



BaptistCare

Modern Slavery Statement 2021

*Because
we care*

LOVE
We genuinely care

RESPECT
We respect individuality

RELIABILITY
We do what we say

EMPOWERMENT
We empower customers to live well

Important Information

BaptistCare NSW & ACT is a Public Company Limited by Guarantee and a Public Benevolent Institution. It is a Christian based Charity and *For-purpose* organisation registered with ASIC, the ACNC and the ATO. It does not own or control any other entities.

BaptistCare's purpose is 'Transforming Lives by Expressing the Love of Christ' and its vision is to see 'Every Individual Living Well'.

BaptistCare has extensive operations across New South Wales and the Australian Capital Territory in the following areas:

- Residential Services and Retirement Living – includes Residential Aged Care Homes
- BaptistCare at home - supporting seniors and their carers to live independently at home
- Community Services and Housing - includes Social and Affordable Housing, HopeStreet locations, Counselling and Family Services

BaptistCare also delivers Chaplaincy Services across its divisions. These are managed centrally through Support Services.

At June 2021, BaptistCare had



3,691 employees and 748 volunteers.

This report has been prepared in line with the requirements of the Australian Modern Slavery Act 2018 (Cth) (Modern Slavery Act). It explains the actions BaptistCare has taken to assess and address modern slavery risk exposures in its operations and supply chains during the financial year ending 30 June 2021 (FY2021).

Where this report contains forward looking statements, including statements of current intention, statements of opinion and predictions as to possible future events, these statements are not statements of fact and there can be no certainty of outcome in relation to these matters as there are factors outside of BaptistCare's control that could cause the outcomes to be materially different from the events or results expressed or implied by such statements. Statements about past performance are not necessarily indicative of future performance.



Message from our CEO and Board Chair

On behalf of the BaptistCare Board and Executive team, we are proud to present BaptistCare's second Modern Slavery Statement.

Our Purpose, 'Transforming Lives by Expressing the Love of Christ', underpins our belief that each person is unique, loved by God and worthy of respect.

Our Vision, to see 'Every Individual Living Well', demonstrates our commitment to supporting all individuals to live in a safe, secure and loving environment.

Together, our purpose and vision drive our commitment to ensuring our actions and decisions protect those who are vulnerable to modern slavery, and wherever possible, to actively work to prevent human rights abuses.

We recognise our responsibility to respect human rights and to address any adverse human rights impacts we identify in our operations or our supply chain.

We acknowledge this includes avoiding, causing or contributing to adverse human rights impacts through our actions, addressing any such impacts when they occur and seeking to prevent or mitigate adverse human rights impacts linked to our operations, even if we have not directly contributed to those impacts.

BaptistCare embraces the opportunity to join with other Australian businesses to eradicate modern slavery from our operations and supply chains.

Through our Human Rights Position Statement, we commit to the betterment of the lives of the community we serve and all stakeholders. We also commit to promote the human rights of those in our care, to promote a culture of respect for human rights in our workforce, and to refrain from any business activities that could be complicit in human rights abuses.

During the 2021 financial year we built on the foundations we had laid. We continued to develop our capabilities, we established and improved our policies and processes, and began the process of engaging with our suppliers.

The outcomes of this saw us:

- Develop and publish a Human Rights Position Statement and a new Procurement Policy
- Complete a Supplier Code of Conduct
- Train and build staff capacity in understanding and addressing modern slavery
- Develop a modern slavery supplier questionnaire
- Engage our top 10 priority suppliers with the questionnaire and follow up meetings/interviews
- Begin work to benchmark suppliers and establish performance indicators for effectiveness

To continue on our journey, we have developed a Three-Year Roadmap to guide us as we measure our progress. We will look for opportunities to engage and collaborate with our suppliers, peers, peak bodies, advisors and leaders in the field, to build our capacity and strengthen our impact in advocating against modern slavery.

Any form of modern slavery is unacceptable and does not reflect the Christian beliefs upon which BaptistCare was founded. As an organisation dedicated to the care of people in vulnerable situations, we carry a weight of responsibility to protect the vulnerable, and actively pursue the eradication of modern slavery, both locally and globally.

Our Modern Slavery Statements are the first step in the journey. We look forward to a time when slavery is a notion of the past, and all people live in a safe, secure and loving environment, treated with respect, care and kindness.

This statement was approved by the board of BaptistCare NSW & ACT on 29 November 2021.

Charles Moore
Chief Executive Officer, BaptistCare

Robert Dunn
Board Chair, BaptistCare



FY2021 Highlights

Awareness and Capacity Building

- Published and internally communicated our Human Rights Position Statement
- Communicated publication of our first Modern Slavery Statement
- Rolled out Modern Slavery awareness training on the BaptistCare intranet
- Dedicated training and capacity building of our procurement and asset management teams around modern slavery due diligence and supplier engagement

Supply Chain Awareness and Knowledge

- Conducted desktop reviews of 10 priority suppliers, assessing their efforts to address labour rights and modern slavery risks throughout their supply chains
- Further developed our risk assessment tools by categorising risk by industry and slavery typology

Engagement with Stakeholders and Partners

- Participated in the United Nations Global Compact dialogue on human rights and remediation procedures

Supplier Engagement and Performance

- Developed a Code of Conduct for suppliers
- Engaged with top 10 priority suppliers to understand their current efforts to address slavery and discussed areas of improvement
- Set up processes and systems for broader supplier engagement

Policies, Procedures and Systems

- Developed and communicated a new procurement policy and procedure
- Developed a process for conducting and assessing desktop reviews of suppliers efforts to address modern slavery risks
- Updated all standard procurement contracts with modern slavery clauses

Measurement, Results and Reporting

- Reviewed the results of desktop reviews and supplier questionnaire engagement to lay the foundation for benchmarking all suppliers
- Developed proposed mitigation strategies for different industry types
- Commenced development for remediation principles and action plan

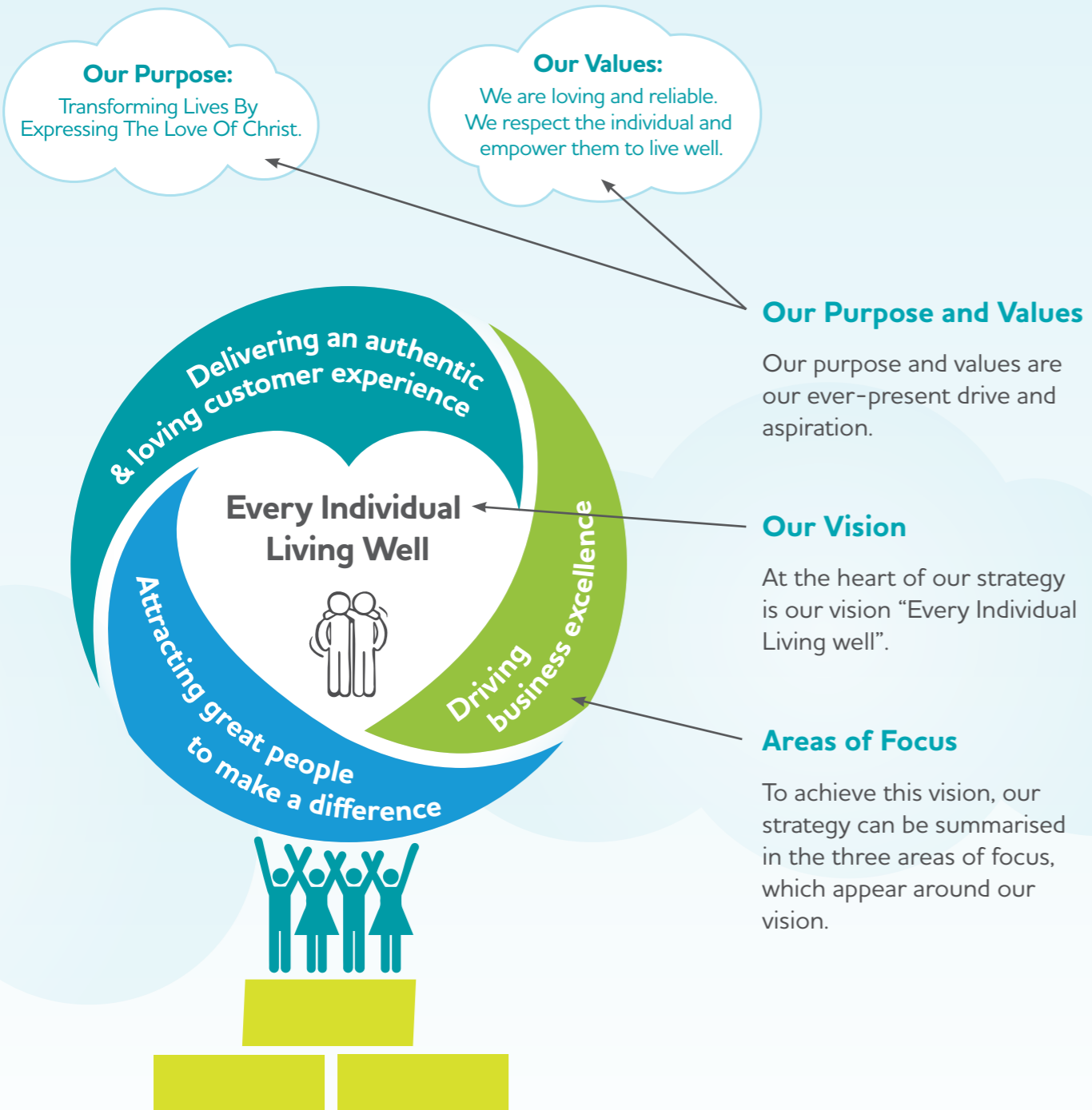


Our Strategy

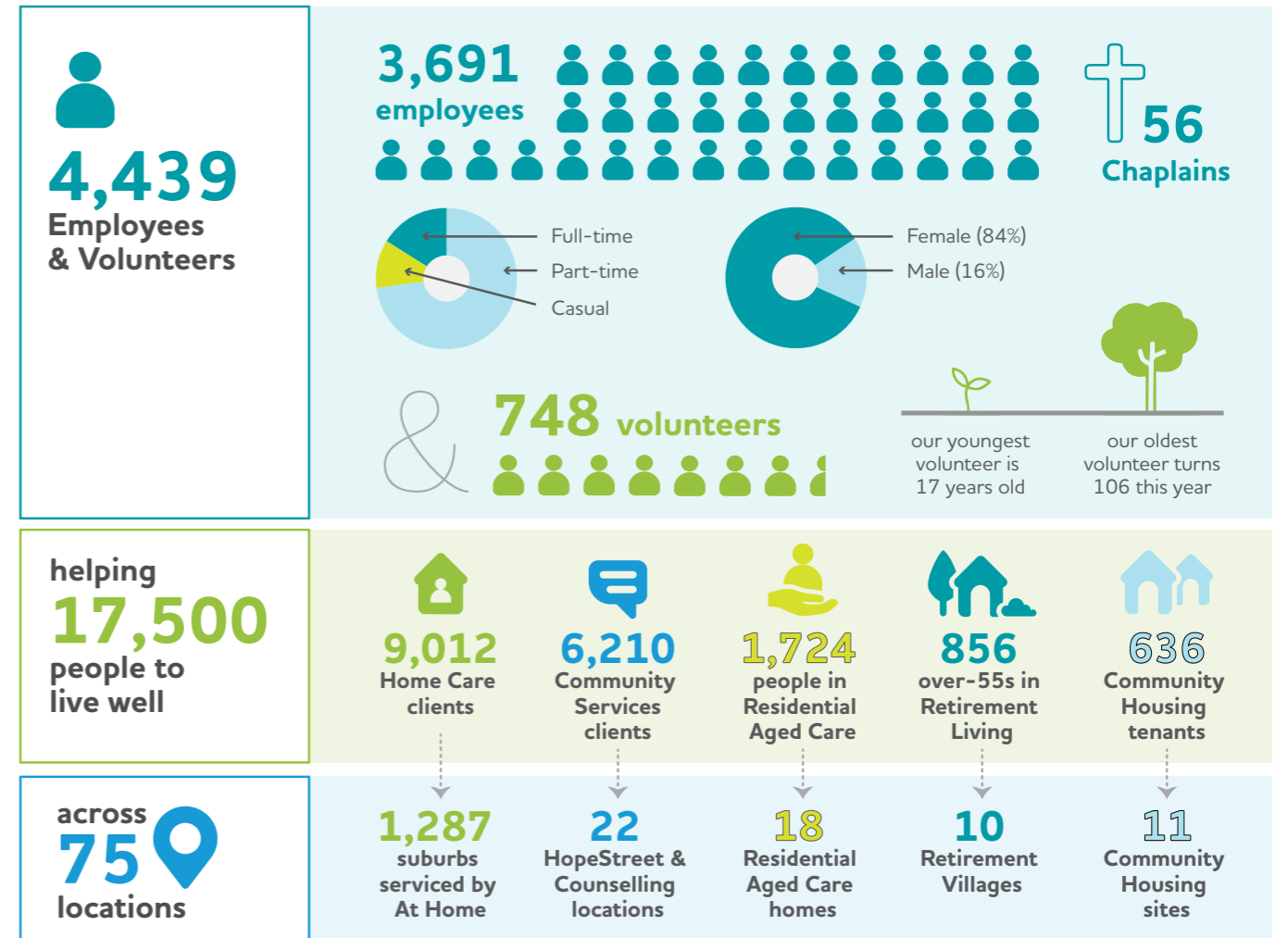
SEE THE STRATEGY EXPLAINED

Our new Strategy provides us with a five year roadmap and sets us on a path to be an organisation that delivers exceptional customer care and service, one that empowers the vulnerable and marginalised, is agile and innovative, efficient and transparent, well-governed and financially sustainable.

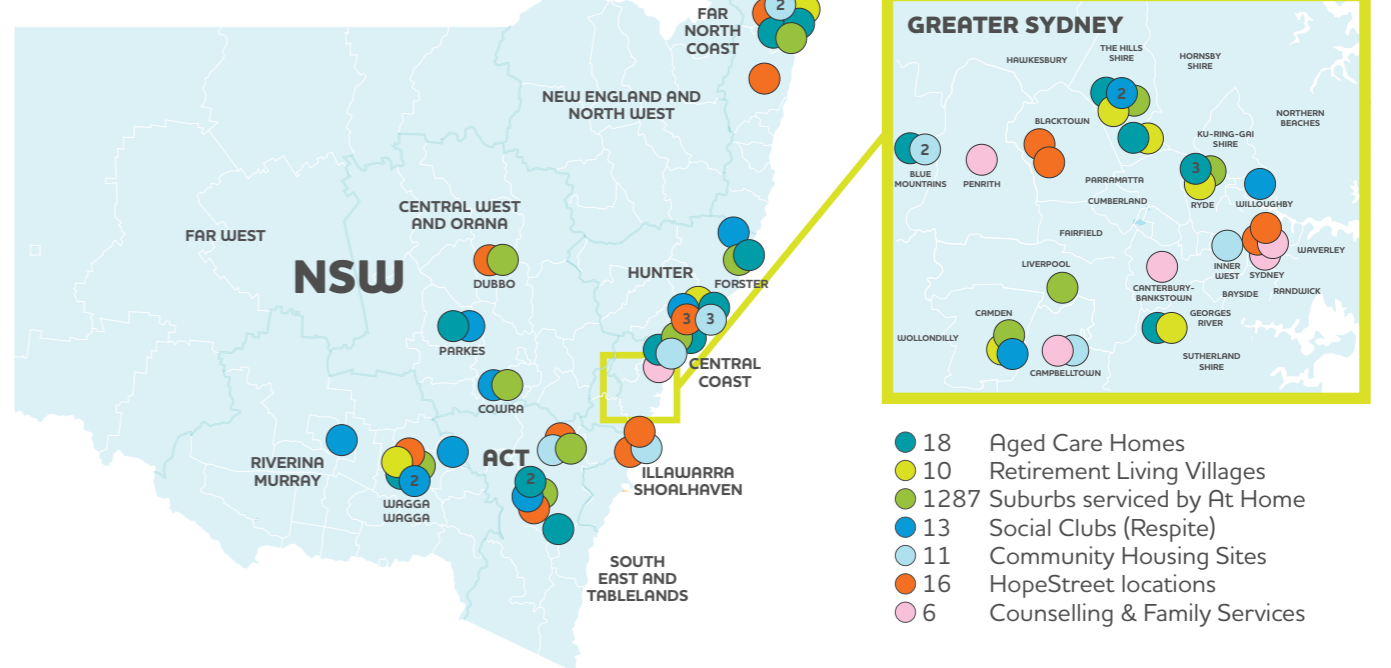
Please visit our website to learn more about the journey we are on.



Our Impact



Our Locations





Our approach and commitment towards human rights and addressing modern slavery

Our approach and commitment to human rights and modern slavery is included in our Human Rights Position Statement.

We recognise that we have a critical role to play in promoting and respecting human rights, and identifying and addressing any human rights issues in our workforce and supply chain.

We commit to the betterment of the lives of the community we serve and all our stakeholders by adhering to ethical policies that respect human rights and stand against exploitation.

Our commitment to the Universal Declaration of Human Rights and other international covenants stems from our biblically shaped purpose and vision. Our vision to see every individual living well, is deeply rooted in our Christian faith, and one that leads us to:

- Respect our customers, their families and friends and promote the human rights of those in our care
- Endeavour to collaborate with others to uphold human rights across the sectors in which we operate
- Respect the human rights of our workforce, including volunteers and contractors, promote a culture of respect for human rights and embrace diversity and inclusion
- Expect our vendors and partners to share our commitment to human rights and hold others down the supply chain to the same standard
- Commit to not participating in any business activities that could be complicit in human rights abuses, and expect our vendors and partners to be accountable to this same high standard

Risk of modern slavery and human rights abuses in our operations and supply chain

We understand that our business activities could cause, contribute to or be directly linked to modern slavery practices. During FY21, we built significantly on the foundations we laid in FY20. We continued to build our capabilities, established and improved our policies and processes, categorised suppliers by a modern slavery risk profile, and began the process of engaging with our suppliers.

For the purpose of this Statement and in accordance with the legislation, reference to our business activities includes:

Our direct operations:

This includes the employees, volunteers and contract workers who operate our business and the conditions under which they work.

During FY21, our direct operations had the following characteristics:

- We had approximately 3,691 employees and 748 volunteers
- We spent approximately \$12m on contract and agency workers
- We recruited employees both directly and with the assistance of recruitment agencies
- We took steps to centralise our recruitment to increase our ability to hire employees directly

BaptistCare takes steps to ensure all staff are not exploited. Beyond simply remunerating in line with legislation, we ensure salary packages are sufficient to attract and retain skilled and qualified employees. We recognise the highest risk of modern slavery in our direct operations will occur through workers contracted in through labour agencies. Work on mitigating these risks is underway, and will continue to be a significant area of focus.

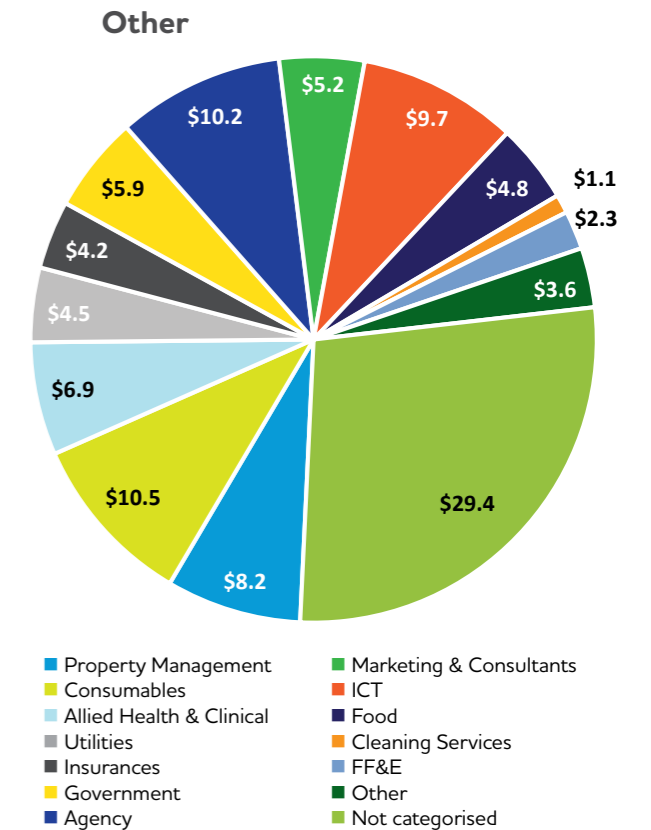
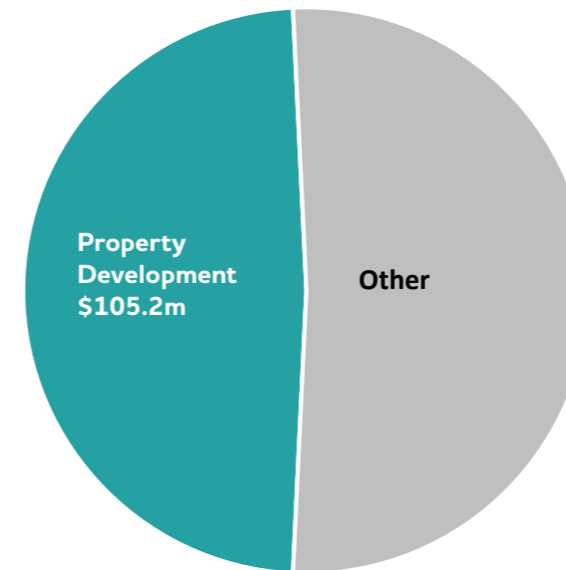
Our supply chain:

This includes a wide range of goods, services and works across a number of areas. Having examined our core suppliers, we have categorised the primary modern slavery risks into a number of areas with related exposures to modern slavery.

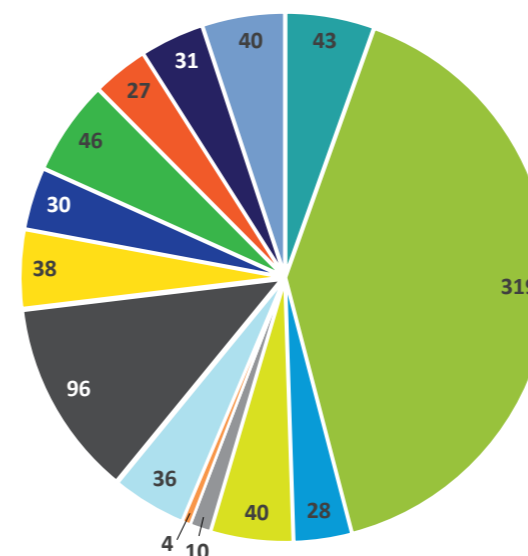
- Product manufacturers
- Electronics product manufacturers
- Construction
- Labour agencies (cleaning, nursing, allied health)
- Facilities management
- Food suppliers

A breakdown of our expenditure and number of suppliers is as follows:

2020 Spend - \$m



2020 Categorised Suppliers



Property Development.....	43
Property Management.....	319
Consumables.....	28
Allied Health & Clinical.....	40
Utilities.....	10
Insurances.....	4
Government.....	36
Agency.....	96
Marketing & Consultants.....	38
ICT.....	30
Food.....	46
Cleaning Services.....	27
FF&E.....	31
Other.....	40

We developed a supplier questionnaire to understand what steps our suppliers are taking to address the risks of modern slavery in their own operations and throughout their supply chains. The questionnaire covers each of the aspects of the modern slavery reporting requirements, and goes further, asking questions about specific due diligence measures they may be taking.

This process allowed us to engage deeply with our core suppliers, suggest areas for improvement and gain insights into how they and the industries they represent can better address modern slavery risks. Using this process, we have categorised suppliers based on their related risks and develop a strategy to use our influence to improve supplier practice, rate supplier performance and ultimately mitigate risks in our supply chain.

The following six categories represent the core focus areas in our supply chain.

-  Product Manufacturers
-  Electronics Product Manufacturers
-  Construction
-  Facilities Management
-  Labour Agencies
-  Food Suppliers

Below is a breakdown with top-level insights and strategies to manage risks across these six core areas. The purpose of these strategies is to work with our suppliers and the industries with whom we connect, to mitigate and address slavery in our supply chains and exercise our influence and expertise, achieving the same for domestic and global supply chains more broadly.

Area	Slavery Risks	Strategy for addressing risks
Product Manufacturers	In first tier manufacturing, migrant labour is the primary risk. Beyond first tier, slavery risks increase deeper into the supply chain, in areas like inputs manufacturing, mining and farming.	<p>At the first tier, key strategies include ensuring:</p> <ul style="list-style-type: none"> • That robust social audit and monitoring systems are in place • Systems and policies exist to protect highest risk workers, particularly migrant labourers • Suppliers have visibility of their supply chain, primarily through tracing efforts <p>BaptistCare will pursue these outcomes through supplier engagement, the use of a preferred supplier program and supplier selection processes.</p> <p>Beyond first tier, high risk areas need to be identified and then addressed. Effective tools and approaches will include certifications, using a closed/controlled supply chain, tracing and monitoring, engagement with effective multi-stakeholder initiatives and governments, efforts focused on worker empowerment, preferred supply programs and policy reform.</p> <p>BaptistCare will pursue these outcomes through supplier engagement, development and adoption of a preferred supplier program and its own supplier selection processes.</p>
Electronics Product Manufacturers	<p>Risks are similar to those outlined above, however, it is important to note significant steps have been taken with this industry already to understand best practice and address key risks.</p> <p>A range of ratings tools have been used to understand the quality of many of the world's largest manufacturers. These have been key to our understanding of risks in electronics manufacturing.</p>	<p>Given the existing knowledge about risks in the electronics industry and various tools available to assess modern slavery performance, strategies for BaptistCare to consider implementing include:</p> <ul style="list-style-type: none"> • Exclusion of high-risk companies • Preference for best practice companies • Engagement and advocating for improvement

<p>Construction</p>	<p>When looking at first tier domestic operations, the key risks in direct operations of these suppliers lie with the use of sub-contractors and migrant labourers.</p> <p>Moving beyond first tier and deeper into the supply chain, risks identified include building materials (timber, tiles etc.), other manufacturing and sourcing of raw materials (mining and farming risks).</p>	<p>Initial strategies to mitigate risks will include ensuring construction companies have robust systems for training around the use of subcontractors and migrant labourers, and development of traceability and monitoring systems.</p> <p>BaptistCare will begin looking into development of standards for building materials and in some instances may specify materials where human rights risks have been shown to be mitigated effectively.</p>
<p>Labour Agencies</p>	<p>Labour agencies, including those offering cleaning, aged-care staff, nursing and other allied health support, contain higher risks, particularly in their use of migrant labour.</p> <p>These workers, especially where they are employed on a casual basis, engaged in low skilled work, and are not aware of their working rights represent one of the highest risk categories for exploitation domestically.</p>	<p>Ensuring our suppliers have in place robust systems around recruitment and HR processes will be key to mitigating these risks. These systems could include:</p> <ul style="list-style-type: none"> • Staff training around labour exploitation risks and worker rights • Whistleblower hotlines and services clearly communicated • Spot checks and audits from BaptistCare to confirm due-diligence is being carried out • Exclusions or restrictions on non-approved subcontracting
<p>Facilities Management</p>	<p>We recognise many of the activities carried out by outsourced facilities management providers will be similar to those outlined above for labour agencies. These workers are, however, a further step removed from BaptistCare's direct oversight, so further risk mitigation will be needed.</p>	<p>The strategies outlined above for labour agencies can be replicated for facilities management providers. Our work may involve seeing what systems these providers already have in place and ensuring all BaptistCare suppliers adopt sufficiently robust strategies.</p>
<p>Food Suppliers</p>	<p>Significant modern slavery risks exist in agricultural production, with secondary risks occurring in logistics and other operations. Migrant labourers in domestic farming face significant risks of being exploited.</p> <p>While international agriculture and fisheries risks vary from country to country, they are on the whole, significantly higher than domestic risks.</p>	<p>Strategies for domestic risks:</p> <ul style="list-style-type: none"> • Advocating for an improvement of government audit systems • Checks to ensure fair pricing and purchasing practices • Preference for best practice companies • Engagement with companies and advocating for improvement • Work with current industry initiatives to reduce risk <p>Strategies for international risks may include:</p> <ul style="list-style-type: none"> • Check for evidence of risk identification • Check for certifications and farming audit compliance • Multi-stakeholder initiatives (e.g. seafood imports)



Actions taken to Assess and Address Risks

During FY21, we made significant progress in furthering our understanding of modern slavery, improved our policies and processes and engaged with our key suppliers.

Key actions completed in FY2021 are as follows:



Building our understanding and capabilities

We continued building our understanding of the Modern Slavery Act, and increased our awareness and capability by:

- Partnering with a specialist consultant to work with our internal working group
- Developing an internal training module for staff
- Participating in industry conferences to increase our knowledge and understand what we are expected to do
- Engaging with industry peers and non-government organisations, including through Sustainability Advantage, Aged Care and Community Services Australia and Baptist Care Australia
- Communicating and publishing our first Modern Slavery Statement



Establish and Improve Policies and Procedures

We focused on the following improvements to our policies and procedures:

- Commitment to Human Rights with the publication of our Human Rights Position Statement
- Ethical Procurement Practices: All standard procurement contracts have been updated to include modern slavery clauses in addition to our new procurement policies and procedures that reflect our commitment to ethical procurement practices
- Supplier Code of Conduct: We finalised our Supplier Code of Conduct and began the process of communicating it to suppliers



Supplier Engagement

We continued to engage with our suppliers by:

- Utilising the new supplier questionnaire and review process for assessing and validating supplier responses
- Providing specialised supplier assessment and engagement training for key staff in the asset management and procurement teams
- Engaging the top 10 priority suppliers through an interview process using the questionnaire
- Developing an understanding of where key suppliers are in their efforts to address modern slavery and set expectations on what steps we would like to see
- Identifying slavery mitigation strategies for suppliers according to their industry sector (outlined on pages 14-16)



Review of the Effectiveness of our Actions and Looking Ahead

This year, our efforts to strengthen our foundations, engage with suppliers and incorporate new insights have seen us take significant steps forward in promoting and protecting human rights and addressing modern slavery risks in our operations and supply chains.

While we continue to face disruptions in our planned activities due to the impact of COVID-19, FY21 was a year of progress. We have much better visibility of the risks in our highest priority suppliers, we have developed a framework for understanding and mitigating risks in our broader supply chain and are clear on the steps needed to mitigate the risks in our own operations.

This progress, as measured against our Modern Slavery Roadmap, continues to be a particular focus for review and engagement by our board and executive.

It's worth noting the steps taken this year have laid the foundations for developing new effectiveness measures. We now have the tools we need to benchmark suppliers, track their progress and establish goals and targets. We are also better placed to evaluate how our upskilling, training and investment is driving change in business practice and policy for our suppliers and for our own operations.

Over the next 12 months, key activities will include:


- Engaging and benchmarking a broader group of suppliers, using our questionnaires, desktop reviews and interviews
- Working with suppliers to refine and implement strategies to mitigate modern slavery risks
- Further steps to ensure there is no modern slavery connected to our own operations
- Continuing internal awareness raising and capacity building activities
- Engaging with stakeholders and partners
- Reporting on progress to our executive and our board



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