

180
YEARS

Australian
Unity 
Real Wellbeing



Modern Slavery Statement 2020

Contents



Introduction	3
Organisational structure	4
Our policy and governance frameworks	5
Our workforce	6
Our operations	7
Our supply chain	8
Remediation and grievance mechanisms	9
Consultation with joint and controlled entities	9
Our journey ahead	10

Introduction

Bold

Warm

Honest

The right to work free from slavery is a basic human right, and central to our philosophy of providing a safe place to work. We acknowledge that modern slavery still exists, and we're committed and proud to play our part in eliminating it in all forms.

This statement outlines the steps we (Australian Unity Limited) and our controlled entities have taken in the last financial year to identify and assess the risk and mitigation of modern slavery in our supply chains and business operations.

It also sets out the measures and initiatives underway to achieve this, and ensure we meet the requirements of the Modern Slavery Act (Commonwealth) 2018.

We've outlined our commitment in our Group Modern Slavery Policy, which is approved by our Board.

About us

Established in 1840, we were one of Australia's first member-owned wellbeing companies. From our early days we've been here to help people thrive, and we have been strong advocates in the community for positive change and the wellbeing of Australians.

Today, while we've grown to a company of more than 7,000 employees with hundreds of thousands of members and customers, we remain true to our roots. Our broad range of products and services are focused on enhancing the wellbeing of Australians and are delivered by our three core operating platforms with a focus on Health, Wealth and Care.

We're for real wellbeing. For us, this means so much more than physical health. It's about standard of living, personal relationships and being connected to community. It's about what you want to achieve in life, while having the security to get out and do what makes you happy.

We've been measuring the real wellbeing of Australians with Deakin University since 2000, through the Australian Unity Wellbeing Index. The Index is a tool that tracks how satisfied people across Australia are with their lives as a whole, using seven key areas of wellbeing. It has grown to become one of the most credible and enduring studies of wellbeing in Australia.

You can find more information on our strategy in our [2020 Annual Report](#).

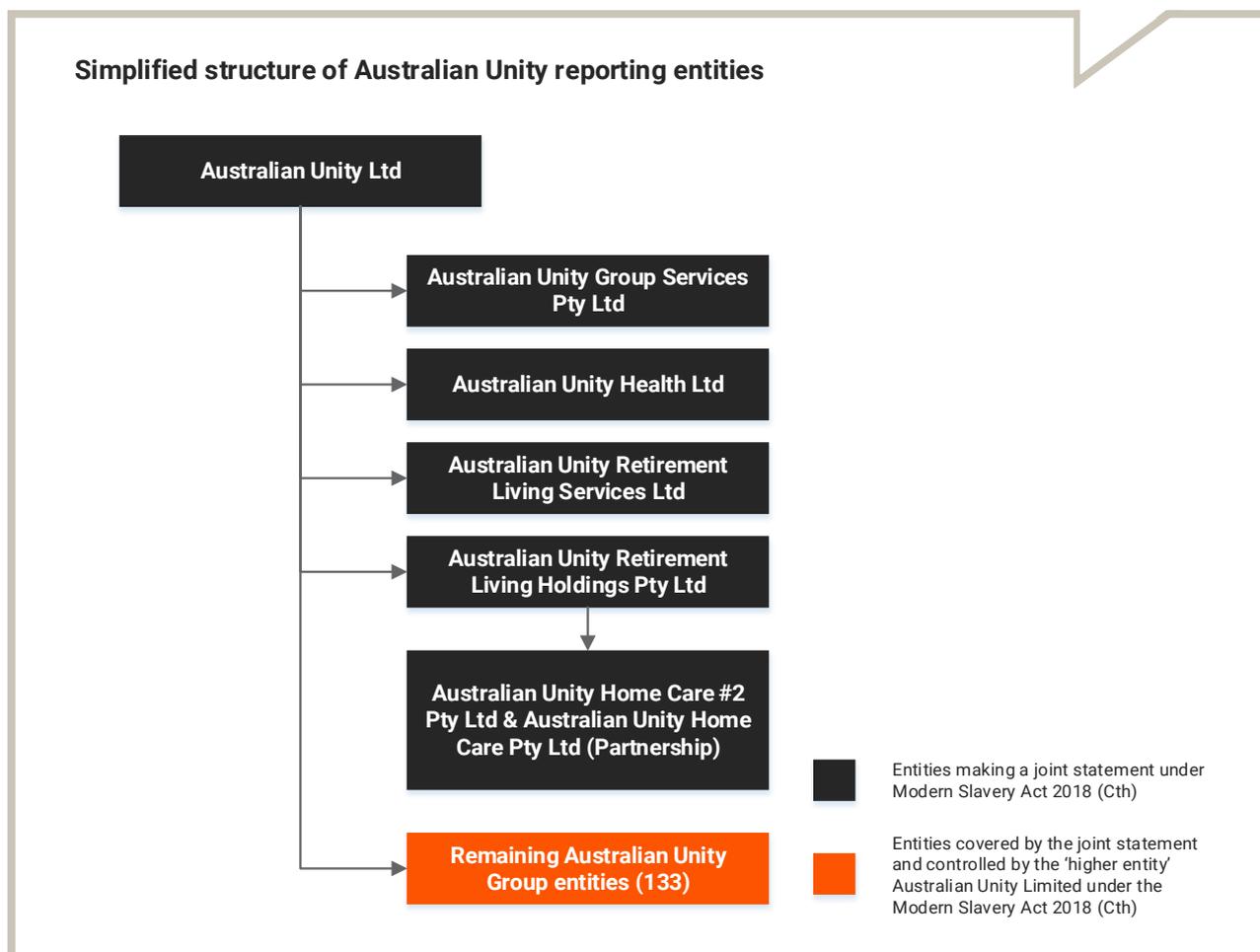
Our organisational structure

The reporting entities we cover

Australian Unity Group is made up of almost 140 controlled entities within Australia (as at 30 June 2020).

Australian Unity Limited is our parent company and – for the purposes of this statement – the ‘higher entity’. Other than those we’ve listed no other entity meets the reporting entity criteria under the Modern Slavery Act (Commonwealth) 2018.

This joint statement covers Australian Unity Limited, Australian Unity Group Services Pty Ltd, Australian Unity Health Limited, Australian Unity Retirement Living Holdings Pty Ltd, Australian Unity Retirement Living Services Limited and the Australian Unity Home Care #2 Pty Ltd & Australian Unity Home Care Pty Ltd (Partnership).



Our policy and governance frameworks

We've put a range of group policies and procedures in place to promote ethical behavior and good governance. These help to ensure our decisions are made with transparency and integrity, and in line with regulatory and legislative requirements.

Our Group Modern Slavery Policy outlines our approach to modern slavery risk assessment and management across all group-controlled entities. It's supported by our Employee Code of Conduct, Supplier Code of Conduct and Workplace Bullying, as well as complementary policies in Enterprise Risk Management, Whistleblower Protection, Group Incident Management, Group Outsourcing, Vendor Management, Health and Safety and Anti-Money Laundering and Counter Terrorism Financing.

Living our values

To help people thrive, we're **bold, warm and honest** in everything we

Our statement comes from a simple premise: if we can be bold, warm and honest with each other, our customers and everyone we connect with, we can deliver on our purpose to help people thrive and achieve real wellbeing.

Our Code of Conduct explains what we stand for, and helps our people live our values. If you're directly employed by us, you need to learn this Code and complete an online training module.

Here are the guiding principles that underpin our Code:

- We consider if our actions align to our values of being bold, warm and honest.
- We do what's right by always acting professionally, ethically, legally and honestly.
- We protect intellectual property, privacy and confidentiality.
- We maintain a safe work environment and promote both the physical and mental wellbeing of staff.
- We act with integrity and honesty. We never exploit or take unfair advantage of our position or make or accept improper gifts or benefits.
- We speak up when we are concerned about something – no matter the situation.
- We ensure we know what's required of us under our policies and procedures, so we can comply with laws and regulations.

Compliance training

To support our policy and governance frameworks, we've created a strong schedule of compliance training and awareness sessions.

Our training modules will be updated with references to Modern Slavery and made available to all our employees. They will include the relevant compliance requirements and be in line with other compliance training.

Our workforce

Being a leading wellbeing company, we're always here for our people. We seek to protect and boost their physical and mental health, safety and overall wellbeing.

For us, creating a great place to work is about preventing everyday risks, hazards and incidents. It's our responsibility to reduce the risk of injury or illness at work, giving our people and everyone we engage with the confidence to feel safe and secure.

To help ensure we're living our values and creating a workplace free from discrimination, harassment and victimisation, we have recruitment and employment policies that address inclusion, anti-discrimination, equal opportunity, bullying and harassment.

As at 30 June 2020, our total direct workforce was 6815 employees (all employed within Australia), while our total indirect workforce was 182 external contractors (all engaged within Australia).

Our recruitment process

When we're looking to bring on new people, we apply equity, fairness and transparency to the entire hiring, selection and appointment process.

Through our policies and process across Talent Acquisition, Background Check, Anti-Discrimination & Equal Employment Opportunity and Remuneration, we provide employees with fair and consistent working conditions covering their hours of work, minimum wage and leave entitlements.



Our operations



Independent and Assisted Living

We operate retirement communities and provide aged care, allied health and disability services. We also offer preventative health and chronic disease management services.

Retail

We provide private health insurance, banking and general insurance products and services.

Wealth and Capital Markets

We manage investments, property assets and developments, and offer independent financial advice and trustee services.

We don't manufacture any goods in any of our businesses, and we provide all our products and services in Australia.

While most of our operations are insourced, the following areas may potentially lead to modern slavery risks, which we'll deal with as part of our modern slavery risk assessment:

1. Outsourced service providers and third parties
2. Joint venture partners – risks in this category may arise in our Wealth & Capital Markets and Independent Assisted Living Platforms.

Our supply chain

The way we go about our business is just as important as what we deliver for our customers.

Being such a broad business, we have a diverse supply chain of around 4000 suppliers. Last financial year, we spent about \$252m on goods and services across key areas of technology, office services, facilities management, health equipment and consumables, professional services, construction, marketing and catering.

While we mostly source from local suppliers, we purchase a limited amount of goods and services from multinational companies. These include managed IT services, systems, applications, hardware and construction services.

To help us make more informed purchasing decisions, we've put in a place a Group Procurement function. It's the common platform we use across our entire business, and is supported by strong vendor management frameworks, policies, processes and systems.

Through our [Supplier Code of Conduct](#), we've set out the minimum standards we expect from our suppliers in relation to human rights, working conditions and ethical conduct for employees, contractors and business operations.

In line with our Group Enterprise Risk Management Framework, we carried out a Modern Slavery Risk assessment across our supply chain. We identified 12 categories of suppliers with a higher likelihood of being exposed to modern slavery practices in their operations and supply chains.

We used the following criteria to do this:

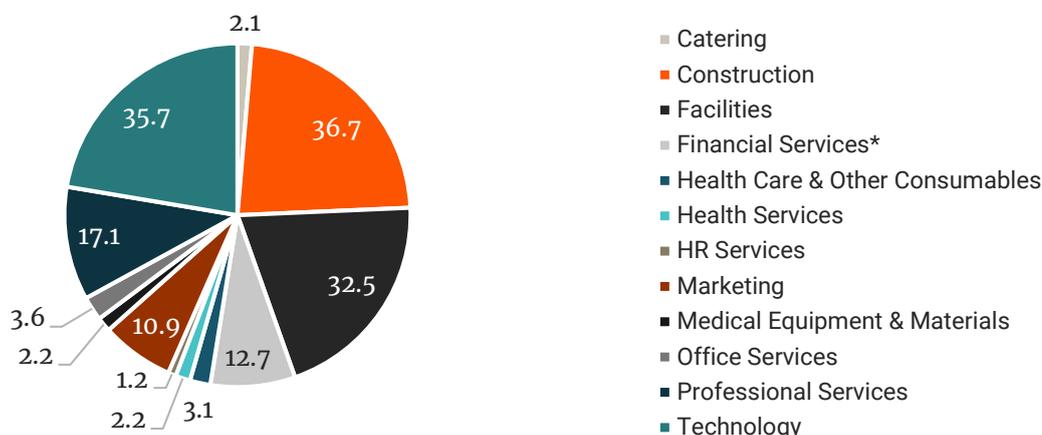
- Use of a workforce that is generally transient with relatively high turnover
- Geographical locations of manufacturing facilities of the supplier (or their suppliers)
- The potential for child labour within the supply chain
- Goods and services delivered with low margins and high volumes.

We identified material suppliers in each of the categories that were at higher risk of modern slavery. To confirm what policies and practices they had in place to mitigate this, we asked them to complete a risk assessment questionnaire.

From their responses, we found potential gaps in their operations and supply chains that might lead to risks. We will clarify these responses and then determine how we could work together to resolve any issues identified.

* Includes Joint Venture partners

Material supplier annual spend (\$m) by category



Our remediation and grievance mechanisms

Everyone has a voice at Australian Unity. We encourage our employees and suppliers to speak up about any conduct or activity they believe to be dishonest, corrupt or illegal.

Through our Whistleblower Protection Policy, we provide guidance on how they can report their concerns free from retribution. It's a governance mechanism designed to ensure open and frank communication channels are always available, and that genuine grievances are investigated quickly.

Consultation with joint & controlled entities

As we (Australian Unity Limited) own or control all joint entities providing this statement, we also maintain the common processes that support them.

These include the policies, processes, operations and supply chain management that underpin our modern slavery risk assessment which was carried out by a working group made up of Risk and Compliance, Group Procurement and Supplier Managers from across our organisation.

The centralised Australian Unity Risk and Compliance Committee endorsed the contents of this statement.

Our journey ahead

Over the next year, we will seek to review and address modern slavery risks. We'll focus on the following key initiatives, which we'll provide an update on in our next statement (30 June 2021):

- Complete high-risk supply chain risk assessments.
- Follow up and remediate where the risk assessment has identified gaps in the supplier response to ensure the risk of modern slavery is mitigated. This may include identifying alternative suppliers.
- Keep refining and developing our modern slavery risk assessment tools and techniques for those suppliers in categories we identified as having greater risk or exposure to modern slavery practices. We'll then work with our suppliers to address any gaps that arise.
- Review and refine the supply chain risk assessment to ensure we recognise and include the appropriate categories and material suppliers in the modern slavery risk assessment.
- Roll out modern slavery awareness training for all of our employees.
- Complete the risk assessment on Property contractors and sub-contractors.
- Keep expanding the modern slavery risk assessment across other areas of the business in our Wealth and Capital Markets and Independent & Assisted Living platforms focusing on joint ventures, contractors and fund managers. Where needed, we'll work with our partners to assess the risk of modern slavery and remediate gaps.
- Develop key performance indicators to track and assess the effectiveness of the supplier modern slavery risk assessments and questionnaire results.

This statement is made pursuant to section 14(1) of the Modern Slavery Act (Commonwealth) 2018. It constitutes the joint statement of Australian Unity Limited (the ultimate parent company in the Australian Unity Group), Australian Unity Group Services Pty Ltd, Australian Unity Health Limited, Australian Unity Retirement Living Holdings Pty Ltd, Australian Unity Retirement Living Services Limited and the Australian Unity Home Care #2 Pty Ltd & Australian Unity Home Care Pty Ltd (Partnership) and has been approved by the Board of Australian Unity Limited (the 'higher entity').



Rohan Mead

Group Managing Director & Chief Executive Officer

March 2021