

Modern Slavery Statement

 **CATER CARE**



Introduction & Identity of the Reporting Entity	3
Organisational Structure & Supply Chain	4
The risks of Modern Slavery in the supply chain - identified	5
Proposed actions to identify and control those risks	6
Internal procedures to address and rectify the areas of risk	8
Methodology to assess the success of identifying and controlling those risks	9

Introduction & Identity of the Reporting Entity

Cater Care is an industry leading contract catering, accommodation and facility management service provider to a range of clients across Australia.

Proudly 100% Australian owned and operated, we are passionate about fresh, quality food, and pride ourselves on providing the best hospitality and service to our customers and clients. We currently manage in excess of 250 sites across Australia, providing employment for more than 2,900 employees

The Cater Care Way describes our commitment to do our best, every day. This is embodied in our standards, which

- determine the quality of food we serve and the experience we give our clients and customers.
- guide our client and customer interactions; and
- are built on our core values of **care, pride** and **community**.

Cater Care's Values of Care, Pride & Community

Care - We take *care* in our food such that it looks good, tastes good and is classic and contemporary as required.

Pride - We take *pride* in everything we do, and do the right things at the right time. Listening and communicating openly at all times and are proactive, adaptive and solutions focussed.

Community - We empower and support our people to care and to deliver their best, every day.

These values are the key to how we do business and as such Modern Slavery and Human Trafficking are not acceptable activities and definitely, are not consistent with them. The actions of Modern Slavery and Human Trafficking have no place in the world, let alone in our supply chain or in the operation of our business.

Organisational Structure & Supply Chain

Each company in the group operates one of the business units or one of the functions; these are in turn consolidated into one entity Cater Care Holdings Pty Ltd which has an annual turnover in excess of \$250 million dollars and where the number of employees is in excess of 2,900.

The distinct business streams are as listed below with the entity from the group that carries it on.

- The **Urban** business is conducted by Cater Care Australia Operations Pty Ltd and it operates a purely catering business to the Residential Aged Care, Education and Business & Industry (canteens) Sectors. There are upwards of 150 sites where that function is performed and employs approximately 1,600 people.
- The **Remote** business through Cater Care Services Pty Ltd has in excess of 30 sites where a range of activities are performed for our Mining & Construction camp clients. These activities include a mix of cleaning, catering and facilities management. This area employs around 700 employees.
- **Retail** (Cater Care Retail Pty Ltd) operates primarily from Airports with some Hospital sites, providing retail eateries and bars using trading names well known as it is a franchisee and also has some of its own brands. It has approximately 500 staff.
- **Supply Chain** operates through Cater Care Procurement Pty Ltd and utilises the buying power of the other parts of the business to provide cost effective supply to its customers. The employees of this arm are largely within the group's headquarters

The group functions include finance, risk, OHSE, food safety and food as well as marketing, business development, HR and training. These functions employ approximately 250 employees through Cater Care Group Pty. Ltd. and operate from 7 sites.

If there is any Modern Slavery occurring it is not within the Cater Care organisation. It may be within the supply chain to our suppliers as opposed to the suppliers themselves, all of whom are Australian based organisations of varying sizes.

Our [Corporate Social Responsibility Policy](#) categorically opposes any involvement in Human Trafficking or Modern Slavery.

The risks of Modern Slavery in the supply chain - identified

Modern Slavery is defined in the Modern Slavery Act 2018 as follows:

Modern Slavery means conduct which would constitute:

- (a) an offence under [Criminal Code Div 270 & 271](#) ; or
- (b) an offence under either of those Divisions if the conduct took place in Australia; or
- (c) trafficking in persons, as defined in Article 3 of the [Protocol to Prevent, Suppress and Punish Trafficking in Persons Especially Women and Children](#), supplementing the United Nations Convention against Transnational Organized Crime, done at New York on 15 November 2000 ([2005] ATS 27); or
- (d) the worst forms of child labour, as defined in Article 3 of the [Convention No 182 ILO](#) concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labour, done at Geneva on 17 June 1999 ([2007] ATS 38).

Note: In 2018, the text of international agreements in the Australian Treaty Series was accessible through the Australian Treaties Library on the AustLII website (<http://www.austlii.edu.au>).

The key risks that stem from these Codes and Articles are summarised as follows:

- **A breach of Divisions 270 or 271 of the Criminal Code** - resulting in
 - fines, penalties or jail terms.
 - reduced engagement by clients in the Aged Care, Mining or Education sectors, the 3 most extensive of the business units of Cater Care where the fines or penalties result from a conviction.
 - cancellation of contracts by clients for failure to comply with the law (including the Codes and Articles) should it be ascertained that suppliers to Cater Care are engaging in Modern Slavery.
- **Loss of Reputation** - Cater Care's reputation may be vilified
 - for condoning Modern Slavery, where suppliers are found to be engaging in Modern Slavery and Cater Care has not recognised this or has not endeavoured to change the behaviour by that supplier or supplier's supplier.
 - if it is found to be condoning (through the use of suppliers that are found to engage Modern Slavery), the Government may either prosecute Cater Care or force the termination of any contracts with Cater Care. Cater Care has a significant part of its business in the Aged Care sector, largely funded by the Commonwealth Government.
- **Breach of core values**

- This would occur where employees (supplied by third party suppliers) are not paid their correct entitlements, have their passports retained or inappropriately treated through provision of sub standard accommodation, liberty controlled or harassed so as to lose their freedom.

Proposed actions to identify and control those risks

Cater Care maintains two means of allowing our employees and other stakeholders to raise concerns

Internally, Cater Care has a Whistleblower Policy and mechanism which allows our employees to raise concerns. There is also a Complaints Policy supported by the complaints procedure which ensures that no staff are disenfranchised from raising issues about the company and their treatment.

Externally, there is the [Whistleblower Policy](#) which is accessed from the company's website which allows anyone to raise concerns about fraud, mistreatment and any other activity which is in breach of the law. To condone Modern Slavery is a breach of the law.

When a case is raised, appropriate investigations and remedial action is undertaken. If such a case is related to

- A supplier action could include remediation, notification to the relevant authorities or the potential termination of the relevant supply contract.
- An employee of Cater Care, this will be referred to the Head of HR, CFO, and CEO.

The Head of HR - Director People & Culture and CFO conduct regular audits of salaries paid and received by staff for the work performed and the board of Cater Care Holdings Pty Ltd receives updates from them about compliance in that regard. Also and even though it is voluntary, employees are encouraged to provide feedback in an exit interview upon leaving. If that revealed any issues that could be considered to amount to Modern Slavery then that would be investigated. There have not been any raised to date.

The external auditors in the preparation of the accounts also conduct random checks and seek confirmation from the board through the management letter that the group is complying with the laws with respect to the payment of staff and the compliance with awards.

Any Whistleblower matters are recorded and investigated and the board receives and acts on any matters that would constitute a breach of law including a breach of the Modern Slavery Act.

All contracts with major suppliers and even smaller suppliers have requirements to comply with the law. Some specifically refer to Modern Slavery. Clients of the company carry out audits through questionnaires of Cater Care's compliance with the law, in particular Modern Slavery. This requires us to make enquiries of our suppliers and their suppliers to determine if there is any Modern Slavery in the supply chain. Please see the Due Diligence outcomes set out at the end of this Statement. A failure to provide satisfactory responses could prevent the renewal of a contract or its immediate termination. So great care is taken at all times to recognise and act on what may be considered Modern Slavery. To date there has been no instances of Modern Slavery detected. That is not to say they don't exist, none have been discovered and if discovered they will be acted upon. The [Ethical Procurement Plan](#) explains this in more detail.

Where Modern Slavery is discovered it is the intention of Cater Care to work with the supplier to address this and eradicate it as opposed to immediately terminating the arrangement with the supplier as that could be counterproductive. Failure by the supplier to address it once raised could well result in that supplier being reported or having their contract terminated.

Set out below is some statistical information. This points to a low risk of Modern Slavery occurring in the supply chain as ~ 78% of Total Food & Beverage spend is for product sourced from manufacturers

in Australia and of Non Food & Beverage spend the percentage is ~35%.

F&B Spend (based on Invoice Value over rolling 13 periods)

- 62% of total spend, which is further broken down as follows
 - Total Fresh categories (Australian grown / manufactured) - ~78%
 - Total Dry / Frozen - ~18% (where these are either imported or have ingredients that are imported, this is considered the highest risk, especially if elements of the chain of supply have no recorded Modern Slavery Statement or policy)
 - Total other categories (primarily Alcohol & Hot Beverages) - ~4% (where these are imported this too is considered high risk - however, the choice of manufacturer/supplier will have a bearing on this especially where that supplier has in place a Modern Slavery Statement/Policy, e.g. Nestle).

Non Food & Beverage Spend - see examples below. This area represents <17% of total spend. It includes imported materials (which represent < 74% of total spend in this area, or <9% of total spend)

- Cigarettes
- Disposable packaging
- Equipment
- Linen
- Vehicles
- Stationery
- IT - Equipment and Services

The balance representing ~26% of total spend is consider lowest risk of Moden Slavery due to its make up or the processes in place over which Cater Care has complete control.

In this statement, we have set out the steps that we are taking to prevent Modern Slavery and Human Trafficking in our business and supply chains. We realise that this will be an ongoing process of continuous improvement and we aim to demonstrate the progress that we are making each financial year.

Internal procedures to address and rectify the areas of risk

Policies are key to creating the right focus for the Group and from these stem the procedures that are utilised to address the areas of risk and to then rectify those areas.

Ethical Procurement Procedure (incorporating the Ethical Procurement Policy) is one such procedure. Similarly, the Contractor & Supplier Management Procedure is another.

The [Whistleblower Policy](#) similarly enables internal and external parties to lodge complaints and information which will enable the company to investigate and address any Modern Slavery identified

All key suppliers are required to be under contract and the contract requires them to comply with the law and to notify when there is a suspected or actual breach of Modern Slavery in their supply chain or in their operations. Additionally any new contracts with key suppliers has a positive obligation on the supplier to comply with the law and in particular refers to the Modern Slavery Act and going forward this will be followed up with auditing through questionnaires sent to those key suppliers.

We are committed to making ongoing improvements in human rights around both our people and supply chain.

This includes raising awareness within the business of the risks of Human Trafficking, Modern Slavery and human rights abuse as well as educating our people further. A simplified version of this statement has been produced and is available on the intranet for our employees to access.

Methodology to assess the success of identifying and controlling those risks

The board will regularly receive updates from the Director Legal & Risk about possible breaches and to review the outcomes of any audits of the suppliers conducted by the Procurement department as well as any disclosures that come from any investigations of matters raised through the relevant Whistleblower-reported matters.

Due Diligence

As part of the process to identify and control the risks of Modern Slavery in the supply chain for Cater Care a due diligence process was undertaken. A review was carried out of the top 30 suppliers to the business which represented >80% of the spend with all suppliers to the business. This was carried out by Procurement and the Director Legal & Risk by reviewing the Modern Slavery Statements filed by some of those suppliers and by obtaining responses to a questionnaire for those that had not filed a Modern Slavery Statement. Particular attention was given to the responses from Agency Labour providers as they were considered the highest risk. Because of the border closures this risk was lower this year. Notwithstanding that, the responses received satisfied us that those providers were aware of their obligation to not engage in Modern Slavery and confirmed that they had not done so.

Approved by the board of the Principal Entity, Cater Care Holdings Pty Ltd on 19 January 2022 -

signed :

A handwritten signature in blue ink, appearing to read "C. Redman".

Colin Redman - Director