Honest</b> | We talk straight, do what we say, earn trust, take responsibility and strive to do what's right.              | We encourage our people to speak up when things are not right and foster open communication to build trust and handle difficult situations. We proactively identify and address issues, including mistakes, demonstrating transparency and accountability.   |



## Regulatory landscape

Australian Unity and our portfolio of businesses are extensively regulated by federal and state regulators. Tackling social and community challenges that often require complex solutions in a heavily regulated environment can be challenging.

Key to making a meaningful and positive impact on complex social and community issues in such an environment is understanding and complying with laws and regulations, ethical decision making and fostering positive and transparent relationships with our regulators.

Regulators across various parts of our diverse businesses include:

- Australian Securities and Investments Commission
- Australian Prudential Regulation Authority
- Australian Competition and Consumer Commission
- Australian Securities Exchange
- Australian Taxation Office
- Australian Transaction Reports and Analysis Centre
- Australian Charities and Not-for-profits Commission
- Department of Health and Aged Care and state health departments
- Aged Care Quality and Safety Commissioner
- Australian Health Practitioner Regulation Agency
- Fair Work Ombudsman
- Office of the Australian Information Commissioner
- Workplace Gender Equality Agency
- State workplace health and safety regulators





**Our governance structure**

Australian Unity is governed by its Board, which is predominantly composed of independent non-executive directors. The Board—supported by four committees—authorises the strategic direction of the Group, its risk management framework and risk appetite.







### Fostering positive culture through engagement

A positive culture is fundamental to good governance, and the Board plays a crucial role in setting the right 'tone from the top'.

To form their own view on our corporate culture, our Board steps outside the boardroom to observe how the organisation's ethics and behaviours align with our values and goals. For instance, during the year various directors:

- undertook customer call listening sessions within our health insurance and investment call centres to observe and listen to our interactions with members and customers,
- attended the Dubbo (in New South Wales) launch of the Group's latest Stretch-level Reconciliation Action Plan and spent time at the Dubbo branch with our employees and customers (further detail about our Reconciliation Action Plan can be found on page 58),
- engaged directly with the Risk & Compliance, Internal Audit and Finance & Strategy teams to glean their thoughts and perspectives about the organisation,
- conducted individual skip level meetings with the Group Leadership Team to hear their perspectives on Group performance.



Additionally, our Group Leadership Team attended monthly Board meetings to provide direct viewpoints, hear the Board's expectations first-hand and raise any concerns directly with the Board. Our extended senior leadership team attended and presented to and engaged directly with our Board at the annual Board strategy retreat.

Our directors also attended our employee International Women's Day event, where our female directors presented on topics relevant to diversity and inclusion—setting the 'tone from the top' about our values and expected culture.



With our increasing provision of aged and health care services in the community, our focus on effective and robust clinical governance has seen the strengthening of systems and processes to support the safety and dignity of our customers in the provision of value-based healthcare.

Through increased partnerships with our customers, a new approach to clinical and care training and the support of a new technological solution to increase our ability to report, actively manage and review incidents and customer feedback in a timely way, we continue to cultivate a culture of quality, continuous improvement and learning in the delivery of care services.

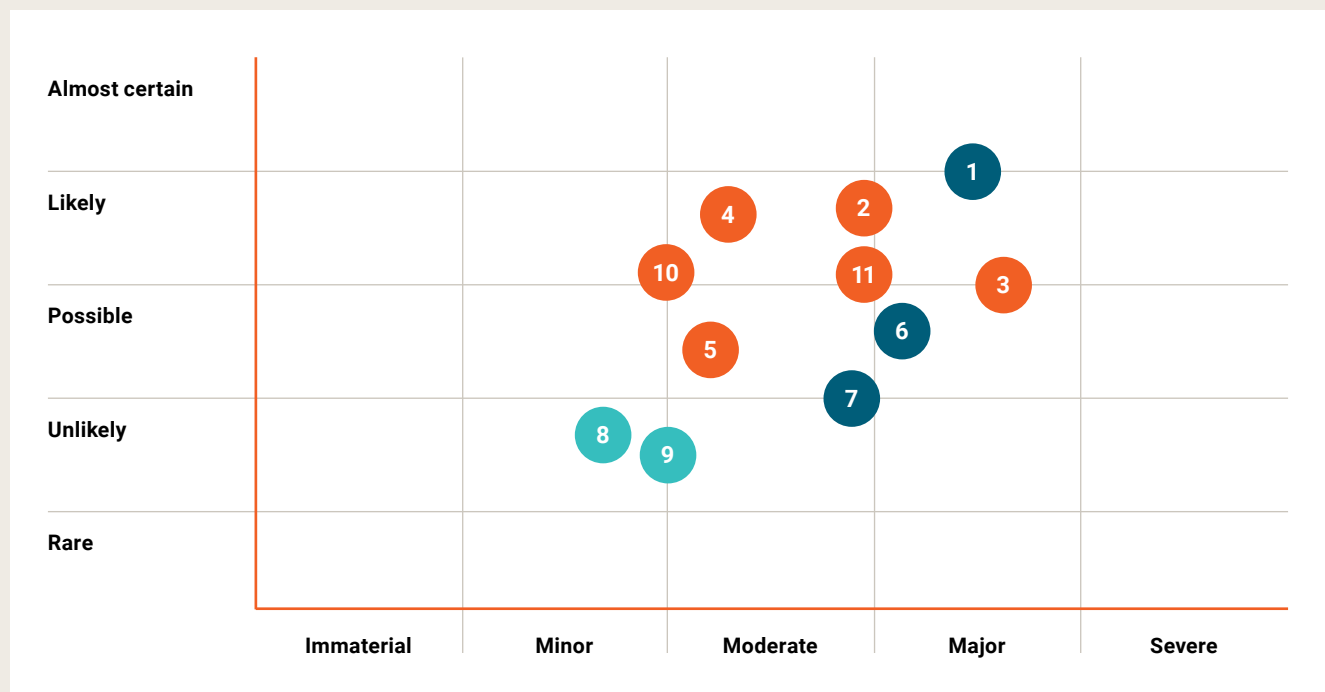
## Our risk profile

We're committed to the identification and management of risk throughout our business. Risk culture and the effective risk management frameworks and practices are core areas of focus for Australian Unity and the Board.

### Key risks

Note: This is not a complete list. Refer to our 2023 Annual Report for further details.

- Impact across all businesses
- Impact against some businesses
- ESG related risks



- 1** Availability of skilled and experienced workforce, particularly in care services
- 2** Operating in a complex and changeable environment—including technology, regulations, government funding models and customer preferences
- 3** Cyber security attack resulting in significant disruption or data loss
- 4** Challenging economic conditions impacting operation costs and capital investment requirements
- 5** Our third party providers do not meet expectations
- 6** Inappropriate clinical and care services resulting in severe customer harm
- 7** Workplace hazards and risks of injuries
- 8** Emerging risks from climate change\*
- 9** Not optimising opportunities to provide Community & Social value
- 10** Attracting strategic partners aligned to our purpose and Community & Social value goals
- 11** Growing sustainable cash earnings

\* Although not currently considered a material risk for the Group, climate risk is an emerging concern of which we continue to monitor



## Key policies framework

### Risk management

Systems, structures, policies, processes and people for identifying, assessing, mitigating and monitoring risks in a consistent and comprehensive way



### Cyber risk, privacy and data protection

Protecting the security of information held by Australian Unity



### Information governance

Maintaining the confidentiality, integrity and availability of information and data

### Business resilience

Quickly adapting to and recovering from unplanned disruptions to our business activities



### Vendor management

Managing vendors in a consistent and repeatable way, improving risk and commercial outcomes

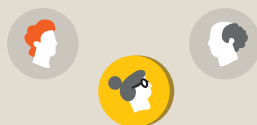


### Whistleblower protection

Supporting and encouraging our people to speak up against actual or suspected improper conduct

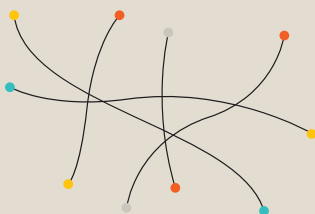
### Conflict of interest

Managing or avoiding situations where there are multiple interests, financial or otherwise, and where serving one interest could involve working against another



### Artificial intelligence

Leveraging the power of artificial intelligence whilst maintaining the confidentiality, privacy, integrity and availability of our information



### Modern slavery

Reducing the risk of modern slavery practices within our supply chain and operations



### Anti-bribery, fraud and corruption

Complying with the laws and regulations that govern our business with a zero-tolerance approach to bribery, fraud and corruption

## Policy deep dives

### Cyber risk, privacy and data protection

We understand that we are trusted with the personal and sensitive information of our customers, members and employees. We take managing and protecting this information seriously. Our governance and operations arrangements comply with Australia's privacy laws, APRA's Prudential Standard for Information Security (CPS 234) and requirements for Australian Financial Services Licensees. The Group also regularly assesses the external environment for threats and risks, testing our defences and benchmarking our information security control environment. We continually review and seek to improve our controls to protect the private information of our customers, members and employees, and to minimise the likelihood and impact of cyber risks.

### Vendor risk management

Australian Unity works with vendors who provide a wide range of goods and services which are vital to the ongoing operations of the Group. Good vendor management practices help us achieve our strategic objectives through managing vendors in a consistent and repeatable way to improve commercial and risk outcomes and help us provide a better engagement experience for vendors. We conduct over 150 vendor assessments each year, and a key initiative for FY2024 is to improve the way we use technology to interact, assess and monitor our vendors.

### Anti-bribery, corruption and whistleblowing

Australian Unity has a zero-tolerance approach to bribery, fraud, corruption and serious criminal offences. Our employees are required to conduct business with honesty and integrity. We encourage our people to speak up when things are not right—with clear whistleblowing protection policies and independent avenues to support our people to report actual or suspected improper conduct.

### Ending modern slavery

Australian Unity believes that the right to work free from slavery is a basic human right—and this position is therefore vitally important to our philosophy of providing a safe workplace. We also acknowledge, however, that slavery exists in different guises around the world, and we must therefore play our part in addressing it. Accordingly, since the release of our first *Modern Slavery Statement* in 2021, we continue to refine our program to detect and prevent modern slavery. We expect all suppliers to comply with the principles set out in our Supplier Code of Conduct, the UN Guiding Principles on Human Rights and the *Modern Slavery Act 2018* (Cth).

We undertake risk assessments of our supply-chains, and will seek to address and mitigate risks of modern slavery if an assessment identifies gaps in the operations of an existing or potential supplier.

## Our key governance actions in FY2023

### Promote sound risk culture and good decision making

- Developed a risk culture goal to help employees understand the role they play in maintaining a positive risk culture.
- Continued to evolve our Risk Appetite Statement to improve guidance on decision making that is consistent with our appetite for risk.
- Undertook scenario analysis to understand the potential impacts of severe economic threats on our strategic plans.

### Policies, guidelines, education and training

- Reviewed our Whistleblower Policy and processes to ensure they are consistent with best practice and provide all required protections to whistleblowers.

### Honest, timely and transparent communications

- Promoted sound risk culture through awareness, communications and training and the monitoring of culture metrics.
- Continued to improve governance disclosures in the Annual Report and updated roles, responsibilities and charters to further align to ASX Corporate Governance Principles.
- Launched a new 'Investor Centre' section on our website that discloses key governance information and policies.

### Regulatory compliance

- Commenced a program of work focused on operational resilience.

## Areas of focus for FY2024 and beyond

- Continue to review evolving information security threats and adjust our control environment.
- Further refine our approach to using data and artificial intelligence.
- Simplify and improve our risk and assurance programs, utilising data analysis to inform our risk positions.
- Review our critical operations to improve operational resilience.
- Review our vendor management practices to identify improvement opportunities.
- Engage an independent party to perform a comprehensive review of our Enterprise Risk Management Framework to assess whether it is appropriate, adequate and effective.



# Our social impact







As a wellbeing company, we seek to have a positive impact on our members, customers, employees and the community. By identifying and measuring our areas of impact, we can target our investment and business decisions to ensure we continue designing and providing products and services that meet individual and community needs.

Our impact efforts have been influential in our ability to secure and raise funds from like-minded investors, including \$350 million enabled by Mutual Capital Instruments—a financial product that allows us to raise capital while maintaining our member-owned status.

Additionally, products and services that have a positive impact also attracts organic demand—helping to create a sustainable and profitable portfolio, as well as a positive employee value proposition, where our people are proud to make a difference to the lives of Australians.

Our measurement framework also seeks to meet the accountability and transparency demands of consumers, investors and regulators, who increasingly seek evidence and information about the impact of their choices and decisions.



For the second time in a row, we've been named as one of the *Australian Financial Review's* Sustainability Leaders for 2023 for our work to attribute real monetary value to the social impact we have on our customers, members and the community.

## What is the Community & Social Value Framework?

Our Community & Social Value Framework (CSV Framework) identifies impact areas where we have a unique social impact on our members, customers, employees and the community. These impact areas provide the foundation for measuring the value of the social impacts we generate and inform our key business decisions.

The CSV Framework captures our unique impact on:

- *Individuals*, and their family, friends and networks
- *Broader society*, for example our healthcare system
- *Our employees*

### Impact area

### Priority outcome



#### Lifelong wellness

We help people access better levels of health and wellness with care and services that are based on individual needs.

#### Better access to healthcare

Through a diverse range of services and investment initiatives, we create access to quality healthcare—including hospital substitution, early intervention and preventative programs, in-home and health services and specialist health facilities.

#### Improved health outcomes

We understand that to be effective, care and services must be tailored to meet the needs of individuals, and not the other way around. Our customers experience positive health outcomes through receipt of Australian Unity's care products and services, including those accessing services at facilities owned by our social infrastructure funds.



#### Economic empowerment

We help build financial security and resilience to provide confidence about the future and to deal with life's challenges.

#### Building financial resilience

We recognise financial security as an important contributor to wellbeing. We help people build their financial resilience and improve their financial wellbeing, including their ability to participate in paid employment and their ability to fund their own healthcare, ageing and life stages. We also help build broader societal financial resilience through prioritised spends with Indigenous and social enterprises.

#### Social and economic opportunities through employment

As a wellbeing company, we know the positive impact of being financially secure and socially connected. We provide social and economic opportunities through meaningful employment across the delivery of our products and services and through our investments.



#### Strong communities

We create strong communities providing individuals with a sense of purpose and security through meaningful engagement, access to services and social connectedness.

#### Leading social innovation

With the gap between available human services and demand widening across Australia, we seek to drive positive change and opportunities in communities across Australia with innovative products, infrastructure developments and solutions.

#### Supporting living in place

We invest in place-based models of care, social and community infrastructure and affordable specialist accommodation that positively contribute to the wellbeing of our customers and the community. We also provide financial management and administrative services to support the daily living for those unable to manage their own affairs.

## Linking financial sustainability with impact

This year we're proud to launch Australia's first Sustainability-Linked Loan connected to wellbeing. Developed in conjunction with Westpac, the \$50 million loan incentivises us to increase our community and social value—aligned to our performance against agreed key performance indicators (KPIs) and measured by our robust CSV Framework.

In its simplest form, if we meet or exceed the set KPIs, we can receive a discount on the interest rate payable on the loan. Likewise, if we do not meet the KPIs, this may result in a penalty and cost us more in interest.

The Sustainability-Linked Loan is available to support the Group's general funding needs and investments that drive CSV value and wellbeing initiatives, and affirms the capital market is willing to accept an explicit link between our financing and long-term sustainability and community impact credentials.

### How we use the CSV Framework

- Inform investment and business decisions to create a purpose-driven, sustainable and impactful portfolio.
- Secure and raise capital funding and investment from like-minded investors.
- Enable ongoing reporting of impact performance for accountability and transparency.
- Create a positive place to work where our people feel empowered to create impact in their roles.



Our CSV Framework provides a foundation for decision-making and keeps us strategically aligned to our purpose. It is a natural progression that we are able and proud to link our financial arrangements to our sustainability performance through the Sustainability-Linked Loan—particularly at a time when creating and measuring ‘wellbeing’ is at the front of mind for policymakers and the community alike.”

**Adam Vise**  
General Manager Strategy & Impact  
and Group Treasurer



### Sharing our social impact story at the Lenovo Tech World summit

Sasha Hansen and Marcus Ryan, two of our Technology senior executives, were invited this year to join Lenovo's most recent Tech World summit, held in Sydney, to share Australian Unity's unique journey and focus on social impact.

“It was great to speak to our industry colleagues about the power and capability of technology to enable us to do what we do best—which is to have a positive social impact across our community.” Sasha explained.

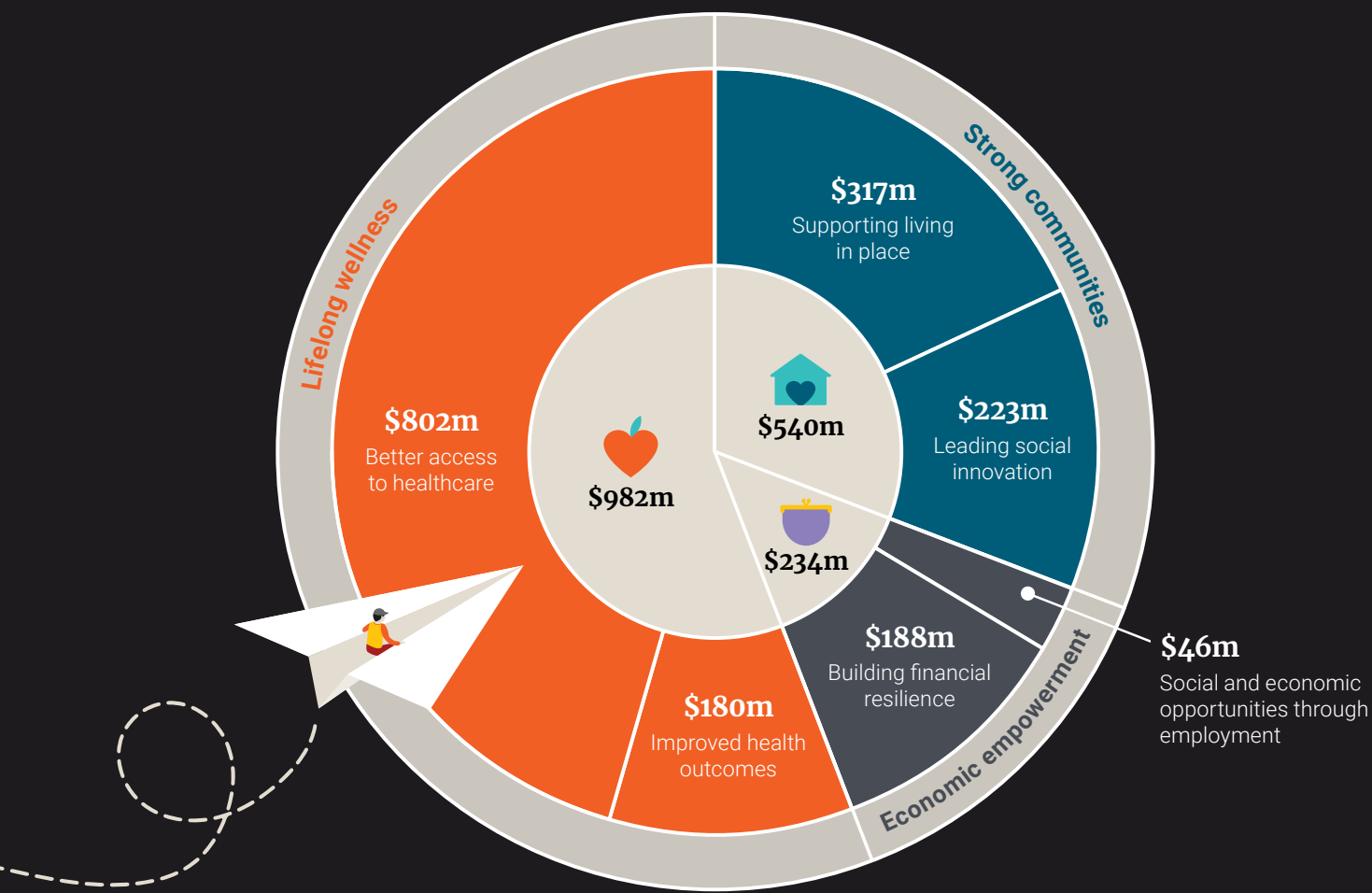
“Together, larger organisations can have a bigger impact and it was a great opportunity to show we've been doing this from a social perspective. The more that organisations focus on social impact and ESG, the more this will help drive others to get on board.” Marcus said.



# Our social impact value

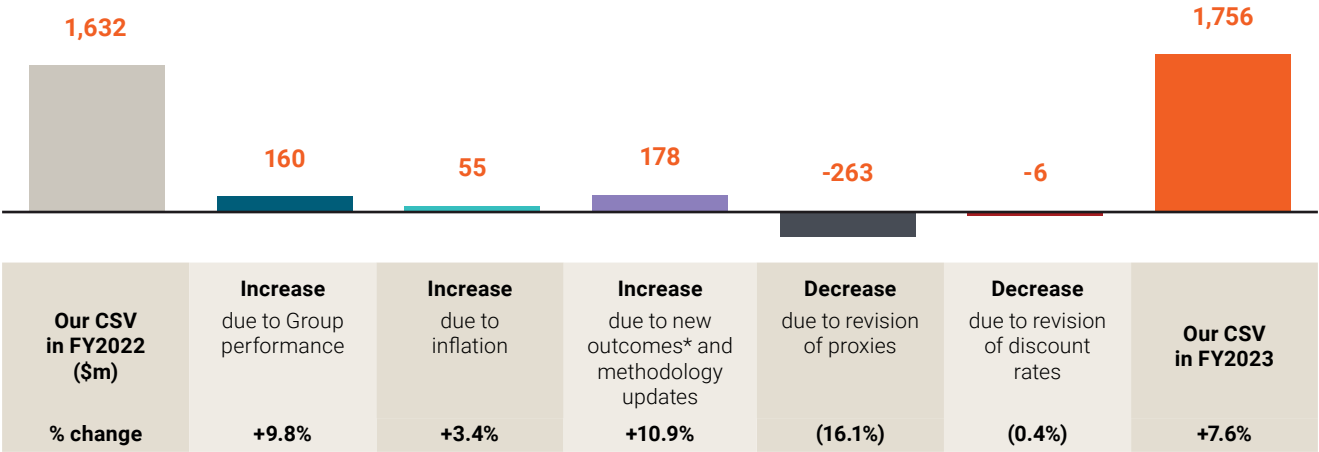
## \$1.76 billion

in total community and social value for FY2023



### Our year-on-year impact performance

As part of our ongoing commitment to creating a social impact framework, we take every opportunity to enhance the accuracy and robustness of our CSV methodology. Our FY2023 CSV value follows a number of adjustments identified in conjunction with SVA.



\* New social value outcomes identified during the FY2023 as a result of the deep dive exercise into various areas of our business to identify any additional areas of social value impact created directly or indirectly resulting from our products and services






“

The guiding principles for the CSV Framework provide the ‘how’ and ‘what’ to calculate our impact value, as well as the necessary rigour, transparency and consistency required to measure, assess and report year-on-year impact performance.”

**Darren Mann**

Group Executive Finance & Strategy  
and Chief Financial Officer

| Priority outcomes   | FY2023 (\$m) | FY2022 (\$m) |
|---|--------------|--------------|
|  <b>Lifelong wellness</b>    |              |              |
| Better access to healthcare   | 802          | 699          |
| Improved health outcomes  | 180          | 221          |
|  <b>Economic empowerment</b> |              |              |
| Building financial resilience   | 188          | 184          |
| Opportunities through employment  | 46           | 53           |
|  <b>Strong communities</b>   |              |              |
| Leading social innovation   | 223          | 122          |
| Supporting living in place  | 317          | 353          |
| <b>Total</b>  | <b>1,756</b> | <b>1,632</b> |

## Calculating our impact

### Our six guiding principles

|   |   |
|---|---|
| <b>1. Focus on social outcomes</b>                | Reporting on our outcomes—not inputs or outputs—and capturing our social value, rather than business value.           |
| <b>2. Set a clear boundary</b>                    | Capturing value created during the reporting period—not a lifetime value.   |
| <b>3. Value what matters</b>                      | Using financial proxies in a manner that the value of the outcome can be most accurately recognised.                  |
| <b>4. Recognise adoption, not just innovation</b> | Recognising our role as a social innovator by demonstrating the value of these ideas once they are adopted by others. |
| <b>5. Do not overclaim</b>                        | Claiming value that we are uniquely responsible for creating—see <i>Discount factors</i> on page 32.                  |
| <b>6. Rely on quality data</b>                    | Reporting on outcomes where reliable data and evidence exists.  |







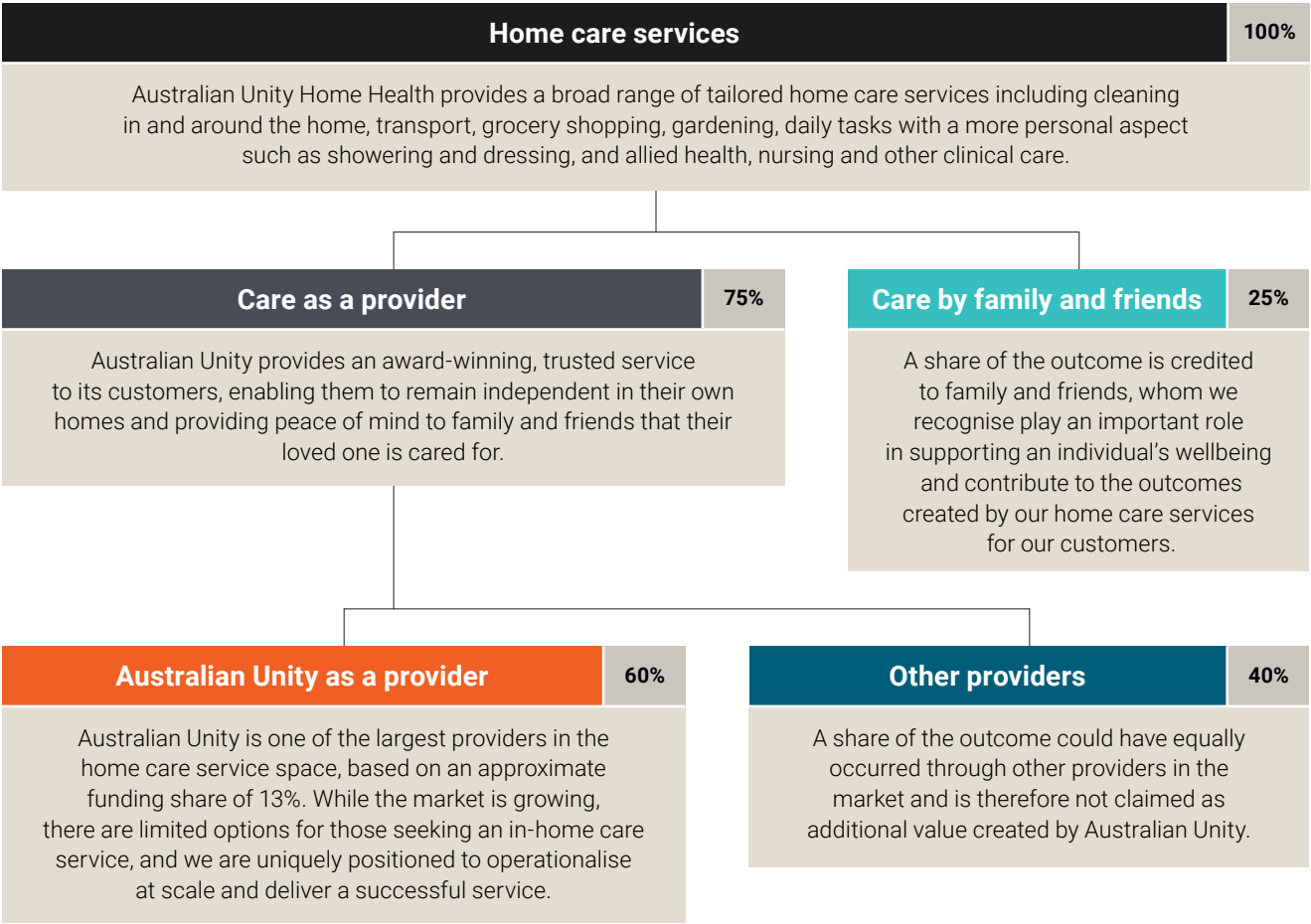
Discount factors

Our CSV Framework acknowledges that many factors influence the impact we have on the wellbeing of individuals and communities—and that our products, services and investments contribute in different ways and extents to this wellbeing.

To help us enhance the accuracy and rigour of calculating our impact and to avoid overclaiming, the CSV Framework applies specific discount factors to calculate our unique impact.

These discount factors take into consideration whether impact outcomes would have happened even if our interactions or interventions had not taken place and the proportion of outcomes arising from the contribution of others. Importantly, this ensures that others involved in the value chain are represented.

For example, when valuing and discounting the impact of our home care services, we consider the following:






Our CSV Framework considers that on average, 75% of the impact created for Australian Unity's home care customers is driven by the service provision, with 25% contributed by family and friends. Further, it is assumed that 60% is uniquely driven by Australian Unity as a leading provider of home care services in Australia, and 40% could have equally occurred through other providers. From this method of discounting, the CSV Framework determines that **45%** of the overall community and social value created by our home care business in delivering its services can be apportioned to Australian Unity.

Conversely, while we work to provide quality and competitive banking options for our Australian Unity Bank customers, such as our savings, mortgages and personal loan products—we appreciate that these products are readily accessible in the market and offer similar benefits to customers. To ensure we do not overclaim our CSV impact, we only include products and services where we are in a distinct position to create impact.





## Alignment with other measures

| Impact area   | Priority outcome                                     | Australian Unity Wellbeing Index domains of wellbeing       | UN Sustainable Development Goals  |
|---|--|---|---|
|  <b>Lifelong wellness</b>    | Better access to healthcare                          | Health<br>Future security                                   | 3 Good health and wellbeing<br>9 Industry, innovation and infrastructure  |
|   | Improved health outcomes                             |   |   |
|  <b>Economic empowerment</b> | Building financial resilience                        | Standard of living<br>Achieving in life                     | 1 No poverty<br>5 Gender equality<br>8 Decent work and economic growth<br>10 Reduced inequalities                 |
|   | Social and economic opportunities through employment |   |   |
|  <b>Strong communities</b>   | Leading social innovation                            | Relationships<br>Community connectedness<br>Personal safety | 3 Good health and wellbeing<br>9 Industry, innovation and infrastructure<br>11 Sustainable cities and communities |
|   | Supporting living in place                           |   |   |

## UN Sustainable Development Goals

Our impact areas align to seven of the seventeen UN Sustainable Development Goals. The UN Sustainable Development Goals—to which Australia is a signatory—are part of a global strategic movement to improve health and education, reduce inequality and spur economic growth, while tackling climate change and working to preserve our environment.



Read more about the UN Sustainable Development Goals at [sdgs.un.org](https://sdgs.un.org)





**29,475**

home care customers

**257,000**

individuals with private hospital cover

**2,717**

Ramsay Connect customers



**2,547**

Aboriginal and Torres Strait Islander home care customers

**1,541**

private hospital beds owned by Healthcare Property Trust

**200,000+**

Beyond Blue Support Service interactions

# Lifelong wellness

We believe that wellness starts the day you are born and continues through all of your life stages.

At Australian Unity, we help our customers, members and the community access better levels of wellness and health through tailored and personalised care and services, the development of healthcare facilities and infrastructure, and investments in healthcare technology.

As a wellbeing company with a strong focus on delivering impact and value to our members and customers, we also actively advocate for accessible, well-resourced and efficient health systems and services that deliver improved outcomes and better standards of care across the community.

## Better access to healthcare

As Australia's population ages rapidly and growing rates of chronic illness demand higher levels of medical attention, increasing access to healthcare continues as a key priority in the community. Adequate access to healthcare is crucial to ensure Australians receive timely and appropriate medical attention, preventative care and support for their unique needs.

At Australian Unity, we're prioritising investment in innovative services, programs and our private health insurance cover to help ensure Australia can cater to the growing healthcare needs and quality expectations of its ageing population. In addition, we're committed to reducing the burden on public health services through our long-standing investments in healthcare property and developments.

We aim to deliver a range of healthcare services to give Australians the choice of when and where they receive healthcare as far as possible and to support them to live a healthy and fulfilling life.

## Supporting lifelong wellness through quality health insurance

Our private health insurance business continues to support Australians to access quality healthcare. Ever increasing waiting lists for public elective surgery have been well documented—and in 2023, our private health insurance funded more than 190,000 hospital episodes of care that may have otherwise been subject to waiting periods and delays.

In FY2023, our private health insurance also provided funding for more than 2.2 million ancillary services—including dental, optical and musculoskeletal care—to support the wellbeing of our health insurance members. More broadly across our portfolio, our private health insurance is also able to bring preventative care opportunities to our members—such as via the virtual home health service offered through our Ramsay Connect program.



Since 2020, we've been partnering with Ramsay Health Care in a joint venture to deliver Ramsay Connect, which brings together the expertise and reach of our Remedy Healthcare business and Ramsay to provide high-quality hospital and rehabilitation care at home after major procedures.





### Tailored mental health support for our communities

Poor mental health is one of the biggest health challenges faced by Australians today. More than two in five Australians aged 16–85—some 8.6 million people—have experienced a mental disorder at some point in their life, and one in five have experienced a mental disorder that's lasted longer than 12 months according to the Australian Bureau of Statistics (ABS).<sup>1</sup>

In addition to these concerning statistics, Australians can be negatively impacted by poor mental health even without meeting the criteria for a mental disorder or illness.

A decline in mental health can significantly impact a person's quality of life and their ability to engage in education and employment, and ramifications of mental illness can extend beyond individuals to have a broader societal impact.

At Australian Unity, we're investing in mental health services and partnerships to deliver much needed support to Australians experiencing poor mental health. Through the delivery of multiple mental health services, we aim to help Australians access support when they need it most.

<sup>1</sup> Australian Bureau of Statistics, 2022





### Beyond Blue partnership

Since March 2022, we've been proud to deliver the Beyond Blue Support Service. The free telephone and online counselling service is open 24/7 for everyone in Australia—no matter who you are or how you are feeling. In FY2023, the Beyond Blue Support Service had more than 200,000 interactions, with 79% of users reporting an improved ability to manage their mental health.



It's incredible the impact a simple phone call can make for someone. You can hear it in their voice when they begin to talk and express how they are feeling. Sometimes a listening ear is all they need."

**Alanna**  
Beyond Blue coach



If a client is off work due to an injury, it can significantly affect their emotional wellbeing. Through CBT we're able to support them during that time, and even make some improvements to pain management with their injury by shifting their mindset about how they experience that pain. It's a really nice thing to see people getting back into life and enjoying some of the things that they previously were before they went through this difficult period."

**Inouk**  
MindStep® coach

### MindStep®

#### MindStep®

The Australian Unity MindStep® program has been providing support for Australians experiencing depression and anxiety since its inception in 2015. The six-week, phone and online program aims to empower participants to manage their mental health on their own terms in the privacy of their own homes.

MindStep® is based on an evidence-based therapy called low intensity cognitive behavioural therapy (CBT), which looks at understanding your thoughts, feelings and behaviours. In FY2023, the MindStep® program provided mental health support to more than 400 people experiencing anxiety and depression.



**Healing  
Minds**

### Healing Minds

According to Flinders University, approximately one in three Aboriginal and Torres Strait Islander people experience high to very high levels of psychological distress—a number that's 2.5 times higher than other Australians. Yet, there's a lack of mental health support services accessible to Indigenous people that have been designed in a way that truly meets their needs.

A phone-based mental wellbeing coaching program, Healing Minds is the first program of its kind designed and delivered by Indigenous Australians for Indigenous Australians that offers low-intensity CBT therapy that incorporates the Aboriginal and Torres Strait Islander community at the heart of the program.



Our role is to support clients without judgement, which first and foremost requires deep listening—listening to their stories, listening out for their inner strengths and resilience, and helping the client to connect to those strengths and core values is key. Witnessing people building on their strengths, connections and autonomy is inspiring and so fulfilling."

**Gambirra**  
Yolngu woman from the Gumatj Clan of the Yirritja moiety in North-East Arnhem Land and Healing Minds coach

# Healthcare Property Trust development pipeline

## Key

---

- Hospital
- Medical centre
- Aged care
- In planning
- Featured property

- Hospital
- Medical centre
- Aged care
- In planning
- Featured property



## Building Australia's healthcare property

Australian Unity's Healthcare Property Trust (HPT) is one of Australia's leading investors in health precincts. It delivers healthcare infrastructure, including hospitals, medical clinics and aged care properties to key growth catchments across Australia, increasing access to healthcare services in local communities.

### Robina Private Hospital Robina, Queensland

As at the end of FY2023, a development approval is in place to extend the Robina Private Hospital to address surging community demand for mental health, medical and surgical services. A new nine-level building will extend the current 90-bed sub-acute hospital and add an additional tenant offering a broad range of surgical services to deliver much needed additional healthcare capacity in one of the fastest growing regions on the Gold Coast.

### Matilda Nepean Private Hospital Kingswood, New South Wales

In February 2023, HPT opened the doors of a new world-class private hospital, to support the health and wellbeing of the growing Western Sydney community. Forming part of Kingwood's health and education precinct opposite the Nepean Hospital, Matilda Nepean Private Hospital creates capacity for integrated healthcare services, i.e. healthcare services, private mental health and rehabilitation inpatient care in Sydney's west.

### Sunshine Private Hospital Sunshine, Victoria

Sunshine Private Hospital opened in March 2023, joining the Sunshine health, wellbeing and education precinct to deliver important healthcare to Melbourne's western suburbs. It is the first private hospital in one of Melbourne's rapidly expanding growth corridors, providing care and services including women's mental health inpatient services, outpatient day programs, endoscopy, sleep studies and a wide range of onsite medical and surgical services.

As at 30 June 2023, HPT's portfolio comprised 104 healthcare-related properties, with the trust's total assets valued at **\$3.98 billion**.



Note: The development pipeline is subject to change as projects commence and complete and is indicative only



## Improved health outcomes

For more than 20 years, the Australian Unity Wellbeing Index has tracked both the personal wellbeing and national wellbeing of Australians. Unsurprisingly, the Wellbeing Index has revealed that health is one of the key determinants that contributes strongly to an individual's overall wellbeing. Not only do strong health outcomes support quality of life; at a national level, they contribute to increased productivity, economic growth and a more sustainable healthcare system.

Through our diverse range of healthcare services, we aim to support customers and their families to achieve positive health outcomes. At the same time, we seek to help reduce health disparities and promote healthier communities through services that are tailored to individual and community needs.



### Prevention and reablement

With a focus on preventative healthcare, we're shifting the dial through our Home Health services to provide care to clients early—often ahead of any diagnosis—to enhance their quality of life. By focusing on clients' personal goals and lifestyle objectives through tailored support, including physiotherapy, occupational therapy, nursing and podiatry, we aim to ensure they can continue doing the things they love for many years to come.

Bronwyn is one of our physiotherapists, based in New South Wales. She works with clients to provide tailored physiotherapy support based on their individual goals. "One of my clients' goals was to return to cooking. As a former entertainer, she always had a home-cooked treat whenever people dropped into the house, but more recently hasn't been able to get into the kitchen. I was able to assess and work with her on her standing balance, strength and endurance to put together an exercise program to support her in this. Having developed enough balance to cook in the kitchen, we were also able to arrange a social support worker to come into her home and help her to prepare a meal for the evening and a sweet something to offer the family when they drop in."



### Episodic care

From time to time, people may require additional healthcare services—for example after a hospital visit or injury. Through Remedy Healthcare, we deliver rehabilitation and treatment following a hospital stay, helping people to leave hospital sooner and recover at home. Alongside delivering benefits to individuals, this partnership improves the disease burden and supports a reduction in avoidable hospital admissions—taking much needed pressure off our healthcare system.

One such customer is Mike, 69, who has a longstanding tremor that is exacerbated by illness. He was recently hospitalised with Covid-19, which left him so weak that he was unable to walk unaided.

As part of Mike's recovery, Remedy's Dr Chiara gave him an assortment of exercises to do in order to help him regain his balance. "I do those twice a day and Dr Chiara comes to see me twice a week to make sure I'm doing them right and occasionally to give me additional exercises," Mike explained. "A lot of it is strengthening exercises for my body—I can now walk unaided and have strength in my arms and legs."

## Taking the lead on healthcare innovation to improve access

By 2066, it's expected that 20% of Australians will be aged 85 and older, according to the ABS.<sup>2</sup> From 2020 to 2021, there were 672,000 potentially preventable hospitalisations in public hospitals and some 156,000 in private hospitals, according to further research by the Australian Institute of Health and Welfare.<sup>3</sup>

A 2022 study by research-based advisory firm McCrindle identified that almost nine out of ten Australians aged over 50 want to live out their days in their own home—a trend that has grown over the past few years, particularly following the Royal Commission into Aged Care Quality and Safety.

To address the shifting healthcare landscape, we launched the Home Health platform in July 2022 to deliver innovative healthcare to those who need it, where they need it. As an integrated healthcare company, we provide care to patients across a spectrum of their needs—from prevention and reablement, episodic care and chronic disease management to compensatory care.

With an extensive understanding of the changing demands on healthcare and ageing, we're focused on responding to the demographic shifts occurring in our population by developing new and sustainable models of quality care for our loved ones—today and tomorrow.



### Chronic disease management

The Ramsay Connect virtual home health service is delivered in partnership with Ramsay Health Care and is designed to support people living with chronic health issues to increase their agency and sense of control in managing their disease. The virtual nurse-led service monitors clients' health statistics via a range of equipment, such as blood pressure and oxygen monitors—intervening when necessary. Integrated with the client's general practitioner, the service also alleviates demand for primary care physicians by providing an additional layer of support and first response for clients.



### Compensatory care

A key offering for our Home Health service is providing additional assistance to our clients around the house to ensure they feel supported and comfortable at home. This could be as simple as attending to some light housework, providing a hot meal for dinner, or completing some gardening as required.

As part of these services, we also aim to support community connection to increase our clients' emotional and social wellbeing through our group and community activities and networking events.



**More than ever, Australians are choosing to age in their homes. We aim to enable our clients to live their best life, in a way that matters to them."**

**Prue Bowden**  
CEO Home Health

<sup>2</sup> Australian Bureau of Statistics, 2020

<sup>3</sup> Australian Institute of Health and Welfare, 2022



# Economic empowerment

Since our beginnings more than 180 years ago, we've been supporting the financial and economic empowerment of our members and the community. Our products and services help everyday Australians to build their financial security and confidence about the future and their ability to deal with any challenges in life.

Australian Unity's commitment to economic empowerment extends beyond our customers and members, and includes our efforts to support Indigenous customers, those experiencing economic disadvantage or difficulty and our own care workforce in a sector that traditionally experiences higher levels of casualisations and low wages.

## Building financial resilience

As identified by the Australian Unity Wellbeing Index—financial resilience and general wellbeing go hand-in-hand. Having a good sense of financial wellbeing has lasting impacts that go well beyond savings in the bank.

At Australian Unity, we seek to support the financial wellbeing and resilience of our members and customers through the delivery of tailored services, including financial advice, trustee services and access to savings tools and products. Additionally, we invest in the development of quality childcare infrastructure to create childcare capacity to enable parents to participate in paid employment.

By helping Australians to create a solid financial foundation, we seek to ensure they're well prepared to weather any unexpected challenges and achieve long-term financial security.

## Saving for life's stages

A lot can happen in 10 years. Which is why it's important to plan for the future and save for all of life's stages. Since 2020, Australian Unity's 10Invest investment bond has been helping Australians do exactly that. A low cost and tax-effective product, 10Invest helps people to plan for their future goals and aspirations by harnessing the power of compound interest over a period of ten years. The bond is a simple, online and accessible investment bond that offers tax effectiveness not available through traditional savings and investment products.



As more Australians look to improve their financial wellbeing, we're pleased to see how 10Invest is helping thousands of Australians build long-term wealth and financially plan for future life stages."

**Adnan Glinac**  
Executive General Manager Life & Super

## 10Invest: Supporting Australians to plan for whatever life brings



Preparing for a family



House deposit



Future education expenses



Retirement and ageing well



31,000+

Advice clients

5,600+

10Invest customers

\$13.44m

estimated social value  
of Indigenous  
procurement spend

\$3.05m

total Indigenous  
procurement spend

## How 10Invest works

### Step 1

Invest money with  
an initial deposit

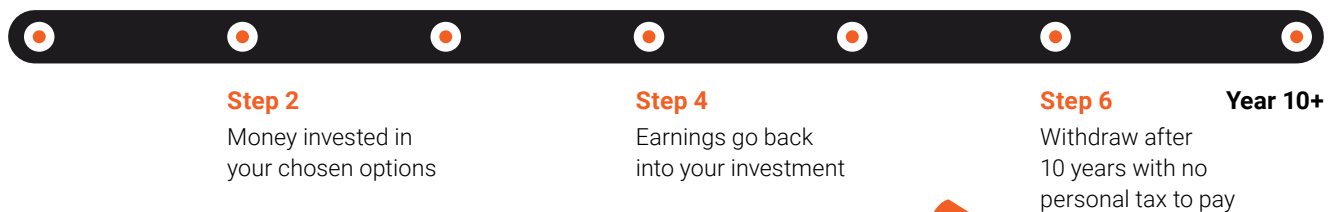
### Step 3

Continue investing  
up to 125% of the prior  
year's contributions

### Step 5

We pay tax at up  
to 30% on earnings

### Year 1



Although investment bonds are the most tax effective if held for ten years or more, if you choose to withdraw within the first ten years, your earnings will simply be assessed at your marginal tax rate (less the 30 per cent that has already been paid within the bond).



Future health costs



Special occasions  
or milestones



Saving for a holiday



A big purchase



### 10Invest: Decade of Change survey

This year, 10Invest marked its third anniversary of supporting Australians to reach their savings goals. To celebrate, we undertook a survey that analysed the ten-year lifestyle and financial aspirations of more than 500 people who are 10Invest policyholders.

The results of the survey, titled 'Decade of Change', revealed that despite facing increasing cost of living pressures and challenging economic conditions, 10Invest policyholders are confident in their savings goals.

Natalie is a mum of one, aged 12, who is building wealth to give her son a kick-start. She already has \$9,200 in her 10Invest account which she plans to continue growing month-by-month to give to her son to help him into his first home.

Natalie explained she had chosen 10Invest as she was looking for a tax effective investment that she could contribute regularly to.

“

I stumbled across Australian Unity's 10Invest product and immediately thought about my son and how much this could help him in 10 years' time. I liked it because you are incentivised to contribute regular amounts and not to withdraw it. If I can put a little bit away each month for my son, I'm hoping it will give him a small kick-start to get into the housing market when he needs it.”

**Natalie**  
10Invest customer, 30-40 years old

**\$98.3m**

10Invest funds  
under management

**86%**

believed they will be  
'better off' in 10 years' time

**\$17,000**

average 10Invest  
balance

**\$210**

average 10Invest  
monthly contribution

### Trustees: Providing peace of mind

As Australia's population continues to age, rates of dementia and rising cases of serious mental illness are increasingly being recognised. In years to come, many Australians will be forced to navigate tough family and health issues more often, and for some, trustee services can have a large part to play in supporting their wellbeing through these times by ensuring their financial affairs are well looked after. At Australian Unity Trustees, we're pleased to work with clients of all backgrounds to support them to increase their financial wellbeing and resilience.

#### Financial administration for protected persons

We act on behalf of Australians who have lost the capacity to make legal and financial decisions due to mental illness or disability. With some 290 'protected persons' clients, we step in to ensure our clients' needs are met, their financial, legal and tax affairs are in order, and their assets are protected from external influences.

#### Financial attorney

We assist clients with their financial and legal affairs, taking over in the event they lose their capacity—for example, if they develop dementia. By proactively planning ahead, clients have the power to take control over how they want their financial and legal affairs managed.

#### Personal injury trusts

In events where a minor or a person with an acquired brain injury receives a compensation payment due to medical negligence, work accident or car accident, we are appointed to support clients to manage their compensation payments and make financial decisions. For many families, personal injury claims can mean years of court battles before they can begin to access their compensation funds. Our immediate priority is to ensure clients have the supports in place to meet their immediate and ongoing needs.

#### Estate administration

We support Australians who do not have a suitable relative or friend to appoint as executor of their estate, or who do not want to burden a loved one with the complexity of administering their estate when they pass away. Our estate managers ensure the estate is administered in accordance with the will maker's wishes and legal requirements.

It's a sad reality that elder abuse affects one in six older Australians (Australian Institute of Family Studies, 2021). It can take the form of psychological abuse, neglect, physical abuse and even financial abuse.

This is the case for one of our clients, Susan\*, who was concerned about who would manage her money if she lost the ability to do so herself as she did not trust her estranged adult children, who she felt didn't have her best interests at heart, to do so.

As such, Susan nominated Australian Unity Trustees as her financial attorney in an Enduring Power of Attorney arrangement. This means that in the event Susan lost the confidence or ability to manage her own money, we are able to step in to manage her legal and financial affairs and to protect Susan from her children or anyone else accessing her money. It's helped to provide Susan with peace of mind and the confidence that she will be well supported by trusted professionals, now and into the future.

\* Name changed for privacy







### **Connecting Australians with the right financial products to support wellbeing**

As a Business Development Manager in the Australian Unity Bank team, it's Anita's job to support some 200+ third-party mortgage brokers in Queensland. A

large part of her responsibilities involves connecting clients with the right lending products to support their financial wellbeing and resilience.



**For Queenslanders and other Australians finding a home loan, it's incredibly important that they have access to a lender that will suit their individual needs. This could be securing a competitive rate and having flexible account and product options, or it could be having a values alignment with your lender—there are a lot of factors that determine a bank's suitability for each individual."**



### **Sharing our S story across the member-owned banking sector**

Earlier this year, Matthew Ricker, CEO of the Australian Unity Bank, was invited to the Customer Owned Banking Association industry conference to speak about Australian

Unity's CSV work—particularly our capability in measuring our impact. At this conference, Matthew shared our story of the 'S' (such as our work with Beyond Blue and the funding and development of social infrastructure such as hospitals), how we measure it and the role of member-owned companies in finding ways to support our members and customers.



### **Indigenous Business Australia update**

Australian Unity is proud to have a longstanding relationship with Indigenous Business Australia (IBA)—who partner and invest with Aboriginal and Torres Strait Islander peoples to support their financial security and future. Since the partnership's introduction in December 2020, Australian Unity Bank and IBA have enabled 29 home loans worth \$10.5 million that may have otherwise been unavailable in mainstream banking.

Over the next financial year, the Bank—in conjunction with Trish Oxford, Australian Unity's General Manager for Indigenous Business & Community Engagement—will be working with state housing authorities to build a greater understanding of the needs of aspiring Indigenous homeowners.



### **Making financial advice simple and accessible**

Financial wellbeing lies at the heart of our overall wellbeing as Australians and great financial advice can transform lives by providing people with clarity, control, choice and independence.

Through our Advice network of more than 180 financial advisers nationwide, we're proud to play a key role in creating broad social impact by building household financial wellbeing and helping Australians to navigate challenges big and small.



## Social and economic opportunities through employment

At Australian Unity, we're committed to building social and economic opportunities through employment to enable the wellbeing of both individuals and communities. We know that meaningful employment not only provides financial stability, but also fosters personal growth, social wellbeing and a sense of purpose. More broadly at a community level, championing diverse employment opportunities is essential to reduce inequalities and to drive economic growth.

### Prioritising and attracting a permanent care workforce

As a large provider of residential aged care and home care, we're experiencing first-hand the growth in demand for care services and workers. Unfortunately however, the care sector has long had an undesirable image—with high levels of casualisation, job insecurity, irregular hours and low wages.

As such, Australian Unity has a proactive and dedicated strategy to attract and retain a workforce through prioritising permanency, regular rostering, supportive managers and career progression to support our people to have a greater sense of confidence, security and wellbeing.

As at 30 June 2023, **75%** of our care workers are permanently employed.

In FY2023, we invested in a range of benefits and initiatives aimed at supporting our people, including important enhancements to employment conditions for our care workers in response to the very real cost of living pressures impacting families across the country.

Changes introduced include:

- a fuel allowance above prescribed Enterprise Agreement entitlements, in line with current increased fuel costs, for Home Health employees in customer-facing roles who travel to customer appointments—an increase of up to 18% on the prescribed reimbursement rates,
- paid time for all care workers for the periods spent travelling between customer visits,
- the same pay rate for all care workers, regardless of location or State Enterprise Agreement, increasing pay for Victorian care workers to the same conditions as their New South Wales colleagues.

We're additionally investing in systems to better map customer appointments, helping care workers to plan and manage time, and also helping to better meet customer needs. This should also allow more care workers to access more paid hours of work and reduce non-productive time across all our regions.

**"This is a really important step to bring our workforce into alignment on key terms and conditions to consistently recognise the value of the work our people do every day."**

**Dean Chesterman**  
Group Executive People & Culture





### Supporting First Nations businesses

In the financial year, we continued our long-term commitment to engaging with First Nations businesses and suppliers, with over \$3 million spent on the procurement of Indigenous supplies and services—the majority of this spend being recurring rather than one-off.

Key procurement categories included:

- Facility management and services
- Office services
- Construction
- Healthcare and other consumables
- Marketing
- Catering
- Recruitment services
- Technology
- Health services

See page 59 to read more about Southern Cross Pacific who we engaged with in FY2023 for a three-year contract to provide security services at our Melbourne head office.

### Creating greater access to childcare

According to the ABS, caring for children remains the largest obstacle to female participation in the workforce. Childcare is crucial for increasing the opportunities for women to participate in the workplace, while providing vital early childhood education. When identifying opportunities, we undertake detailed socio-economic and geo-data mapping analysis of an asset's potential catchment and forecast sustainability.

This financial year, the Childcare Property Fund assisted in the refurbishment of one of its key childcare centres in Toowoomba, Queensland, taking it from an outdated, vacant centre to a modern, fit-for-purpose centre. With a new internal layout and fittings, and a landscape and playscape, the centre has added an additional 80 quality childcare places to the centre of Toowoomba. It was also designed to be 'all electric' with updated appliances and fixtures, paving the way for ESG enhancements.

As at 30 June 2023, assets held by the Childcare Property Fund are valued at more than **\$85 million** with **14 operating centres** (and one in development) across Australia.



## Fostering greater inclusion through meaningful employment

Since 2018, we've partnered with social enterprise Jigsaw to provide innovative pathways and meaningful employment opportunities for people with disability. Jigsaw revolutionises the way people with disability prepare for the workforce by embedding an innovative training program—tailored to each individual's needs and abilities—within a real business, Jigsaw Digital (Jigsaw's digitisation, information management and administration business).

One of those people is Heather, who previously owned a proofreading business for university students before Covid-19 impacted the international student market. After years of freelance employment, Heather decided to pursue opportunities through Jigsaw's pathway, which helped her to hone her transferable soft skills and adjust to working in a structured office environment again. Now, Heather works on a Jigsaw contract for our private health insurance business, processing customer health insurance claims.

“

Working at Australian Unity has been amazing. They knew from day dot that they were going to be dealing with people with disability and that we might need to do things a bit differently. They took that on board and put time aside to train us. You're doing real, meaningful work and you're earning actual money. It means something hugely powerful, especially for someone who, through no fault of their own, may have had a broken-up work history or may never have had a paying job.”

**Heather**  
Jigsaw participant





1,063

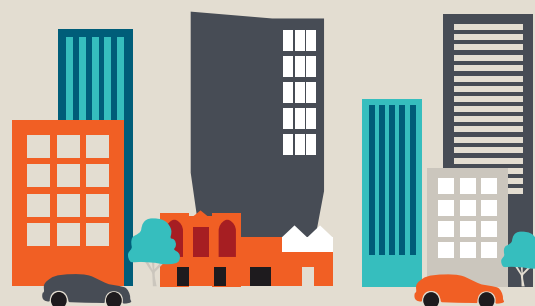
aged care  
residents

\$3.98b

Healthcare Property  
Trust portfolio

# Strong communities

We recognise that a feeling of belonging and purpose are key aspects to an individual's wellbeing. Through our diverse portfolio, we actively design and support the development of strong communities through enabling meaningful engagement and participation, access to services and social connectedness. As a long-standing wellbeing company, we also continue to foster social innovation and advocacy to address the challenges and evolving needs of the Australian community.



Office precincts



Remedy allied health



Specialist Disability Accommodation



Key worker affordable  
accommodation



**\$65.8m**

Student Accommodation  
Fund portfolio

**3,287**

retirement living  
residents

**\$17m**

new capital investment  
in green economy

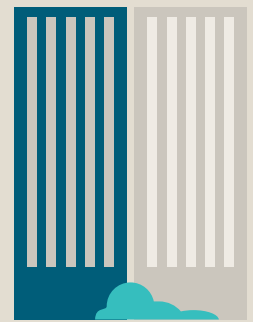
**43**

MedTech companies  
invested in by Future  
of Healthcare Fund

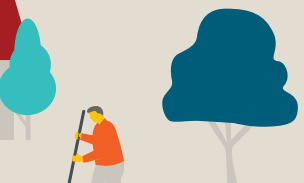


Healthcare and community precincts

Student  
accommodation



Aged care and  
retirement living



Ramsay Connect  
hospital in the home



Childcare centres





### Leading social innovation

The need for high-quality health and care services is greater than ever. While the delivery of these services has historically been held within the government's domain, increased participation from the private sector is needed to address the growing social infrastructure gap.

Enabled by partnerships and investors, we aim to contribute to Australia's social infrastructure requirements through the delivery of healthcare, childcare and specialist disability developments. With a focus on providing long-term benefit, we bring our values as a wellbeing company, coupled with the systems, design, technology and innovation of private capital.

Additionally, we support social innovation through the allocation of funds invested in our green bond related venture capital investments through Australian Unity's investment products.

### Advocating for the role of private sector in meeting society's challenges

Addressing Australia's social infrastructure needs is a national priority—one that requires both public and private sectors to allocate and incentivise capital to the services and infrastructure that contribute to our wellbeing.

At Australian Unity, we're working with government and industry stakeholders to advocate for and design value-aligned partnerships that deliver value for the community.

As a member-owned company, we have a unique role in supporting Australia's critical social infrastructure and believe that these assets need to be funded, developed and managed by organisations with a shared purpose—centred around the users and communities they serve.



**With Australia's healthcare and social infrastructure, we have a once in a generation opportunity to support the public and private sectors to work together to create valuable assets and services that make a tangible difference to the people that need them while supporting our economic growth and the health of our nation."**

**Esther Kerr**  
CEO Wealth & Capital Markets



### Herston Quarter—helping local and business communities thrive

The 2023 financial year marked another big year for our Herston Quarter precinct that provides the Queensland locals with a vibrant, diverse and connected community comprising world class health services, student and commercial accommodation and supporting complementary uses. Key highlights include:

- Rededication of the Edith Cavell building on the 100-year anniversary by the Queensland Governor-General.
- CEDA Co-lab series, bringing captains of social infrastructure together to consider challenges and opportunities.
- Hosting Property Council of Australia's Queensland social infrastructure launch.
- Food on Fourth—a series of days involving food trucks and live musicians to encourage connection and bring people into the Herston Quarter precinct.
- Hosting one of Australian Unity's Reconciliation Action Plan launch events—attended by delivery partner Metro North Health and contractor Hutchinson Builders, along with members of the Herston Quarter Indigenous Liaison Committee.
- Australian Unity's Capability Uplift event for First Nations businesses and suppliers for Indigenous Business Month in October.







## Supporting living in place

Services that support Australians to live and age in place are not only crucial to maintain individual wellbeing, but also for the overall fabric of our communities. By investing in place-based models of care, social and community infrastructure builds and affordable specialist housing, we enable individuals to age or live independently in their place of choice—whether that be at home or in supported accommodation.

We prioritise environments that meet the care needs of individuals while also fostering strong communities to enhance the quality of life for all Australians and support individuals to live in place.



### Creating independence through quality all abilities living

Specialist Disability Accommodation (SDA) plays a vital role in supporting the wellbeing of Australians living with disability, changing their lives—as well as the lives of their families and friends. SDA provides an all-important social benefit for Australians requiring independent supported living. Factors such as participant demand, local supply and accessibility support combine to underpin our investment decisions.

As at 30 June 2023, Australian Unity's SDA Fund had gross assets valued at **\$124.1 million** and provided 107 participant places across Victoria, Western Australia, Queensland and the ACT.



### Quality and accessible housing for students

Student accommodation is rebounding following the Covid-19 pandemic, with the lively return of overseas students driving demand for quality accommodation situated near education precincts.

Our Student Accommodation Fund invests in quality student accommodation near campuses to deliver long-term benefits for students through greater access to educational opportunities, secure housing and increased social networks and sense of community. In the long term, housing students (both domestic and international) while they complete their studies also positively contributes to a skilled Australian workforce and economic activity in the local economy.

As at 30 June 2023, we've invested in over **\$65.8 million** in student accommodation—including the Herston Quarter UniLodge site with a number of other properties under development.

## One of Australia's most trusted brands for home care

For the second year, Australian Unity has been named one of Australia's most trusted brands in the annual Reader's Digest awards—winning Most Trusted Brand in the Home Care Victoria/Tasmania category and Highly Commended in the Home Care New South Wales/Australian Capital Territory category.

Prue Bowden, CEO Home Health, said that the awards were fitting recognition and a testament to our Home Health employees' enduring commitment to supporting and earning the trust of our customers.



To be truly trusted, we need to remain consistent to the promises we make to our customers. We do this by listening to our customers and then providing them with products and services that make a real difference to their lives."

**Prue Bowden**  
CEO Home Health





### Thriving Better Together

Australian Unity's signature small-household aged care and integrated retirement village model, Better Together®, has evolved over 20 plus years, but the guiding principles of the right environmental experience and design nuances that influence human behaviour have been a constant.

Better Together delivers a continuum of person-centred care and support to older people in a range of accommodation options, which are thoughtfully designed to promote dignity, independence and confidence to customers, employees and visitors.

The Better Together model is expressed in built-form through the creation of a small-household domestic environment, where residents feel connected with staff and other residents and can engage in the daily living activities they have always enjoyed.

Other key features include higher staff-to-resident ratios and consistency of staff rostered to each household. This model was directly recommended in the findings of the Royal Commission into Aged Care Quality and Safety as the preferred living arrangement model—as opposed to larger, more institutional settings.

#### Better Together principles

- A home—not a hospital
- A can-do attitude
- A place of care—not treatment
- Designed to maintain existing community and human connection, and to foster new ones



### Community through the Better Together Cup

Following a short hiatus due to Covid-19, Australian Unity's Better Together cup made a triumphant return throughout April 2023. The Better Together Cup brings residents, families and employees together across our Victorian-based residential communities to compete in a series of events—including golf, table tennis, lawn bowls, cards and trivia—for the prized Better Together Trophy.

**“We had a great response from our residents for this year's return of the Better Together Cup and it was wonderful to see our residents connecting and coming together in the spirit of competition. Events like the Cup are important for social connection and can bring many health benefits that support residents' wellbeing.”**

**David Lumb**  
Group Executive Specialist Care



# Progressing reconciliation



130

new employees in  
Aboriginal Home Health

82

customers completing  
Healing Minds

\$13.44m

in social return as a  
result of our Indigenous  
procurement spend

69%

of customers said  
Aboriginal Home Health  
helped control a medical  
condition/situation and  
prevented it from getting  
out of control

As a large employer of Aboriginal and Torres Strait Islander people and as a provider of culturally tailored care to Indigenous customers through our Aboriginal Home Health business, we seek to make a real and meaningful contribution to reconciliation.

In this important year for Australia's history, we also publicly and strongly support a Yes vote in the Voice to Parliament referendum. This position for the company is rooted in the recognition of the particular role our predecessor organisations had in the process of drafting the current Constitution and advocating for a federated Australia.

While Australian Unity stands alongside many other Australian corporations by saying 'Yes', we note that the referendum vote is not one made by companies or organisations, but one by each of us as individuals and we've sought since the announcement of the referendum to help our people seek information to inform their own decisions.

“

Reconciliation is not just about diversity or ethnicity—it is about recognising and valuing the indigeneity of Aboriginal and Torres Strait Islander peoples. Respecting and celebrating this indigeneity, and reflecting on past treatment, is central to both the healing process for First Nations people and to moving towards a unified nation.”

**Rohan Mead**

Group Managing Director & CEO

### Designed and delivered by Mob, for Mob

Australian Unity is committed to addressing some of the significant gaps in holistic wellbeing outcomes faced by Aboriginal and Torres Strait Islander people, and our care workers play a crucial role in ensuring that Mob are looked after in a culturally sensitive and holistic manner.

Through Australian Unity's Aboriginal Home Health, we proudly provide culturally tailored home and community services that include helping our clients to connect and take part in community activities, such as NAIDOC Week, Reconciliation Week and Sorry Day.

'Yindyamarra' is a Wiradjuri word which means to approach something with dignity and respect, and it provides the foundation for Aboriginal Home Health's way of ensuring all our customers are receiving the services they're entitled to in a way that honours an individual's needs and culture.

Through our Yindyamarra model of care we hope to close the gap in life expectancy and support the healthy ageing of Elders. We can do this by helping to create an environment where our customers are able to live their best life—physically, emotionally and culturally.





## Our new Stretch-level Reconciliation Action Plan

In December 2022, we launched our second and elevated Reconciliation Action Plan outlining our commitment to the reconciliation process. With three key priorities, the plan outlines real and meaningful initiatives to enable Aboriginal and Torres Strait Islander peoples, business, communities and our employees to thrive.

|  |   |
|--|---|
| <b>Embed and improve cultural learning</b><br>Strengthen relationships between Aboriginal and Torres Strait Islander peoples and non-Indigenous peoples          | 50% of all employees undertook cultural learning opportunities to develop their learning and understanding of Aboriginal and Torres Strait Islander peoples and their culture.  |
|  | Celebration of various Aboriginal and Torres Strait Islander events throughout the year—including launch of our Stretch Reconciliation Action Plan.   |
|  | In the coming year, additional e-learning modules to be introduced—building on our ‘Reconciliation: it starts with understanding’ series.   |
| <b>Meaningful careers</b><br>We will strive to be an employer of choice for Aboriginal and Torres Strait Islander peoples  | In May 2023, we exceeded our benchmark of 3.5% Aboriginal and Torres Strait Islander employees by reaching 4.8%.  |
|  | In FY2024, we’ll be rolling out our Aboriginal and Torres Strait Islander graduate program to provide opportunities for young Aboriginal and Torres Strait Islander people to enter the workforce and build a career.                 |
|  | By 2025, we will increase the number of Aboriginal and Torres Strait Islander peoples in leadership roles to 21% of our total Aboriginal and Torres Strait Islander employees.  |
|  | In FY2024, a mentor program for Aboriginal and Torres Strait Islander employees will be piloted with executives and senior manager mentors from across the Group.   |
| <b>Business support and growth</b><br>Support the financial security and resilience of Aboriginal and Torres Strait Islander peoples, businesses and communities | As at FY2023, we’ve engaged with 54 Indigenous suppliers and businesses—with a total procurement spend of over \$3 million.   |
|  | This year, we’ve established multi-year business partnerships with Indigenous businesses—Southern Cross Pacific to deliver security services and NPM Indigenous for home refurbishments at our retirement living and aged care homes. |
|  | In late 2022, we held one of our Business Capability Uplift sessions at Herston Quarter—sharing business and financial advice with over 50 Aboriginal and Torres Strait Islander business owners and representatives.                 |
|  | Further Business Capability Uplift sessions planned for Melbourne and Brisbane in early FY2024.   |

## Partnering with Indigenous businesses to make impact

Our Stretch RAP identifies initiatives to enable Australian Unity to increase our supports to Aboriginal and Torres Strait Islander individuals, businesses and communities to enable them to prosper through economic empowerment and opportunities

Australian Unity will continue to increase Aboriginal and Torres Strait Islander business spend across the organisation, in line with the Business Council of Australia's Raising the Bar commitments.

This will see a minimum 3% of contestable spend procured through Aboriginal and Torres Strait Islander businesses by 2023 and then an increase of 0.5% each year thereafter. We also seek to stretch beyond this minimum target to continue to raise the bar on our commitments.

We will look to build multi-year partnerships with Aboriginal and Torres Strait Islander businesses and create organisational awareness of the benefits and opportunities of Australian Unity's commercial activities in the Aboriginal and Torres Strait Islander business sector.

In FY2023, we spent a total of \$3.05 million on the procurement of goods and services with Indigenous suppliers—generating a total of \$13.44 million in value and impact to Aboriginal and Torres Strait Islander businesses and communities.



### Samantha McGuire Talent Acquisition Specialist

#### Proud Darug woman with ties to Darkinjung Country

Working in the community and in a fast-paced office environment provides Samantha McGuire with the best of both worlds.

As a Talent Acquisition Specialist, Samantha's role sees her recruiting Aboriginal and Torres Strait Islander employees into our Aboriginal Home Health business and providing advice into the 'Creating meaningful careers' focus area of our Stretch Reconciliation Action Plan.

**"I was able to not only help our Mob apply for a job with us but make it through the interview and onboarding process with Australian Unity for their first ever paid job. The ongoing impacts this has in small communities is what I do this work for—systemic change to help Mob thrive. Australian Unity is mapping out career pathways and succession planning tools and exposing our Aboriginal and Torres Strait Islander employees to the wider business and further career opportunities."**

Southern Cross Pacific is an Indigenous-owned security company that has been providing security services to our Melbourne head office. They were chosen as the security partner for Australian Unity due to their experience and quality service and their focus on enhancing the welfare of Indigenous communities.

Through partnering with Southern Cross Pacific, Australian Unity is helping to provide meaningful employment opportunities for Aboriginal and Torres Strait Islander People. Additionally, Southern Cross Pacific invests a portion of their profits back into community initiatives, such as scholarships, youth programs and training services.



### **Co-designing to deliver culturally-tailored services**

This year, Aboriginal Home Health and the Group's Reconciliation Action Practice Lead launched two 'by Mob, for Mob' initiatives to enable our Aboriginal and Torres Strait Islander customers and employees to shape the way we deliver our services and support our people.

The Cultural & Social Elders Circle's first bi-monthly meeting was held in March 2023 hosted by Jenny Beath, General Manager Service Delivery Aboriginal Home Health—with the aim to provide guidance and advice for Aboriginal Home Health on matters of community, traditions, and culture. The Circle will strive to promote and provide culturally enriched services to our Elders, encourage participation, and strengthen connections throughout all Indigenous communities nationwide.

Our Aboriginal and Torres Strait Islander Employee Network was also established earlier in the year and provides an opportunity for Aboriginal and Torres Strait Islander employees to connect and yarn. The Network also acts as a support network for all employees and cultural adviser across the organisation.

We acknowledge that wellbeing encompasses the physical, social, emotional, spiritual, and cultural dimensions of individuals, their families and the whole community. Through initiatives like these, we continue to build on our cultural safety and respectful environments and provide services in a way that demonstrates our cultural understanding and ensures Aboriginal and Torres Strait Islander peoples—customers and employees—feel respected, welcome and empowered.



### **Deep Listening Leave**

Deep Listening Leave is part of Australian Unity's commitment to reconciliation, where we seek to build strong and respectful relationships with Aboriginal and Torres Strait Islander peoples, communities and businesses.

Employees can now access one day paid leave each financial year to attend, participate and learn about Aboriginal and Torres Strait Islander cultures in a way that works for them. These changes were introduced following feedback from our employees and directly supports our reconciliation focus area of 'embedding and improving cultural learning'.



### **Connecting at our inaugural Regional Elder Olympics**

In June, our Aboriginal Home Health service hosted its inaugural Regional Elder Olympics on Darug Country in New South Wales, connecting clients to participate in fun, low-intensity activities. With participants travelling from across the state, the event saw some old family members re-unite and one participant even discovered new family connections.





## Championing reconciliation at AustralianUnity

Trish Oxford is a proud Ngemba woman and Australian Unity's General Manager, Indigenous Business & Community Engagement, with a deep passion for empowering her people and the economic development of First Nations people, business and community.

In addition to representing Australian Unity at Indigenous events, forums and media opportunities, Trish hosted the Dubbo launch of the Group's Stretch RAP earlier this year which was attended by Aboriginal Home Health customers and employees, the Home Health leadership team and Board members, including our Chair, Lisa Chung AM.

"I am privileged to work for a company who takes reconciliation seriously, and where our Mob's culture is celebrated and incorporated into our business priorities. These reconciliation efforts don't go unnoticed and are recognised and valued by our Mob. Our history and culture is appreciated and celebrated throughout Australian Unity, and this builds an inclusive culture across the company."

**Trish Oxford**  
General Manager, Indigenous Business  
& Community Engagement

Our commitment to real and meaningful reconciliation extends to our future generations of Australians. This year, Australian Unity donated copies of *Finding Our Heart*—a children's book by Thomas Mayo that explores Australia's history, the Uluru Statement from the Heart and the meaning of reconciliation—to all Goodstart Early Learning centres across the country.

"At Goodstart, we're deeply committed to ensuring the next generation of children grow up with a strong connection to and understanding of Aboriginal and Torres Strait Islander culture, people and our true history. Thanks to Australian Unity's shared commitment to reconciliation and their generous gift of the children's book, *Finding Our Heart*, to all 660 Goodstart Early Learning centres nationwide, it paved the way for truly meaningful and enriching literacy experiences with children centred around the Uluru Statement from the Heart."

"Thousands of young minds have been actively engaged in learning more about our shared past and the significance of reconciliation, which is especially important ahead of this year's referendum."

**Dr Ros Baxter**  
CEO, Goodstart Early Learning





Real Wellbeing  
starts with our people



To be Australia's most trusted wellbeing company, our focus on wellbeing starts with our people. We support their Real Wellbeing so they can better support our members and customers.

Our breadth of capability and diversity allow us to offer a wide range of opportunities and benefits for our people aligned to the domains of wellbeing.







## Recognising the value of gender-inclusivity

According to the Workplace Gender Equality Agency, 51% of Australia's workforce is made up of women, but only 19% of CEOs are female. Yet there are well documented economic, social and wellbeing benefits to increasing women's participation in the workforce.

Australian Unity is proud that women currently make up 37% of our senior leadership roles, a steady increase over the past five years that we're committed to continue advancing. In FY2023, we welcomed two more women onto our Board of Directors and appointed our first female Chair and Deputy Chair.



**Diversity at the table leads to richer and better decision making. The progress of women is the progress of Australia."**

**Melinda Honig**  
Group Executive Governance



## At Australian Unity, women comprise:

**4 of 9** members of our Group Leadership Team

**Over half** of our Board, including the Chair and Deputy Chair

**80%** of our total workforce

**88%** of our Home Health workforce

**80%** of our Specialist Care workforce

**57%** of our non-human services workforce (Retail, Wealth & Capital Markets, Enabling Functions)

**67%** of all people leader roles.



“

Australian Unity’s work, purpose, products and services reflect our whole community, of which 50% are women. You can only truly serve your community by representing diversity on your Board and throughout your organisation.”

**Lisa Chung AM**  
Chair

“

By having strong female representation on the Board, we can start to change an endemic system. I have daughters and I want all daughters to have equal and fair access to opportunities. That’s why it’s so important.”

**Dr Helen Nott**  
Board director



#### **Attracting female talent in STEM**

Head of Digital Experience & Delivery, Pauline McMillan has over 20 years’ experience in the Technology sector and has been with Australian Unity for two and half years.

Bringing our digital channels to maturity and working with a large cohort of women across the business are some of the things that attracted Pauline to a career at Australian Unity.

“Australian Unity has the highest percentage of women in the technology sector that I’ve encountered. We’re about 50/50 in our team and across all our different roles. Women are important to deliver what we need to be successful—and the sector is no longer reliant on traditionally male-dominated roles, such as coding or development, which supports gender diversity and attraction to the sector. We’re supported and encouraged as women at Australian Unity—especially with the inspiring number of women in senior leadership roles.”





## Celebrating the rich diversity of our people

Australian Unity takes great pride in nurturing a respectful and inclusive culture. Across a workforce that includes people from more than 75 different countries and over 40 first languages, we acknowledge and celebrate the distinct talents and perspectives among our employees that parallels the diverse communities across Australia in which we operate.

### Top 10 countries of birth (outside Australia):

1. India
2. New Zealand
3. Philippines
4. United Kingdom
5. Nepal
6. China
7. Japan
8. Malaysia
9. Sri Lanka
10. Fiji

### Top 10 languages (after English):

1. Hindi
2. Tagalog
3. Mandarin
4. Punjabi
5. Cantonese
6. Spanish
7. Tamil
8. Telugu
9. Vietnamese
10. French



### Sharing the light and colour of Diwali

In October 2022, our Technology teams held lunches to recognise India's biggest and most important holiday of the year, celebrating with traditional delicacies, dress and music, and welcoming their colleagues to take part in sharing the joy and happiness of the festival.

**“The Indian community are a huge part of the Australian community and our community at Australian Unity, and it was a special day where we can celebrate bringing together multiple cultures and communities in a fantastic and joyful event.”**

**Mark Gay**  
Group Executive Technology





“

At Australian Unity, it's in our DNA to care—both in our work and in our personal lives. It comes as no surprise to me the generosity and dedication of the people across the Group.”

**Dean Chesterman**

Group Executive People & Culture

## Volunteering and giving

Our people are community minded and Australian Unity supports our employees to volunteer in their communities through a paid day of community leave each year. This enables our employees to contribute their time to causes close to them at a registered not-for-profit or charity organisation, or to volunteer at an Australian Unity aged care site under our Connecting with Care program. In FY2023, our employees volunteered over \$27,250 worth of their time, as calculated by their hourly rate.

### Spreading Christmas joy in the community

Since 2018, our Banking team have rallied together with great generosity and compassion to support families facing financial pressure over Christmas—creating hampers with vouchers, children's toys, gifts and food items to gift to these families. This Christmas, they partnered with Star Health Service in South Melbourne who provide services to support the health, social and community wellbeing of its local residents to provide hampers to selected families. Additionally, for the third year running, Australian Unity's catering partner Curtis Stone Events collaborated with the team to provide Christmas meals along with the hampers.

Similarly the past Christmas, employees from our Health Insurance business donated their time to the Boroondara Community Outreach (BCO) program in Victoria. It was the team's second year volunteering with the organisation, a not-for-profit mental health ministry established in 1993. Using their community leave, the team packed almost 100 Christmas hampers for delivery to nearby boarding houses and crisis housing.

“

Volunteering with BCO to pack these hampers reminds us to be grateful, and that not everyone will be enjoying Christmas this year – these hampers help bring some light to those less fortunate than ourselves. It's wonderful we can take a day of paid leave to volunteer, engage with the community and enjoy a great day together as a team.”

**Rebecca**

Health Insurance Relationship Manager

## Australian Unity Foundation

As a mutual organisation, partnering with not-for-profit endeavours that effect social change aligns closely with our purpose of providing real wellbeing. For the past 17 years the Australian Unity Foundation has supported enduring social change by investing in initiatives and organisations dedicated to enhancing wellbeing for individuals and their communities.

The Australian Unity Foundation is pleased to support the meaningful impact our partners continue to achieve in the community.



|   |  |
|---|--|
| <b>Royal Far West</b>   | Scholarships for children to Royal Far West's flagship Paediatric Developmental Program which provides assessment, diagnosis and treatment for rural and regional children with more complex developmental needs, who require more intensive, sustained, multi-disciplinary support.   |
| <b>Cerebral Palsy Alliance</b>                                | Supporting the Cerebral Palsy Alliance to improve service delivery and access to qualified, high quality and experienced therapists for clients who access disability services.  |
| <b>Jigsaw Australia</b>                                       | Jigsaw Australia hosting roundtable events to bring together employers and people with disability to discuss, generate ideas and workshop solutions to key topics in disability employment.  |
| <b>First Nations Foundation</b>                               | <p>Growing First Nations Foundation's Tomorrow Money website through marketing and social media engagement, enabling their achievement of almost 100% contributions from Indigenous authors to create a culturally safe and supportive online resource for young Indigenous Australians to learn about money.</p> <p><b>"Once again, thank you so much for the ongoing support from Australian Unity for First Nations Foundation and our Tomorrow Money website. Over several years of partnership, we have (and continue to) greatly appreciate Australian Unity's willingness to back us when we innovate and try new potential solutions to better support and empower Aboriginal and Torres Strait Islander people towards financial prosperity."</b></p> <p><b>Phil Usher</b><br/>CEO First Nations Foundation</p> |
| <b>Purple House</b>   | Purple House's Wangka Kutju initiative, an art project language group working on animations and drawings around looking after old people on country.   |
| <b>The Australian Literacy and Numeracy Foundation (ALNF)</b> | The Australian Literacy and Numeracy Foundation's Breakfast Library, an innovative program that seeks to supply disadvantaged children with a regular nutritious breakfast, whilst boosting their literacy development.  |
| <b>Black Dog Institute</b>                                    | Broadening the scope of Black Dog Institute's 'WeClick' app, aimed at improving young people's mental health while they await access to in-person treatment.   |
| <b>WIRE</b>   | WIRE's research and external consultation with women, nonbinary and gender diverse people to better understand the barriers to access of family violence support.  |





“

We would like to extend our sincerest gratitude to the Australian Unity Foundation for their contribution to this vital program. Your support is helping us ensure that children in the Greater Western Sydney region get a brighter start to the school day, ready to learn and engage in the classroom and write their own bright futures!”

**Kim Kelly**  
ALNF Co-Founder and Executive Director





### Cerebral Palsy Alliance

Australian Unity employees participated in STEPtember for the third time, raising \$29,253 for the Cerebral Palsy Alliance, who provide family-centred therapies, life skills programs, equipment and support for people and their families living with cerebral palsy and other neurological and physical disabilities.



### Tour de Brisbane

Since 2022, Australian Unity has been the named sponsor of the Tour de Brisbane, in support of The Common Good, a not-for-profit organisation that supports medical research into heart, lungs, dementia and mental health. In April 2023, nearly 6,000 cyclists—including a team of Australian Unity employees—turned out for the event, which raised more than \$70,000 for the organisation's medical research.

### Donating unused technology to employees affected by the New South Wales floods

In November 2022, flooding and storm emergencies significantly impacted large areas of New South Wales and Victoria. Australian Unity partnered with the Australian Red Cross, dollar matching donations from employees to raise more than \$137,000.

Many of our customers and employees were directly affected by the natural disaster. Several of our employees lost everything they owned and were unable to return to their own homes for many months. Australian Unity's Technology team arranged a donation of unused technology equipment, such as laptops, monitors and keyboards to 13 employees for their personal use, helping them to get connected again.



### Employee referral program

We know that our people are our greatest advocates. In 2022, we expanded our Employee Referral program to include all roles in Australian Unity. If an existing employee successfully refers someone for a role at Australian Unity, they'll receive a referral

payment once the referred candidate completes their six month probation.

Care worker Steve has referred at least three people who have since joined the Australian Unity team.

**"I believe Australian Unity has a great strategy and structure, so recommending [working here] is easy and there's a lot of support. I think anyone can be a carer with the right attitude and the training and support provided at Australian Unity."**

**Steve**  
Care worker



**This is just so brilliant. It means so much as the kids can do their school homework and submit it instead of being the only ones that had theirs in on paper".**

### Recipient

Vicky, Technology Asset Manager, was at the time in the process of stocktaking disused technology equipment and saw an opportunity to help out Australians who were doing it tough.

Together with colleagues from People & Culture and Home Health, Vicky organised the equipment and arranged the delivery to the local Australian Unity branch in Parkes in New South Wales.



## Safety and wellbeing

Keeping our people and our customers safe and well is integral to all that we do. We're committed to fostering a culture of safety and wellbeing for our people—through our Safer Me program aimed at maturing our safety culture via education and idea-sharing about work hazards and risks, clear processes on control measures and management, and building awareness about the safety supports available. In FY2023, we saw a significant decrease in reports of injury experienced by our people.

### March 2019 baseline

- Average cost of claim is **\$22,457**
- Current time lost per claim is **56 days**
- Average claims duration is **472 days** (from open to close)

### March 2023

- Average cost of claim is **\$7,546**
- Current time lost per claim is **19 days**
- Average claims duration is **73 days** (from open to close)





# Environment



UNDSG 3 refers to 3.9: Substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.

With a goal to be Australia's most trusted wellbeing company, we are committed to having a positive impact on our members, customers and community. This commitment includes understanding and management of the impact of our portfolio on the environment—now and into the future.

We believe we can positively impact the wellbeing of Australians by both reducing our environmental footprint while at the same time helping communities to prepare for the impacts of climate change. Accurately assessing and disclosing the impacts of climate change in financial reporting is a focus for regulators and standards boards. As such, we've started our journey by seeking to measure our emissions for this financial year and adopting the Sustainability Reporting Roadmap as outlined on page 75.



We believe that having a positive impact on our environment helps us:

- meet the needs and expectations of our members and investors
- build our brand and reputation in the community
- meet future regulations and requirements
- realise savings and efficiencies.

## Progressing our environmental and sustainability goals

To spearhead our environmental and sustainability initiatives, we launched a new ESG Forum in FY2023 comprising of sustainability specialists and senior members from each of the Group's platforms and enabling services with skills relevant to our Environment, Social and Governance ambitions.

Importantly, the ESG Forum (which is co-sponsored by the group executives for Governance and Finance & Strategy and reports to the Group's Risk & Compliance Committee) has responsibilities that include:

- determining Australian Unity's ESG governance and reporting requirements
- establishing and implementing a Group-wide ESG and Sustainability Policy
- assessing and endorsing ESG and sustainability goals, commitments and frameworks (in particular, relating to finding pathways to net zero)
- directing and streamlining ESG measurement, reporting and engagement activities (including external audits)
- overseeing targets and measures associated with sustainability-related financial instruments (such as our Sustainability-Linked Loan with Westpac).

## Avoiding 'green' and 'blue' misrepresentations

As a company that includes financial services in our portfolio, we're cognisant of the risks of 'greenwashing' and 'bluewashing', and the importance of being accurate and honest in our representations to the market.

According to ASIC, greenwashing is the practice of misrepresenting the extent to which a financial product or investment strategy is environmentally friendly, sustainable or ethical, while bluewashing refers to the practice of misrepresenting the extent to which a business, product or investment respects human rights.<sup>4</sup>

To support our commitment to make public disclosures that accurately reflect our ambitions, strategies and achievements, our communications, disclosures, marketing material and reports like *Our Impact* are required to be reviewed and scrutinised before release. Additionally, key corporate reports, such as the Group's Annual Report and the *Our Impact* report, are subject to external assurance processes and endorsement by our Board.

## Governance of our environmental impact and risks

Australian Unity's Risk & Compliance Committee has responsibility for the oversight and governance of the Group's risk framework. The Committee receives updates on matters considered by the ESG Forum and reporting in relation to ESG risks as part of overall risk reporting.

As noted on page 21, some of the Group's key risks relate to not optimising opportunities to provide Community & Social Value and emerging risks from climate change. Climate risk is not currently considered a material risk for the Group, despite some parts of our business having exposure. However, to help us better understand potential climate risks, we are baselining our scope 1 and 2 emissions data to help us understand our impact and opportunities. In the next financial year, we'll also be seeking to baseline our scope 3 emissions.



### Net zero commitment

Australian Unity supports the Australian Government's emissions reductions target of 43% by 2030 and net zero emissions by 2050. We are working to establish our pathway to net zero and will report on our progress in FY2024.

<sup>4</sup> <https://asic.gov.au/regulatory-resources/financial-services/how-to-avoid-greenwashing-when-offering-or-promoting-sustainability-related-products/>

## Our plan for meeting future environmental and sustainability reporting requirements

At the end of 2022, the Australian Government undertook two consultation processes relating to sustainability standards and climate-related disclosures. Through these processes, the Government has indicated an intention to adopt the new sustainability standards that were being produced by the International Sustainability Standards Board (ISSB), with the potential to mandate these requirements for large organisations and financial institutions.

With the first two standards now officially released by the ISSB, the Government has completed a further round of consultation on climate-related financial disclosures—with Australian Unity's scope 1 and 2 emissions reporting, as required by the IFRS Sustainability Disclosure Standard S2 *Climate-related Disclosures*, expected at the end of the 2025 financial year.

Australian Unity is working towards ensuring the Group is in an optimal position to meet these requirements before this timeframe (refer *Proposed sustainability reporting roadmap*).

### What are Scope 1, 2 and 3 emissions?

- Scope 1 emissions are greenhouse gas (GHG) emissions that are released to the atmosphere as a direct result of an activity, or series of activities (also known as 'direct emissions').
- Scope 2 greenhouse gas emissions are the emissions released to the atmosphere from the indirect consumption of an energy ('indirect emissions').
- Scope 3 relate to indirect greenhouse gas emissions other than scope 2 emissions that are generated within our value chain, e.g. by suppliers, customers and investee organisations ('financed emissions').

Source: Clean Energy Regulator

### Fossil fuels

The Australian Unity Group currently has a direct exposure to fossil fuels of around 0.2% of its ~\$1.0 billion investment portfolio (compared to 0.04% of a ~\$1.0 billion investment portfolio in FY2022). These investments are managed via the Group's Funds Management business.

According to the ISSB and IFRS Foundation, the IFRS S1 and S2 standards are "designed to set a global baseline to enable companies to provide information about sustainability-related risks and opportunities that is useful for investors' decision-making."

The objective of the IFRS S1 standard is to "require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general-purpose financial reports in making decisions relating to providing resources to the entity."

To this end, Australian Unity will proactively consider material information relating to sustainability-related risks and opportunities that could reasonably be expected to affect our organisation and the primary users of our financial statements.

By way of example, we have adopted a comprehensive methodology for measuring our social impact across the Group through our CSV Framework—developed in conjunction with leading social impact experts and as detailed in this report. We believe this will be a central pillar that drives our sustainability performance under the new reporting standards as they become mandatory over the coming years.

The objective of IFRS S2 is intended to "require an entity to disclose information about its climate-related risks and opportunities" through its general-purpose financial reporting. Australian Unity intends to be able to report under this standard from FY2025 in line with proposed implementation timeframes. Our goal is to ensure primary users of our financial statements have all the information they need to make decisions regarding our exposure and resilience to climate-related physical risks and transition risks.

A central requirement of IFRS S2 is reporting GHG emissions, including scope 3 emissions captured up/down a value chain. For Australian Unity, we expect that scope 3 emissions will be a significant contributor to the Group's carbon footprint, so we are committed to measuring and reporting our scope 3 emissions and working with suppliers and other value chain participants that share our focus on moving towards a sustainable future.

Given the diversity of our portfolio, we are working with an external consultant to identify our value chain related environmental impacts and to develop a roadmap to help us to meet likely future obligations and our net zero targets.

## Our Sustainability Reporting Roadmap

|   | 30 June 2023  | 30 June 2024  | 30 June 2025  | 30 June 2026  |
|---|---|---|---|---|
| <b>Measurement of our social impact and Community &amp; Social Value (CSV)</b>                                | Measurement and external reporting of CSV in annual <i>Our Impact</i> report                                  | Measurement and external reporting of CSV in annual <i>Our Impact</i> report  | Measurement and external reporting of CSV in annual <i>Our Impact</i> report  | Measurement and external reporting of CSV in annual <i>Our Impact</i> report  |
| <b>Disclosure IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information</b> | -   | -   | Conduct a gap analysis by comparing CSV reporting in annual <i>Our Impact</i> report with the requirements of IFRS S1 | <i>Our Impact</i> report aligned with requirements of IFRS S1 across topics material to our organisation, in addition to climate, over and above mandatory requirements |
| <b>Measurement of Carbon Footprint</b>  | Initial calculation and internal reporting of scope 1 and scope 2 emissions ( <i>significant estimation</i> ) | Calculation and external reporting of scope 1 and scope 2 emissions ( <i>some estimation</i> )  | <b>Mandatory*</b> calculation and external reporting of scope 1 and scope 2 emissions, as required by IFRS S2         | <b>Mandatory*</b> calculation and external reporting of scope 1 and scope 2 emissions, as required by IFRS S2   |
|   | -   | Initial calculation and internal reporting of scope 3 emissions ( <i>significant estimation</i> )   | Calculation and external reporting of scope 3 emissions ( <i>some estimation</i> )                                    | <b>Mandatory*</b> calculation and external reporting of scope 3 emissions, as required by IFRS S2   |
| <b>Disclosure IFRS S2 Climate-related Disclosures</b>   | -   | Conduct a gap analysis and an initial climate risk assessment<br><br>Include any climate risk disclosures in the Group's Operating and Financial Review (OFR) within the <i>Annual Report</i> , where considered material | <b>Mandatory*</b> reporting of all IFRS S2 disclosures  | <b>Mandatory*</b> reporting of all IFRS S2 disclosures  |

\* This is based on consultation paper positions that have not yet been finalised. Assurance over disclosures is expected from 30 June 2025, with progressive increases in scope and level of assurance, moving from limited assurance to reasonable assurance, over time



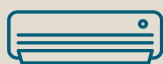


## Property

Australian Unity's large portfolio of property and social infrastructure investments provides much needed healthcare facilities, infrastructure for business, community amenities and homes to support and improve the quality of life for those needing additional care or assistance to live independently. As important to the Group as positive investor returns, is ensuring that we minimise our adverse environmental impact across the portfolio's national footprint.

With a dedicated ESG National Manager, supporting our efforts our property portfolio has active ambitions to:

- achieve a leadership position in its core areas of operation (such as healthcare property)
- attract and maintain investment
- drive tenant and investor engagement
- position Australian Unity as a trusted and strategic property partner
- address, adapt to and mitigate risks associated with the impacts of climate change
- minimise resource use, waste and pollution
- enhance biodiversity
- drive direct and measurable social impact.



### Refrigerants

Selection of air conditioning systems with the latest available low global warming potential (GWP) refrigerants.



### Materials

Construct/use low embodied emission materials, with the most impact e.g. steel, cement, glass, aluminium, PVC, timber.



### Energy efficiency

LED lighting with smart controls, high efficiency electrical appliances, fittings and fixtures, smart metering and monitoring systems for fault detection and operational optimisation.





### Solar electricity

Appropriate sized solar systems to support onsite use and batteries to store excess generated power as well as demand response.



### Electrification

New building to be fully electric (i.e. the building should not have gas domestic hot water, gas boilers for air conditioning, gas cooktop and other cooking equipment etc).



### Water efficiency

High efficiency fittings and fixtures, appliances, drip irrigation, rain water tanks, smart metering and monitoring for leak detection and operational optimisation.



### Operational optimisation

Smart metering, data analytics, fault detection, regular BMS control strategy review and optimisation.



### Building fabric

Double glazing, correct level of insulation, roof colour based on climate, airtightness.



### Waste diversion

Source segregation bins within occupied space and loading dock with waste contracts inclusive of serving requirements for these streams (minimum – Paper/ Cardboard, Recycling/ Co-mingled, General/ Landfill, Organic (if there is enough volume)).

## Our key property initiatives

### Retirement living and residential aged care

Across all of our residential aged care and retirement village assets in the Australian Unity Healthcare Property Trust, we have commenced the NABERS Energy and Water rating program. The new scope brings governance process, standardised deliverables and performance KPIs across all properties.

### Healthcare Property Trust

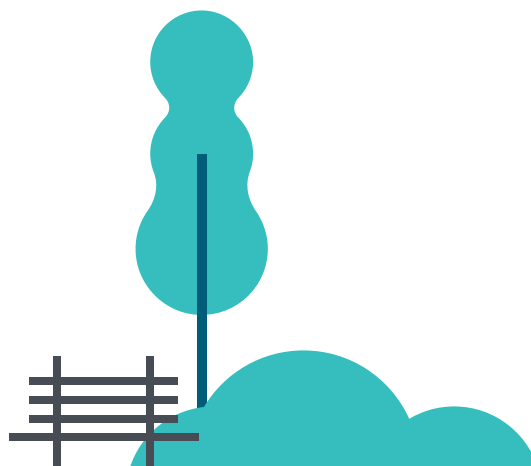
The Healthcare Property Trust (HPT) is in the process of establishing a web platform to store building and property information in order to monitor, track and improve environmental performance across its property portfolio. To facilitate this, a green lease schedule is being implemented in tenant contracts to support data sharing and collaboration on ESG projects. For future developments, HPT has tendered Greenstar Building Rating scope to establish consistent ESG strategy and performance outcomes.

### Wyvern Private Hospital

Surrounding the development site of Wyvern Private Hospital is 190,000 square meters of unique vegetation home to unique biodiversity including the vulnerable Eastern Pygmy Possum and the critically endangered Caley's Grevillea. In order to preserve this biodiversity, the Australian Unity Healthcare Trust in partnership with Wyvern Health has established a Biodiversity Stewardship Agreement and engaged with an ecologist to protect the land and habitat.

### Sunshine Private Hospital

In March 2023, the HPT opened Sunshine Private Hospital—the first fully electric private hospital in Australia (excluding diesel backup generators). HPT is currently aiming to certify Sunshine Private Hospital as a Greenstar Design & As Built 5 Star Rating.





### Braeside Solar Installation project

In the *Our Impact 2021* report, we introduced the Braeside solar installation project in Braeside, Victoria. This project comprised of the installation of a 1315 kWh solar system installed across a roof area of 10,500 square metres—and was a national record for the number of panels positioned at a property on a single day. Following its completion, the project's positive environmental impact per year includes:

- trees planted equivalent of **31,600+** trees
- avoided equivalent fuel of **525,00+** litres of petrol
- avoided coal burnt of **597,000+** kilograms of coal.



### Creating a local buzz of wellbeing

Since its construction in 2019, Australian Unity's Spring Street head office has been home to four beehives in an effort to positively contribute to Melbourne's urban, inner city flora landscape. Cared for by professional local beekeepers, Rooftop Honey, our bees enjoy the surrounds of the city's famous Botanic, Carlton and Parliament Gardens while contributing to pollination throughout the backyards of our neighbours in surrounding areas. The honey provided by our hives are sold at our employee cafe, with funds raised going back into initiatives that support bee programs and research.



## Altius Asset Management

Altius Asset Management is Australian Unity's boutique cash and fixed interest funds management business and over the last ten years, has been firmly committed to developing ESG and responsible investing solutions.

By incorporating ESG assessment into their independent investment research, Altius are able to apply a lens of insight, knowledge and understanding to an organisation's management capabilities, culture and business strategy. This assists the team in making better informed investment decisions on behalf of their clients.

Altius believe ESG issues can have a direct impact on an issuer's risk. If not managed properly, these risks can lead to inefficiencies or disruption of operations, which could then become liabilities (regulatory, litigation or reputational), which may impact a company's cash flow, and therefore their credit rating—and ultimately their cost of debt.

Altius' commitment to sustainable and responsible investments has seen the business named KangaNews' Australian Sustainability Fund Manager of the Year in 2021 and 2022, nominated as a finalist for the Morningstar Sustainable Fund Manager for 2023 and named as a Responsible Investment Leader by the Responsible Investment Association Australasia (RIAA) in 2022.

Read more about Altius' approach to responsible investment at [altiusam.com](https://altiusam.com)

## Platypus Asset Management

Now wholly-owned by Australian Unity, Platypus Asset Management is a specialist Australian equities growth manager with a strong focus on ESG and responsible management, and as at 30 June 2023, have \$881.3 million funds under management. Platypus is a signatory to the Principles for Responsible Investment (since 2017) and a member of the RIAA, Climate Change 100+, Investor Group on Climate Change, and Investors Against Slavery and Trafficking.

These memberships and commitments inform Platypus' active approach to ESG stewardship and engagement as part of their investment portfolio management. This includes leveraging proxy voting processes to protect and enhance the value of investments and to represent the interests of clients and beneficiaries.

- **\$4.4b** under management
- **851** resolutions voted
- **5%** votes cast against management
- **15%** of shareholder resolutions
- **12%** of shareholder resolutions supported despite management recommending against.

Data as at 31 December 2022

Read Platypus Asset Management's latest responsible investment report at: [platypusassetmanagement.com.au](https://platypusassetmanagement.com.au)



## Business technology

In FY2023, we focused on opportunities to recycle and minimise waste across our extensive technology equipment—including implementing a mobile device recycling initiative across our large home care worker cohort, ensuring true and responsibly managed end of life for this significant e-waste product.

We continue our partnership with Lenovo for the supply and responsible disposal of laptops. By sourcing and discarding directly with Lenovo—who have the highest MSCI ESG rating<sup>5</sup> of 'AAA'—we reduce our supply chain footprint and are assured of industry-leading ESG practices from the company as a supplier.

The Group also avoided e-waste by repurposing laptops, computer monitors, keyboards and mouse packs for Australian Unity staff impacted by the floods in New South Wales earlier in the financial year, and by donating over 60 mobile devices to charity partners for their continued use.

<sup>5</sup> <https://www.msci.com/our-solutions/esg-investing/esg-ratings>

## Creating less paper waste across our home care services

In mid-FY2022, we introduced the DocuSign initiative that provides customers across our home care and Aboriginal Home Health services with an electronic alternative to signing paper-based service agreements. In 12 months, this initiative has saved 389,625 sheets of paper—equating to 49 trees, 15,813 litres of water, 15,906 kilograms of carbon dioxide and 1,043 kilograms of waste. In June 2023, this initiative was named 'Innovation in Action' at the annual DocuSign International Customer Awards—from a field of over 140 nominations from over 20 countries.



DocuSign is effective for customers as it is an easy and simple process. It is a paperless, easy to follow process that reduces the need to sign multiple times. It is seamless and quick and saves on printing many copies every time."

**Lisa**  
Service Coordinator

# Limited assurance report



To: The Board of Directors of Australian Unity Limited

## **Independent Limited Assurance Report on identified Subject Matter Information in Australian Unity Limited's Our Impact Report for the year ended 30 June 2023**

The Board of Directors of Australian Unity Limited ('**Australian Unity**' or '**AU**') engaged us to perform an independent limited assurance engagement in respect of the identified Subject Matter within the *Our Impact 2023 Report* (the '**AU Impact Report**') for the year ended 30 June 2023 (the '**Subject Matter Information**').

### **Subject Matter Information and Criteria**

We assessed the Subject Matter Information against the Criteria, which need to be read and understood together. The Subject Matter Information is as set out in the table below:

| <i>Subject Matter Information</i> | <i>Social impact value created by Australian Unity during the year ended 30 June 2023</i> |
|-----------------------------------|---|
| Lifelong wellness                 | \$982m  |
| Economic empowerment              | \$234m  |
| Strong communities                | \$540m  |

The Criteria used by Australian Unity to prepare the subject matter information is set out within the Australian Unity Our Impact 2023 Report 'Basis for calculation and reporting criteria', on pages 84 to 90 (the '**Criteria**').

Our assurance conclusion was with respect to the year ended 30 June 2023 and does not extend to information in respect of earlier periods or to any other information included in, or linked from, the AU Impact Report.

### **Management's responsibilities**

Australian Unity's management is responsible for the preparation of the Subject Matter Information in accordance with the Criteria. This responsibility includes:

- determining appropriate reporting topics and selecting or establishing suitable criteria for measuring, evaluating and preparing the underlying Subject Matter Information;
- ensuring that those criteria are relevant and appropriate to Australian Unity and the intended users; and
- designing, implementing and maintaining systems, processes and internal controls over information relevant to the evaluation or measurement of the Subject Matter Information, which is free from material misstatement, whether due to fraud or error, against the Criteria.

The maintenance and integrity of Australian Unity's website is the responsibility of Australian Unity management; the work carried out by us does not involve consideration of these matters and, accordingly, we accept no responsibility for any changes that may have occurred to the reported Subject Matter Information or Criteria when presented on Australian Unity's website.

PricewaterhouseCoopers, ABN 52 780 433 757  
2 Riverside Quay, SOUTHBANK VIC 3006, GPO Box 1331 MELBOURNE VIC 3001  
T: +61 3 8603 1000, F: +61 3 8603 1999, [www.pwc.com.au](http://www.pwc.com.au)

Liability limited by a scheme approved under Professional Standards Legislation.



### Our independence and quality control

We have complied with the ethical requirements of the Accounting Professional and Ethical Standard Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* relevant to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Australian Standard on Quality Management ASQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### Our responsibilities

Our responsibility is to express a limited assurance conclusion based on the procedures we have performed and the evidence we have obtained.

Our engagement has been conducted in accordance with the Australian Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. That standard requires that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention to indicate that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria, for the year ended 30 June 2023.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement and consequently the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion.

### Inherent limitations

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. It is therefore possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement is not designed to detect all instances of non-compliance of the Subject Matter Information with the Criteria, as it is limited primarily to making enquiries of the management of Australian Unity and applying analytical procedures.

Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data. The precision of different measurement techniques may also vary. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, evaluation and measurement techniques that can affect comparability between entities and over time.





In particular, as detailed in the Criteria:

- the financial proxies used in the calculation of certain social impact value indicators are based on financial proxies sourced from the Australian Social Value Bank ('ASVB') using a proprietary Wellbeing Valuation approach; and
- the discount factor applied to each social impact value indicator is based on management's judgement.

The limited assurance conclusion expressed in this report has been formed on the above basis.

### Summary of procedures performed

In carrying out our limited assurance engagement we:

- reviewed the Criteria to ensure that it is appropriate for assurance and assessed the preparation and collation of the Subject Matter Information against the Criteria;
- made inquiries of the persons responsible for preparing the Subject Matter Information;
- obtained an understanding of the process for collecting and reporting the Subject Matter Information;
- considered the appropriateness of disclosure and presentation of the Subject Matter Information;
- tested the arithmetic accuracy of a sample of calculations with respect to the Subject Matter Information;
- assessed the appropriateness of the estimates, assumptions and methodologies applied in calculating the Subject Matter Information and tested them, where applicable, against publicly available research and analysis on a sample basis;
- agreed the Subject Matter Information to underlying data sources and calculations on a sample basis;
- undertook analytical procedures over the performance data utilised within the calculations of the Subject Matter Information;
- considered on a sample basis the reasonableness of judgements in relation to the discount factors applied in calculating the Subject Matter Information based on available evidence;
- tested the application of the weighted average discount factors for each impact area, as described within the Criteria; and
- evaluated the appropriateness of the key parameters applied by management in calculating the financial proxies used to value certain social value indicators extracted from the ASVB. Our procedures did not include:
  - evaluating the suitability of design and operating effectiveness of control activities relating to the operation of the ASVB from which certain financial proxies were sourced; and
  - testing of the calculations contained within the ASVB.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.



#### Our limited assurance conclusion

Based on the procedures we have performed, as described under 'Our responsibilities' above and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Criteria for the year ended 30 June 2023.

#### Use and distribution of our report

We were engaged by the Board of Directors on behalf of Australian Unity to prepare this independent assurance report having regard to the Criteria specified by Australian Unity as set out in this report. This report was prepared solely for Board of Directors of Australian Unity for the purpose of providing limited assurance in respect of the Subject Matter Information presented within the AU Impact Report for the year ended 30 June 2023.

We accept no duty, responsibility or liability to anyone other than Australian Unity in connection with this report or to Australian Unity for the consequences of using or relying on it for a purpose other than that referred to above. We make no representation concerning the appropriateness of this report for anyone other than Australian Unity and if anyone other than Australian Unity chooses to use or rely on it, they do so at their own risk.

This disclaimer applies to the maximum extent permitted by law and, without limitation, to liability arising in negligence or under statute and even if we consent to anyone other than Australian Unity receiving or using this report. Liability limited by a scheme approved under Professional Standards legislation.

*PricewaterhouseCoopers*

PricewaterhouseCoopers

*Adam Cunningham*

Adam Cunningham  
Partner

Melbourne  
8 September 2023

# Basis for calculation and reporting criteria

## Overview

For over 180 years, we've been here for the Real Wellbeing of Australians, and we know through our longevity and sustainability that we've been making a positive impact. Capturing and measuring our social impact will help inform and shape the way we create and deliver our products and services to maximise the positive impact we have on our members, customers, employees and the community.

## Deciphering social value

Social value measurement is an approach to understanding and managing the value of the social, economic and environmental outcomes created by an activity of organisation. There are more than 150 different methodologies that have been developed to help measure social impact—though currently there is no global consensus on how to measure, assess and report impacts on people and the natural environment.

Organisations are, however, guided by an agreed set of impact measurement norms<sup>1</sup> and principles<sup>2</sup> which although do not prescribe specific metrics or indicators, help ensure consistency in how social value measurement is approached and reduce the risk of overclaiming positive impact.

## Expertise and objectivity

In 2023, Australian Unity again partnered with Social Ventures Australia (SVA)—a leading specialist consulting practice that assists organisations across Australia to achieve greater social impact—to develop and improve upon metrics developed in 2021 which demonstrate Australian Unity's contribution and commitment to enabling Real Wellbeing. Importantly, SVA bring their expert understanding of social impact best practice to objectively test and assess our approaches.

## Scope

Given the diversity of our operations and how we participate in our business activities, our role can be in a number of different ways, including:

- as owner of the business
- as operator
- as investor
- as fund manager.

The specific role Australian Unity plays was again considered in the continual refinement of our methodology and informed the social impacts we measured and the discount rate we applied (refer below).

Year on year, we will continue to build on and enhance our CSV framework and seek to uplift transparency on our activities and the social impact these activities generate.

## Methodology

### Principles

Our CSV framework is underpinned by six guiding principles that provide the anchor for informing our calculation decisions and for assessing our impact.

#### 1. Focus on social outcomes

Reporting our outcomes, not inputs or outputs.  
Capturing social, not business value.

#### 2. Set a clear boundary

Capturing value created during the reporting period, not a lifetime value.

#### 3. Value what matters

Using financial proxies in a manner that the value of the outcome can be most accurately recognised.

#### 4. Recognise adoption, not just innovation

Recognise Australian Unity's role as a social innovator by demonstrating the value of these ideas once they are adopted by others.

#### 5. Do not overclaim

Not taking 100% credit for value created where other parties have contributed to its creation.

#### 6. Rely on quality data

Report on outcomes where reliable data and evidence of outcomes exist within Australian Unity or through reliable direct sources.

<sup>1</sup> <https://impactfrontiers.org/norms/>

<sup>2</sup> <https://www.socialvalueint.org/principles>



## Impact value criteria

The social impact value created can be described as a combination of the value that accrues:

- to individuals (including caregivers), for example, being healthy—both physically and mentally—and more financially secure, or
- to the wider community, for example from the creation of assets that benefit society or through avoided government spending, or
- to our employees, such as those in our Home Health business by providing permanent roles in a largely ‘gig’ or contract industry.

The below table defines how the social impact of Australian Unity’s products and services has been determined for each of the priority outcomes in the CSV framework.

| Outcome                            | Impact measurement and reporting criteria  |
|------------------------------------|--|
| <b>Better access to healthcare</b> | <p><b>Social impact value created through better access to healthcare consists of 4 components:</b></p> <ol style="list-style-type: none"> <li>1. <i>Community social impact value:</i> Calculated as the number of hospital bed days capacity created within the public hospital system as a result of relevant Australian Unity activities, multiplied by the estimated cost of provision of a hospital bed day.<br/><br/>The number of hospital bed days capacity created within the public hospital system is estimated based on the following activities: <ol style="list-style-type: none"> <li>a) the ownership of private hospitals within the investment portfolio of the Healthcare Property Trust</li> <li>b) the number and types of healthcare products and services, including private health insurance, provided by Australian Unity outside of the public health system.</li> </ol> <br/>Publicly available research and analysis on the number of hospital bed days capacity created within the public hospital system through the provision of healthcare products and services and the cost of provision of a hospital bed day within the public hospital system are utilised for the estimation of the social impact value created.</li> <li>2. <i>Community social impact value:</i> Calculated as the number of customers with better ongoing access to healthcare as a result of receiving Australian Unity care products and services, which results in reduced system costs for the management and support for disability or other health conditions. The reduced system cost is estimated taking into consideration the decrease in support needs generated multiplied by the estimated cost of providing support for the disability or other health condition based on Australian Unity financial records and publicly available research and analysis.</li> <li>3. <i>Individual social impact value:</i> Calculated as the estimated number of additional patients able to receive treatment within specialist health facilities located within private hospitals as a result of the ownership of relevant private hospitals within the investment portfolio of the Healthcare Property Trust multiplied by the estimated social impact value of that treatment.<br/><br/>The estimated social impact value of a patient being able to receive treatment is determined with reference to publicly available research and analysis.</li> <li>4. <i>Individual social impact value:</i> The estimated annual social impact is calculated as the number of customers with improved access to healthcare as a result of receiving Australian Unity healthcare products and services, including private health insurance, multiplied by the value to the individual, estimated as either: <ol style="list-style-type: none"> <li>a) The avoided cost of other healthcare services, based on the standard Medicare schedule fee for a consultation with a GP or relevant other medical professional; or</li> <li>b) The estimated value of the additional or higher level of care received by the customer utilising the relevant benefits paid through private health insurance provided by Australian Unity and/or with reference to publicly available research and analysis; or</li> <li>c) The average private health insurance premium paid by Australian Unity private health insurance customers less the estimated average Medicare levy surcharge avoided by taking up private health insurance, with reference to publicly available research and analysis.</li> </ol> </li> </ol> |

| Outcome                         | Impact measurement and reporting criteria   |
|---------------------------------|---|
| <b>Improved health outcomes</b> | <p><b>Social impact value created through improved health outcomes consists of 3 components:</b></p> <ol style="list-style-type: none"> <li> <p><i>Individual social impact value:</i> Calculated as the estimated number of customers that have received Australian Unity care products and services who have experienced an increased sense of dignity, purpose or improved quality of life multiplied by the estimated social impact value of their recovery, contribution to society and lifestyle improvement.</p> <p>The number of customers that have received Australian Unity care products and services includes:</p> <ul style="list-style-type: none"> <li>a) those accessing home care services, residential aged care, or retirement living</li> <li>b) those accessing services provided at childcare centres owned by Australian Unity's Childcare Property Fund.</li> </ul> <p>The proportion of customers accessing home care services who have experienced an increased sense of dignity, purpose or improved quality of life is estimated based on survey results from Aboriginal Home Health customers in 2022 (for Aboriginal Home Care customers) and broader Home Health customers in 2023 (for all other relevant customers).</p> <p>The proportion of residential aged care and retirement living customers who have experienced these outcomes is estimated with reference to publicly available research.</p> <p>The estimated annual social impact value of a customer's recovery, contribution to society and improvement to quality of life is determined with reference to publicly available research and analysis.</p> </li> <li> <p><i>Individual social impact value:</i> Calculated as the estimated number of customers receiving Australian Unity care products and services through aged care, retirement living and home care services or living in specialist disability accommodation owned by Australian Unity's Specialist Disability Accommodation Fund, who have experienced improved health and lifestyle outcomes multiplied by the estimated social impact value of their improved health and lifestyle outcomes.</p> <p>The number of customers who have received Australian Unity care products and services through aged care, retirement living and home care services includes those customers who have:</p> <ul style="list-style-type: none"> <li>a) been supported by Australian Unity products and services to maintain their medical condition and/or situation</li> <li>b) been supported by Australian Unity products and services and experienced improvement in mental, physical or emotional health</li> <li>c) received small-household models of care through Australian Unity's aged care and retirement living services.</li> </ul> <p>The proportion of customers that have received Australian Unity care products and services through home care services who have experienced improved health and lifestyle outcomes is estimated based on survey results from Home Health and Aboriginal Home Health customers in 2023 and 2022 respectively.</p> <p>The proportion receiving Australian Unity aged care and retirement living services who experienced improved health and lifestyle outcomes through support by Australian Unity products and services to either maintain their medical condition and/or situation or who have experienced improvement in mental, physical or emotional health is estimated based on a survey of aged care residents for the Royal Commission into Aged Care Quality and Safety in 2020, and other publicly available research. All aged care customers who have received small-household models of care are assumed to have experienced improved mental health and wellbeing outcomes.</p> <p>The proportion of residents living in specialist disability accommodation owned by Australian Unity's Specialist Disability Accommodation Fund who experienced improved health and lifestyle outcomes is estimated with reference to publicly available research and analysis.</p> </li> </ol> |

| Outcome                              | Impact measurement and reporting criteria   |
|--------------------------------------|---|
| <b>Improved health outcomes</b>      | <p>The estimated annual social impact value of customers' improved lifestyle outcomes is determined with reference to the estimated social impact values of, as relevant:</p> <ul style="list-style-type: none"> <li>• avoided disabilities suffered;</li> <li>• seeing friends and family more often;</li> <li>• assistance with physical tasks in the home;</li> <li>• the avoided cost of recurring mental or physical health care consultations; and</li> <li>• membership of tailored health programs.</li> </ul> <p>Publicly available research and analysis relating to each of these items is utilised for the estimation of the social impact value created, other than for estimation of the social impact value created by aged care and retirement living customers who have received small-household models of care who experienced improved health and lifestyle outcomes, which is based upon the net social benefit created through Meeting friends regularly sourced from the Australian Social Value Bank<sup>3</sup>.</p> <p>3. <i>Community social impact value</i>: Calculated as the estimated number of customers receiving Australian Unity care products and services through aged care and retirement living who experience reduced social isolation and loneliness which, in-turn, results in reduced healthcare system costs.</p> <p>The number of customers receiving Australian Unity care products and services through aged care and retirement living who experience reduced social isolation and loneliness, and the estimated annual reduction in healthcare system costs associated with reduced social isolation and loneliness are determined with reference to publicly available research and analysis.</p>   |
| <b>Building financial resilience</b> | <p><b>Social impact value created through building financial resilience consists of 3 components:</b></p> <ol style="list-style-type: none"> <li>1. <i>Individual social impact value</i>: Calculated as the number of customers receiving Australian Unity's financial advice, banking products, trustee or life &amp; super products and services multiplied by the estimated social impact value of the advice given and/or the value of the access to financial products.</li> </ol> <p>The estimated annual social impact value of the advice given and/or the value of the access to financial products is estimated with reference to:</p> <ol style="list-style-type: none"> <li>a) the estimated increased social impact value of customer savings as a result of receiving Australian Unity's financial advice, banking and life &amp; super products, including financial products through Australian Unity's partnership with Indigenous Business Australia (IBA), determined with reference to publicly available research and analysis</li> <li>b) the estimated social impact value of having adequate insurance across Life/Total Permanent Disability and Income Protection insurance factoring in the likelihood of making a claim, determined with reference to publicly available research and analysis</li> <li>c) the estimated social impact value of the financial wellbeing and peace of mind experienced by customers receiving Australian Unity's financial advice and trustee or life and super products and services, determined with reference to publicly available research and analysis</li> <li>d) the relief of family members from time spent on financial administration or executor administration responsibilities, based on the average service hours per customer serviced by Australian Unity's Trustee Services (with a 50% inefficiency uplift) multiplied by the National minimum wage per hour at the commencement of the reporting period (sourced from the Fair Work Commission).</li> </ol> <ol style="list-style-type: none"> <li>2. <i>Community social impact value</i>: Calculated as Australian Unity's total Indigenous and social enterprise spend during the period multiplied by the estimated impact of this spend on society, where the estimated annual social impact is determined with reference to publicly available research and analysis.</li> </ol> |

<sup>3</sup> The values used in these calculations, provided by the Australian Social Value Bank, are owned by Alliance Social Enterprises ([www.asvb.com.au](http://www.asvb.com.au)) and have been produced by Simetrica-Jacobs. These values are used under licence #q5d66Y with expiry date 09/03/2024.



| Outcome                                 | Impact measurement and reporting criteria   |
|---|---|
| <b>Building financial resilience</b>    | <p>3. <i>Community social impact value</i>: Calculated as the estimated annual social impact for customers who, as a result of Australian Unity's activities, are:</p> <ul style="list-style-type: none"> <li>a. better insured or able to return to work in the event of a major incident; or</li> <li>b. better able to return to work as a result of access to childcare; or</li> <li>c. better able to fund their own retirement who would otherwise access government payments.</li> </ul> <p>The proportion of customers who would otherwise access government payments and the value of the payments is based on publicly available research and analysis.</p>   |
| <b>Opportunities through employment</b> | <p><b>Social impact value created through increasing employment opportunities consists of 5 components:</b></p> <ul style="list-style-type: none"> <li>1. <i>Individual social impact value</i>: Calculated as the number of employees within Australian Unity's aged care and home care services businesses who have been provided permanent employment (sectors traditionally with a large proportion of the workforce employed on casual basis) multiplied by the estimated social impact value of the increased security and reduced financial stress offered by this permanent employment, determined with reference to publicly available research and analysis.</li> <li>2. <i>Individual social impact value</i>: Calculated as the number of employees with access to formal training opportunities within Australian Unity's Private Health Insurance and Remedy business multiplied by the cost of the training estimated with reference to publicly available research &amp; analysis.</li> <li>3. <i>Individual social impact value</i>: Represents the social value created through increased availability of childcare places enabled through Australian Unity's Childcare Property Fund, enabling female parents and caregivers to participate in paid employment.</li> </ul> <p>The estimated annual social impact is calculated based on the estimated number of early childhood places created multiplied by both the proportion of Australians out of work that are seeking employment that are female and the average female salary in Australia (adjusted for 50% of estimated childcare costs and average government parenting payments expected to be received if the female was not working), each of which is based on publicly available research and analysis.</p> <ul style="list-style-type: none"> <li>4. <i>Community social impact value</i>: Calculated as the estimated proportion of new Indigenous employees within the Aboriginal Home Care business, Remedy, or employed in property projects that would otherwise be at risk of long-term unemployment, based upon publicly available research, and the number of new Indigenous jobs created multiplied by the average saving to the government for each new employee determined with reference to publicly available research and analysis.</li> <li>5. <i>Community social impact value</i>: Calculated as the number of employees living in rural and remote Australia who have increased job opportunities through flexible and remote employment, multiplied by the average salary for the roles estimated with reference to publicly available research and analysis.</li> </ul> |
| <b>Leading social innovation</b>        | <p><b>Social impact value created through leading social innovation consists of 2 components:</b></p> <ul style="list-style-type: none"> <li>1. <i>Community social impact value</i>: Calculated as the financial contributions made during the period by Australian Unity to social infrastructure projects including Herston Quarter, childcare centres, hospitals, aged care facilities, and specialist disability developments, assuming a dollar-for-dollar social innovation benefit from the investment.</li> <li>2. <i>Community social impact value</i>: Calculated as the net value of funds invested in green bond, healthcare and healthcare related venture capital investments through Australian Unity's investment products throughout the year, assuming a dollar-for-dollar social impact benefit for the investments made.</li> </ul>  |

| Outcome                | Impact measurement and reporting criteria  |
|------------------------|--|
| <b>Living in place</b> | <p data-bbox="395 365 1273 394"><b>Social impact value created through living in place consists of 3 components:</b></p> <ol data-bbox="395 405 1430 801" style="list-style-type: none"> <li>1. <i>Individual social impact value:</i> Calculated as the number of customers receiving the following Australian Unity services:               <ol data-bbox="432 472 632 651" style="list-style-type: none"> <li>a. aged care;</li> <li>b. retirement living;</li> <li>c. home care;</li> <li>d. trustees;</li> <li>e. Remedy health;</li> </ol>               or who are:               <ol data-bbox="432 707 1430 801" style="list-style-type: none"> <li>f. living in Specialist Disability Accommodation owned by Australian Unity's Specialist Disability Accommodation Fund; or</li> <li>g. accessing services at childcare centres owned by Australian Unity's Childcare Property Fund;</li> </ol> </li> </ol> <p data-bbox="432 824 1362 882">that are assumed to have experienced improved relationships, community belonging or an increased sense of independence.</p> <p data-bbox="432 904 1414 1052">The social impact of these outcomes is estimated by multiplying the number of customers who have experienced the outcomes (estimated based on survey results from Home Health and Aboriginal Home Health customers in 2023 and 2022 respectively, publicly available sector research, and service data) by the estimated social impact value to the customer of those benefits determined with reference to:</p> <ol data-bbox="432 1077 1362 1205" style="list-style-type: none"> <li>a. publicly available research and analysis, including for some factors the avoided cost to achieve the same outcome; or</li> <li>b. the net social benefit created through Feeling in control of life or Feel belonging to neighbourhood sourced from the Australian Social Value Bank<sup>4</sup>.</li> </ol> <ol data-bbox="395 1229 1401 1350" style="list-style-type: none"> <li>2. <i>Individual social impact value:</i> Calculated as the estimated number of Aboriginal Home Care customers experiencing a strong sense of cultural connectedness multiplied by the estimated cost incurred by a customer towards activities to reconnect with their culture, determined with reference to publicly available research and analysis.</li> </ol> <p data-bbox="432 1373 1401 1458">The proportion of Aboriginal Home Care customers experiencing a strong sense of cultural connectedness is estimated based on survey results from Aboriginal Home Health customers in 2022.</p> <ol data-bbox="395 1482 1394 1688" style="list-style-type: none"> <li>3. <i>Community social impact value:</i> The additional funds available to government as a result of savings created through the provision by Australian Unity of the following alternatives to living in government funded aged care facilities:               <ol data-bbox="432 1583 855 1688" style="list-style-type: none"> <li>a) Retirement living services</li> <li>b) Home Care services</li> <li>c) Specialist Disability Accommodation.</li> </ol> </li> </ol> <p data-bbox="432 1713 1372 1832">Calculated as the number of customers estimated to have avoided aged care admission by utilising other Australian Unity services multiplied by the social impact value of government savings as a result of avoided aged care admissions, determined with reference to publicly available research and analysis.</p> <p data-bbox="432 1856 1380 1975">The proportion of customers that utilised Australian Unity alternatives to living in aged care facilities that have avoided aged care admission is estimated based on service data for the number of customers with high support needs receiving home care services and/or publicly available research and analysis.</p> |

<sup>4</sup> The values used in these calculations, provided by the Australian Social Value Bank, are owned by Alliance Social Enterprises ([www.asvb.com.au](http://www.asvb.com.au)) and have been produced by Simetrica-Jacobs. These values are used under licence #q5d66Y with expiry date 09/03/2024.

## Critical estimates and judgements

The preparation of Social Impact Value, in conformity with Australian Unity's CSV Framework, requires the use of certain critical estimates, as set out in the Impact value criteria above. It also requires management to exercise their judgement in applying the CSV framework overall, in particular in relation to the discount factors applied where the assumptions and estimates are significant to the calculation of the Social Impact Value and involve a higher degree of judgement and complexity.

## Discount factors

Our CSV Framework acknowledges that there are many factors that influence the impact we have on the wellbeing of individuals and communities, and that our products and services contribute in different ways—and to different extents—to this wellbeing. To enhance the rigor involved with calculating impact and to avoid overclaiming, our framework applies specific discount factors to calculate the 'unique' value created by Australian Unity.

Our methodology takes the total estimated social impact value and discounts the value in two stages:

1. Attribution: The proportion of the outcome that is a result of the contribution of other organisations or people. This is an assumption made for each product, service and outcome type (individual or community) and determined by Australian Unity taking into consideration a range of factors including Australian Unity's ownership of an initiative, the contribution of our partners, investors, infrastructure developers and service operators, and the contribution of a customers' other supports such as from family and friends towards their achievement of outcomes.

2. Deadweight: The proportion of the outcome that would have happened even if our intervention or interactions had not taken place. This is an assumption made for each product, service and outcome type (individual or community) and is determined by Australian Unity taking into consideration a range of factors including the level of uniqueness or differentiation of the product in the market, the market share held by Australian Unity, and publicly available data on the proportion of customers who would otherwise have accessed an alternative product.

For example, when determining the discounting applied to social impact value created through Australian Unity's home care services, the following factors were considered:

- Attribution: Australian Unity is fully responsible for delivering the service. However, a share of the outcome is credited to family and friends (estimated at 25%), whom we recognise play an important role in supporting an individual's wellbeing and contribute to the outcomes created by our home care services for our customers.
- Deadweight: Australian Unity is one of the top providers in the home care service space. However, a share of the outcome (estimated at 40%) could have equally occurred through other providers in the market and is therefore not claimed by Australian Unity.

Therefore, the total social impact value created through home care services is reduced by 25% and the remaining value reduced by a further 40%. This results in an overall discount rate of 55% and accordingly 45% of the overall community and social value being apportioned to Australian Unity.

Estimates and judgements are continually evaluated, with discount factors for each social impact re-evaluated annually, to check these remain reasonable under the circumstances. In FY23, the weighted average discount factors applied in estimating the social impact value created for each impact area and outcome are detailed below:

| Impact areas and outcomes               | Lifelong wellness           |                          | Strong communities        |                            | Economic empowerment          |  |
|---|-----------------------------|--------------------------|---------------------------|----------------------------|-------------------------------|--|
|   | Better access to healthcare | Improved health outcomes | Leading social innovation | Supporting living in place | Building financial resilience | Social and economic opportunities through employment |
| <b>Weighted average discount factor</b> | 58%                         | 49%                      | 66%                       | 52%                        | 25%                           | 65%  |





### Important information

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