



MODERN SLAVERY STATEMENT

2021

PERSONALISED AND
RESPECTFUL CARE
THAT EMBRACES THE
EXPERIENCE OF AGEING

Modern Slavery Statement

Regis Healthcare Limited (ACN 125 203 054)

Year: 1 July 2020 - 30 June 2021

This Modern Slavery Statement is prepared and issued by Regis Healthcare Limited, ACN 125 203 054 (**Regis**) and is made pursuant to the Modern Slavery Act 2018 (*Cth*) in respect of Regis and its related bodies corporate (**Regis Group**).

Message from the Managing Director and CEO

Dear Stakeholders,

Regis is pleased to publish its second Modern Slavery Statement.

Regis is one of Australia's largest aged care providers and our highest priority is the care and wellbeing of our residents, clients and staff. We are acutely aware of how important it is to protect vulnerable members of the community, be they in Australia or in other countries.

Accordingly, in pursuing quality in our services we are also committed to taking action to eradicate modern slavery.

We supported the introduction of the Modern Slavery Act in 2018 and continue to promote its objectives, as embodied in our Modern Slavery Statement. We are committed to acting legally, ethically and with integrity at all times, both in our business relationships and when providing care to our residents and clients.

In 2019/20 Regis Group developed a strong framework for promoting Modern Slavery Compliance within our supply chains. Regis' Board of Directors approved our Modern Slavery Code of Conduct and Modern Slavery Remediation Policy, which have laid a foundation and expectation for the conduct of Regis Group and our suppliers.

We implemented a plan to ensure our internal business teams and suppliers were all working towards identifying current and potential risks in their supply chains and, if required, remediating instances of modern slavery in those supply chains.

This year has been one of consolidation with a focus on continuing to work towards all Regis Group suppliers agreeing to modern slavery obligations while providing goods and services to Regis.

Thank you to our valued suppliers for their support, transparency and co-operation as we implement our Modern Slavery Compliance Framework. We look forward to continuing to work with our suppliers to develop our framework and strengthen our capacity to actively manage and remediate potential modern slavery risks and protect the most vulnerable members of our supply chains.

I trust that you find this statement informative and welcome any feedback from our stakeholders.



DR LINDA MELLORS

Managing Director and Chief Executive Officer

About Regis

Our Structure

Regis is an ASX listed company, incorporated in Australia with its national office in Melbourne, Victoria.

Regis' subsidiary companies include Regis Group Pty Ltd, Retirement Care Australia (Logan) Pty Ltd and Regis Aged Care Pty Ltd (Regis Aged Care), (together referred to as "Regis Group" or "us" or "we" or "our").

Our approach to Modern Slavery Compliance has been guided by our Board which has approved the Regis Modern Slavery Code of Conduct, the Regis Modern Slavery Remediation Policy and this Modern Slavery Statement 2020-2021.

Consultation

This Modern Slavery Statement is made by Regis on behalf of itself and the relevant reporting entities in the Regis Group. Regis consulted with each entity it owns or controls to prepare this statement. This group-wide consultation process was led by the shared operational and executive function and the Regis Board which is identical across all Regis Group entities.

Regis Aged Care was assessed as having increased exposure to modern slavery risks as the operating entity in the Regis Group and the chief acquirer of goods and services. Given the shared procurement, legal, risk and management functions across the entire Regis Group, however, all Regis Group entities were able to be included, consulted and assessed in the actions taken in this reporting year.

Our Operations

Our principal services are the provision of residential aged care services (permanent and respite), home care services, day therapy centres and retirement village living. We are one of the largest and most geographically diverse, private aged care providers in Australia. We employ over 9,000 employees.

As of 30 June 2021, we:

- own and operate 64 aged care homes across all Australian States and the Northern Territory, with over 7,200 operational beds available to residents
- operate six home care services in Queensland, Tasmania, Victoria and the Northern Territory
- provide transitional care placement at three aged care homes and 1 home care service as part of the flexible care under the *Aged Care Act 1997* (Cth)
- operate eight retirement villages in Queensland, Victoria, Tasmania and Western Australia.

Further information about Regis and our operations can be found in the Regis Healthcare Annual Report 2021 https://www.regis.com.au/site/wp-content/uploads/2021/09/FY21_regis_annual_report.pdf

Our Supply Chain

We acquire goods and services from in excess of 650 contracted suppliers. Our supply chain arrangements include suppliers from the following key areas:

- **Operational and Corporate Procurement**, including goods and services required for the care of our residents at our Homes, for our clients in our home care services, retirement villages and day therapy centres, and goods and services necessary to operate our National and State offices. The goods and services acquired include catering, cleaning and waste management, health related services, medical goods and equipment, uniforms, linen, recruitment, staffing including labour hire, information technology, stationery and office supplies and archiving services.
- **Professional Services**, including services to ensure compliance with the Aged Care Act, accounting and auditing services, consultants, recruitment services and legal services.
- **Capital and Property Works**, including building materials and equipment and construction related services.

We recognise that our large number of suppliers makes undertaking due diligence of our supply chains important to ensure we do business with suppliers who share our values, ethics and approach to sustainable business practice and are aligned with our stance on modern slavery.

Identifying Modern Slavery Risks

Our Operations

We believe the risk of modern slavery in our directly employed workforce is very low. This is due to the highly regulated nature of the labour market in Australia, the strict regulation of aged care and nursing sectors, the presence of unions to represent employees, and our employees undertaking work in environments where there are established industrial policies and processes.

Our Supply Chain

We procure goods and services from a large number of suppliers. The goods and services we procure range from uniforms and medical equipment to stationery and staffing through nursing agencies, information technology hardware and software, and professional services.

In our first year of modern slavery reporting, each key business team mapped out their material suppliers (being all suppliers who have an annual spend of over \$450,000). This enabled us to establish an initial baseline from which to undertake a risk assessment of any modern slavery risks which exist, or potentially exist, within our material suppliers' organisations and respective supply chains.

A significant number of our suppliers are located in Australasia. In our view, these suppliers have a lower risk of modern slavery occurring in their supply chains, as by virtue of their operational base in Australia, they are required to comply with the Modern Slavery Act within their own supply chains.

This financial year, we focused on our information technology suppliers and worked with those suppliers to commit to identifying modern slavery risks. We also surveyed those suppliers identified as high risk and collected material in the previous financial year to gather further information about their actions in relation to addressing any modern slavery risk identified in their supply chains.

Actions undertaken this reporting year

a. Information technology suppliers

This reporting year, we focused on our information technology hardware and software suppliers. We reviewed all information technology supply contracts and identified those without modern slavery obligations. We then asked suppliers to complete a Modern Slavery Self-Assessment Questionnaire (**Modern Slavery Questionnaire**) and requested that they agree to vary their supply contract with Regis to include Regis' standard Modern Slavery clauses that require adherence to modern slavery laws and the Regis Modern Slavery Code of Conduct.

Requests to vary contracts to insert Modern Slavery Clauses were sent to 25 of our information technology hardware and software suppliers. Ten suppliers responded to Regis' request.

Eight of these suppliers have agreed to and finalised variations to their contracts which reflect the obligations under the Modern Slavery Act and the Regis Modern Slavery Code of Conduct.

The two suppliers who did not vary their agreements provided Regis with information about their Modern Slavery policies and actions. Regis reviewed their Modern Slavery Statements and was satisfied that these suppliers were taking appropriate action to monitor and reduce the risk of Modern Slavery in their supply chains. Regis continues to work with the remaining suppliers to finalise variations and ensure that Modern Slavery obligations are contained in our contracts.

Case study

Regis approached its telecommunications provider with a request to insert modern slavery obligations into our services agreement with the telecommunications provider. The provider proposed amendments to our standard wording that were acceptable to the provider. Through this process, Regis was able to work with the provider to agree on acceptable contractual obligations that satisfied Regis and the provider that both parties were committed to adhering to Modern Slavery legislation.

b. High Risk Suppliers

As outlined in our Modern Slavery Statement for 2020, during 2019-20 we carried out a high-level risk assessment of suppliers, informed by guidance from the Department of Home Affairs as well as a review of the indicia applied by companies with similar portfolios to Regis in Australia and the UK in their risk assessments.

We identified a number of material suppliers who are either located in, or procure their goods from, High Risk Countries and therefore met our threshold as a High Risk Supplier. High Risk Suppliers were requested to complete a Modern Slavery Questionnaire and to vary their contract with Regis to include our standard Modern Slavery Clause.

This reporting year, we wrote to all High Risk Suppliers and material suppliers identified last year and asked them to provide us with an update on the activities they have undertaken in order to meet their modern slavery compliance obligations.

In total, 23 requests for further information were sent out to the suppliers identified from our 2019-2020 risk assessment. Eleven suppliers replied and provided information about the steps they have taken to ensure they manage the risks of Modern Slavery in their supply chains. Eight provided Regis with copies of their published Modern Slavery Statements, with two also providing their internal ethical sourcing and supplier engagement policies. One supplier provided Regis with an audit process update, including information about how they conduct risk profiles of their own supply chain and the next steps they will take to perform regular audits of their suppliers.

Two suppliers who were not required under the Act to lodge Modern Slavery Statements provided Regis with specific responses outlining the actions they have taken to ensure there is no Modern Slavery in their supply chains, including sourcing food and fresh produce from local Australian providers and closely following Australian Fair Work legislation.

We will continue to follow up with those suppliers who have not responded to our request and propose to work with those suppliers in the next Modern Slavery reporting period to reach an agreement on modern slavery obligations.

The responses from our High Risk Suppliers to the Modern Slavery Questionnaires, indicate they have implemented appropriate steps in this reporting year to mitigate modern slavery risks.

c. Review of third party supply agreements

The Regis Legal Team reviews third party supply and services agreements, and where the agreement is silent on modern slavery obligations, Regis requests the insertion of appropriate additional clauses into the agreement. This reporting year, we have varied over 25 third party agreements to insert Modern Slavery Clauses by agreement with suppliers.

d. Modern Slavery Training

Regis is committed to ensuring our employees are aware of our Modern Slavery obligations. In our first reporting year, we provided training to all business units responsible for entering into supply agreements about modern slavery, our reporting requirements and the need to consider whether a supplier may be high risk for modern slavery. This reporting year, we provided refresher training to the Regis Procurement Team to ensure that modern slavery risks are front of mind when entering into supply agreements.

Regis' Modern Slavery Compliance Framework

We are committed to acting ethically and with integrity in all our business relationships. This includes taking all reasonable steps to ensure that modern slavery does not exist in any part of our business or in our supply chains.

We expect our suppliers to share our commitment to act lawfully and ethically to ensure the same within their organisations and their supply chains.

In summary, our Modern Slavery Compliance Framework includes:

- Our Modern Slavery Code of Conduct.
- Our Modern Slavery Remediation Policy.
- The provision of modern slavery training to our staff to reinforce our compliance obligations.
- Our high-level assessment and audit of the modern slavery risks in our key suppliers and their supply chains; and the inclusion of modern slavery obligations in all our supply agreements.

Our Modern Slavery Compliance Framework will ensure that we continue to meet the commitments stated in our Modern Slavery Code of Conduct.

We have set out below in more detail what our Modern Slavery Compliance Framework entails.

A. Governance

Modern Slavery Code of Conduct

We have published our Modern Slavery Code of Conduct on our website at: <https://www.regis.com.au/modern-slavery-code-of-conduct/>. In summary, our Modern Slavery Code of Conduct sets out:

- a. Our commitment to act ethically and with integrity in all our business relationships.
- b. The steps we will take towards eradicating modern slavery in all its forms both within our organisation and in our supply chains.
- c. Our minimum expectations of our suppliers, including:
 - i. opposing modern slavery in all its forms
 - ii. paying fair wages in line with legislation and awards
 - iii. monitoring supply chains for modern slavery risk.

Modern Slavery Remediation Policy

The Regis Modern Slavery Remediation Policy sets out the steps that Regis will take in the event that remediation steps to rectify a modern slavery event are required.

In summary, our remedial steps include:

- a. having reporting avenues to report modern slavery within our organisation and our supply chains (including our whistle-blower reporting channels)
- b. preparing corrective action plans to address actual modern slavery breaches
- c. endorsing and putting in place remedies that include formal apologies and compensation for victims of modern slavery.

We have also introduced escalation processes (such as reporting channels that escalate up to our General Counsel and our Board) to allow for notification of concerns through to senior management and the Board.

B. Education and Training

To ensure awareness of Modern Slavery risks and to reinforce our expectations of the standards of conduct that we expect of all our staff, we continue to provide modern slavery training for our key business teams who interact with, manage and procure goods and services from suppliers in our supply chains.

C. Standard Procurement Agreements, Due Diligence and On Boarding Process

Our standard form contractual arrangements and procurement processes include contractual obligations to address Modern Slavery Compliance including:

- a. adherence to the Regis Modern Slavery Code of Conduct
- b. remediation actions including termination and suspension for breach of our Modern Slavery provisions
- c. providing Regis with the right to audit our suppliers and their respective supply chains to review their compliance with the above modern slavery related obligations

together referred to as the **New Modern Slavery Provisions**.

Our tender and on-boarding documents ensure we identify modern slavery risks early with new suppliers and during our due diligence processes. Our standard procurement contracts require **all** new suppliers commit to adhere to the New Modern Slavery Provisions.

Evaluating the Efficacy of our Actions

We have corporate governance processes in place to ensure that we follow our Modern Slavery Compliance Framework. These processes include:

- Reporting to our Audit, Risk and Compliance Committee outlining the steps we have taken to follow our Modern Slavery Compliance Framework and maintain our Modern Slavery Compliance. Our Audit, Risk and Compliance Committee is responsible for providing oversight on behalf of our Board on all risk related matters.
- The review of all new material supplier contracts by our Legal Team to ensure that modern slavery risks are adequately addressed, and our Modern Slavery Provisions are included in all new supplier contracts.
- Spot checks of High Risk Suppliers in relation to compliance with the Modern Slavery Code of Conduct and their modern slavery contractual obligations.
- Requiring regular meetings between the Procurement and Legal Teams to consolidate feedback from our business units and suppliers about existing risk assessment processes and potential new risks.

We acknowledge that the Modern Slavery Compliance Framework will continue to evolve. We have monitored and assessed the effectiveness of our Modern Slavery response to date, and have determined the Future Developments set out below based on the risks and opportunities we have identified.

We will continue to monitor and assess modern slavery risks via this Modern Slavery Compliance Framework, and through feedback from internal and external stakeholders, regulators and guiding bodies, and partners in our supply chains.

Future Developments

In our upcoming reporting year, we aim to continue to revise and develop our approach to Modern Slavery Compliance to build capacity within the business to monitor and act on Modern Slavery Risks in supply chains.

A. Identifying Modern Slavery Risks

We expect to undertake a more in-depth and detailed review of our supply chains in 2022. We have identified a number of lower risk providers where our contractual arrangements do not currently include Modern Slavery provisions. We will undertake a project to ensure that all suppliers have appropriate agreements in place with Regis that include Modern Slavery clauses.

Our intention is to undertake more detailed audits of our supply chains where appropriate to readily identify and promptly rectify (if required) the modern slavery risks in our business and in our supply chains.

B. Adapting our Modern Slavery Compliance Framework

Our Modern Slavery Compliance Framework will be a living document, subject to further refinement and amendment in future years as a result of any learnings within our business and within the Australian corporate landscape.



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