



# Our Impact

## 2021 Report

Health, Wealth & Care





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Australian Unity acknowledges the Traditional Owners of the lands and waters within Australia and recognises the important connection to Country that Aboriginal and Torres Strait Islander peoples have.

# A message from our Chair and Group Managing Director

Welcome to Australian Unity's inaugural impact report, *Our Impact*, which articulates how we define, deliver and measure the impact of our products, services and operations on our members, customers, employees and community.

This is the first time we've produced a stand-alone impact report to demonstrate the sustainability of our business and assess our key risks and opportunities against the environmental, social and governance (ESG) criteria that are increasingly used to measure company impact beyond financial performance.

While this report is a first for us, our commitment to making a positive impact in the lives of our members and the broader Australian society dates back more than 180 years. From those beginnings as a social enterprise, looking after the basic wellbeing needs of our members, we've progressed to become a large modern mutual, providing health, wealth and care services to more than 700,000 Australians.

In an environment of economic and social upheaval and uncertainty, we're proud that mutual companies are increasingly recognised for the diversity of form they bring to a corporate landscape traditionally dominated by listed shareholder-owned companies. And in this regard, Australian Unity is a leader when it comes to defining what the sustainable mutual should look like.

Underpinning our sustainability is good governance, built on the foundations of good corporate governance and sound risk management practices that are a fundamental part of our culture and the way we go about our business. While we have reported each year on our governance arrangements in our annual reports, our impact report provides insight into how our governance fits into our combined ESG framework.

Given our Company's history and current portfolio of businesses, it should be no surprise that much of our work so far in developing our reporting approach has focused on our social performance—the 'S' in ESG. To this end, we have built a Community & Social Value (CSV) outcomes framework to define and measure our performance in what can be broadly described as our ambition to deliver real wellbeing to our members, customers, employees and community.

While we have discussed our CSV outcomes framework previously, this report marks the first time we have used it to apply a dollar value to our three defined areas of impact: lifelong wellness, economic empowerment and strong

communities. Through this measurement process—designed and guided by our partner Social Ventures Australia—we found that Australian Unity delivered community and social value of \$1.25 billion in FY2021.

Beyond our social impact, we are committed to better understanding and improving our environmental performance. Consistent with the Paris Agreement on climate change, Australian Unity supports the goal of net zero emissions by 2050, and work is progressing on principles, policies and initiatives to achieve this target. However, we recognise there is much to do if we are to play our part in addressing what is the world's most pressing environmental challenge—one that is already impacting our business and the lives of our members, customers and employees.

In conclusion, we hope you find this report informative, and we look forward to sharing more about our journey as we strive to have an even greater impact as a wellbeing company.



**Peter Promnitz**  
Chair



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







## We were Australia's first member-owned wellbeing company

Established in 1840, we were Australia's first member-owned wellbeing company, delivering health, wealth and care services.

We're committed to real wellbeing for all Australians, and for us, real wellbeing means so much more than physical health.

It's about your standard of living and feeling safe in your home. It's your personal relationships and being connected to your community. It's about what you want to achieve in life, while having the security to get out and do what makes you happy.

Our health, wealth and care products and services are designed to support real wellbeing.

### Health

We're here to keep you physically and mentally healthy—no matter where you're at in life, what you're doing or what you're up against. And we have a range of smart solutions to suit all stages of life.



### Wealth

A financially secure future doesn't happen without sound guidance and solid decision-making. With our financial planning, advice and banking services, we'll support you to make the most of your income. We can also help protect your wealth and assets in line with your wishes now, and into the future.

Thanks to our range of investments and financial products, we also make it easier for you to reach your financial goals, including supporting a dignified retirement.

### Care

We're here to partner with you to live life on your own terms—whether that's through our industry-leading home care and disability services, tailored residential aged care or in one of our thriving retirement communities. Whenever we talk about support, you lead the conversation.

Being a member-owned company, also known as a mutual, gives us more freedom to invest money back into the services and solutions that matter most to our members, customers and the Australian community.

# Our history of impact

With a rich history of more than 180 years, our origins stem from the combination of many mutual organisations—with Manchester Unity, Grand United and the Australian Natives' Association being the largest. Each shared common goals of self-reliance, mutual help between equals, and the pursuit and creation of economic opportunities and independence.

Today, as one of the largest mutual wellbeing organisations in Australia, we continue this commitment to support and positively impact for our members, customers and community.

**1932**

## Creating jobs

The construction of the Manchester Unity building in Melbourne is the organisation's response to the need to create jobs for hundreds of members and others during a period of depression

1993: Australian Unity formed from merger of Manchester Unity and ANA in Victoria



**1840**

Manchester Unity Independent Order of Oddfellows founded in Victoria

**1846**

## First meeting chaired by founding member Dr A F A Greeves

Subsequently he becomes Mayor of Melbourne and campaigns for a bridge over Merri Creek to reduce loss of life during floods. Another early member, John Thomas Smith, builds Queens Theatre and puts on plays to raise money to install streetlights on Queen Street

**1913**

## Appeal of mutual sector

By 1913, 51% of Victorians were a member of a friendly society—the appeal of community-focused social connections and mutual help kept numbers strong

**1948**

## Grand United Centenary Centre opens

To celebrate its centenary, Grand United opens the Centenary Centre Homes for the Aged and the War Memorial Nursing Home

**1961**

## ANA dental clinic opens

The ANA opens their first dental clinic after identifying a need to provide dental services to the community

2004: Grand United joins Australian Unity

**1904**

## Asking what matters

ANA begins a tradition of publishing national questions to create debate on issues affecting Australia and Australians

2009: Lifeplan Funds Management—a specialist funds management organisation and leader in investments, funeral bond markets and education savings plans—joins Australian Unity

**2001**

## Australian Unity Wellbeing Index launched

Australian Unity partners with Deakin University to develop the Australian Unity Wellbeing Index

**2008**

## Australian Unity launches Remedy Healthcare

Remedy Healthcare is launched and goes on to become a leading provider of highly targeted, evidence-based self-management and health coaching programs



## 1860

### United Friendly Society Dispensaries

In response to concerns some pharmacies are diluting medicines and taking excess profits, friendly societies take matters into their own hands and start their own dispensaries

**1848:** Grand United Order of Oddfellows founded in New South Wales

## 1870

### Homes for aged and disadvantaged members

Using land granted by the Crown, Manchester Unity establishes a home for aged and disadvantaged members in Carlton, Melbourne

**1871:** Australian Natives' Association (ANA) established in Victoria

## 1900

**ANA's Australasian Women's Association (AWA) established**  
AWA support honorary member Vida Goldstein's bid as the first woman in the world to stand for parliament

## 1890s

### Access to education

ANA support the establishment of a centralised public school system, based on the principles of free, secular and compulsory education



## 2016

**Acquisition of Home Care Service of NSW**  
Australian Unity acquires the Home Care Service of NSW from the NSW Government

## 2016

**Herston Quarter development**  
Australian Unity announced as preferred tenderer to develop \$1.1 billion Herston Quarter integrated health, ageing and research precinct in Queensland

## 2019

**Mutual Capital Instruments**  
Australian Unity with other mutual organisations successfully lobbies the Australian Government to pass legislation to allow mutuals to issue Mutual Capital Instruments for the purpose of raising permanent capital

**2012:** Big Sky Credit Union joins Australian Unity to form Big Sky Building Society (now Australian Unity Bank Ltd)

## 2020

180 years of Australian Unity





# The modern mutual



Australian Unity is one of Australia's original social enterprises, founded by community leaders who believed in the power of collective endeavour and shared value to address the most pressing challenges of the day. Today, we continue to evolve a portfolio of products and services that deliver Real Wellbeing to members, customers and broader society. By holding true to our community roots, member-centricity and our long-term perspective—while progressing our commercial strategies and contemporary capabilities in research, customer-service, digital and data—we can respond to today's challenges and maximise our social impact and the value we deliver."

—Rohan Mead, Group Managing Director & CEO

## A sustainable sector

Australian Unity is a mutual company that traces its roots back to 1840, when it was common for ordinary people to come together to form what were known then as 'friendly societies'. These groups of like-minded Australians sought to secure some form of insurance or safety net for themselves or their families in times of hardship, chronic injury and illness or death—and to mobilise pooled resources to address the social infrastructure and community challenges of the day.

Over the ensuing 180 years, the co-operative and mutual enterprise (CME) sector—as it is now known—has stood strong as a rational and sustainable alternative to companies with ordinary shareholders or private ownership. Until the past decade, most companies, whether listed on the stock exchange or privately held, have exclusively pursued their primary purpose of maximising returns to shareholders. It is exciting to see emerging growth in the social enterprise space, with new community-based companies disrupting markets and companies of all forms

being compelled to broaden their objectives to include solving social problems alongside generating sustainable returns for shareholders. In a way, what is old is becoming new again, reinforcing society's value of CMEs that primarily focus on the needs and interests of their members, which can include customers, employees and Australians from all walks of life.

## The essence of mutuality

In simple terms, the key difference between a member-owned entity and a shareholder-owned company is that, when it comes to voting, a 'one member, one vote' rule generally applies—regardless of the amount or number of products a member holds. Even with the recent advent of the Mutual Capital Instrument (MCI)—a form of share that allows members to invest in mutual entities—this fundamental difference remains; no matter how many MCIs a member holds, they are still only entitled to one vote. It also means we have alignment between governance and customers; our members are both our governors and our customers, which gives us our 'mutuality'.





This corporate form produces a ‘mutual mindset’—a term used to describe the distinctive ways of operating a CME. The mutual mindset puts emphasis on acting ethically and responsibly and with consideration to future members and long-term sustainability—in contrast to the often short term focus of shareholder-owned organisations.<sup>1</sup> At Australian Unity, these elements are reflected in the values that guide our business—seeking to be Bold, Warm and Honest in all that we do—and seeking to adhere to the highest standards of corporate governance.

CMEs generally fit the accepted definition of a social enterprise, having an economic, social, cultural or environmental mission consistent with a public or community benefit; trading to fulfil their mission; deriving a substantial portion of their income from trade; and reinvesting high proportions of their profits in the fulfilment of their mission.<sup>2</sup>

### A focus on members

Something that hasn’t changed over the years is our focus on our members. Consistent with our humble beginnings, today’s Australian Unity still seeks to put its members at the heart of everything we do.

This commitment is most visible today in the range of health, wealth and care products and services we deliver to our 400,000-plus members and their families, with all our activities pointed at what we know matters most to Australians’ wellbeing. Beyond the value we offer our members and our customers, these products and services create community and social value. And we hope to help

build a better Australia—whether through our social infrastructure agenda, our advocacy on issues that matter to our members or our support for those who need it the most.

Many CMEs have long disappeared, including larger entities that chose to demutualise to the benefit of one generation of members but leaving the business exposed to erosion in the shareholder-owned listed environment. In contrast to this trend, during the past couple of years, Australian Unity has further invested into its mutual status and has deliberately sought to grow its member base.

### Advanced Wellbeing Assessment

Our increased focus on providing member value aligns with our commitment to wellbeing and includes the Advanced Wellbeing Assessment. Developed in partnership with Deakin University, the assessment is based on the seven domains of wellbeing that are central to the Australian Unity Wellbeing Index.

After completing a survey, members receive a detailed report across the domains of wellbeing, as well as insights on how their wellbeing compares with other Australians and how they can improve it.

1 2019 Measuring Mutual Value: A field study of co-operatives and mutual enterprises in Australia. Authors: Dr Paul Thambar, Professor Mathew Hall, Dr Yolande McNicol, Ms Wen-Shi He (Monash Business School), Professor Yuval Millo (Warwick Business School, UK) and Dr Sarah Adams (Australian National University).

2 2020 Discussion Paper: Co-operatives and Mutuals as Social Enterprises. Business Council of Co-operative and Mutuals.

## | The modern mutual

Starting in 2019, we formulated and implemented new membership rules that have enabled us to expand our membership base from 250,000 to more than 400,000. This project has run alongside initiatives to enhance member value and engagement. Significantly, our membership rule changes have provided all Australian Unity employees with the opportunity to become members of the organisation for which they work—giving them the sense of having ‘skin in the game’ that comes with membership, while reviving one of the important features of our early years that ensures alignment and accountability.

While meeting the wellbeing needs of our members, customers and the community has always been at the core of what we do, our longevity can be largely explained by our ability to continuously evolve and refine our portfolio of products and services to ensure we remain contemporary, relevant and sustainable.

This ability to evolve and expand into new, sustainable sectors is underpinned by our pursuit of sound financial management practice. And by maintaining a strong capital base—and holding ourselves to market returns that demonstrate we value member capital—we seek to provide member, stakeholder, creditor and market confidence.

### Building the modern mutual

Intrinsic to our strategic approach as a modern mutual is our approach to identifying and taking on the critical wellbeing challenges of our time to ensure we have maximum impact and remain relevant. These challenges are identified within the three areas of impact articulated in our Community & Social Value outcomes framework: Lifelong Wellbeing, Economic Empowerment and Strong Communities.

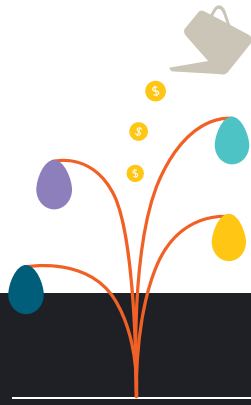
In 2021 we have taken time to reflect on our journey of the past decade, which has seen us substantially grow our membership, customer base and workforce—most noticeably in our human services portfolio with the 2016 purchase of Home Care Service of NSW from the NSW Government. While our work is not done, we believe that today’s organisation is well placed to pursue its ambition to be known as the most trusted wellbeing company in Australia.

To achieve this ambition, we will intensify our focus on fostering a culture that builds on the strength of our history, its purpose and our deeply embedded values. We will develop our culture to be increasingly effective at service to members, which will help us to unlock further member value while enabling our strategic growth plans. We will also continue to develop our capabilities in member research, digital, data and technology to build the optimal member experience. And consistent with our history, we will continue to advocate and innovate on relevant policies to help build a better Australia.



This ‘employee as member’ approach is reflected in our recently launched ‘Real wellbeing starts here’ initiative, through which we provide to our employees the same commitment to wellbeing that we make to our customers and other members. Put simply, by supporting our employees’ wellbeing, they can better support the wellbeing of our members, customers and community.”

—Prue Bowden, Group Executive, People & Culture



## Mutual Capital Instruments— New capital for sustainable growth

Australian Unity issued its first Mutual Capital Instruments (MCIs) in December 2020—a landmark event in the history of mutual companies in this country. In doing so, we were the first mutual to take advantage of this new capital raising opportunity—realising \$120 million that has contributed to balance sheet strength and resilience and our strategic agenda.

The ability to raise capital through an MCI issuance was the result of many years of advocacy, spearheaded by Australian Unity working with the Business Council of Co-operatives and Mutuals. This work culminated in 2019 with the passage through the Australian Parliament of changes to corporation laws that allowed mutual entities to issue MCIs—subject to approval from their members.

Prior to these legislative changes, mutual entities generally could only raise funds by increasing debt, which had effectively restricted growth. Importantly, MCIs allow mutual entities to raise permanent capital without compromising their mutual status.

Issuing Australian Unity MCIs helps us sustainably fund an ambitious and expansionary growth agenda—and underlies our commitment to the mutual form as an alternative to today's default structure of a company limited by shares, listed or unlisted, where shareholder primacy is the focus.

The potential social impact of Australia Unity's MCI issuance was acknowledged by a \$20 million cornerstone investment from HESTA, the largest superannuation fund dedicated to Australia's health and community services sector. HESTA noted at the time that it shared with Australian Unity a long term interest in building the country's social infrastructure and welcomed the opportunity to invest in the fast growing care economy that could generate strong returns for its members while helping to create growth and jobs in the industries where they work.

Given the success of the initial capital raising—conducted during the economic and social uncertainty created by a global pandemic—Australian Unity announced a further MCI issuance in October 2021.





# Our portfolio

We have built a diverse and thematically linked portfolio of commercially sustainable businesses which is organised under three customer focused platforms.

## Retail

Health insurance	<p>Australian Unity's policyholders are insured against a range of costs that, depending on the cover held, includes hospital accommodation, theatre fees, prostheses and more, with extras cover extending to treatments such as dental, optical and physiotherapy.</p> <ul style="list-style-type: none"> <li>175,000 private health insurance policy holders</li> </ul>
Banking	<p>Our bank, Australian Unity Bank, offers a wide range of personal banking services such as owner-occupied and investor home loans, personal loans, credit cards, everyday transaction accounts, savings accounts and term deposits. Additionally, general insurance broking services are offered to individuals and business customers.</p> <ul style="list-style-type: none"> <li>24,500+ Australian Unity Bank customers</li> <li>\$1.13 billion in banking assets</li> </ul>

## Independent & Assisted Living

Home & Disability Services	<p>We provide tailored in-home and disability care services through a range of government and privately funded programs. We also have a specialist business unit providing culturally appropriate care to Aboriginal and Torres Strait Islander customers by Indigenous staff.</p> <ul style="list-style-type: none"> <li>3 million hours of home care services</li> <li>One of the largest employers of Aboriginal and Torres Strait Islander women in New South Wales</li> </ul>
Health Services	<p>Through our Remedy Healthcare business, we offer allied health solutions including in-home healthcare, telehealth and—in a joint venture with Ramsay Health Plus—hospital substitution programs to help people recover and receive treatment at home.</p> <ul style="list-style-type: none"> <li>410,000+ Remedy Healthcare episodes of care each year</li> <li>2,200+ clients supported to recover at home through Ramsay Connect partnership</li> </ul>
Residential Communities	<p>We own and operate 21 retirement communities, including 7 aged care facilities. Located across New South Wales and Victoria, these 21 residential communities comprise a total of:</p> <ul style="list-style-type: none"> <li>2,496 independent living units</li> <li>786 aged care beds</li> </ul>

## Wealth & Capital Markets

Property	<p>Our property business provides broad real estate investment exposure and leads key social infrastructure activities across Australian Unity.</p> <ul style="list-style-type: none"> <li>\$4.10 billion in assets under management</li> <li>22 years investing through the Healthcare Property Trust with \$2.64 billion assets under management</li> </ul>
Life & Super	<p>Our Life &amp; Super business offers a range of investment bonds, funeral bonds and education savings plans.</p> <ul style="list-style-type: none"> <li>\$2.51 billion in funds under management and administration</li> <li>6,000+ Australian families who have saved over \$238 million to fund their education expenses</li> </ul>
Investments	<p>We provide investment solutions for our customers through a focused suite of high quality, differentiated and relevant investment management capabilities in asset classes including venture and private capital, equities, property, fixed interest and cash. We also manage the Australian Unity Group's consolidated investment portfolio.</p> <ul style="list-style-type: none"> <li>\$10.46 billion in funds under management and administration at 30 June 2021</li> <li>Leading innovation in funds management aligned to our purpose, including the launch of the Future of Healthcare and Green Bond Funds</li> </ul>
Trustees	<p>Trustees provides traditional trustee services including financial administration and estate and trust administration. The business also offers estate planning and taxation services.</p> <ul style="list-style-type: none"> <li>\$370.5 million in funds under management</li> <li>625 new estate plans written</li> </ul>
Advice	<p>Our Advice business provides personal financial advice on investments, superannuation and insurance.</p> <ul style="list-style-type: none"> <li>21,000+ Advice clients</li> <li>\$8.70 billion in funds under management</li> </ul>



# Our strategy

As a mutual wellbeing company with a strong history delivering health, wealth and care services to the Australian community, we've plans to be here for even longer. Our strategic approach and priorities guide who we are, our decision-making and our ways of working.

## Our balanced approach to strategy

Although our portfolio consists of a diverse range of businesses, each is guided by the same four key values in the way we operate.

### Create a great place to work

If we take care of our people they will take care of our customers.



### Put customers & members front and centre

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



### Deliver sustainable performance

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



### Make a difference in our community

Community is at the heart of what we do.



## Our strategic priorities

To focus Australian Unity's growth ambitions over the near-term horizon, the Group has identified four strategic priorities.

### Realise the value of the modern mutual

Create the building blocks to enable deeper relationships with members—based on data, member-centric initiatives and superior interactions with the Group, with a particular focus on innovating products and services that meet the health and financial wellbeing needs of our members.

### Accelerate momentum in health and human services

Create a connected, networked wellbeing system beyond just care, which incorporates key social determinants such as housing, community and social interaction, employment and education alongside healthcare. Continue the growth of our existing program of work to leverage opportunities to support healthcare and Australia's ageing population.

### Build social infrastructure reach

Continue our momentum as a leader in the creation of social infrastructure that supports Real Wellbeing within communities. We will activate significant private capital to support burgeoning community needs both in the health and ageing sectors as well as broader social infrastructure opportunities.

### Generate cash earnings

To ensure the ongoing longevity of the organisation, we will continue our focus on investing the Group's capital base in those activities that deliver sustainable, repeatable cash earnings.

# Real Wellbeing

We've been measuring the wellbeing of Australians with Deakin University since 2000. Known as the Australian Unity Wellbeing Index, it's one of the most enduring and credible studies of wellbeing in Australia.

The Australian Unity Wellbeing Index recognises that wellbeing isn't just about health—it also relates to our overall quality of life which includes how we feel about our personal lives and objective circumstances, such as education, health and income.

The Index tracks how satisfied people across Australia are with their lives as a whole, using seven key areas of wellbeing, such as standard of living and future security.

Wellbeing, according to the study, reflects how satisfied a person feels about their life and, in particular, how happy, healthy and content a person is in their life.

It's also personal—what makes one person feel content or happy can differ markedly from what makes the next person feel that way—yet the two people could have similarly high levels of wellbeing.

Insights from the Index say a lot about how we're doing as a nation and, more importantly, what each of us can do to improve our quality of life and reap the benefits of Real Wellbeing. Read more about the Index in the 20th Anniversary Australian Unity Wellbeing Index Commemorative Report, available at

[australianunity.com.au/wellbeing](http://australianunity.com.au/wellbeing)



If you have better wellbeing, you're more likely to have better physical and mental health, and decreased risk of disease, injury and illness. People have better immune functioning when their wellbeing is higher—they're more likely to recover from illness if they do get sick, and they're more likely to have increased longevity."

—Associate Professor Delyse Hutchinson,  
Lead researcher, Deakin University

## The seven domains of wellbeing

To truly understand wellbeing—and how we feel about it individually, as a community and as a nation—the Australian Unity Wellbeing Index measures seven core 'domains' to assess people's satisfaction with their wellbeing.

### 1 Relationships

The quality of your relationships with family, friends and significant others.



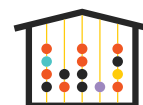
### 2 Achieving in life

Having a purpose, direction or meaning in your life.



### 3 Standard of living

Having enough money or financial control to live and enjoy life.



### 4 Health

Your physical and mental state.



### 5 Community-connectedness

A sense of belonging and connection to the people around you.



### 6 Personal safety

How you feel about your safety, and how this translates to your community and the nation overall.



### 7 Future security

How you feel about your future in terms of your job security, health, the environment and other factors.





## The Australian Unity Wellbeing Index

### Our business and the seven domains of wellbeing

At Australian Unity, we're for Real Wellbeing. The seven domains of wellbeing in Australian Unity's Wellbeing Index lay the foundations for our range of health, wealth and care services and products, and enable us to design, create and change our range as the needs, expectations and wellbeing of our community evolves over time.

Each of our businesses contribute to our role as a wellbeing company—with primary impact areas detailed below.

		Relationships	Achieving in life	Standard of living	Health	Community connectedness	Personal safety	Future security
Retail	Health Insurance			•	•			•
	Banking		•	•			•	•
Independent & Assisted Living	Home & Disability Services	•	•		•	•		
	Health Services	•		•	•	•		
	Residential Communities	•	•	•	•	•	•	
Wealth & Capital Markets	Property					•	•	•
	Life & Super			•				•
	Investments		•	•	•			•
	Trustees	•						•
	Advice		•	•				•





# Realising our impact

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. To help us continue our journey, our inaugural impact report lays out our framework for how we articulate, define and measure the impact of our products, services and operations on our members, customers, employees and community.

## **Our partnership with Social Ventures Australia**

Unlike the world of financial, actuarial and regulatory performance reporting, measuring impact and social value are relatively new concepts which is why it was important for us to get our approach right. We've partnered with Social Ventures Australia (SVA)—a leading specialist consulting practice that assists organisations across Australia to achieve greater social impact—to scope, develop and inform our Community & Social Value framework. Importantly, SVA bring their expert understanding of social impact and best practice to objectively test and assess our approaches.

## **Social impact is a sum of our parts**

As a diverse wellbeing company delivering health, wealth and care services, each of our businesses seek to deliver positive social impact. Capturing, evaluating and reporting data and evidence for our impact on our members, customers, employees and community takes a similarly diverse team from across our Group. We thank all those involved for their work in this inaugural report and their continued championing of social impact as part of our core values.

## **An exciting journey ahead**

We're proud to be presenting our first impact report for Australian Unity—however, we've only just started on this exciting journey to measure and report on our impact. To test our Community & Social Value framework, we have been highly selective of the areas for inclusion and measurement for this year's report. We look forward in future iterations to further showcase the breadth and depth of our operations and impact.

To read our detailed Community & Social Value methodology, see page 61.

**SVA**Consulting



Environmental, Social and Governance (ESG) criteria have become increasingly important as a set of standards for assessing a company's activities and sustainability. This report represents our first stand-alone report documenting our impact across these three areas, with a focus on our social impact which has been at the centre of our activities since the beginning.

## Environmental



Australian Unity acknowledges the growing impact of climate change on the wellbeing of our communities. We are seeking to understand and to manage this risk and find ways to reduce our environmental impact across our business activities. We have already implemented various policies, initiatives, targets and reporting mechanisms across the Group to achieve this aim and continue to look for new and innovative ways to improve our environmental performance and disclosure.

## Social



Having a social impact is at the core of what we do, and accordingly, we see the 'S' in ESG as a way of measuring our performance as a wellbeing company. Consequently, last year we introduced our Community & Social Value framework, explored further in this report, to help us understand, articulate and measure our social impact. This framework focuses our decision-making on delivering value, in the form of wellbeing, to our members, customers, employees and the broader Australian society.

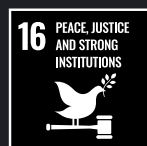
## Governance



As a modern mutual company, Australian Unity brings together a focus on members, customers and community with the commerciality of a traditional shareholder-owned company or private equity. We are proud of our strong social focus and presence—built on the foundations of good corporate governance and sound risk management practices that are a fundamental part of the culture and business of the Group.

## UN Sustainable Development Goals

Our impact areas are heavily influenced by the UN Sustainable Development Goals which were developed as part of a global strategic partnership to improve health and education, reduce inequality and spur economic growth—while tackling climate change and working to preserve our environment. Our impact areas seek to contribute to seven of the 17 Sustainable Development Goals.



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





# Governance

# Governing a modern mutual

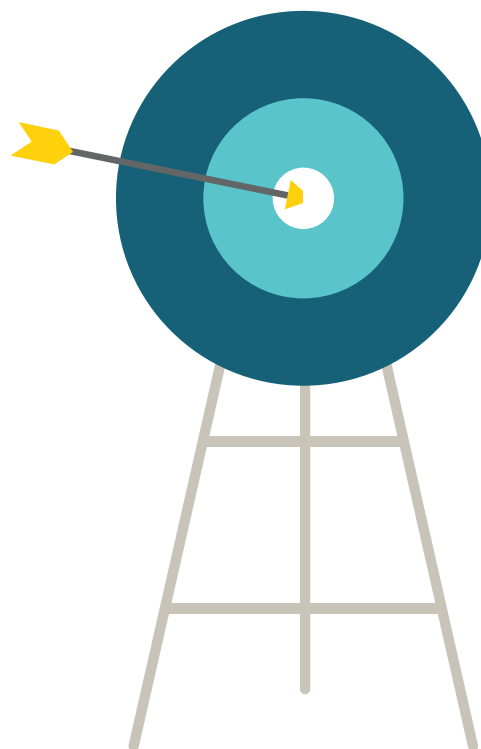
While our corporate form may be different to a shareholder-owned company, we take our governance responsibilities just as seriously. As a modern mutual, we know that good corporate governance and sound risk management practices form the foundations of our sustainability.

Our company and its portfolio of businesses are extensively regulated by bodies including APRA, ASIC, the ACCC and the ASX. We're also subject to the oversight of various state and commonwealth regulators, including the Department of Health, the Australian Taxation Office, the Fair Work Ombudsman, the Workplace Gender Equality Agency, AUSTRAC, and OAIC.

Such extensive regulatory oversight requires a commitment to high governance standards across the Group, and accordingly, we aim to meet or exceed the minimum regulatory requirements.

The company is committed to maintaining high standards of corporate governance and actively applies a governance framework that reflects the majority of the ASX Corporate Governance Principles and Recommendations and meets the ASX requirements relevant to its current debt listings, which are Australian Unity Bonds – Series C and D and Mutual Capital Instruments.

Australian Unity's Board is mainly composed of independent non-executive directors who approve the strategic direction of the Group and its risk management framework, while setting the risk appetite in the interests of the Group and members.



Our Board committees provide an additional layer of focused support and oversight to ensure the Group meets its risk management and compliance obligations. These committees include:

- **Risk & Compliance Committee**, supports the Board and the Group fulfil their risk management and compliance responsibilities
- **Audit Committee**, oversees adherence to the Group's risk management policies and ensures true and accurate financial statements are produced
- **People, Culture & Remuneration Committee**, monitors culture and ensures we have the right programs to manage people and culture risks
- **Investments Committee**, ensures appropriate programs are in place to manage risks and maintain regulatory compliance related to investment matters.



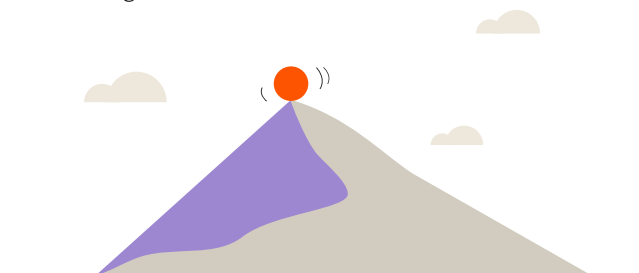


## Risk management

Australian Unity recognises that sound management of the Group's risks within an effective risk management framework and an established risk culture underpin the success of the business. The Group's risk management framework is aligned with the principles of the Australian Standard on Risk Management (AS/NZS ISO 31000:2018) and APRA's Prudential Standard on risk management (CPS 220). The framework and our associated risk culture is continually reviewed and improved.

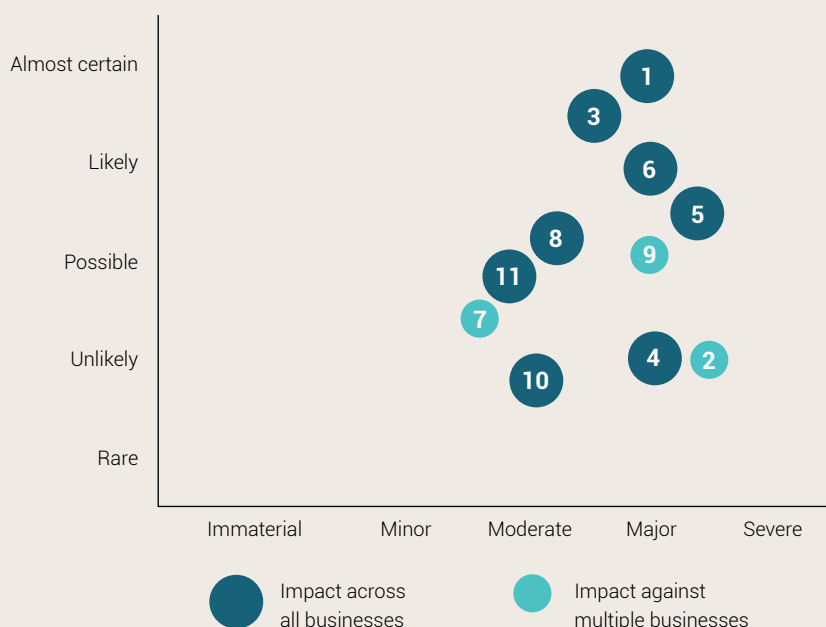
We review our risks regularly and develop treatment plans to manage these risks to within our risk appetite. Reporting on key and emerging risks and the progress of mitigation activities is overseen by the Risk & Compliance Committee.

Our approach to managing risk and compliance is based on the 'three lines' model, through which we achieve effective enterprise risk management by clearly allocating accountability and responsibility for managing risk to our various business lines across the Group and have an independent risk and compliance team to provide support and oversight of our businesses.



## Our key risks

Note: This is not an exhaustive list—refer to our [Annual Report](#) for further details



- 1 Strategic and operational disruption due to the COVID-19 pandemic
- 2 Over-reliance on certain businesses or funding sources
- 3 Businesses operate in sectors which are subject to increasing regulatory scrutiny and complexity
- 4 Failure to detect and prevent cyber security threats
- 5 Workplace hazards and risks that could lead to a workplace injury or illness
- 6 Inability to attract and retain a skilled and experienced workforce
- 7 Exposure to risks arising from climate change\*
- 8 Errors arising from a failure of internal controls
- 9 Customer mistreatment or injury
- 10 Inappropriate or illegal behaviour
- 11 Lack of access to capital to fund growth

\*Although not currently a material risk for the Group, climate risk is an emerging risk and of increasing importance to our customers and members, which we are continuing to track and monitor.







## Good governance in action

What we do	How we do it	Some examples
Promote a good risk culture and good decision-making	<ul style="list-style-type: none"> <li>We continually work to improve risk and compliance practices to support good governance.</li> <li>When managing risks, we work towards a standard that meets or exceeds the regulatory minimum.</li> <li>We don't just ask what we <i>can</i> do, we also ask what we <i>should</i> do.</li> <li>We encourage our people to 'speak up' and report issues or raise concerns.</li> <li>Our remuneration framework recognises and rewards good risk conduct (not just good financial outcomes) and has consequences for undesirable behaviours—we are focused on not just <i>what</i> our employees do, but <i>how</i> they do it.</li> <li>We have a comprehensive delegations framework to support clear and consistent decision-making across the Group. This reduces the risk of poor decision-making, which could otherwise lead to poor outcomes for our customers, members and the Company.</li> </ul>	<ul style="list-style-type: none"> <li>In recent years, we have implemented a robust governance, risk and compliance tool that assists in assessing and monitoring effectiveness of controls for compliance with our various legal and regulatory obligations across the business. We are improving the enablement of data-driven reporting and analysis to assist us to identify areas of risk or areas that require improvement.</li> <li>We regularly survey our people to better understand and assess the culture of the organisation. In FY2021, 80% of employees who responded to our people-pulse survey indicated they are encouraged to speak up if they see something that isn't right, and 85% believe we strive to do what is right.</li> <li>It's important our people feel supported and encouraged to speak up against actual or suspected improper conduct—no matter what the situation is. Our <b>Whistleblower Protection Policy</b> and independent external hotline help us manage and reduce the risk of improper conduct within or by Australian Unity or by Australian Unity employees through supporting our people to freely raise concerns about improper conduct without fear of repercussion.</li> </ul>
Honest and transparent communications	<ul style="list-style-type: none"> <li>We promote strong and open communication. When we do make mistakes, we are transparent and proactive with each other and our customers, members and regulators.</li> <li>We have moved to an environment where we are proactively reviewing processes and practices for continuous improvement, and where we do find issues ourselves, we report and 'own' the issues through to resolution.</li> <li>When something does go wrong, we work quickly to understand the impact, communicate the error openly and transparently and remediate. Rather than adopt a technical legal approach to remediation that might be right in a narrow sense, we recognise this is not necessarily the right outcome for our members, customers or our people.</li> </ul>	<ul style="list-style-type: none"> <li>Following a proactive review of our payroll practices and systems in FY2020, we identified errors that resulted in some of our people being paid incorrectly. These errors resulted in unintentional underpayments and overpayments. We commenced a remediation program to make 'make good' underpayments, including interest, and did not seek to recover the overpayments. We voluntarily reported to the Fair Work Ombudsman and are continuing to provide updates and respond to requests for information. We have also invested significant time and resources into improving our processes and systems to reduce the risk of these issues reoccurring.</li> </ul>





What we do	How we do it	Some examples
<b>Market communication and continuous disclosure</b>	<ul style="list-style-type: none"> <li>We are committed to giving all investors timely and equal access to information concerning the Group.</li> <li>Our <b>Continuous Disclosure Policy</b> and processes ensure our ASX announcements are timely, accurate and clear so that investors can assess the impact of important information when making investment decisions.</li> <li>We have in place a comprehensive <b>Securities Trading Policy</b> that prohibits employees from dealing in any Securities where they may have insider information. This policy ensures our people are aware of their personal legal obligations and helps us put the interests of our customers and members ahead of our own.</li> </ul>	<ul style="list-style-type: none"> <li>We publish our annual and half-yearly performance reports to a dedicated section on our website, which includes a repository of our past reports.</li> <li>Consistent with best practice, we provide investor presentations after each results period to explain results and to answer any questions.</li> <li>We publish comprehensive full and half-year financial statements, which are subject to the review of our external auditor in accordance with auditing standards before release.</li> </ul>
<b>Policies, guidelines, education and training</b> See next page for some of our policies and positions	<ul style="list-style-type: none"> <li>We have comprehensive policies and processes to promote consistency in standards across the Group. Policies and processes are reviewed regularly to ensure we are meeting best practice and the changing needs and expectations of our members, customers, employees and the broader community.</li> <li>All employees are required to undertake mandatory risk and compliance training, including Code of Conduct and Workplace Health &amp; Safety, as well as topics relevant to their role.</li> </ul>	<ul style="list-style-type: none"> <li>We created a centralised policy hub to make it easier for our employees to access our policies and procedures to help them comply with their obligations. Since it was introduced in November 2020, the policy hub has been accessed by about 900 employees a month.</li> <li>Our <b>Employee Code of Conduct</b> outlines what our employees need to do to ensure they act at all times legally, fairly and with skill, care and attention when performing their roles. It helps us ensure employees across our organisation behave in a way that's beneficial for our members, customers and the Company. In FY2021 we reviewed and rebuilt our Code of Conduct training to make our training more</li> </ul>







## Our policies

Australian Unity's suite of policies, guidelines and procedures guide our employees and businesses in adhering to and demonstrating our corporate values of Bold, Warm and Honest. Each policy and its supporting material addresses an issue important to our mission or operations, such as why we have the policy, who the policy applies to, policy details, references to support documents and consequence management.

### Safety and Wellbeing

Our position as a leading wellbeing company means protecting and, where possible, enhancing the physical and mental health, safety and wellbeing of all people working on our behalf. Our commitment to this, as well as compliance with relevant workplace health and safety legislation, extends to our customers, residents, clients, patients, visitors and families. We are committed to consulting with our employees to make the right decisions on matters that directly affect their safety and wellbeing. We provide employee care and assistance programs for our people to support their mental and physical wellbeing needs. We ensure our team, contractors, suppliers, customers, residents and visitors receive any relevant information and advice on safety and wellbeing matters that affect them.

We know that by supporting the real wellbeing of our people means they can better support our members and customers. In FY2021:

### Welcoming diversity

As a Company with the ambition to be the most trusted wellbeing company in Australia, we know that Real Wellbeing starts here—with our people. We support and celebrate the diversity of our people to build an inclusive culture across many geographical locations that represent Australia's First Nations, multicultural and diverse communities. By building a diverse and inclusive workplace we reflect the communities in which we operate and harness the unique capabilities and perspectives of all our people.

We foster a discrimination free, equal opportunity and respectful workplace where all our people and those we work with can be the best they can be. We do not accept unfavourable treatment based on legally protected attributes such as age, caring responsibilities, cultural background, disability, gender, indigenous background and sexual orientation. This extends to our members, customers, residents, clients, patients, visitors and families.

Wellbeing	Safety
<ul style="list-style-type: none"> <li>90% of eligible employees took wellbeing leave as part of our Real Wellbeing employee value proposition providing employees with two days to support their wellbeing in the way that matters most to them</li> <li>we launched our 'Your Wellbeing Matters' program to provide a range of wellbeing supports, including self-care webinars, wellness activities and other support services</li> <li>our October 2020 People Pulse survey saw 72% of employees rate 'wellbeing' as the number one activity the company is doing well—we also saw our eNPS increase by 7 points</li> <li>we launched additional mental health supports to employees through Remedy's MindStep® and Healing Minds programs</li> </ul>	<ul style="list-style-type: none"> <li>we continued to deliver key initiatives under our Safer Me program aimed at maturing our safety culture—including the implementation of 'Donesafe', an online and mobile-accessible safety portal</li> <li>we saw efforts to strengthen our incident reporting culture result in significant improvement in reported incidents with manager follow-up compared to the previous year—contributing to improved return to work rates</li> <li>Australian Unity commenced self-insurance in NSW, supporting human-centred care and support for injured workers—resulting in a material reduction in lost days due to injury</li> <li>we continued to respond to the impact of COVID-19 on our workforce—across both our client-facing and corporate functions</li> </ul>



## Ending modern slavery

Australian Unity believes that the right to work free from slavery is a basic human right—and therefore central to our philosophy of providing a safe workplace. However, we acknowledge that slavery still exists, and we're committed to playing our part in eliminating it in all its forms.

Accordingly, in line with the *Modern Slavery Act* (Cth) 2018, we released our first Modern Slavery Statement in FY2021, which outlines policies and practices to assist us in identifying and reducing the risks of modern slavery occurring within our supply chain and operations.

We expect all suppliers to comply with the principles articulated in our Supplier Code of Conduct and the laws and regulations of the jurisdiction in which they are based. In the event a risk of modern slavery is identified in the operations of an existing or potential supplier, we are committed to working with that supplier to agree corrective actions to promptly address the risk.



## Anti-bribery and corruption

Australian Unity has a zero-tolerance approach to bribery, fraud, corruption and other serious criminal offences. Our employees are required to actively protect our reputation and conduct business with honesty and integrity.

## 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.

We have extensive governance and operations arrangements in place across our Group which are designed to comply with Privacy Laws, APRA's Prudential Standard for Information Security (CPS 234) and requirements for Australian Financial Services Licensees.

Our governance arrangements include regularly assessing the external environment for threats and risks, testing our defences and benchmarking our information security control environment against the widely-considered best practice NIST Cyber Security Framework. 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 on the confidentiality, integrity or availability of the information we hold.

Our current areas of focus include:

- investing in and enhancing our workplace technology for employees to work from home efficiently and securely
- continuing to focus on customer data protection with better technology and processes
- improving management of identity and access to systems and data
- strengthening our security monitoring capability and incident responses
- uplifting staff security awareness through effective security training programs and communications.





Social



# Valuing our social impact

As a mutual wellbeing company, having a positive social impact on our members, customers, employees and broader community is at the core of what we do. We exist to help people thrive.

While the alignment of our business activities to the seven domains of wellbeing demonstrates our ingrained commitment to delivering Real Wellbeing and helping people thrive, we sought to introduce a framework to report and track our community and social value and to inform ongoing improvement.

To do this, we undertook an extensive program of work with Social Ventures Australia (SVA), social impact specialists, to capture and stocktake what we do as an organisation and how we do it as first steps, before using this information to develop a way to measure our impact as well as identify where we could do better.

**“We introduced our Community & Social Value outcomes framework not only to help us design our products and services, but also to capture the value of our impact and make sure we’re ‘walking the talk’ and being held accountable when it comes to making a positive impact.”**

**—Darren Mann,  
Group Executive,  
Finance & Strategy and  
Chief Financial Officer**






## Principles

Working with SVA, we developed our Community & Social Value framework, underpinned by six guiding principles that provide the anchor for informing our decisions and for assessing our impact.

- **Focus on social outcomes**  
Reporting our outcomes, not inputs or outputs.  
Capturing social, not business value.
- **Set a clear boundary**  
Capturing value created during the reporting period, not a lifetime value.
- **Value what matters**  
Using financial proxies in a manner that the value of the outcome can be recognised.
- **Recognise adoption, not just innovation**  
Recognising Australian Unity's role as a social innovator by demonstrating the value of these ideas once they are adopted by external entities.
- **Do not overclaim**  
Claiming only the value that Australian Unity is uniquely responsible for creating (see page 61 to read about how we do this).
- **Rely on quality data**  
Reporting on outcomes where reliable data and evidence of outcomes exist within Australian Unity or through reliable direct sources.

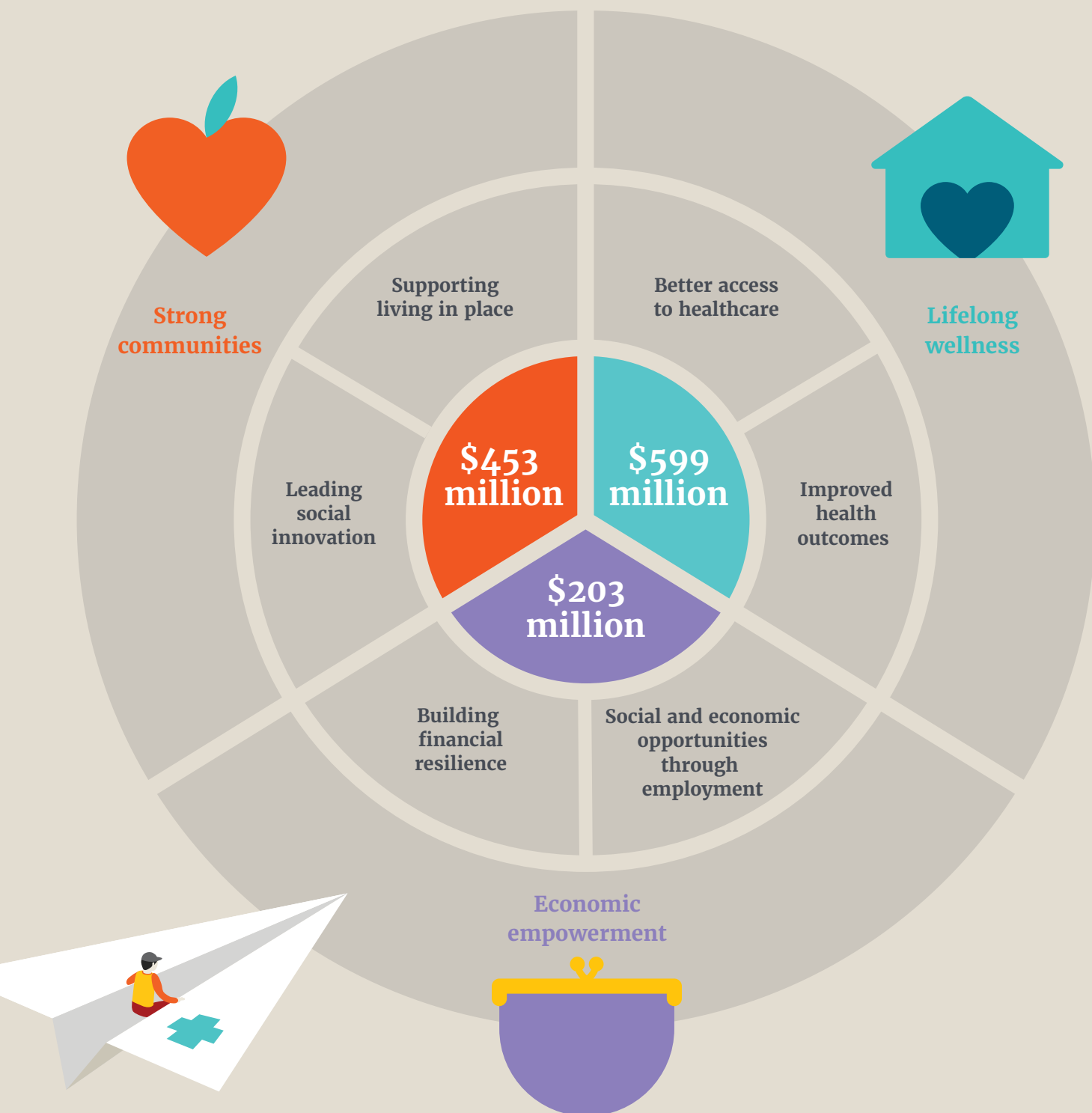
# Our Community & Social Value framework

Our Community & Social Value outcomes framework identifies three overarching impact areas where we have a positive and unique social impact on our members, customers, employees and the broader community. These impact areas provide the foundation for measuring our unique impact value and for informing our key business decisions.

 <p><b>Lifelong wellness</b></p> <p>We help our customers and members access better levels of health and wellness with care and services that are based on individual needs.</p>	<p><b>Better access to healthcare</b></p> <p>Through a diverse range of services and investment initiatives, we create access to quality healthcare, including early intervention and preventative programs, in-home and health services, specially designed accommodation and specialist health facilities.</p>
	<p><b>Improved health outcomes</b></p> <p>We understand that to be effective, care and services must be tailored to the needs of individuals and not the other way around. Our customers experience better positive health outcomes thanks to our targeted and flexible approach to delivering services and support that place you at the centre of your care.</p>
 <p><b>Economic empowerment</b></p> <p>We help build financial security and resilience to provide confidence about the future and to deal with any challenges in life.</p>	<p><b>Building financial resilience</b></p> <p>We recognise that financial security is an important contributor to overall wellbeing. We help our customers and members build their financial resilience and improve their financial wellbeing, including their ability to fund their own healthcare and ageing.</p>
	<p><b>Social and economic opportunities through employment</b></p> <p>We're for Real Wellbeing—for our members, customers, community and, importantly, our people. Through our approach to business, our range of products and services and our investments in social infrastructure, we are proud to provide opportunities through employment that contribute to the wellbeing of our community.</p>
 <p><b>Strong communities</b></p> <p>Strong communities provide individuals with a sense of purpose and security through meaningful engagement, access to services and social connectedness.</p>	<p><b>Leading social innovation</b></p> <p>With the gap between available social services and demand widening across Australia, we seek to drive positive change and opportunities in communities across Australia through innovative products, infrastructure developments and solutions.</p>
	<p><b>Supporting living in place</b></p> <p>We invest in place-based models of care, social and community infrastructure builds and affordable specialist housing. We have a strong focus on creating environments that are not just designed to support with care, but also positively contribute to the wellbeing of our clients and the community.</p>

## Our social impact value

\$1.25 billion in total community and social value for FY2021







**\$599m**

of community and social  
value created in FY2021

2,200+ clients supported to  
recover at home through  
Ramsay Connect partnership

83.6% of home care  
customers with a personalised  
wellbeing plan

243 private and public  
hospital beds added to  
health system

64% MindStep® program  
recovery rate

## Lifelong wellness

At Australian Unity, we understand wellness starts the day you are born and continues through all your life stages. Wellness is about choice—people choose particular lifestyles, brands, products and services to achieve and sustain levels of wellbeing.

We help our customers and members access better levels of health and wellness with care and services that are based on their individual needs. We invest in healthcare in the built form and in advancements in technology.

We also advocate on behalf of our customers and members for well-resourced and efficient health and human services systems that deliver improved health outcomes and better standards of care.

### Better access to healthcare

Through a diverse range of services and initiatives, Australian Unity customers and members have access to quality healthcare, including early intervention and preventative programs, in-home and specialist health services, specially designed accommodation and specialist health facilities.

We also look beyond what's available now and have dedicated investment funds and finance strategies that seek to advance healthcare infrastructure, innovation and technology.

### Reduced healthcare demand

Australian Unity's care and living services—Remedy Healthcare, home care, aged care and retirement living—focus on providing tailored health and wellbeing needs and support in settings outside of hospital. In addition to providing clients with choice and flexibility of high



### Hospital in the home

Through listening to our members, we understand that for many, nothing beats recovering in the comfort of your own home after a trip to the hospital. Launched in 2020, Remedy Healthcare's joint venture with Ramsay Health Plus, **Ramsay Connect** brings together the expertise and reach of Remedy Healthcare and Ramsay Health Care to set a new benchmark in care during and after hospitalisation.

Instead of staying in hospital longer than necessary, Ramsay Connect provides hospital and rehabilitation care at home after major procedures such as knee and hip replacements and home nursing. Other health services that will be delivered include palliative care, assistance for chronic disease and mental health care.

Our first year of Ramsay Connect saw us provide support and care to 2,280 patients to recover and rehabilitate at home.

230,000+ patients  
accessing our private  
hospital beds

\$2.6 billion Australian Unity  
Healthcare Property Trust  
portfolio



quality services and care, these services reduce the significant demand on—and costs of—Australia's public healthcare system.

Our Home Care business provides support services to our customers to help them stay living at home and to feel confident and connected to the local community. We help our clients with a wide range of services that include domestic assistance, personal care, home maintenance, home modifications and equipment, and transportation.

Importantly, our personalised care also supports the health and wellbeing of our clients in their home through regular check-ins and the coordination of services that clients may need—such as in-home care from nurses, allied health practitioners and social supports.

Remedy Healthcare, an Australian Unity subsidiary, has been in the business of delivering healthcare for the past 13 years through our range of in-home services including physiotherapy, podiatry, occupational therapy, nutritional advice and massage therapy, as well as mental health services by telehealth. We also have specially designed programs to support our customers through pregnancy, return to work and rehabilitation.

The evolving COVID-19 situation has added significant pressure to the public healthcare system all across Australia. However, even prior to the pandemic, the Australian Institute of Health and Welfare reported growing delays in waiting times in both emergency departments and elective surgery, with projections these trends will continue.

Our range of private health insurance cover not only supports the alleviation of pressure on the public health system, but also provides our members with greater access to more timely treatment and also to treatments that may be unavailable in the public health system.

### Creating additional healthcare capacity

In addition to supporting our customers with quality care outside the public system, Australian Unity identifies and invests in opportunities to contribute to Australia's current and future health capacity and capability.

The Australian Unity Healthcare Property Trust (HPT) was established in 1999 in response to the growing demands for healthcare and infrastructure to support Australia's ageing population. Over the last 22 years, HPT has grown to become one of the largest and highest-rated unlisted property funds in Australia with hospitals, medical clinics, aged care, day surgeries, radiology and pathology centres across the country. As at 30 June 2021, HPT comprises of 67 healthcare-related properties worth \$2.6 billion.

### Improved health outcomes

At Australian Unity, we understand that to be effective, care and services must be tailored to the needs of individuals and not the other way around. Our customers experience positive health outcomes thanks to our targeted and flexible approach to delivering services and support that place them at the centre of their care.

We're about Real Wellbeing in everything we do, and this includes customer satisfaction with our services and care. The Net Promoter Score (NPS)—a benchmark measurement tool used by companies to rate customer satisfaction—for Remedy/Ramsay Connect in FY2021 was 71.





### Living and ageing well

We understand that life's activities—such as catching up with friends and family, travelling and enjoying the great outdoors—don't stop after retirement. Rather, retirement provides more time to enjoy these activities, and this is why our retirement living communities are designed with social and community connection, active lifestyles and independence to help live life to the fullest.

Our retirement living properties are well connected to community facilities, such as shopping centres and local attractions; are filled with shared and common spaces like gardens, BBQ facilities and function centres; and have health and fitness facilities such as pools and gyms to help residents stay active. Importantly, we also offer peace of mind through our range of health and wellbeing support and care services—such as health checks, medical care, domestic and home support—should it be needed.

### Supporting physical health

Our physical health has a significant impact on our overall wellbeing, and this is why we also support our home, disability and aged care customers with our specialist health support and treatment services through our Remedy Healthcare business. We're able to coordinate our services to help customers receive care and to manage their health in the ways that suit and benefit them.

### Better mental health and wellbeing

For the millions of Australians that live with anxiety and depression, the road to recovery can be hard to negotiate.

Remedy Healthcare's MindStep® program is a low-intensity guided self-help service for people with symptoms of mild to moderate anxiety or depression and is designed to run alongside existing psychological care delivered by a GP, psychologist or psychiatrist.

Delivered by trained mental health coaches, the evidence-based program draws on a highly successful UK service that has treated more than a million people and helped 45,000 people return to work. MindStep®, was developed in partnership with experts and researchers from Flinders University to deliver a support program that has seen about 75 percent of all graduates record a measurable improvement in their mental health or a complete recovery.

Importantly, MindStep® is personal to the individual. It's confidential, and customers can talk to their coach at the time that suits them, by phone, Skype, email or SMS.



# Economic empowerment



Australian Unity's products and services help our customers and members to build financial security and resilience, providing a greater sense of confidence about their future and ability to deal with any challenges in life.

Our commitment to delivering economic empowerment to everyday Australians extends beyond just our customers and members and includes those who experience economic disadvantage and difficulty, particularly Indigenous Australians and our own care workforce in a sector that has traditionally been associated with low wages and higher levels of casualisation.



## \$203m

of community and social value created in FY2021

**\$7.9m** social return through procurement from Indigenous businesses

**\$3.42m** of home loans lent in partnership with Indigenous Business Australia to Indigenous Australians

**82%** of our home care workforce permanently employed

**625** new estate plans written

### Building financial resilience

We recognise that financial security is a key contributor to wellbeing. We help our customers and members grow and manage their wealth by providing unique financial products, support and wealth management options that are easy to access and provide good returns. As a result, our customers build their financial resilience and improve their financial wellbeing, including their ability to fund their own healthcare and ageing.

### Increased economic inclusion

There are often misconceptions about investment and wealth products—that they're only for the wealthy or big corporations and are out of the reach of everyday Australians. However, as a mutual organisation with a long history of helping our members and the community, we don't think this should be the case and have developed unique and accessible products to support Australians to manage and grow their finances.

From stand-alone products—such as bonds and saving programs for a house deposit, paying for a child's education or towards retirement—to investments in healthcare and other social infrastructure property, we provide access and diversity of choice to different ways of managing money. This includes through the design of our investment products—such as the Green Bond Fund and Future of Healthcare Fund—that provide access for investors to investments that are unique or align to their values, allowing them to utilise their capital effectively.



### 10Invest—the power of 10 years

10Invest is one of our innovative products helping everyday Australians set up a long-term plan to save. Requiring only \$1,000 to set up and small regular contributions, 10Invest is a simple, online and low-cost investment bond that offers tax effectiveness not available through traditional bank savings and investment products. Individuals can choose to access their money any time or maximise tax savings by withdrawing after 10 years with no personal income tax to pay.



Education is one of the fastest rising household expenses in Australia, and we're increasingly seeing grandparents coming to us for solutions to support the safeguarding of their family's financial future by putting money aside for this major life expense."

—Adnan Glinac, Executive General Manager, Life & Super



### Breaking down the estate planning taboo—*What happens when I die?* podcast

Conversations surrounding death in Australia are largely avoided—more than half of Australians do not have a will, and many have no idea what happens to their assets if they passed away without a will. Anna Hacker, Principal of Australian Unity Trustees Legal Services, has made it a mission to break this taboo and start these conversations through the podcast series, *What happens when I die?* The podcast helps listeners understand the practicalities of death—be they legal or financial, or the physical elements of post-mortem. "We really wanted to be able to open up the conversation on death and empower people with information on what happens to your family, belongings, wealth and body when you die, because there's such a widespread lack of knowledge on the topic," says Anna. "By bringing up these sometimes difficult or uncomfortable conversations early, people can take a lot of pressure away from their loved ones."



### Increased financial wellbeing

Having peace of mind when it comes to your finances, today or in the future, is an important part of Real Wellbeing. That's why we're proud of our range of unique and accessible investment and wealth products.

We understand that some aspects of managing money and finances, such as tax, retirement and estate planning, can be complicated and confusing. Our Advice and Trustee Services businesses help clients demystify these topics and provide services and support to help increase their sense of financial wellbeing.

Our Trustee Services also play an important role as financial attorney and administrator for those who are unable to manage their financial and legal affairs due to disability—referred to as 'protected persons'. We manage and protect the assets and income of our protected persons in line with their individual wishes, needs and circumstances, ensuring their best wishes are always observed and working with their circle of support as part of this process. Where appropriate, we proactively assist our protected persons to regain financial independence—in whole or in part—through education and support to further improve their personal and financial wellbeing.



### Future security and our wellbeing

Our seven domains of wellbeing recognise that positive wellbeing is made up of many parts, including future security. Research conducted by Australian Unity showed that those with higher incomes, lower debt, higher levels of education and more money in superannuation exhibited greater levels of confidence about their current and future financial situation.<sup>1</sup> Conversely, those with lower incomes, higher debt, lower levels of education and low non-superannuation assets were less confident about their financial future and faced greater pressures on household finances. We continue our efforts to support future security—through the design of innovative products and services and by working with government and industry on broader retirement policy issues.



<sup>1</sup> [https://www.australianunity.com.au/wealth/~/\\_media/publicsite/documents/retirement%20planning%20survey%202017/retirement-report-20170704.ashx](https://www.australianunity.com.au/wealth/~/_media/publicsite/documents/retirement%20planning%20survey%202017/retirement-report-20170704.ashx)

## Social and economic opportunities through employment

We're for Real Wellbeing—for our customers, members, community and, importantly, our people. Through our approach to business, our range of products and services and our investments in social infrastructure, we are proud to provide opportunities through employment that contribute to the wellbeing of our workforce.

### Increased financial security

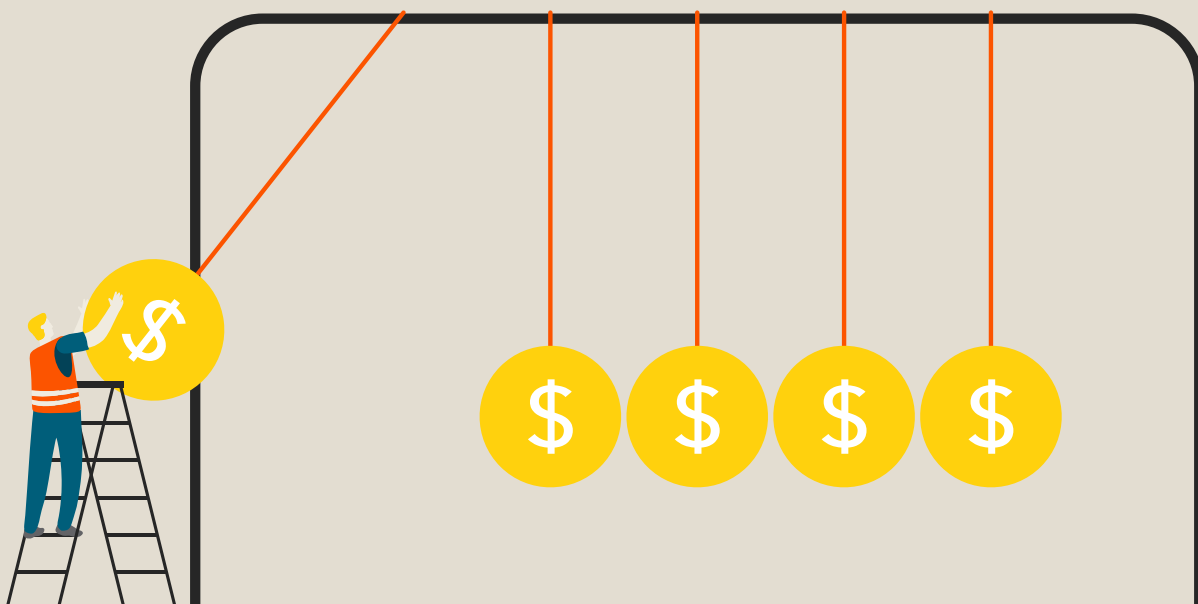
Australian Unity are proud service providers of aged care, in-home and disability services to more than 33,000 clients across Australia—and we are confident that we wouldn't be able to provide our high standards of care without our dedicated workforce.

We also know, however, that even though the demand is high for care workers, the care sector is generally seen as undesirable, with high levels of casualisation, job insecurity, irregular hours, minimal support and low wages. This makes it difficult for those in the sector (or those looking to join) to have a sense of financial or job security, which adversely impacts on wellbeing.

We believe that actively addressing these issues in our workforce strategy—which includes prioritising permanency, regular rostering, supportive managers, and career progression—provides a greater level of confidence, security and wellbeing.

More than 80% of our Independent & Assisted Living care work force is permanently employed at Australian Unity, not casualised like much of the sector.

In addition to creating permanent opportunities for our workforce, we actively advocate for and participate in consultations with government and industry to bring further positive change in the care workforce.







### **Employment for First Nations people/First Nations business growth**

Meaningful and empowering employment is essential to enabling financial stability and independence. We're proud to be one of the largest employers of Aboriginal and Torres Strait Islander peoples in New South Wales with over 300 employees. Our Indigenous Services and Aboriginal Home Care businesses are dedicated to providing culturally tailored care and support to Indigenous clients in their local communities. We aim to be an employer of choice for Aboriginal and Torres Strait Islander peoples through our innovative, culturally appropriate and community driven approaches.

We are also committed to supporting businesses and social enterprises that are led by and/or employ Aboriginal and Torres Strait Islander peoples. As per our Reconciliation Action Plan, we proactively assess spending opportunities with First Nation businesses, which include suppliers of construction services, marketing and event management, office supplies, landscaping and medical supplies. In the last financial year, Australian Unity spent over \$1.8 million with First Nation businesses, creating approximately \$7.9 million of social benefit for Indigenous communities.



# \$453m

of community and social value  
created in FY2021

\$66.4m total investment into social  
infrastructure

27 specialist disability accommodation  
properties completed and operating at  
30 June 2021

\$28.3m primary capital invested into  
healthcare companies

## Strong communities

Australian Unity actively designs and supports the development of strong communities that provide individuals with a sense of purpose and security through meaningful engagement, access to services and social connectedness. We recognise that strong communities are needed to deliver services, foster social innovation to address evolving community needs and reduce social infrastructure gaps.

### Leading social innovation

With the gap between current social service availability and future demand widening across the country, particularly in relation to in-place health and aged care, Australian Unity seeks to drive positive change and opportunities in communities across Australia through innovative products, infrastructure developments and solutions.

### Increasing flow of capital into healthcare

Australian Unity has a rich history spanning more than two decades deploying capital to facilities and services that contribute to the provision and accessibility of key services that enrich communities and strengthen economies, both local and nationally.



As the first public health facility in Australia funded by private investors in a property trust, STARS shows that, deployed efficiently, private capital can deliver innovative nation-building community assets that serve the community good.”

—Esther Kerr-Smith, CEO Wealth & Capital Markets







### **STARS, Herston Quarter**

Our current flagship social infrastructure project is the \$1.1 billion Herston Quarter health precinct in Brisbane in partnership with the Queensland Government. The development reached a major milestone in 2021 with the practical completion and commercial acceptance of the Surgical, Treatment and Rehabilitation Service (STARS) hospital that will provide world class health services to over 100,000 patients each year. STARS will be part of the broader health precinct, comprising more than 30 health facilities, medical research institutes, universities and student accommodation.



### Future of Healthcare Fund

Building on our past and bringing together our unique capability, the Australian Unity Future of Healthcare Fund aims to deliver long-term capital growth by investing to support the future healthcare needs of Australians. Launched in November 2020, the fund invests in opportunities that aim to address key issues of an ageing population—rise of chronic disease, disability, mental health and wellbeing and shortage of social and medical infrastructure in Australia. The fund's first committed investment was in Lumos Diagnostics, a medtech company that has developed a test that can distinguish between bacterial and viral infections to help doctors reduce over-prescription of antibiotics and antimicrobial resistance—a top ten threat to global health.

### Supporting living in place

Many Australians, particularly those with disability, older Australians and those living in regional and remote areas, often have difficulty accessing available or appropriate care or housing. To address this challenge, we invest in place-based models of care, social and community infrastructure builds and affordable specialist housing. We have a strong focus on creating environments that are not just designed to support with care, but also positively contribute to the wellbeing of our clients and the community.



### Improved relationships, community belonging and independence

Through our co-located aged care and retirement living, high quality facilities and healthcare services, and the in-home delivery of health management services, our products and services in aged care, retirement living and home care services are all designed to give customers an increased sense of independence, and community belonging and stronger relationships.

### The Better Together® model

People generally move into residential care because they need more support with daily living. However, once in residential care, we expect to continue many of our habits and maintain control over what matters in everyday life, including connecting with family, friends and the community. 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.

Findings from the recent Royal Commission into Aged Care Quality and Safety supported our long-standing Better Together® approach by stating that good design in residential aged care, particularly for people living with dementia, usually involved smaller lower-density congregate living arrangements rather than larger, more institutional settings.





### Home care

In FY2021, Australian Unity delivered almost three million hours of care to about 38,000 customers in their homes, including 24,000 hours of care to more than 2,400 Aboriginal and Torres Strait Islander customers which included a range of allied health, meals provision, domestic assistance, transport, respite care and social support services. These services were particularly important to those customers living independently at home during the COVID-19 pandemic who relied heavily on our services and care in an environment of strict government restrictions.

### Specialist Disability Accommodation

With over 4.4 million Australians living with a disability (according to the Australian Institute of Health and Welfare in 2020), the need for supported services and accommodation has never been more evident. While the Government, through funding and public policy settings, are supporting the growth and sustainability of the specialist accommodation sector, there is relatively limited supply of suitable and contemporary property to meet this demand.

Australian Unity's Specialist Disability Accommodation fund, a natural progression from our growing social infrastructure portfolio, was launched in 2020 to develop specially designed accommodation that maximises accessibility, ease of living and independence for those living with disability. As at 30 June 2021, the Fund's portfolio had grown to 98 apartments, houses and villa units in ownership or under contract for development across Victoria and Queensland.



### Better Together® at Racecourse Grange

Racecourse Grange is one of our newest aged care residences designed with the Better Together® model.

Located in the coastal Mornington area of Victoria, visitors will notice the bright open spaces along with the quality, style and innovation of design. Each private room has been purpose built to enhance mobility, accommodate changing needs and nurture independence and privacy.

In accordance with our design principles, Racecourse Grange takes advantage of the surrounding environment, incorporating native greenery and local amenities—helping our residents and their families to feel at home and at ease.





# Addressing Australia's care workforce challenge

More than 5,000 people (or 70 percent of the entire Australian Unity workforce) provide residential and in-home aged care and disability services to some 38,000 customers. This means the ongoing sustainability of Australia's care workforce is a strategic challenge for our business and its ability to make a social impact for the benefit of the broader Australian society.

## What's the problem?

It's no surprise that Australia is experiencing a rapid growth of its ageing population. Projections from the Australian Bureau of Statistics show that, by 2060, more than 27 percent of Australians will be aged over 65 (up from 17 percent in 2017). While living longer—thanks to advancements in technology, health and medicine—is something to be celebrated, there is an increasing realisation that, based on current settings, the demand for Australia's health and aged care sector could outstrip supply over the next few decades.

Research commissioned by Australian Unity and conducted by PwC Australia into the looming social infrastructure (being the assets that accommodate social services) gap showed that if the nation's care workforce grew at the same rate as its ageing population, about 180,000 additional aged care workers would be needed by 2025– and 400,000 by 2040.

Adding to the sustainability challenge are current workforce issues exposed by the recent Royal Commission into Aged Care Quality and Safety.

In a final report released in March 2021, the commissioners found that standards of care were adversely affected by:

- high employee turnover, including significant movement between organisations
- undervalued jobs with low pay, resulting in difficulties attracting talent
- casualisation of workforce
- poor employee engagement and workforce planning
- ineffective job design
- career progression bottlenecks
- ineffective recruitment, induction, onboarding and ongoing support processes.



Retaining and supporting our workforce is a constant focus at Australian Unity. In the past year, we deployed significant resources to recruit a total of over 2,000 new employees; however, consistent with trends across the sector, we lost a similar number of employees during the same period.

### How do we fix it?

Given the extent of the challenge, Australian Unity supports the Royal Commission's finding that a collaborative approach between government, industry and consumers is required to bring effective reform to the sector and its workforce.

Australian Unity was a foundation member of the Aged Care Workforce Industry Council—established following the release of *A Matter of Care: Australia's Aged Care Workforce Strategy* by the Aged Care Workforce Taskforce. The strategy articulates 14 actions for industry to: change attitudes to caring; attract and retain a skilled aged care workforce; and ensure the workforce can meet aged care needs now and into the future.

Kevin McCoy, CEO of Independent & Assisted Living, has represented Australian Unity at the Council since 2018 and holds the position of Deputy Chair.

**“We all have a part to play in seeking improvements across the sector for our older Australians and the people who care for them. How we care says who we are.”**

—Kevin McCoy, CEO Independent & Assisted Living

### Supporting a female-dominated industry

At Australian Unity, female employees comprise 88 percent of our care workforce. This correlates with data from the Workplace Gender Equality Agency that notes 79 percent of those in the healthcare and social assistance sector in Australia are female. As such, we note that the solutions to Australia's care workforce challenge must support women and address the issues that affect them.

We have long sought to address and mitigate the problems highlighted by the Royal Commission through activities including:

- **prioritising a permanent workforce**—we understand permanency has flow-on impacts for our employees (for example, obtaining a rental or home loan); more than 80 percent of our employees are permanently employed
- **flexible rostering and working arrangements**—to support personal care responsibilities
- **higher supervisor and mentor quotas above industry practice**—to provide direct support and leadership to employees
- **extensive recruitment and ongoing support**—leveraging our Group-wide capability,
- **reframing careers in the sector**—with aligned qualifications frameworks and career pathways
- **creating a self-sustaining human services workforce**—with clear and evident talent progression and mobility
- **creating a culture of safety and quality care**—for the benefit of our employees and customers
- **advocacy on key issues**—including unique workforce considerations in remote and very remote communities and improved wage rates across the sector in line with work value.

Having women in leadership roles is also integral to understanding and meeting the needs of our predominantly female workforce. To this end, more than 50 percent of our care leadership team is female, and more broadly across the Australian Unity Group, women represent 50 percent of the Group Leadership Team.



## Stories from our front-line

### Danielle Ainsworth

General Manager, Home Care Services Southern Region

Danielle joined the company in 2014 as a community liaison manager directly supporting customers, families and employees. Her passion for the sector and strong leadership saw her take up various management positions across the home care business and at age 30 was promoted to General Manager for operations across Victoria in 2018. “Being a largely female-dominated sector, representation of women in leadership roles is so important,” says Danielle. “The senior leadership at Australian Unity are very committed to this and have supported me at every step throughout my career—providing me with the opportunity to thrive. I am grateful to the many strong, empathetic and passionate female leaders within the IAL business that have supported me to find my own leadership style”. Danielle is passionate about inspiring and encouraging new talent and holds several mentoring and advisory positions aimed at showcasing the care sector as a satisfying and rewarding career pathway.

### Kim McGrath

Care Worker Coach

Kim joined Australian Unity in 2015 as part of the first intake at Peninsula Grange, providing dedicated care to residents with memory support needs. This is where she developed her passion for the care sector and for enriching the lives of residents and their families. Kim later switched to Australian Unity’s home care business where her dedication and extensive experience supporting those with high needs has seen her progress to more senior positions over time. Kim’s current role as Care Worker Coach sees her shape our next generation of care workers through in-depth and on-the-job support and guidance. “Sometimes it’s those small touches you can only learn on the job that makes a difference to someone’s life,” says Kim. “For example, helping a customer with something as simple as a new toilet seat or visits by a local travelling library has such a profound impact on their lives—it’s so rewarding seeing them flourish from something you helped with.”

### Deb Barke

Infection Prevention and Control Officer

A nurse with a career spanning 18 years, Deb is the Infection Prevention and Control Officer at Racecourse Grange, holding important responsibility for key COVID-19 activities and requirements at the site. Deb’s passion for aged care and caring for our older generation was ignited while working in a high-care facility as part of her nursing studies and credits her long career in aged care to its unique nature—of care needs, problem solving challenges and, of course, people. “It’s really more than just a job—it’s a privilege to be a part of our residents’ lives, in their homes providing them with care.” Deb says. “We form bonds with each and every one of our residents, and they’re just so appreciative of us. This is why I love what I do.” Deb is a strong advocate for changing the often outdated perceptions of the aged care sector and hopes to inspire fellow nurses looking for a challenging and evolving but rewarding and supportive career path.





# Celebrating and enabling our Indigenous community

We recognise that Aboriginal and Torres Strait Islander peoples are the First Peoples of Australia and the original inhabitants of this country, and celebrate their rich culture and customs—which extends to both our customers and workforce.

## Our commitment to Reconciliation

First launched in 2016, the Australian Unity Reconciliation Action Plan (RAP) affirms our commitment to building strong and respectful relationships with Aboriginal and Torres Strait Islander peoples, communities and businesses. Our RAP outlines key actions across our business that provide practical support in progressing reconciliation in Australian Unity and the broader community—underpinned by our guiding principles of Relationships, Respect and Opportunities.



Australian Unity is proud of its pivotal role in the Australian Federation movement and the development of Australian nationhood as we know it today. However, we acknowledge that over our 180 year journey we've borne witness to the negative effects of European colonisation—and it wasn't until the 1950s that our antecedent organisation (the Australian Natives' Association) started working to improve the conditions and welfare of Aboriginal and Torres Strait Islander peoples.

With growing awareness and understanding of the causes and effects of discrimination and inequality, in recent years Australian Unity has sought to develop meaningful and impactful relationships with Indigenous Australians, their communities, and their businesses. Australian Unity is also an active leader in the important process of reconciliation. This includes advocating for a considered discussion on changing the date of Australia Day and public support for the Uluru Statement, including its call for truth telling about Australia's history of dispossession.



There has to be a lot of respect for our customers and their culture, and mindfulness of what they have gone through.”

—Louise Heydon, proud Aboriginal woman from Dughutti Country, NSW, and Quality Assessor for Independent & Assisted Living

## Healing Minds

Australian Unity's Healing Minds program was launched in 2020 as Australia's first phone-based coaching service for mental and emotional wellbeing designed for—and delivered by—Indigenous people. Developed in conjunction with Flinders University, Healing Minds is designed to provide a culturally tailored, strengths-based program to support self-determination and enhance quality of living. According to the project team at Flinders University, almost two-thirds (65%) of Aboriginal and Torres Strait Islander peoples have a long-term health condition, including 29% who reported a diagnosed mental health condition. Mental illness (including substance use disorders) is the main contributor to lower life expectancy and higher mortality in Aboriginal and Torres Strait Islander peoples.

## Aboriginal Home Care

We understand the importance of community, culture and Country to Aboriginal and Torres Strait Islander peoples in understanding and providing the type of care and support needed by our clients. Through Australian Unity's Aboriginal Home Care, 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.



**When we talk about our culture, we talk about 'our way'. It's about our mob, our health, our way."**

**—Ken Markwell, Mununjhali man and Executive General Manager of Indigenous Services at Australian Unity**

## Gambirra Illume Healing Minds Coach

A Yolngu woman from the Gumatj Clan of North-East Arnhem, Gambirra is one of Australian Unity's Indigenous Mental Health coaches for Healing Minds—a confidential telephone-based program co-designed with Flinders University for Indigenous people by Indigenous people to provide culturally safe and trauma informed care. Gambirra is passionate and proud of her role supporting clients to develop skills and techniques through using strength-based approaches to build optimism and resilience in aspects of daily life.

A natural storyteller, Gambirra has spent over 20 years as a professional artist, producer, facilitator and cultural educator. She has travelled extensively across Australia sharing the message of unity and healing through arts and culture. "As Indigenous mental health coaches, we draw from our own life experiences to support our clients—it's about acknowledging our mob, our resilience and adaptability. Understanding what makes up their social and emotional wellbeing. It's a collaborative process," Gambirra says. "I'm honoured to have such an important role providing wellbeing support across two knowledge systems, and also proud of my organisation for acknowledging the need for such an approach when it comes to supporting Aboriginal and Torres Strait Islander peoples."



## Indigenous procurement

Directly supporting businesses that employ or are run by Aboriginal and Torres Strait Islander peoples is part of Australian Unity's commitment to Reconciliation. In the last 12 months, we spent \$1.8 million on the procurement of goods and services, such as office supplies, from Indigenous suppliers.

Position Promo—an Aboriginal-owned business—were recently instrumental in supporting us during the initial stages of the COVID-19 pandemic when there was a global shortage of vital personal protective equipment (PPE). We proudly support Position Promo's objective to provide employment opportunities and to engage with other Aboriginal-owned businesses and those committed to the long-term employment of Aboriginal people to support economic participation and inclusion.

### Key facts:

**\$250,000+**

spent to date

**200,000+**

face masks

**10,000+**

sanitisers

**30,000+**

nitrile gloves



## Annual Gatherings

The importance of community connectedness, one of the Australian Unity Wellbeing Index domains of wellbeing, is highly valued by our Indigenous clients, employees and business. Though currently on hold due to the COVID-19 pandemic, Australian Unity's Aboriginal Home Care Annual Gatherings are a regular opportunity to come together and connect over culture, and language and to share family histories. The most recent Annual Gathering at the start of 2020 saw more than 300 Elders from NSW meet over several days in Wollongong—the traditional lands of the Wonnarua people.

## COVID-19

In a culture that places significant value on the sense of community and social-connectedness, the health risks and restrictions in place due to the COVID-19 pandemic were particularly challenging for our Aboriginal Home Care clients and employees. Leveraging broader Australian Unity specialist clinical support and supplies and combined with our strong ability to communicate and understand the specific needs of our clients, we were able to develop a dedicated response to supporting our clients, particularly in circumstances where our home care services were the only available and permitted source of assistance and essential needs.

Our role in supporting our Aboriginal and Torres Strait Islander clients and community during the continuing COVID-19 situation has also grown to engaging with Elders, community members and other local service providers to coordinate necessary care, as well as direct support with testing and vaccination efforts.



Creating opportunities for Elders to connect supports their social and emotional wellbeing and helps to address social isolation—our customers also tell us that they enjoy and want to do more social and cultural activities.”

—Kevin McCoy, CEO Independent & Assisted Living



### IBA home loans

We are proud to recently partner with Indigenous Business Australia (IBA) to support Indigenous Australians with their financial wellbeing and economic independence. This partnership, to make banking products and home ownership more accessible to Indigenous Australians, aligns two of our key visions—to support Real Wellbeing, which includes our standard of living and financial wellbeing, and our commitment to Reconciliation.



**We know that Aboriginal and Torres Strait Islander peoples remain over-represented among financially vulnerable Australians, and that home ownership can lead to significantly improved socio-economic outcomes.”**

**—Christine Yates, CEO Retail**

Since the start of the partnership, Australian Unity has supported eight Indigenous families to transition to main banking from IBA, refinancing a total of \$3.42 million.

Australian Unity's partnership with IBA is the result of two years' work by our Australian Unity Bank and Indigenous Services teams and is an example of how we are making a strong contribution to the Indigenous community as part of our Reconciliation Action Plan and Financial Inclusion Action Plan.

### Supporting our Aboriginal and Torres Strait Islander communities

Australian Unity currently manages four Community Trusts—including three for Indigenous communities—to manage funds in partnership with communities that have been granted compensation payments or have entered into Indigenous Land Use Agreements. We work closely with Community Advisory Groups and members of these communities to ensure funds are invested and distributed as per community wishes. In the case of Indigenous Trusts, Australian Unity has a duty of care to support capacity building and engagement in these communities in accordance with standards set by the Financial Services Council—through relationship building, transparent communication and being welcomed to Country.

Australian Unity is proud to support TomorrowMoney, an initiative by the First Nations Foundation, empowering young Indigenous Australians to take control of their own financial future. With financial content written by Aboriginal people and industry professionals, the resource provides a trusted source of information for many young Indigenous people who often won't have a go-to person who can give strong guidance on financial matters.



### First Nations Wills Clinic

This year, we've proudly partnered with YFS Legal to establish The First Nations Community Legal Centre Wills Clinic to support communities in Queensland with culturally specific estate planning issues and information.







# Our response to COVID-19

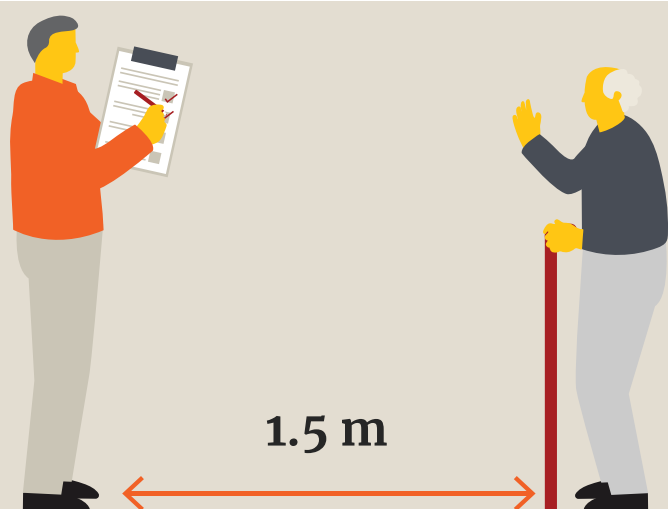
Throughout our history, we've supported Australians through times of war, financial upheaval and natural disasters. Our response to the ongoing COVID-19 situation demonstrates the enduring empathy, compassion and resilience of our employees and business as we continue to support our customers, members, employees and the community during these times.

## Protecting our people and customers

With the significant health risks associated with COVID-19, our focus from the outset of the pandemic was the health and wellbeing of the 38,000+ customers and 5,000+ employees who care for them across our home and disability care services, retirement and aged care residential communities and Aboriginal home care businesses.

With guidance from the Australian Government, state governments and Australian Unity's own Chief Medical Adviser, we ensured our processes, procedures and people were well supported and informed, and at publication we had no COVID-related deaths in our care. Some of the infection prevention and control measures we introduced included:

- asking screening questions before provision of services or entry onto sites
- providing additional training about personal protective equipment, infection control and hand hygiene for all customer-facing team members
- maintaining Australian Unity staff at single sites to minimise working across multiple locations
- adhering to government advice on issues such as when personal protective equipment should be worn, and rapidly updating our practices if advice changed
- establishing a special leave category to support team members to stay at home if they were unwell, had flu-like symptoms, were in close contact with a confirmed COVID-19 case or being tested for COVID-19



Since the beginning of the pandemic in March 2020, the Group has spent at least \$4.78 million on personal protective equipment for our front-line staff to prevent and control the spread of COVID-19, including:

**\$2 million**

on gloves

**\$1.7 million**

on masks (or four million units)

**\$340,000**

on sanitiser

**\$700,000+**

on aprons, gowns, wipes, shoe covers, face shields and safety glasses





## Tailoring our care

For many of our customers, the health risks and government-imposed restrictions associated with COVID-19 meant that Australian Unity was often the only means to access essential care and daily living support. This greater reliance and additional precautions saw us quickly prioritise and adjust our ways of working to facilitate the necessary changes to the care and support delivered by our residential and in-home aged care and disability workers.

- **Staying in touch:** Checked-in care, FaceTime video calls and telephone calls for aged care residents to family and friends who were unable to visit
- **Social connection:** Our Better Together® Buddies Program matching Australian Unity employees outside the care business to chat and share stories and interests with aged care residents in lockdown
- **Providing extra care:** Additional wellbeing checks (both in-home and over the phone) for retirement and home care customers, including a new meal delivery service for our home care customers
- **Keeping informed:** Regular and clear channels of communication with aged care and retirement residents and families, particularly during the initial and rapidly evolving situations across other aged care facilities
- **Helping out:** As our dental clinics were unable to operate, many of our dental staff embraced opportunities to work in other parts of the business, including our aged care communities
- **Supporting testing and vaccination efforts:** Facilitating testing and vaccination efforts for residents and employees in aged care, and helping home care customers to get tested and vaccinated.

Government restrictions, such as social distancing, made getting to the supermarket and grocery stores challenging for many of our in-home, disability and Aboriginal Home Care customers. To help our customers access fresh food and meals, we partnered with meal providers and local stores to create a new service providing chef designed, fresh and nutritional ready to eat meals and grocery boxes as part of their care services.





We're always committed to the holistic wellbeing of our residents—this is at the core of our Better Together® model. And when the pandemic meant families and friends were unable to visit our residents, our lifestyle and community teams got busy creating activities and events for residents that could be conducted in their rooms or with physical distancing. Our activities included cultural themed lunches, disco dance sessions, trivia, games and special afternoon teas, and special events such as Mothers' Day, Christmas in July, Easter, NAIDOC Week and ANZAC Day. Some residents were also given pot plants to care for to help them feel connected to nature.



**We have such amazing people at each of our aged care homes who engage with and support our residents in meaningful and delightful ways each day—and despite it being such a difficult time, our dedicated staff work hard to minimise the impact of COVID-19 on our residents."**

**—Beverly Smith, Executive General Manager, Residential Communities**

### Providing financial assistance

Australian Unity also introduced a number of financial support measures across other areas of the business for customers and members adversely impacted by COVID-19.

#### Private health insurance:

- six-month deferral of the 2020 premium increase,
- extending policy suspensions,
- premium relief for those on government JobKeeper and JobSeeker payments,
- covering COVID-19 admissions regardless of product type,
- recognition of telehealth consultations as a feature of extras claiming (now a permanent feature), and
- additional premium relief across all policy holders in the current financial year.

#### Banking:

- temporarily pause repayments on loans, including credit cards,
- temporarily offer interest-only payments on lending, and
- early access to term deposits without incurring any fees.

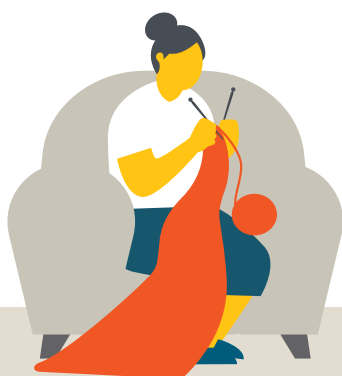




“

I am immensely proud to work alongside our aged care workforce and I am committed to helping ensure the Australian community views and respects the work of this great sector in the same way I do.”

—Kevin McCoy, CEO Independent & Assisted Living



“

We’ve seen an extraordinary effort by our people facing the challenges of the COVID-19 pandemic. Their work is vital and is valued, especially in these challenging times.”

—Rohan Mead, Group Managing Director & CEO





# Environment





# Environment

As a member-owned wellbeing company, we have traditionally focused on the Governance and Social aspects of our business. However, we acknowledge the increasing threat of climate change and other environmental factors to the wellbeing of our communities requires us to better understand our own impact—and the action we should take to reduce it.

While we have started our journey to incorporating climate change and sustainability commitments business priorities, we recognise we have much work to do if we are to meet the growing expectations of our customers, members, investors, regulators and broader community.

## Our commitment

Consistent with the Paris Agreement on climate change, Australian Unity supports the goal of net zero emissions by 2050 and is actively identifying opportunities and strategies for the Group to reach this target sooner.

We believe we can positively impact the Real Wellbeing of Australians in a meaningful way by both reducing our environmental impact as an organisation, and helping communities prepare for and build resilience to the impacts of climate change. Furthermore, we seek to minimise the significant impact climate change could have on the financial and operational sustainability of our organisation.

We seek to better understand both the risks and opportunities posed by global warming and to reduce our environmental impact across our diverse business activities. Importantly, we also seek to establish regular and transparent reporting of our progress—particularly in relation to our responses to risk and opportunities in this fast-paced and ever evolving policy area.

As with our social impact, Australian Unity supports the UN Sustainable Development Goals—as they relate to sustainable cities and communities and climate action.



## Our Climate Change actions

Across our Group, we have progressed a program of work to advance our response and actions in relation to our environmental impact.

### Risk management

Our Risk and Compliance Committee has responsibility for oversight of the risk framework across the Group, which includes the above risks in relation to the impacts of climate change on our portfolio and investment opportunities. The Committee also reviews annually the Group's position on environment and sustainability to ensure currency and performance of our goals and actions.



As the foundation for Australian Unity's environmental and sustainability program of work, we engaged PwC to undertake a preliminary assessment of exposure to climate risks across the business. This assessment noted that Australian Unity did not appear to bear a material climate risk across the business. We have now also incorporated climate risk assessments into our ongoing consideration of risk across our operations.

Some of the specific aspects we considered in the preliminary and ongoing assessment of climate risk include:

- Physical risks to our properties (e.g. damage from fire and floods)
- Increased costs to insure or the inability to insure our assets
- Safety of staff and residents which may be compromised due to acute weather events
- Reduced demand for property as an investment class due to increased physical risks
- Increased consumption and cost of materials (e.g. building materials) and utilities (e.g. heating, cooling and electricity)
- Increased health insurance claims and benefits outlays due to chronic and acute weather events
- Inadequate business continuity and crisis planning to respond to acute weather events
- Our ability to attract investment or customers if our climate programs are inadequate

Arising from these assessments, we have identified potential climate risk impacts in our Property and Residential Communities businesses by way of impact to asset valuations, physical risks to our properties and increasing costs to insure and to build real assets in a sustainable and climate resilient way. We continue to manage these risks as part of our Risk Management Framework.

#### Reporting and disclosure

Our foundation work with PwC also included a roadmap for advancing the quality and maturity of our environmental reporting and disclosures in line with international and industry best practice. In particular, we are working to align our approach to internationally recognised climate-related disclosure principles for the financial sector as developed by the Financial Stability Board's Task Force on Climate-related Financial Disclosure (TCFD)—as well as APRA's soon to be released Prudential Practice Guide on the management of climate-related risks.

Importantly, our reporting and disclosures must be shaped by, and meet the expectations of, our customers, members, investors and regulators in relation to our environmental and sustainability impact and actions.





### A collaborative approach to driving action

As a company with a diverse but thematically-linked portfolio, we recognise the effectiveness of a coordinated approach to fostering, communicating, capturing and reporting progress and innovation relating to sustainability and climate change. To do this, we will engage with industry leaders and experts, and internally, our ESG Working Group of senior managers from across our businesses, as well as Group strategy, communications, human resources and legal teams to share insights, discuss issues and provide input into our impact reporting.

### Our impact

#### Fossil fuels

The Australian Unity Group currently has a direct exposure to fossil fuels of about 0.1 percent of its ~\$1.1 billion investment portfolio. These investments are managed through the Group's investment business. The bulk of this exposure represents shares in BHP, which generates approximately 20 percent of revenues from coal and petroleum.

#### Biodiversity

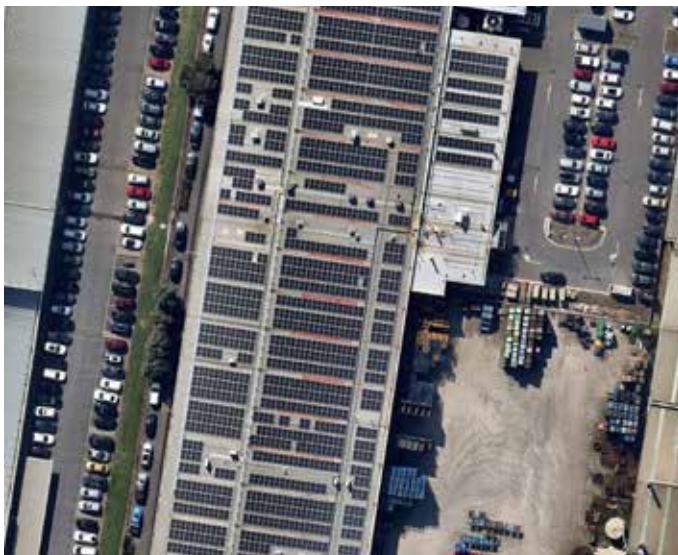
Australian Unity recognises the importance of biodiversity protection and will continue to seek ways to reduce our impact on the environment and ecosystems, now and into the future.



#### Property

Throughout our portfolio of owned and managed property investments, we consider environmental factors when making property investments on behalf of our investors. Many of our properties have NABERS energy and efficient water ratings, while several have active environmental designs and programs to improve their environmental impact, such as solar panel installation and use and lighting replacements to energy saving bulbs.





### Braeside solar installation

In mid 2021, Australian Unity's Property Income Fund completed a landmark project installing a 1315kWh solar system across the top of its 227 Governor Road, Braeside property in Victoria. Built across a roof area of 10,500sqm, the installation was a national record for the number of panels positioned at a property on a single day. In addition to driving significant asset value growth, the project delivers substantial environmental benefits and cost efficiencies for tenants. The Fund looks to extend the success of the project and to date have rolled out similar solar installations at five further locations.

### Investment management

With our range of investment and wealth products tailored for all types of investors, including families preparing for their child's education, home buyers and individuals planning for retirement, we understand the growing demand from these groups for investments that not only deliver strong returns but also have positive impacts on the wider community.

One of our joint venture partners, **Platypus Asset Management**, takes a proactive stance in advocating for environmental and social outcomes for investors through positive engagement with Australian companies and in the application of their proprietary ESG assessment methodology.



As a wellbeing organisation, governed by its members, Australian Unity has an important role to play in developing and expanding the range of responsible investments available to Australian investors.”

—Joe Fernandes, Chief Investment Officer

### Green Bond Fund

In 2020, we launched Australia's first dedicated Green Bond Fund backed by cornerstone investment from the Clean Energy Finance Corporation.

The Green Bond Fund invests in a range of green, sustainable and social bonds from providers that conduct their business and apply capital responsibly, giving consideration to a range of ESG issues with the primary purpose of helping to lower carbon emissions.





Our joint venture partner, **Acorn Capital**, through its deployment of capital, seeks not only to support emerging companies but also help encourage innovation, create jobs, foster growth and encourage real change across both the economy and people's lives. **Altius Asset Management**, our cash and fixed interest business, recently updated its Sustainability Policy to expand its negative screening for fossil fuels from solely thermal coal to also exclude fossil fuel businesses that are involved in the production, distribution, exploration and other services. The Australian Unity Group's \$60 million fixed interest exposure and a significant proportion of the Group's \$800 million cash exposure is held in the Altius suite of sustainable funds.

### Residential communities

Our commitment to personal and community wellbeing extends to our determination to create sustainable communities that are healthy and social places; affordable for our residents; economically viable to manage; and that minimise our impact on the natural environment. The Residential Communities Environmental Sustainability Policy details our current strategic framework on our retirement and aged care developments and refurbishments, including our approach to energy, water, materials, indoor environmental quality, waste and transport.

Some of our environmental initiatives across various sites include:

<b>Water and greenery</b>	80-90 percent of plants in green acre sites are Indigenous, with water catchment and irrigation systems
<b>Energy</b>	Use of LED lighting; solar energy to properties and apartment towers; and low energy heating, ventilation and air conditioning systems
<b>Indoor air quality</b>	Passive heating and ventilation measures incorporated into all designs where possible
<b>Waste</b>	Recycle bins and/or chutes provided to all units, and community gardens for fruit and vegetable production
<b>Transport</b>	Provision of bicycle and end of trip facilities at various facilities and apartment buildings, and sourcing of materials and componentry locally wherever possible to minimise footprint



Over the next few months, Residential Communities will work with Edge, a leading sustainability consultancy, to:

- develop a stronger understanding of our carbon and operational footprint
- further develop our environmental sustainability strategic framework
- identify key pillars, focus areas and targets, and
- evolve our strategy for collection and management of data to monitor and improve our environmental performance.

We look forward to showcasing our environmental sustainability strategic framework in our next impact report.

### Corporate office

Australian Unity's corporate offices use a number of leased buildings nationwide that all have implemented various environmental initiatives, such as five-star energy ratings, water recycling and minimisation systems, end-of-trip facilities to promote low carbon emitting modes of transport, and the ongoing upgrade of various building systems to reduce energy consumption. Our modern head office in Spring Street, Melbourne, has been built to a Green Star and NABERS rating of five stars, despite significant heritage constraints.

### Our goals

Over the next year, we will progress further initiatives that enhance our positive environmental impact and reporting activities. Importantly, we'll seek to expand insights gained from the environmental sustainability strategic framework under development in our Residential Communities business more broadly across our Group.

Other scheduled Group-wide activities include:

- completing the Australian Institute of Company Directors' Climate Risk Board Readiness Check
- investing in appropriate resources to drive our environmental sustainability progress throughout the organisation
- conducting ongoing and evolving climate risk assessments
- developing a longer term (3-5 year) roadmap for improving our environmental disclosure and impact, including a strategy for capturing and auditing environmental data.



# Assurance report



## ***Independent Limited Assurance Report to the Directors of Australian Unity Limited***

### ***What we found***

Based on the work described below, nothing has come to our attention that causes us to believe that the selected subject matter within the Australian Unity Our Impact 2021 Report has not been prepared, in all material respects, in accordance with the Reporting Criteria. This conclusion is to be read in the context of what we say in the remainder of our report.

### ***What we did***

Australian Unity Limited (the **Company**) and its controlled entities (together the **Group**) engaged us to perform a limited assurance engagement on the selected subject matter within the Australian Unity Our Impact 2021 Report.

### ***Selected subject matter***

The scope of our work was limited to assurance over the selected subject matter within the Australian Unity Our Impact 2021 Report set out within the table below. Our assurance does not extend to information in respect of earlier periods or to any other information included in the Australian Unity Our Impact 2021 Report.

<b><i>Social impact area</i></b>	<b><i>Social impact value created by Australian Unity during the year ended 30 June 2021</i></b>
Lifelong wellness	\$599m
Economic empowerment	\$203m
Strong communities	\$453m

### ***Reporting Criteria***

The selected subject matter needs to be read and understood together with the Reporting Criteria, being the boundaries, definitions and methodologies disclosed within the Australian Unity Our Impact 2021 Report, including the Basis for calculation and reporting criteria, on pages 61 to 65, which the Group is solely responsible for selecting and applying. 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, measurement techniques and can affect comparability between entities and over time.

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### ***Our Independence and Quality Control***

We have complied with relevant ethical requirements related to assurance engagements, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

The firm applies Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements* and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### ***Responsibilities***

#### ***PricewaterhouseCoopers***

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the selected subject matter is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of Australian Unity Limited.

#### ***Australian Unity Limited***

The Group's management is responsible for:

- preparing the selected subject matter as well as the Australian Unity Our Impact 2021 Report in its entirety;
- the prevention and detection of fraud and error in relation to the selected subject matter;
- the design and operation of controls to ensure the completeness and accuracy of information within the Australian Unity Our Impact 2021 Report, including but not limited to the selected subject matter; and
- Determining suitable Reporting Criteria for reporting the selected subject matter within the Australian Unity Our Impact 2021 Report and publishing those Reporting Criteria such that they are available to expected users of the report.

### ***What our work involved***

We conducted our work in accordance with the Australian Standard on Assurance Engagements (ASAE) 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information (Revised)*. This Standard requires that we comply with independence and ethical requirements and plan the engagement so that it will be performed effectively.

### ***Main procedures performed***

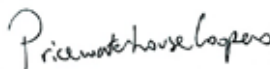
The main procedures we performed were:

- Enquiring of relevant management of the Group regarding the processes and controls for capturing, collating, calculating and reporting the selected subject matter, and evaluating the design effectiveness of selected controls;
- Testing the arithmetic accuracy of a sample of calculations with respect to the selected subject matter;
- Assessing the appropriateness of the estimates, assumptions and methodologies applied in calculating the selected subject matter and testing these assumptions against publicly available research and analysis on a sample basis;
- Agreeing the selected subject matter to underlying data sources and calculations; and
- Undertaking analytical procedures over the performance data utilised within the calculations and preparation of the selected subject matter.

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



John O'Donoghue  
Partner  
9 November 2021



PricewaterhouseCoopers  
Melbourne

### ***Inherent limitations***

Inherent limitations exist in all assurance engagements due to the selective testing of the information being examined. Therefore fraud, error or non-compliance may occur and not be detected. 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 sampling or estimating such data.

### ***Restriction on use***

This report, including our conclusions, has been prepared solely for the Board of Directors of the Group in accordance with the agreement between us, to assist the Directors in reporting on the Group's activities and related social impacts. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors and the Group for our work or this report except where terms are expressly agreed between us in writing.

We permit this report to be disclosed in the Australian Unity Our Impact 2021 Report to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the selected subject matter.

### ***Limited assurance***

This engagement is aimed at obtaining limited assurance for our conclusion. As a limited assurance engagement is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than that undertaken for a reasonable assurance engagement, the level of assurance is lower than would be obtained in a reasonable assurance engagement.

Professional standards require us to use negative wording in the conclusion of a limited assurance report.

# 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 not prescribing 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

To help us navigate social value, Australian Unity partnered with Social Ventures Australia (SVA)—a leading specialist consulting practice that assists organisations across Australia to achieve greater social impact—to develop metrics 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

As our first impact report, we've focused on initially capturing the areas of our business where we believe we have the greatest impact and where data was readily available. To understand our impact—impact directly or indirectly resulting from our products and services—we engaged with business areas and key stakeholders to understand and identify the activities that are they believed were delivering the greatest Community & Social Value (C&SV). 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 considered in the development of our methodology and informed the activities we measured and the discount factors we applied (refer below).

The development of our first report has kickstarted great momentum across our organisation to highlight further opportunities for inclusion in future reporting and to enhance our data capture capabilities. We will continue to build on our C&SV framework and methodology for more activities on a continuous basis and seek to increase the level of data available and activities showcased each year.

## Methodology

### Principles

Our C&SV 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**  
Use financial proxies in a manner that the value of the outcome can be 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 external entities.
- 5. Do not overclaim**  
Not taking 100% credit for value created where other parties have contributed to its creation, through the use of discount factors.
- 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://impactmanagementproject.com/impact-management/impact-management-norms/>

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

## | Basis for calculation and reporting criteria

### 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.

The below table defines how the social impact of Australian Unity's products and services has been determined for each of the indicators referenced in this report.

Indicator	Definition
Better access to healthcare	<p><b>Social impact value created through better access to healthcare consists of 2 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.  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 provided by Australian Unity outside of the public health system.</li></ol> The cost of provision of a hospital bed day is estimated taking into consideration, where applicable, the type of hospital bed capacity created based on the acuity of the care to be provided.  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 is utilised for the estimation of the social impact value created.</li><li>2. <i>Individual social impact value:</i> Calculated as the estimated number of additional patients able to receive treatment as a result of the ownership of private hospitals within the investment portfolio of the Healthcare Property Trust multiplied by the estimated social impact value of that treatment.  The estimated social impact value of a patient being able to receive treatment is determined with reference to publicly available research and analysis.</li></ol>



Indicator	Definition
Improved health outcomes	<p><b>Social impact value created through improved health outcomes consists of 2 components:</b></p> <ol style="list-style-type: none"> <li>1. <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.  The number of customers that have received Australian Unity care products and services includes: <ol style="list-style-type: none"> <li>a) those who have received healthcare products and services provided by Australian Unity</li> <li>b) those who have lived in specialist disability accommodation owned by Australian Unity's Specialist Disability Accommodation Fund.</li> </ol> The proportion 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 is estimated based on survey results for a sample of Aboriginal Home Care customers in 2020.  The estimated 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.</li> <li>2. <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 who have experienced improved health and lifestyle outcomes multiplied by the estimated social impact value of their improved health and lifestyle outcomes.  The number of customers who have received Australian Unity care products and services through aged care, retirement living and home care includes those customers who have: <ol 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 and emotional health</li> <li>c) received small-household models of care through Australian Unity's aged care and retirement living services.</li> </ol> The proportion of customers that have received Australian Unity care products and services through aged care, retirement living and home care who have experienced improved health and lifestyle outcomes is estimated based on survey results for a sample of Aboriginal Home Care customers in 2020.  The social impact value of customers' improved lifestyle outcomes is determined with reference to the estimated social impact values of avoided disabilities suffered, seeing friends and family more often and the avoided cost of recurring mental health care consultations. Publicly available research and analysis relating to each of these items is utilised for the estimation of the social impact value created.</li> </ol>
Building financial resilience	<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, trustee or life &amp; super products and services multiplied by the estimated social impact value of the advice given.  The estimated annual social impact value of the advice given is estimated with reference to publicly available research and analysis and includes: <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 and life &amp; super products</li> <li>b) the estimated social impact value of the financial wellbeing and peace of mind enjoyed by customers receiving Australian Unity's financial advice and trustee services</li> <li>c) the estimated saving to the government for customers who would otherwise rely on government allowances at retirement had they not used Australian Unity's products and services.</li> </ol> </li> <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 impact is determined with reference to publicly available research and analysis.</li> <li>3. <i>Individual social impact value:</i> Calculated as the net cash flow into Australian Unity's managed investment schemes specialising in green bond, healthcare and venture capital investments, assuming an estimated individual social benefit equivalent to 50% of the net investment flows during the period.</li> </ol>

Indicator	Definition
Social and economic opportunities through employment	<p><b>Social impact created through social and economic opportunities through employment consists of 2 components:</b></p> <ol 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, retirement living and home care services businesses who have been provided permanent employment 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>Community social impact value:</i> Calculated as the estimated proportion of new employees within the Aboriginal Home Care business 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> </ol>
Leading social innovation	<p><b>Social impact value created through leading social innovation consists of 3 components:</b></p> <ol 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, hospitals, aged care and specialist disability developments, assuming a dollar for dollar social innovation benefit from the investment.</li> <li>2. <i>Community social impact value:</i> For investment directly into healthcare projects included in 1. above, the estimated social impact value of the consequential employment benefits arising from the investment. The estimated social impact value of these benefits is taken from publicly available research and analysis.</li> <li>3. <i>Community social impact value:</i> Calculated as the net value of funds invested in green bond, healthcare and venture capital (within the Future of Healthcare Fund) investments through Australian Unity's investment products throughout the year, assuming a dollar for dollar social impact benefit for the investments made.</li> </ol>
Supporting living in place	<p><b>Social impact value created through supporting living in place 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 aged care, retirement living and home care services that are assumed to have experienced improved relationships, community belonging or an increased sense of independence multiplied by the estimated social impact value to the customer of those benefits.  The proportion of customers that have received Australian Unity's aged care, retirement living and home care services assumed to have experienced improved relationships, community belonging or an increased sense of independence is estimated based on survey results for a sample of Aboriginal Home Care customers in 2020.  The estimated social impact value of those benefits is determined with reference to publicly available research and analysis, including for some factors the avoided cost to achieve the same outcome.</li> <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 avoided cost of otherwise lost earnings by a customer reconnecting with their culture determined with reference to publicly available research and analysis.  The proportion of Aboriginal Home Care customers experiencing a strong sense of cultural connectedness is estimated based on survey results for a sample of Aboriginal Home Care customers in 2020.</li> <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 aged care facilities: <ol style="list-style-type: none"> <li>a) Retirement living services</li> <li>b) Home Care services</li> <li>c) Aboriginal Home Care services</li> </ol> <p>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>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 survey results for a sample of Aboriginal Home Care customers in 2020.</p> </li> </ol>

### Discount factors

We acknowledge 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 accuracy and rigour involved with calculating impact, our framework applies specific discount factors to calculate our ‘unique’ value and ensures that we do not overclaim our impact value.

These discount factors take into consideration whether outcomes would have happened even if our intervention/interactions had not taken place, and how much of the outcome was caused by the contribution of other organisations or people.

For example, when determining the discount factor applied for social impact value created through Australian Unity’s residential aged care services, the following factors were considered:

- The majority of our residential aged care services are provided through Australian Unity’s Better Together® model which assumes outcomes in this space are mostly unique to Australian Unity—in this case, a 19% discount factor was applied.
- Family, friends and other supports also contribute to the social impact value for our retirement living customers—in this case, a 44% discount factor applied.

The weighted average discount factors applied in estimating the social impact value created during the reporting period 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
Weighted average discount factor	62%	45%	40%	49%	37%	47%





# For Real Wellbeing Since 1840

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