

## Modern Slavery Statement

### Shaping Baptcare's ethical procurement



#### Our commitment

Baptcare's mission of promoting fullness of life for all people aligns well with the ambitions of Australia's modern slavery reforms. Baptcare is committed to addressing the exploitation of disadvantaged and marginalised individuals and recognises the impact it can have as a large organisation operating across multiple sectors in promoting activities to mitigate the risk of modern slavery within its supply chain. This extends to the broader influence Baptcare has over its partners, collaborators and distributors; working together, we can continue to identify and address the risk of exploitation across our operational sectors.

#### Structure and operations

Baptcare is a not-for-profit organisation and an innovative leader in the provision of high-quality care and support in youth, family and disability services, residential aged care, social housing and community aged care services since 1945. Our experience has been built over a 77-year history of providing care and support to vulnerable and marginalised people in our community. Baptcare operates in Victoria, Tasmania and South Australia employing approximately 3,400 staff with support from 250 active volunteers. Baptcare is a registered company limited by guarantee with consolidated revenues of \$306M for the 2021-22 financial year. Baptcare consolidates Baptcare Affordable Housing (BAH) into its operations

for the delivery of affordable and social housing to low- and middle-income earners. Baptcare provides all functional and operational business requirements and administration activities e.g. staff and other resources directly to BAH for the management of affordable housing assets on behalf of Baptcare. While Baptcare acts as a parent company to BAH, neither Baptcare nor BAH own or control any other entities. This report has been prepared in line with the requirements of the *Modern Slavery Act 2018 (Cth)*. Baptcare is strongly committed to opposing the challenge of modern slavery and human trafficking. Baptcare is a diverse organisation, operating across a range of sectors, and recognises that modern slavery can exist across a broad range of industries across our supply chains. Baptcare is

committed to being alert to the risks in our organisation and in our wider business relationships. Baptcare expects that our people, partners and suppliers share our commitment in combatting modern slavery.

#### Our supply chain and modern slavery risks

Baptcare's supply chain includes providers of equipment and utilities and a range of professional service providers such as allied health services, insurance products and legal and advisory services.

These providers will likely service multiple operational areas across Baptcare, including its residential and community-based aged care, retirement living, family and children's services and disability activities.

Through BAH, this extends to affordable and social housing services. Baptcare has taken a risk-based approach to considering its supply chain in the context of modern slavery. This includes products provided to Baptcare by suppliers, services provided by suppliers, and products and services used by indirect suppliers in Baptcare's supply chains. Areas of focus across the sectors in which we operate include:

- **Contracted property and hospitality services:** outsourced cleaning, catering, laundry; construction workers on site developments.
- **Equipment and inventories suppliers:** both onshore and offshore manufactures e.g. clothing and uniforms, medical supplies, chemicals, laptops/mobile phones.
- **Labour hire services:** short term and ad hoc service providers of staff to provide direct client care and/or corporate roles.

## Actions, risk assessment and due diligence processes in relation to slavery and human trafficking in supply chains

Baptcare has continued to execute its plan to identify and address risks to modern slavery arising from its operations, which is based on the risk-based analysis of supply chains across the sectors in which we operate described above. A summary of the activities undertaken during the reporting period include:

- **Strengthened policies and procedures:** Baptcare has operationalised its strengthened tender and EOI processes, which have been updated to incorporate mandatory supplier responsibilities in relation to modern slavery requirements. This has extended to national procurement partnerships, where targeted procurement activity with interstate collaborators has mandated prospective suppliers demonstrate their commitment to ethical practices in relation to modern slavery. Further, Baptcare's contractual terms and conditions have been progressively updated, to ensure a strong focus on modern slavery requirements for those seeking to provide goods and services to Baptcare.
- **Strengthened contract management framework:** Building on activity from prior years, Baptcare has continued to strengthen its internal

contract management approach to incorporate modern slavery considerations. A revised approach to procurement across the largest operational division, Residential Aged Care, included development of specific contractual arrangements to address modern slavery requirements. This has been developed and operationalised throughout the reporting period.

- **Local supply chain:** In most cases, Baptcare sources its goods and services from local suppliers, which provides a level of risk mitigation by virtue of Australian companies being subject to local Awards and local employment laws. Baptcare has explored its supply chain in terms of international reach and has determined that local suppliers to Baptcare source some of their inventories from overseas countries. Baptcare's new supplier form, which is used for smaller suppliers in lieu of a supply contract, has been updated with information to understand if the new supplier is aware of the Australian Modern Slavery requirements.
- **Engagement with suppliers:** Baptcare has continued its engagement with major suppliers to support mitigation of modern slavery risk. This includes ensuring suppliers produce acceptable Modern Slavery Statements to indicate they have a firm understanding of the requirements and obligations for modern slavery within their own



operations. We continue to engage the smaller vendors (e.g. with revenues less than \$100M) as part of the change management process within our own supply chain to raise awareness and giving us assurance that this topic is front and centre of the supplier relationship with Baptcare. Our supplier onboarding process has also been strengthened to consider modern slavery requirements.

- **Education and awareness raising:** During the reporting period, Baptcare refreshed an internal education campaign around appropriate and ethical procurement. This included re-communicating Baptcare's Procurement Policy, which covers our approach to modern slavery considerations, and how to appropriately engage with suppliers.
- **Monitoring the external environment:** Baptcare continues to monitor the external environment for modern slavery risks with

the potential to impact its supply chain. Where risks are observed, analysis and any relevant actions are undertaken to mitigate the risk. For example, this has included consideration of the supply of Personal Protective Equipment (PPE) during the COVID-19 pandemic, where Baptcare has become aware of potential risks associated with downstream suppliers.

## How the reporting entity assesses the effectiveness of actions taken

The effectiveness of actions taken by Baptcare to address modern slavery will be considered by management's Executive Leadership Team (ELT) Risk Committee, with governance oversight provided by the Board's Audit & Risk Committee. Over time, KPIs will be developed to address Baptcare's effectiveness in this area.

## Consultation process

Consultation with Baptcare Affordable Housing was undertaken through the existing functional and operational support forums established to enable Baptcare to provide support for this organisation.

## Our ongoing commitment

Over the next year, our focus will be on:

1. continuing to develop the maturity of our supplier due diligence program including further examination of local supply chains with a focus on local suppliers who provide inventories from overseas countries; and
2. identifying opportunities to practically respond to modern slavery risks within our supply chain.

This statement is made pursuant to the Modern Slavery Act 2018 (Cth), articulates the modern slavery statement of Baptcare Limited for the year ended 30 June 2022 and has been approved by the Baptcare Board.

**This statement is made pursuant to the Modern Slavery Act 2018 (Cth) and represents the modern slavery statement of Baptcare Ltd for the year ended 30 June 2022. This statement has been approved by the Baptcare Board.**

Signed,

Tim Farren, Baptcare Board Chair