



paulramsay
FOUNDATION

Modern Slavery Statement under the *Modern Slavery Act 2018 (Cth)*

REPORTING PERIOD: 1 July 2022 – 30 June 2023

PAUL RAMSAY FOUNDATION LIMITED
ABN 32 623 132 472

Table of Contents

Highlights from the Reporting Period	02
Reporting Requirement #1: The Reporting Entity	03
Reporting Requirement #2: Structure, Operations, and Supply Chains	04
Reporting Requirement #3: Identifying Potential Areas of Elevated Modern Slavery Risk	06
Reporting Requirement #4: Assessing and Addressing Modern Slavery Risk	08
Reporting Requirement #5: Measuring Effectiveness	11
Reporting Requirement #6: Consultation with Owned and Controlled Entities	12
Reporting Requirement #7: Any Other Relevant Information	13

Highlights for the Reporting Period

As Paul Ramsay Foundation's ("PRF") modern slavery response matures into this, our fourth, reporting period, we have continued to learn and grow from the lessons of previous years. External collaboration and capacity building were areas of major focus for the 2023 Financial Year.

Some specific highlights for this reporting period include:

- ✔ Organising and facilitating two external modern slavery focused events in partnership with the NSW Anti-slavery Commissioner. These events have been beneficial in bolstering collaboration within the for-purpose sector, to promote collaboration between stakeholders who have potential for genuine 'on the ground' impact
- ✔ Initiating modern slavery due diligence conversations in grant partnerships. Our early approach has focused on balancing the important work achieved by our partners, along with their size, capacity, and potential exposure to modern slavery risks
- ✔ Undertaking targeted engagement with a catering provider

- ✔ Finalising our Responsible Investment Policy Statement, which contains several practical commitments to ensure our investments remain aligned with PRF principles including our anti-slavery values and key international human rights instruments
- ✔ Continuing to develop and operationalise key policy and governance measures, such as our ethical sourcing clauses, our Modern Slavery Working Group and our External Feedback and Complaints Policy.



This Modern Slavery Statement has been approved by the Board of Directors of Paul Ramsay Foundation Limited in their capacity as the principal governing body on 27 November 2023.

Pursuant to the requirements of the *Modern Slavery Act 2018 (Cth)*, the contents of this Statement have been reviewed and confirmed as accurate by a duly authorised person.

This statement is signed by Michael Traill AM in his role as the Chair of the Paul Ramsay Foundation Limited Board on 29 November 2023.

A handwritten signature in black ink, appearing to read 'Michael Traill', written over a horizontal line.

Signature

29 November 2023

Date

Michael Traill

Director, Paul Ramsay Foundation Limited



REPORTING REQUIREMENT #1

The Reporting Entity

The reporting entity covered by this modern slavery statement is **Paul Ramsay Foundation Limited (ABN 32 623 132 472)**.

Paul Ramsay Foundation (PRF) has been a mandatory reporting entity since the commencement of the *Modern Slavery Act 2018 (Cth)*. This is our fourth modern slavery statement and covers the 2022-2023 Australian financial year.

PRF is an Australian public company limited by guarantee, registered as a charity with the Australian Charities and Not-for-profits Commission. We operate by investing assets that were bequeathed by the late Mr Ramsay (our corpus) to earn income that we use to fund our operations. We do not raise funds from the public.

The Paul Ramsay Foundation was established by the late Mr Paul Ramsay AO in 2006. It received a substantial bequest upon his passing in 2014. PRF is one of the largest operating foundations in Australia.

Structure, Operations, and Supply Chains

Structure

Our Board of Directors is PRF's principal governing body. PRF continues to own, control and actively trades two companies that are not, individually, mandatory reporting entities:

- Paul Ramsay Holdings Pty Limited (ABN 33 008 446 151)
- Plantation Palms Properties Pty Limited (ABN 30 106 576 087) - a property development company in far North Queensland.

Operations

With a charitable purpose of addressing disadvantage in Australia, we invest in and partner with organisations and communities across Australia that focus on enabling people and places to thrive. We build the capability of organisations and the for-purpose sector, and we aim to influence through collaboration.

Our core initiatives include:

- Grant funding that ranges from early exploration to substantial investment
- Impact investing.

We are committed to building insights, data, and knowledge in the areas where we are working, while also building capability within the organisations we partner with.

Headquartered in Sydney and with an office in Melbourne, PRF employed approximately 70 people during the reporting period.

PRF's key strategic impact areas include:

- Thriving Children
- Justice and Safety
- Employment
- Communities and Place.

We aim to positively influence policy and outcomes through collaboration.

PRF welcomed our new CEO, Professor Kristy Muir, who commenced in August 2022. Following on from the establishment of PRF's First Nations Advisory Council in 2022, we employed our inaugural Chief First Nations Officer.

Supply chains

PRF and Group entities engaged with a total of 407 direct suppliers over the reporting period.

This is an increase from the previous reporting period (290 direct suppliers, representing an increase of over 50%). Specific features relating to the overall increase in direct supplier numbers include our overall continuing growth, building and maintenance contracts for our premises, and various newly onboarded suppliers used for evaluations, events, and consulting.

Our suppliers remain overwhelmingly Australian-based, with only 3% international suppliers, including:

Supplier countries	Supplier industry categories
USA, New Zealand, UK, the Netherlands, Austria	Business services Membership organisations Professional services Computer related services Recreational and cultural services

REPORTING REQUIREMENT #2: STRUCTURE, OPERATIONS & SUPPLY CHAINS

Significant Australian supplier industry categories for PRF and Group entities in terms of overall spend during the reporting period included the following:



Our supply chain categories remained relatively consistent with previous reporting periods, with coverage across the following Australian sectors:

- Logistics, courier, and delivery services
- Utilities
- Education services
- Research providers
- Financial and insurance services
- Business and professional services
- Government services
- Research services
- Furniture and office equipment
- Machinery and equipment
- Interest groups / community organisations
- Consulting services
- Legal services
- Postal and telecommunication services
- Advertising and signage services
- Real estate services
- Recreational and cultural services
- Plant and equipment hire services
- Construction supplies
- Water and landfill services
- Property maintenance providers
- Cleaning services
- Merchandise services.



Our Investments

Two primary assessments of modern slavery risk of our investment portfolios utilising the proprietary technology and methodology of our long-term external consultant partners occurred (further details discussed in relation to Reporting Requirement #3, on the following page).

In addition to an assessment of individual investee companies of a similar kind to that performed in the previous reporting period, a portfolio-wide assessment was undertaken, which examined investment trusts.

These investees are still primarily held in Australia, (94%) and a small number of New Zealand investments (6%).

Our (individual company) investment portfolio otherwise continues to hold investments in the same companies/ industries reported in our previous statement, with continued coverage across the following industry categories:

- Australian mining / extractives (zinc, copper, lead, fabricated metal products, and sheet metal products)
- Road freight / logistics
- Pharmaceuticals
- Investment services / non-banking finance
- Computer and technical services
- Science equipment
- Retail trade
- Construction
- Real estate
- Tourism
- Employment placement
- Fleet groups.

The externally managed portfolio includes investment in individual funds, with the following country-based characteristics:

56% are Australian based and 44% based overseas.



REPORTING REQUIREMENTS #3

Identifying Potential Areas of Elevated Modern Slavery Risk

Our supply chains

Under the following sub-headings, we have identified the relevant industry categories that were assessed as having, in relative terms, the highest potential supply chain risk exposure:

- Australian Accommodation and Food Services
- Australian Business Services
- Australian Construction
- Australian Financial-related Services
- Australian Insurance Providers.

We have included general descriptions below to further explain why these industry categories that are within PRF's supply chains are identified as having potentially elevated risks.

Australian Construction Work

The Australian building industry has relatively low barriers to entry. It can also include relatively elevated reliance upon vulnerable / migrant workforces is characterised by

a prevalence of risk-elevating practices including cash-in-hand payment systems, sham contracting, use of unethical labour hire agencies, 'pyramid' contracting arrangements with very poor transparency, inflexible timeframes for job turnarounds, a general lack of employment contracts, and workers on low or little income with access to grievance mechanisms.

The industry's most common material supply chains also elevate risk, including concrete, steel, bricks, and renewable energy products (e.g. solar panels).

Australian Business Services / Financial Services / Insurance Providers

The potentially elevated risks related to these sectors include reliance on higher risk day-to-day operational suppliers such as cleaning, security, and office catering services. There is also significant dependence on high-risk computer and electronics / digital hardware products, which are typically manufactured in high-risk locations in Asia, using high-risk raw material inputs such as lithium, gold, and cobalt.

REPORTING REQUIREMENT #3: IDENTIFYING POTENTIAL AREAS OF ELEVATED MODERN SLAVERY RISK

Australian Accommodation and Food Services

Suppliers in this category generally include accommodation venues and corporate catering providers.

Industry-wide risks include:

- Catering providers have core supply chain linkages with the agriculture and horticultural sectors. These are characterised by seasonal, low skilled and migrant workforces, often have job sites located in geographically isolated areas, and may involve hazardous work conditions. There are also documented issues in Australia relating to employers exploiting workers through of 'piecework' payment models, where workers are (unjustly and inadequately) paid per item harvested.
- Elevated risk products imported into Australia (as with all G20 countries) for use in the catering sector, include seafood, beef products, cocoa, rice.¹
- Walk Free's 2023 Global Slavery Index describes hospitality, and agriculture (part of the catering supply chain) as higher-risk Australian sectors, particularly for forced labour practices. The 2023 GSI further describes²:

"The risks facing temporary migrant workers in Australia typically result from deception or fees incurred throughout the migration process and limited oversight, monitoring, and enforcement of worker rights and conditions in industries with high numbers of temporary migrant workers. Migration agents or labour brokers who organise visas or jobs for potential migrants commonly charge significant fees and deductions from pay, which may result in migrants being burdened with debts that they struggle to repay.

Research has identified that "rogue" labour hire companies are often part of an opaque sub-contracting network exploiting vulnerable workers.

This includes underpayment, non-payment of entitlements such as leave or superannuation, and sub-standard accommodation in certain industries such as agriculture, horticulture, meat processing, and construction. A lack of monitoring and enforcement of labour laws in these industries across Australia puts temporary and undocumented workers further at risk of exploitation."

Investments

Listed equities investment portfolio

The identified industry categories within this portfolio with the highest potential risks include:

- Australian Business Services
- Australian Retail Trade
- Australian Mining and Extraction Services.

Externally managed funds

Our commitment to specifically assessing the actual risks within our externally managed funds remains a work-in-progress and is one of our key ongoing priorities for our overall modern response (see further descriptions below).

At present, effective risk assessment remains limited by:

- Prevailing industry practices of "negative screening" that primarily focus on warranting that investments are not made in 'excluded categories' (such as tobacco products, gambling, weaponry and other expressly prohibited items)
- Country-level-based fund naming and identification.

Our operations

Our identified operational risks are consistent with those that we have described in previous statements, including reliance on essential day-to-day providers that we engage such as cleaners, caterers, and on-premises security services.

¹ <https://www.walkfree.org/global-slavery-index/findings/importing-risk/>

² <https://www.walkfree.org/global-slavery-index/country-studies/australia/>



REPORTING REQUIREMENT #4

Assessing and Addressing Modern Slavery Risk

We continue to self-assess as having a relatively low degree of overall modern slavery risk, particularly due to our philanthropic activities being entirely within Australia.

PRF did not become aware of any actual or suspected incidences of modern slavery in our supply chains or operations during the reporting period.

Focus areas for our overall modern slavery response during the reporting period were centred around targeted external collaboration, due diligence, and capacity building activities that extended well beyond PRF's own workforce and day-to-day activities. This took the form of several key initiatives, which are summarised below.

Due Diligence embedded into the grant proposal process

During this reporting period, PRF has been seeking to improve modern slavery due diligence and awareness raising with grant partners. The operationalisation of these actions requires further work to ensure consistency and integration into our work practices, which we will endeavour to work towards.

For new partners, the due diligence process includes requesting the entity's most recently published modern slavery statement for those that are reporting entities. For those not reporting entities, we share modern slavery resources (one focused on high-level understanding of this area in Australia and a summary of possible summary actions; the other focuses on a range of actions that community partners can undertake to address modern slavery).

REPORTING REQUIREMENT #4: ASSESSING AND ADDRESSING MODERN SLAVERY RISK

For existing partners that are mandatory reporting entities, PRF shares its own approach for addressing modern slavery issues and offers support to assist the partner in effectively meeting its reporting obligations under the Act. And for existing grant partners that are not reporting entities, we provide resources, with an initial focus on the partners' baseline level of understanding about its own risk profile.

Partnering with the NSW Anti-slavery Commissioner

PRF organised and facilitated two external modern-slavery-focused events during the reporting period. The primary intention of these events was to bolster the quality of external engagement and awareness of modern slavery in the for-purpose sector in which we operate.

The first event was held in February 2023, with partners, Yirranma Place corporate tenants, and over 50 attendees from a range of human rights, human services, charity, legal and government representatives. It featured a panel discussion with NSW Anti-slavery Commissioner Dr James Cockayne and Fair Supply CEO, Kimberly Randle.

A focus of the event was on the work of the NSW Anti-slavery Commissioner, an independent statutory officer, in addressing modern slavery, including how this impacts NSW charities.

The intersectionality between addressing modern slavery and the unique role that the not-for-profit sector plays in addressing factors that can increase a victim's vulnerability to exploitation, was also explored.

Potential opportunities for collaborating to address modern slavery, such as working together to adopt taxonomies for identifying victims of modern slavery that present at services and developing training resources for employees with 'eyes on the ground' to identify and assist potential victims.

The second event was a workshop convened, again with the NSW Anti-slavery Commissioner, Dr James Cockayne, and the UN Special Rapporteur on Contemporary Forms of Slavery, Dr Tomoya Obokata during his non-official visit to Australia to consider the intersections between homelessness, housing insecurity and a vulnerability to modern slavery.

This event specifically focused on how safe, secure housing for those with lived experience of, or at risk of, modern slavery may be made more accessible.

They particularly underscored the importance of unified efforts by community organisations that have an 'on the ground' exposure to potential victims of modern slavery practices in Australia.

Ethical Sourcing Clauses

PRF has developed ethical sourcing clauses for our supplier contracts, which address modern slavery in conjunction with a spectrum of broader ESG issues.

The clauses were finalised, adopted, and operationalised all during the reporting period. These clauses and our practices are being tested and will be continually refined for effectiveness.

Procurement Procedures

PRF has a commitment to continuing to develop responsible resourcing and ethical procurement practices to diligent approach prior to onboarding new suppliers, through ethical sourcing contractual requirements and self-assessment questionnaires.

Self-Assessment Questionnaire

PRF continued its approach to targeted supplier engagement and dialogue that is catalysed by the issuing and review of supplier self-assessment questionnaires. We have little interest in 'box-ticking' through the en-masse issuing of boilerplate surveys that will achieve little in terms of practical impact in addressing modern slavery risk.

Our focused engagement included a catering provider. This supplier, while not a mandatory reporting entity, reported strong performance across all key risk mitigation pillars, demonstrating significant awareness about modern slavery issues, risk identification process and assessments, due diligence framework in place, a grievance mechanism and remediation framework, and annual reviews of its modern slavery performance as part of broader governance framework and approach to ESG / sustainability issues.

REPORTING REQUIREMENT #4: ASSESSING AND ADDRESSING MODERN SLAVERY RISK

Board Training

In the first half of 2023, PRF engaged a third party supplier to deliver specialist training to the PRF Board on modern slavery.

PRF's Modern Slavery Working Group

Our Modern Slavery Working Group continued to meet as required throughout the reporting period. The Working Group continues to have primary responsibility for benchmarking our overall progress in anti-slavery initiatives, including those that were foreshadowed in our last Statement as planned for this reporting period (see further descriptions in relation to "Measuring Effectiveness", on the following page).

Human Rights Statement of Commitment

PRF rolled out its Human Rights Statement of Commitment during the reporting period, which is publicly available on our website. This covers modern slavery issues, both directly and by reference to our Investment Policy Statement (see below).

Responsible Investment Policy Statement

Prior to the lodgement of this Statement³, PRF finalised its responsible Investment Policy Statement. From a modern slavery perspective, the relevant provisions of the Policy Statement confirms that PRF follows a Responsible Investing approach to its Investment Portfolio which incorporates ESG factors into investment decisions, to better manage risk, and generate sustainable, long-term returns which are consistent with PRF's overarching Investment Objectives.

Specifically, PRF has committed to the following:

- Screen out investments in certain industries
- Undertake continual impact risk analysis
- Require Fund Managers to have a documented approach to ESG considerations in investment selection and portfolio management
- Report on Responsible Investing characteristics in accordance with the Investment Objectives.

The Policy Statement operates in conjunction with PRF's overarching policy and governance framework, including PRF's Modern Slavery Policy. It is also guided by, and aligned with, the United Nations Guiding Principles of Business and Human Rights, and the United Nations Sustainable Development Goals.

Through the implementation of the Policy Statement, PRF is striving to be a front-runner amongst its Australian cohort.

Due Diligence on Managed Investments

In 2023, we took further steps towards significantly improving our visibility into potential areas of modern slavery risk in relation to managed investment funds.












³ In August 2023, which was the month subsequent to the end of the subject reporting period.

Measuring Effectiveness

PRF’s focus on effectiveness for the reporting period has involved candidly reviewing its pre-existing approaches and considering those measures (present and future) that we think will maximise our practical impact through a holistic approach. We recognise and continue to monitor areas of domestic modern slavery risk in relation to operational supply chains.

We are interested in pursuing best practice and impact. We acknowledge some specific areas for further work, as set out in the table below, demonstrating our commitment to “do better” and evolve a truly holistic approach.

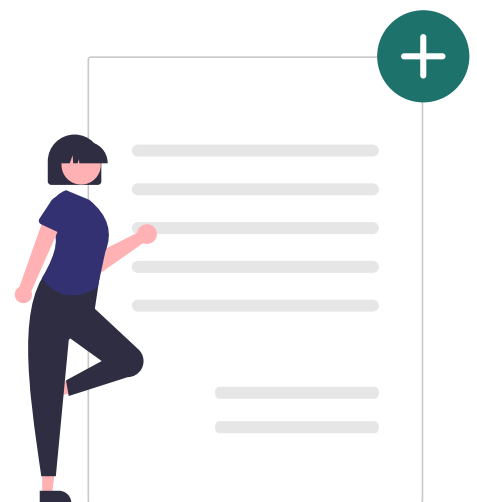
Commitment in FY22 Modern Slavery Statement		Level of Delivery in FY23 Reporting Period
 <p>Monitoring Risk</p>	<p>We recognise and continue to monitor areas of modern slavery risk in relation to operational supply chains.</p>	<p>Ongoing</p> <p>Monitoring took the form of issuing SAQs to ‘operational’ suppliers.</p>
 <p>Supplier Engagement</p>	<p>To ensure such collaborative dialogues are, where appropriate, part of an ongoing partnership (rather than a one-off ‘checklist’).</p>	<p>Ongoing</p> <p>Updated internal priorities have seen our focus concentrated on what we now consider to be higher impact areas, such as work in industry / community collaboration, impact investing, and engagement / due diligence of grant partners.</p>
 <p>Investment Policy</p>	<p>Development of a revised Investment Policy Statement in respect of the investment of PRF’s corpus.</p> <p>Development and implementation of our Responsible Investment Framework, with a specific emphasis on addressing modern slavery issues.</p>	<p>Completed</p>
 <p>ESG Contract Clauses</p>	<p>PRF has developed Ethical Sourcing Clauses for our supplier contracts, which address modern slavery in conjunction with a spectrum of broader ESG issues.</p>	<p>Ongoing</p> <p>PRF has developed Ethical Sourcing Clauses for our supplier contracts, which address modern slavery in conjunction with a spectrum of broader ESG issues.</p> <p>The clauses were finalised, adopted, and operationalised during the reporting period. These clauses and our practices are being tested and will be continually refined for effectiveness.</p>
 <p>Engagement with Grant Partners</p>	<p>Developing a specific approach to modern slavery issues with grant partners, including provision of specifically tailored resources for new grant partners.</p>	<p>Ongoing</p>

Commitment in FY22 Modern Slavery Statement		Level of Delivery in FY23 Reporting Period
Modern Slavery Working Group 	Appoint a Director to participate in our Modern Slavery Working Group, and to assist with broader ESG initiatives.	Ongoing The Working Group has continued to convene and has engaged a Director in the forward planning of this work.
Ethical Sourcing Practices 	Development of responsible sourcing / ethical procurement practices, to ensure adequate due diligence perform prior to onboarding new suppliers.	Ongoing We undertook a wider review of procurement processes, to consider how to integrate modern slavery due diligence considerations more broadly into mainstream procurement process in a practical way that will be more fully utilised by our procurement approach.
Consultation with controlled and owned entities 	Continued diligent and consistent approach in the engagement of suppliers for all PRF controlled or owned entities.	Ongoing
Engagement with NSW Anti-slavery Commissioner 	Active engagement with the NSW Anti-slavery Commissioner to progressing work in this area, taking a collaborative approach and identifying sector opportunities.	Completed Two externally attended modern slavery events involving NSW Anti-slavery Commissioner – as described in relation to Reporting Requirement #4, above.

REPORTING REQUIREMENT #6

Consultation with Owned and Controlled Entities

Throughout the reporting period, PRF continued to consult with the management of all controlled and owned entities (as listed above in relation to reporting requirement #2) to implement our ongoing modern slavery response, and in relation to the contents of this Statement.





REPORTING REQUIREMENT #7

Any Other Relevant Information

PRF's previous statement noted the finalisation of the External Feedback and Complaints Policy.

No complaints about modern slavery were received during the reporting period, but we remain committed to a proactive approach beyond monitoring complaints.

Nevertheless, during 2023, PRF embedded practical information into its external feedback and complaints mechanisms to help bolster its accessibility, including the contact details for translating and interpreting services and the National Relay Service.

Although PRF does not want our modern slavery response to be centred on annual checklists, we recognise the importance of implementing our long term modern slavery response strategy through identifying concrete plans for each reporting period.

In the 2024 financial year, PRF plans to focus on the following areas:



Continue broader engagement with industry bodies



Potential capacity building and awareness raising activities for our grant partners



Continuing to pursue improved transparency in relation to areas modern slavery risks.

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