

Modern Slavery Statement

Reporting Period 1 July 2022 – 30 June 2023



1. Overview

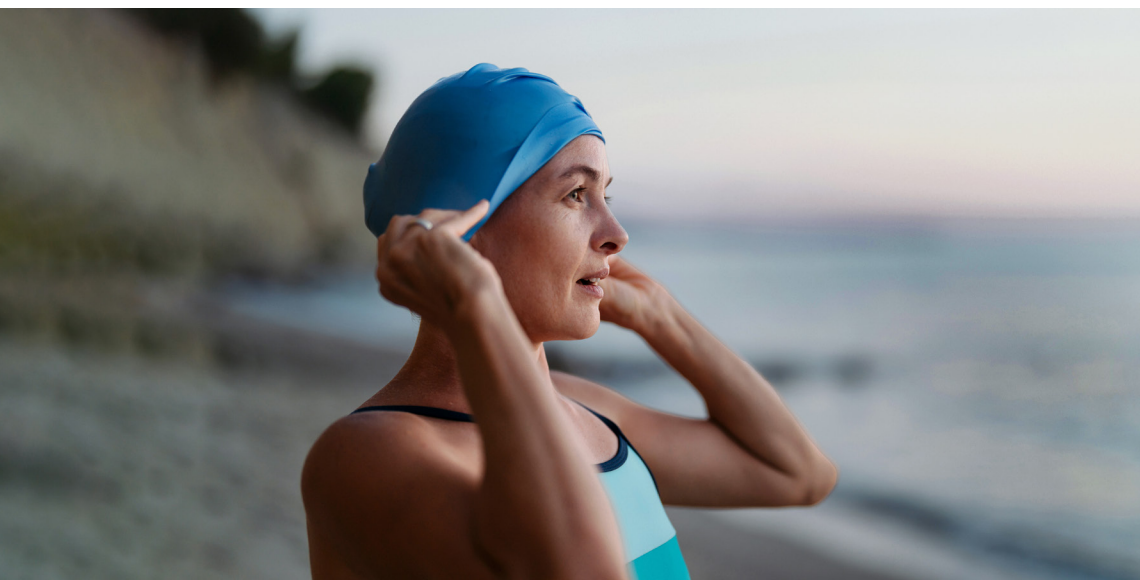
Overview of New Horizons' Modern Slavery Tracking

The Modern Slavery Act 2018 (Cth) requires organisations with consolidated annual revenue of more than \$100 million to submit an annual statement (**Modern Slavery Statement**) describing their actions to identify, assess and address modern slavery risks within their operations and supply chain. New Horizons Limited ACN 002 066 604 (**NH**) recorded an annual revenue of more than \$100 million during the financial year ended 30 June 2023 (**Reporting Period**).

NH continues to be committed to upholding human rights and acting with integrity for our people and the wider community. This includes our commitment to take action to address the risks of modern slavery within our operations and supply chain and to partner with suppliers who share our values. Dealing with modern slavery is about actively doing what we can do to protect people's rights and safety.

While our direct impact in relation to modern slavery practices during the Reporting Period remained low, we continue to develop our modern slavery response guided by the principles set out in the United Nations Principles on Business and Human Rights.

This is our third Modern Slavery Statement (**MSS**) which ties in with our primary focus, being heartfelt alignment to our values, purpose, and beliefs. We are committed to upholding human rights and acting ethically and with integrity for everyone.



We are
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and acting
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2. Structure, operations and supply chain

Who are we?

NH is the reporting entity for this Modern Slavery Statement.

NH is a charitable organisation that provides services that enhance the wellbeing of vulnerable and disadvantaged people in communities across NSW.

Our motto is “**Wellbeing done well**”.

Since we were founded fifty-five years ago, NH has grown to become one of Australia’s most diverse and trusted not-for-profit organisations, supporting thousands of vulnerable and disadvantaged people.

NH is an Australian public company limited by guarantee. NH is a standalone entity and does not control any other entities.



Wellbeing is
at the heart
of everything
we do



Operations

NH operates in NSW and Queensland through 26 offices across the state.

Our operations remained materially unchanged since the last reporting period. We continue to directly employ workers in Australia and provide and deliver a range of wellbeing services to our customers.



26 offices
across NSW



Direct employment of employees

As at 30 June 2023, we had a total workforce of 1,345 staff. During the Reporting Period, all our staff were employed in Australia and in accordance with Australian labour laws.



1,345 staff

- Support workers
- Child and youth care workers
- Clinicians
- Nurses
- Office staff



Provision and delivery of services

NH believes that everyone has a right to an enhanced wellbeing and lifestyle. Our philosophy is reflected in the comprehensive range of services we provide to our customers including:

- Homes and independent living services;
- Clinical support and specialist services;
- Psychosocial services;
- Aged care and youth support;
- Inclusion and community services; and
- Indigenous programs.

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Our customers include people with a disability, mental health concerns, those who are aged, people at risk of homelessness, humanitarian entrants, youth, and Indigenous Australians.



Supply Chain

As our business is materially unchanged, the categories of goods and services procured during the Reporting Period continues to include:

- products and services provided by our trade suppliers and used by NH in delivering our services; and
- products and services provided to NH by our non-trade suppliers.

The goods and services procured by NH are set out below.

Trade suppliers

Consumables
Manufacturing
Professional medical & health services
Facility management
Furniture and equipment
Motor vehicle hire and purchase
Maintenance and repairs
Customer support

Non-trade suppliers

IT and technology
Human resources
Marketing
Professional corporate services
including legal and accounting
Property services
Office operations



Overseas suppliers

During the Reporting Period NH engaged over 1000 suppliers.

Most of the goods and services NH procure are from suppliers and contractors based in Australia.

Our overseas supply chain during the Reporting Period included suppliers located in the United States, New Zealand, Canada, the United Kingdom, Ireland and Czech Republic as shown in the map below.

The main products and services procured from overseas suppliers during the Reporting Period were IT software mostly procured from suppliers located in the United States and Ireland. Our spend with overseas suppliers only accounted for 1.5% of total supplier spend.



During the
Reporting
Period, 99% of
our suppliers
were based in
Australia



Location of our
suppliers during
the Reporting
Period



3. Our modern slavery

Even though our modern slavery risk remains low, NH understands we are not immune to the risks of modern slavery practices occurring within our supply chain and operations. We continue to assess and take steps to identify risks in our supply chains related to the geographies in which our business and our suppliers operate and the potential impact of external social factors which can create a heightened risk of modern slavery practices occurring.

While we have implemented procedures, and continue to engage in a process of continuous improvement, our ability to examine modern slavery risks beyond our first-tier suppliers remains limited. Due to the nature of our business as a not-for-profit enterprise and the size of our business in comparison to our extensive supplier base, we continue to have limited resources to do more. However, NH considers it has available skills and resources to tackle high risk suppliers and partners.



After undertaking our annual review of modern slavery risks in our supply chains to prepare this statement and assessing current risks against what we have reported previously, we again conclude the risk of modern slavery in our supply chain and operations during the Reporting Period remained low. This continues to be because most of our direct suppliers are based in Australia, our due diligence on our suppliers has not shown any to have a high modern slavery risk, and because our business operations and the delivery of our services are conducted in Australia in compliance with all relevant laws.

Nevertheless, we are aware we could be linked to modern slavery practices through the extended tiers of our supply chain as set out below.

Geographic risk level: Low

We consider the geographic risk of our suppliers to be low given 99% of our direct suppliers are based in Australia. Most of our direct overseas suppliers are based in countries which have a strong rule of law and mechanisms that protect human rights and have themselves implemented modern slavery strategies.

We acknowledge NH may be linked to modern slavery practices through its second and third tier suppliers that operate in, or procure goods and services from, nations that report high occurrences of labour and human rights violations and socio-economic factors like poverty and widespread discrimination.



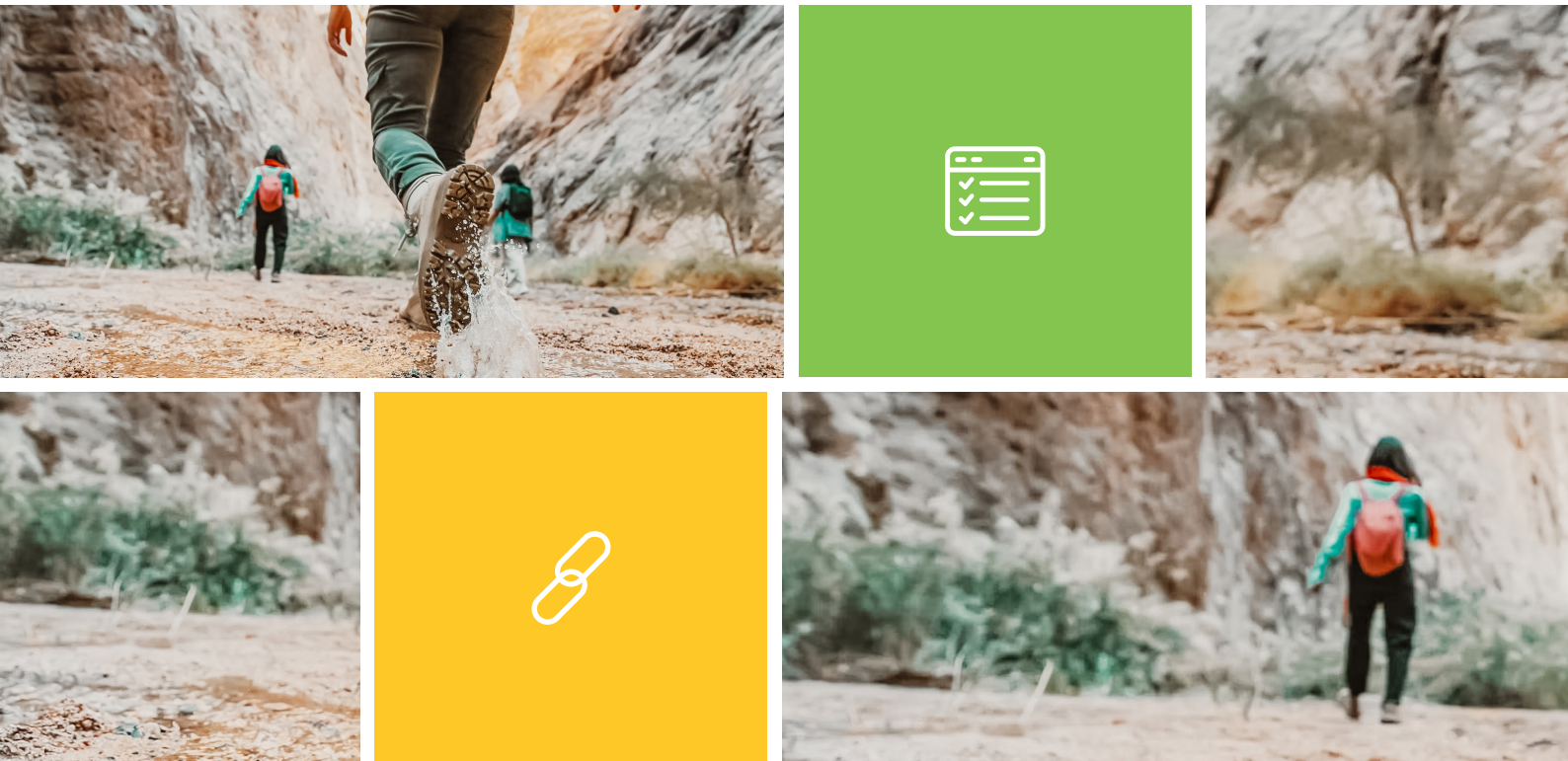
Sector and industry risk level: Low

The sectors we deal with primarily involve the charity and not for profits, health care, housing and property sectors. These sectors are heavily regulated in Australia and generally allow for reasonable visibility over lower tier suppliers.

We appreciate we may be linked to modern slavery practices further down our supply chain where some of our suppliers operate in, or are connected, to industries that involve low paying, low skilled or hazardous work, such as extractive operations, electrical component assembly or cleaning industries or are located in geographical areas that may have a higher risk of modern slavery. However, to minimize this risk suppliers responding to tenders or who are otherwise subject to our terms and conditions are required to demonstrate or confirm they have little or no modern slavery risks in their operations.

Product and services risk: Low

NH procures services such as cleaning, electrical, information technology and general maintenance. The workers in these supply chains may be from vulnerable populations, including workers from migrant, low socioeconomic or culturally and linguistically diverse backgrounds. While we consider the modern slavery risk associated with these products and services to be low in our case, the above factors elevate the risk of modern slavery practices.



Supply chain model risks: Low

We have again assessed our supply chain model risks as low based on available information. We have a large and complex supply chain, with over 1000 suppliers during the Reporting Period. We acknowledge the size of our supply chain makes it difficult to identify and monitor modern slavery practices further down our supply chain. This lack of full transparency creates a risk that NH may be linked to modern slavery, however we have sought to minimize this risk by implementing due diligence processes for our suppliers including issuing supplier questionnaires regarding their modern slavery risk and approach to modern slavery.

As our business grows, we continue to assess our modern slavery risks and ensure our policies, procedures and controls remain valid and effective to mitigate any identified, new or increased risks we discover.

4. Our action

Due Diligence

NH is committed to preventing modern slavery practices in our operations and supply chains. During the Reporting Period, NH continued to undertake due diligence on existing and new suppliers to identify and assess the risks of modern slavery practices within our operations and supply chain.

In our third reporting year we continue to implement processes to integrate and track modern slavery risks within our operations and supply chains and this remain an ongoing project.

NH has developed a list of preferred suppliers who meet our expectations and shared commitment to modern slavery. When NH engages suppliers the contracts must have terms requiring our suppliers to confirm they are not aware of any modern slavery practices in their operations. We require our suppliers to, act ethically and with integrity at all times, and share our commitment to humane and safe working practices.

Since the last Reporting Period, we have continued to use our Supplier Agreement on all new supplier engagements. Our Supplier Agreement requires a supplier to acknowledge it has no knowledge of modern slavery in its own operations or supply chain and that it will take reasonable steps to identify the risk of and prevent the occurrence of modern slavery in its operations and supply chain.



Contracts must have terms requiring our suppliers to confirm they are not aware of any modern slavery practices in their operations



As part of our screening process, NH requests suppliers to provide evidence of their commitment to dealing with modern slavery, including providing copies of their modern slavery statements or responding to queries and providing information on modern slavery if they do not have a modern slavery statement. Reviewing a potential supplier's modern slavery statement and their response to our queries, assists NH to assess the supplier's ability to respond to modern slavery risks in the market and ensure the supplier's commitment to minimizing modern slavery risks is aligned with ours.

We also require all our sub-contractors to complete a sub-contractor statement to ensure that people employed by our sub-contractors are paid superannuation in accordance with Australian labour laws.



Education and policies

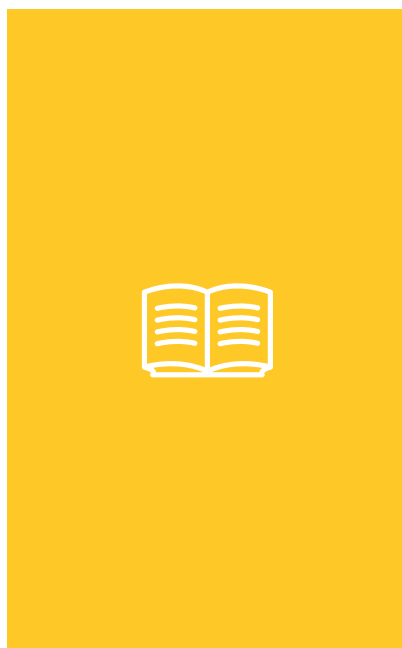
In April 2023, NH began developing a new online learning module/course called 'Modern Slavery'. This is under review with the aim to approve it for distribution to relevant internal stakeholders. Specifically, the course has been developed to provide an understanding of what modern slavery is, how organisations can minimise their risk of being involved and how to fulfill their reporting obligations.

As noted in our last statement NH prepared a *Combatting Modern Slavery Policy*, to set out NH's approach to modern slavery and how NH manages the risks of modern slavery in its operations and supply chain, and NH's actions to address those risks. That policy was yet to be approved and implemented in the Reporting Period.

In addition, our draft Supplier Code of Conduct setting out NH's expectation that its suppliers:

- operate in full compliance with all laws & industry standards in which they do business;
- respond to requests from NH for information relating to Modern Slavery;
- provide a true and accurate account of their operations and supply chain;
- have processes in place for workers to report non-compliance with NH's Supplier Code of Conduct anonymously and free of retribution; and
- remedy any non-compliance with NH's Supplier Code of Conduct as a matter of priority.

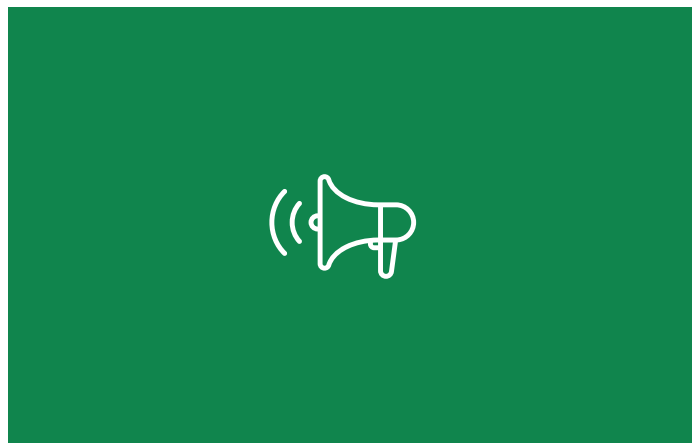
Had not been approved in the Reporting Period. The final approval and publishing of the Combatting Modern Slavery Policy and the Supplier Code of Conduct is expected to occur sometime in the next reporting period, with staff training on the new policies to be rolled out across our organisation shortly thereafter.



Grievance and Remediation

NH again acknowledges that, where our larger suppliers may be linked to modern slavery practices, the size of our business limits the leverage we can use to influence those suppliers to change their behaviour. Despite this limitation, we remain committed to working with suppliers where modern slavery is identified as a serious risk to prevent or mitigate harm and its recurrence.

NH understands the importance of offering channels for seeking guidance, reporting concerns and raising grievances. There has been no significant change since the previous reporting period in terms of our actions taken in relation to our grievance and remediation mechanisms. We acknowledge that effective grievance and remediation mechanisms for victims affected by modern slavery practices and human rights abuses are an area for improvement within our modern slavery framework.



Notwithstanding the above, our current whistleblower hotline services called the *Integrity Hotline*, continued to be available during the Reporting Period to all current and former employees, volunteers, contractors and suppliers of NH and their relatives. The Integrity Hotline offers reporters the ability to raise any issues or concerns anonymously and confidentially around unethical conduct and illegal acts, including human rights' violations such as slavery or human trafficking.

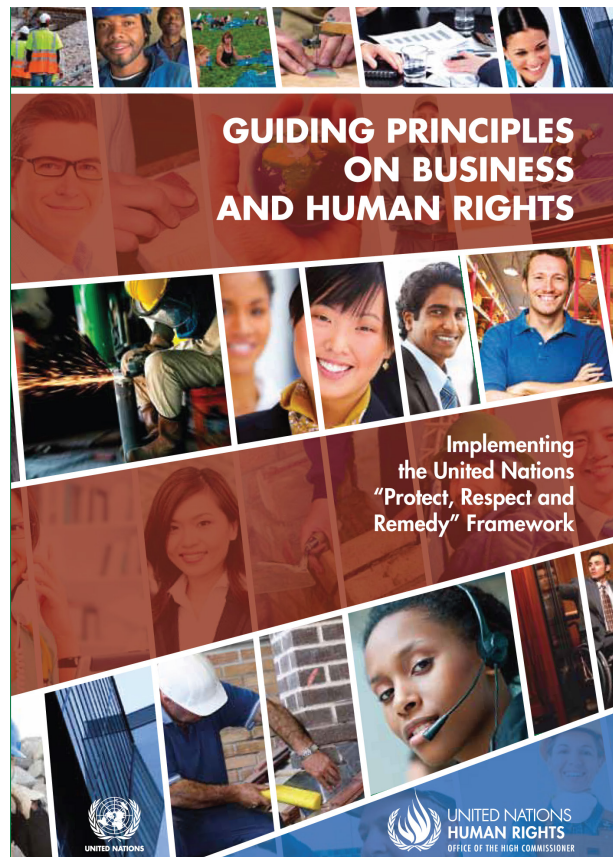
There were no instances of modern slavery reported to our Integrity Hotline during the Reporting Period. We encourage everyone working with us and on our behalf to use the service in confidence and that their concern will always be taken seriously, treated confidentially and fully investigated.

In our last modern slavery statement, we identified that our *Whistleblower Protection Policy* did not explicitly identify modern slavery as a wrongdoing that is reportable conduct. We are working to update our Whistleblower Protection Policy to include modern slavery reporting processes during the upcoming reporting period.

5. Assessing the effectiveness of our action

We have made incremental steps to assess the effectiveness of our actions. This is shown in the development of preferred supplier list and being more aware of modern slavery risks in our supply chain with our increase due diligence on our suppliers. The ongoing assessment of low risks of modern slavery in our supply chain indicate our actions are being effective in ensuring our supply chains remain at a low risk of modern slavery. NH acknowledges this is an area which requires ongoing attention and continuous improvement, particularly as our business grows and if we engage new suppliers.

We continue to be guided by the fundamental human rights due diligence principles espoused in the *United Nations Guiding Principles on Business and Human Rights*. As such, our internal reporting processes will look to implement processes to assess the effectiveness of our actions by integrating appropriate qualitative indicators such as reviews, surveys and audits and quantitative indicators such as key performance indicators.



6. Process of consultation

Consultation was not necessary in the preparation of our Modern Slavery Statement for this Reporting Period as NH is a standalone entity.

7. Other relevant information

Continuous Improvement

Our due diligence, grievance and remediation mechanisms and tools to assess the effectiveness of our action remain under continuous improvement. We continue to strive to play our part to combat modern slavery, within our resources and capability.



Our key areas of action will allow us to strengthen our measures to detect and prevent slavery within our supply chains and our business



Key areas of action for the next reporting period

We commit to continuing to keep NH's supply chain and operations under review to identify and monitor ongoing and future risks of modern slavery practices.

We have identified areas of action to deliver over the next reporting period which will assist us to strengthen our measures to detect and prevent modern slavery within our supply chains and our business. The key areas of action are outlined below.

Continue suppliers due diligence



Continue processes to obtain information on suppliers to assess modern slavery risks in supply chains. Continue to develop our supplier due diligence by implementing tools such as the supplier questionnaire and sustainable supply chain practices.

Raise awareness of modern slavery across our business



Implement training to our employees to help them understand how to identify, assess and mitigate modern slavery risks.

Continue to develop grievance & remediation mechanisms



Obtaining advice to map out a plan for developing a robust and effective grievance and remediation mechanism.



Statement from New Horizons' Board Chair

This Modern Slavery Statement for the Reporting Period 2022 – 2023 was approved by the Board of New Horizons Enterprises Limited (ACN 002 066 604) on: 30th October 2023

Signed:



Peter Howell

Chair of the Board

Date:

30/10/2023



For queries relating to this statement:

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October 2022.