



Modern Slavery Statement

24 November 2022

About Baptistcare

- 1 Baptistcare is a charitable organisation motivated by the Christian faith. The organisation endeavours to provide relief to persons in need from poverty, suffering, destitution, distress, misfortune and helplessness, irrespective of their religious views, racial background or gender. Baptistcare aims to facilitate physical, emotional and spiritual wellbeing to such persons by providing residential care facilities, support services, including home and medical care and promoting the needs of such persons in the community and to government groups.
- 2 Baptistcare is committed to implementing positive change by addressing significant, emerging and chronic conditions within marginalised areas of the community. This objective and the values of Baptistcare, being togetherness, respect, accountability, caring and integrity, align with the requirement to take steps to mitigate modern slavery and commitment to having ethical supply chains and operations.

Statement from the CEO

At the heart of everything we do is one simple principle, we care about people.

We cannot stand by and do nothing. To do so would be a gross injustice to those affected by modern slavery and human trafficking, not to mention completely inconsistent with our Christian values.

We are committed to being alert to the risks in our organisation and in our wider business relationships, and expect our people, partners and suppliers to share our commitment in combatting modern slavery.

Mark Kolinac
Acting Joint CEO

Executive summary

- 3 Baptistcare WA Limited ACN 632 648 009 (**Baptistcare**) is a faith based, registered charitable organisation which operates in WA. It has one wholly owned subsidiary, Aurum Catering.
- 4 Eradicating slavery aligns with Baptistcare's values and mission. Baptistcare is committed to stopping modern slavery.
- 5 The *Modern Slavery Act 2018* (Cth) captures BaptistCare as a reportable entity.
- 6 Baptistcare's assessment is that the risk of modern slavery occurring within the organisation is low.

- 7 The key risks of modern slavery arising throughout Baptistcare’s operations are in the employment and procurement spheres. Further this, we are making changes at a policy and process level to reinforce our efforts.
- 8 Baptistcare employs over 1,685 people and works with 176 volunteers. Its operations include: residential aged care; catering services; home care, retirement living; social clubs; and site based chaplaincy.
- 9 The supplier cohort consists of over 1,187 different suppliers. They deliver on a diverse range of products, from cleaning equipment to IT, linen, and maintenance services.
- 10 From the board down, Baptistcare engages in regular meetings to mitigate the risks of slavery and there is constant oversight and review. These meetings all apply the approved risk matrix and risk appetite statement.
- 11 With respect to suppliers, Baptistcare is undertaking a review of all supply arrangements and other agreements to ensure that all entities which supply goods and services to Baptistcare make a commitment to the eradication of modern slavery and have transparent policies and risk mitigation practices in place where goods are manufactured or procured in a high risk location.
- 12 Baptistcare is reviewing the top 10-20 suppliers to confirm this risk assessment and corroborate the level of risk presented throughout the cohort of suppliers.
- 13 To address risks around employees and contractors Baptistcare employs all staff directly and does not charge a recruitment fee to employees, employees complete annual training and subcontractors complete inductions and screening.

Criterion 1: Identification of reporting entity

- 14 The reporting entity covered by this statement is Baptistcare WA Limited ACN 632 648 009.
- 15 The registered office of the company is 95 Belgravia Street, Belmont, Western Australia 6104.

Criterion 2: Structure, Operations and Supply Chains

Structure

Entity type and name

- 16 Baptistcare is currently registered in Western Australia as an unlisted public company limited by guarantee and was incorporated on 4 April 2019.
- 17 The organisation has been in existence since early 2000. The organisation was initially incorporated as an incorporated association and has undergone structural,

and names changes since its inception. Baptistcare currently holds (and operates under) the following business and trading names:

Table 1: Business Names and Trading Names

Business Names	Trading Names
Baptistcare	Baptist Care
Baptistcare Bargain Centre	Baptistcare WA Limited
Riverside Salter Point	
Yallambee Hostel	
Silver Vines	
Pathways Counselling & Family Services	
Bethel Village	
Graceford Village	
Gracehaven Village	
Baptist Homes	
Baptist Care	
Baptistcare William Carey Court	
Baptistcare Balladong Gardens	
Baptistcare Bethel	
Baptistcare Kalkarni	
Baptistcare Mirrambeena	
Baptistcare Morrison Gardens	
Baptistcare David Buttfield Centre	
Baptistcare Gracehaven	
Baptistcare WA Gracewood	
Baptistcare Yallambee	
Baptistcare Moonya	
Baptistcare Graceford	
Aurum Catering	

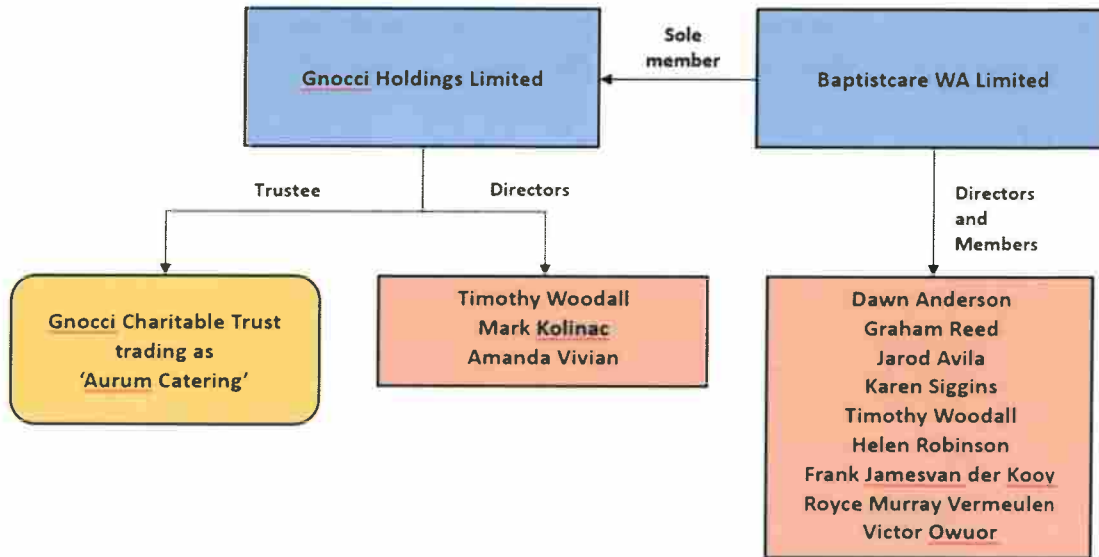
Charitable status

- 18 The organisation has been registered as a charity with the Australian Charities and Not-for-profits Commission (**ACNC**) since 2 December 2012. The charity also has the benefit of various tax concessions, including GST concession, FBT concession and an income tax exemption and has been endorsed as a deductible gift recipient under the *Income Tax Assessment Act 1997* (Cth) since 1 July 2000.

Company structure

- 19 Baptistcare currently has a total of nine members who are all natural persons and also comprise the directors of the company. The company is also the sole member of Gnocci Holdings Limited ACN 644 038 675 (**Gnocci Holdings**), a company limited by guarantee. Gnocci Holdings is the corporate trustee of the Gnocci Charitable Trust ABN 45 861 153 185 trading as 'Aurum Catering' (**Aurum Catering** Aurum catering is a not-for-profit catering business for the aged care and health care industries. The trust is also a registered charity with the ACNC and is endorsed as a deductive gift recipient. The general Baptistcare group structure is depicted below:

Diagram 1: Baptistcare Structure Chart



Employees

20 Baptistcare currently has 1,483 paid employees and engages 176 volunteers. Aurum Catering currently has 202 paid employees.

Operations

21 The operations of Baptistcare are limited to the geographical area of Western Australia.

22 The operations of Baptistcare are as follows:

22.1 Residential aged care: Baptistcare has 12 aged care/retirement villages (the names of which are described under the column titled ‘Business Names’ in Table 1 above). There is a total of 313 retirement living units.

22.2 Catering services: Managing and operating a charitable catering business through the trust vehicle, Aurum Catering. The services provided by Aurum Catering are developing, implementing and operating meal service programs for aged care and health care facilities, including menu development, ongoing management and advice around meals and providing assessments of current meal services.

22.3 Home care: Providing at home nursing, cleaning, cooking, ‘handy-man’, emotional and mental support services for people in need.

22.4 Social clubs: Providing physical fitness and leisure classes for residents of the aged care/retirement facilities. The staff at the aged care/retirement villages also encourage residents to coordinate their own social activities and external visits from family and friends.

- 22.5 Site based chaplaincy services: The residents at each of the 12 aged care sites and any other clients of Baptistcare have access to chaplain services to provide services such as being a listener, a compassionate presence, confidential assistance, undertake prayer, sacraments and other religious rituals and end of life planning.

Supply chain

General description of supply chains

- 23 The suppliers of Baptistcare provide a wide range of products and services including, personal care, hospitality consumables, aged care equipment, stationary, general cleaning supplies, toilet amenities, linen and bedding services, IT peripherals and office technology, cleaning services, facility services, consulting services, garden services, transport services, building, construction and maintenance services, leasing and purchasing of motor vehicles.
- 24 The general practice of the organisation is to enter into fixed, long term contracts (with a term of 3 years and a plus 2 year option) with suppliers who are instrumental to the Baptistcare and/or Aurum Catering business and required on an ongoing basis.
- 25 Short term contracts are implemented by either by individual supply orders, verbal agreement or short form term sheet agreements. These supply arrangements generally have a value of less than \$25,000.
- 26 Baptistcare engages a total of 1,187 suppliers.

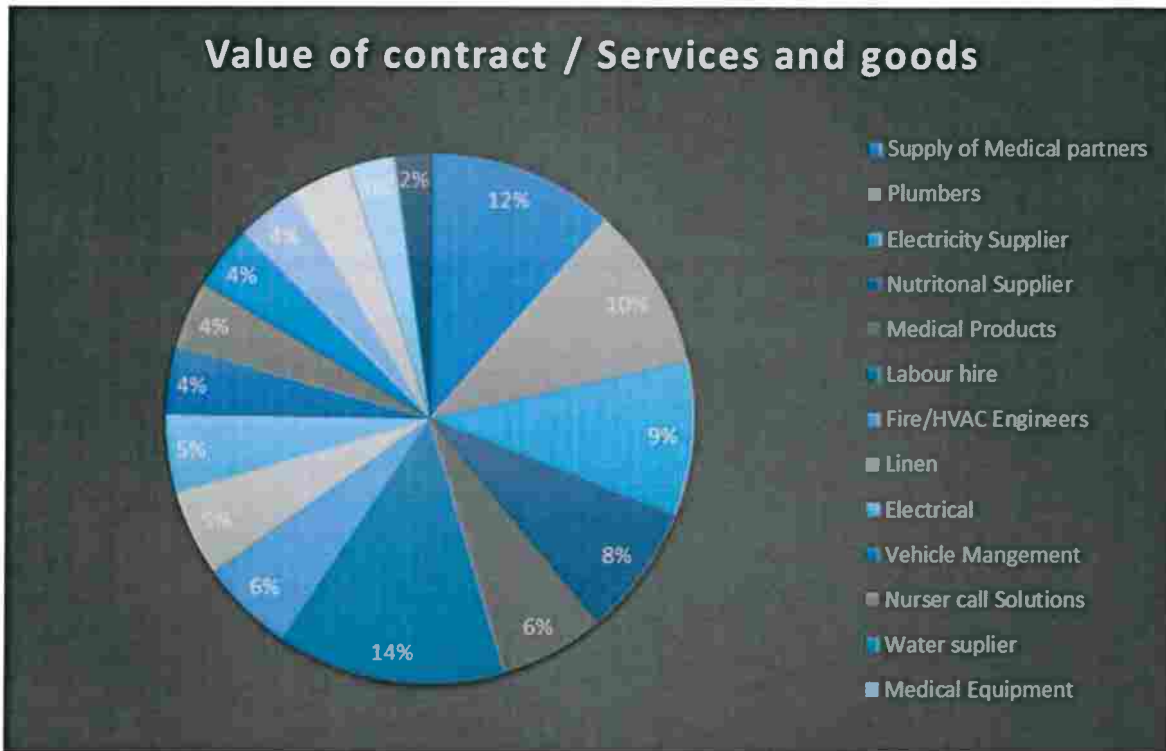
Geographical locations of suppliers

- 27 The majority of our suppliers of goods and services are based in and operate in Australia.

Key types of goods and services

- 28 To assess the risks posed within Baptistcare's supply chain an internal audit has been conducted on the 20 largest suppliers (by dollar value), accounting for over 10% of expenditure for 2021 (see Diagram 2 below)
- 29 This also illustrates the types of goods and services procured for the period.
- 30 Baptistcare found an even spread of expenditure, showing a low concentration risk of spend.
- 31 The supply categories presented no anomalies.

Diagram 2: Value of contracts and types of goods



Criterion 3: Risks of modern slavery practices

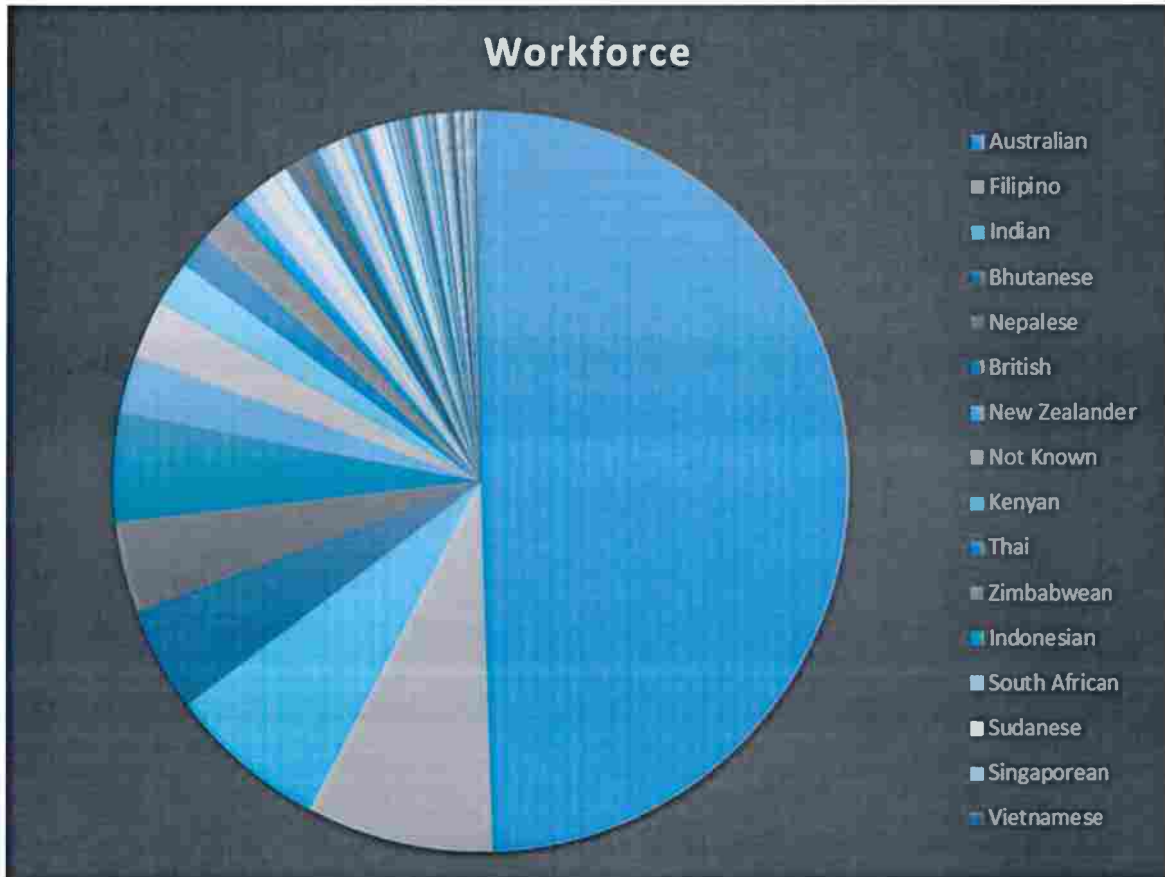
32 The two key modern slavery risks that Baptistcare has identified are as follows:

- 32.1 A significant proportion of the workforce have some connection with or come from foreign jurisdictions which have a high prevalence of modern slavery risk.
- 32.2 There are consumables supplied to Baptistcare by foreign manufacturers who are located in countries that have a high prevalence of modern slavery risk.

Employees

33 In regard to employees, we have conducted an initial survey of the cohort, the graph chart below sets out the proportions of people employed from various countries:

Diagram 3: Workforce



34 Diagram 2 shows the breakdown of the workforce. 49% of the workforce are Australian. The next 24% of staff identify with or come from countries with a higher risk of modern slavery, being Filipino, Indian, Bhutanese and Nepalese.

35 Any international staff recruitment is completed with staff being directly employed by Baptistcare. Aurum Catering does not have foreign employees.

36 All staff are employed under Australian law and directly through Baptistcare.

37 For this reason, Baptistcare assess the risk of modern slavery arising within the workforce as low.

Supply chain

38 Diagram 1 (above) shows Baptistcare expenditure through its top 20 suppliers.

39 All of these suppliers are based in Australia.

40 Presently Baptistcare does not have visibility over the origin of goods sourced across the full supply chain.

41 There is some risk that suppliers procure goods through third parties which infringe upon modern slavery standards.

Criterion 4: Actions taken to address modern slavery risks

- 42 Baptistcare recognises that no anti-slavery process is perfect, there is a journey which was begun last year. Some steps taken since the first statement to mitigate the risks of modern slavery include:
- 42.1 Risk matrix/appetite statement: The executive is responsible for preparing an annual risk matrix/appetite statement which highlights the key risks of the organisation, including in respect of modern slavery for the next 12 months. The board approves this statement. The statement is then used and considered by the board when making decisions, such as entering into contracts and engaging new employees.
 - 42.2 Executive Leadership Team meetings: The executive leadership team meet monthly to discuss general business, operations, day to day management and also assess risk, including in regard to modern slavery (as and when applicable).
 - 42.3 Board meetings: The board of directors meet monthly and the issue of governance risk, including modern slavery risk is on the agenda at each meeting.
 - 42.4 Employees and contractors: All employees, contractors and subcontractors complete an induction screening and an identity check comprising a national police clearance, criminal history check, insurance requirements assessment, trade certificates and verification of individual identity, business name and entity (as relevant).
 - 42.5 Employees: Employees complete annual modern slavery training.

Roadmap for the next 12 months

- 43 As part of the journey to better address modern slavery risks, Baptistcare is currently undertaking a number of measures to improve its efforts. Baptistcare envisions a path based upon the following timeline:

Action	Detail	Status/ timing
1. Survey to identify key areas	Undertake assessment of identified risk areas to inform development of new policies.	Completed.
2. Review existing policies	Review existing policies to understand key flaws in existing policies.	Policies are with external consultants for review.
3. Review of existing supply agreements	This involves revising and improving standard form contracts, including supply agreements, employment	Expected completion 12 months.

	contracts and goods and services general terms and conditions. As part of this process, the organisation is ensuring that a modern slavery clause is drafted into these existing agreements and is included in any new contract into which Baptistcare enters, particularly if the engagement involved a country or industry with a prevalence of modern slavery.	
4. Code of Conduct	Embedding a Code of Conduct for suppliers.	Expected completion 12 months.
5. Develop new policies	Based upon survey (1), review of existing policies (2) and review of existing supply agreements (3) begin update of existing and development of new policies to address modern slavery concerns, including internal assessment/feedback models.	Expected completion 12 months.
6. Implementation	Begin embedding of policies and ongoing monitoring and compliance.	Upon completion of item 5 above.
7. Reporting	Modern slavery statement reports to form formal part of board papers. Ongoing engagement with modern slavery process and register.	Upon completion of item 5 above.
8. Assess effectiveness of above actions	Board and subcommittee to engage in checks as set out in new policies. Report back to board (at least) annually to inform next modern slavery statement.	Upon completion of item 5 above.

- 44 As each of these documents and processes becomes active within the Baptistcare policy architecture it will further reinforce our risk matrix and decision-making processes.

Criterion 5: Assessment of effectiveness of actions

- 45 Whilst Baptistcare has only started on the journey of developing the policies and processes which will embed an anti-slavery mindset and culture within the organisation, some small reflections can be made of the work to date.
- 46 The initial enquiries (into suppliers and workforce) have highlighted key areas for improvement and given a focus for the preparation of new policies and procedures which are needed. These policies will also give us a framework and datapoints with which to assess the effectiveness of any actions taken.

- 47 Without these policies and information a direct assessment cannot be made.
- 48 Baptistcare looks forward to reporting in the coming period upon the creation, implementation and effectiveness of the new policies and procedures.

Criterion 6: Consultation process with other entities

- 49 Gnocci Holdings Limited and Baptistcare have one mutual director and the other two directors of Gnocci Holdings are Chief Operating Officer and the Chief Finance Officer. This provides transparency and an effective communication channel for the two organisations and the Aurum Catering business.
- 50 Baptistcare and Aurum Catering share the same operational policies, procedures and governance frameworks.

Disclosure note

This statement is made pursuant to the *Modern Slavery Act 2018* (Cth) and establishes the modern slavery statement of Baptistcare WA Limited and its subsidiary Aurum Catering for the year ended 30 June 2022. It has been approved by the Baptistcare WA Limited board.



Jarod Avila
Director