

Goulburn Valley Health Modern Slavery Statement

Modern Slavery is a term used to describe serious exploitation. Modern Slavery can occur in every industry and sector and has severe consequences for victims. Modern Slavery also distorts global markets, undercuts responsible business and can pose significant legal and reputational risks.

Goulburn Valley (GV) Health recognises the importance of combating modern slavery, a crime that affects communities and individuals across the globe. This Modern Slavery Statement is made pursuant to the Commonwealth Modern Slavery Act 2018 (The Act) by GV Health and relates to the financial year 1 July 2019 to 30 June 2020.

Mandatory Criteria 1 and 2: Identify the reporting entity and describe its structure, operations and supply chains.

GV Health is a Regional Public Hospital and Health Service for the Hume Region of Victoria, established under section 181 of the Health Services Act (Vic 1988) with main campuses located at Shepparton, Tatura and Rushworth. The main campus in Shepparton is the major acute referral hospital for the sub region. Additional sites are also located in Shepparton, Seymour, Benalla, Cobram, Echuca and Wodonga. GV Health is a 300-bed acute and extended care facility which provides surgical, medical, paediatric, obstetrics and gynaecology, intensive care and psychiatry services as well as extended care and regional services.

Health Purchasing Victoria (HPV) is an Australian public Authority established in 2001 by an amendment to the Victorian Health Services Act 1988 (effective 1 January 2021 now HealthShare Victoria (HSV)) and has a responsibility to facilitate reform of procurement system for Victorian hospitals and health services. HPV is a stakeholder organization of the Victorian Department of Health, accountable to the Victorian Minister for Health. HPV partners with Victoria's public health services to understand their requirements, facilitate large scale collective tenders and in collaboration with suppliers, to deliver enhanced health outcomes for all Victorians. GV Health procure goods and services from the suppliers who are party to HPV collective agreements and hence HPV has a significant role in health service supply chains.

HPV works with approximately 449 tier-one suppliers and is responsible for more than 65 contracts with a spend value of over \$1.6 billion. HPV contracts cover a broad range of services, equipment and supplies across a number of categories including ventilators, beds, mattresses, patient trolleys, treatment chairs, hypodermic needles and syringes, gloves, pharmaceutical products catering supplies, non-emergency patient transport etc. A full list of HPV sourcing categories can be found at <https://healthsharevic.org.au/contracts-and-documents/contracts>

HPV acknowledges the impact COVID-19 has had on global supply chains, particularly in light of the significant increase in demand for personal protective equipment. HPV has restructured the supply of PPE through a Centralised Distribution System where Monash Health is acting as the State Supply Chain (SSC). HPV is working to secure stock, for which Monash will place orders on behalf of the state. Where supply is limited, the SSC is taking advice from DHHS to determine allocation.

Mandatory Criteria 3: Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity owns or controls

GV Health has taken a targeted, risk-based approach to assessing modern slavery risks within its operations and supply chains, consistent with the United Nations Guiding Principles on Business and Human Rights. Additionally, this approach has enabled GV Health to continue addressing

areas of higher modern slavery risk while managing significant resourcing constraints due to the COVID-19 pandemic. As a health service with a largely skilled workforce, Goulburn Valley Health considers the risk of modern slavery within its direct business operations to be relatively low. In line with a risk-based approach, these risks will be further examined in subsequent reporting periods

GV Health has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to conduct a detailed risk assessment of our operations and supply chains. GV Health recognises the importance of this activity and will conduct a risk assessment in the financial year 2020/21 reporting period. In the interim, GV Health has engaged with HSV to understand the general modern slavery risks within our supply chains.

GV Health/ HSV Joint Risk Assessment

GV Health recognises that the extensive nature of our global supply chains may expose us to modern slavery risks. Given HSV's significant role in GV Health's supply chains, HSV has helped identify the general risks of modern slavery that may be present.

HSV has scoped the general modern slavery risks in health service supply chains by drawing on academic research and international and domestic reports and analysis. GV Health recognises it may be exposed to a number of modern slavery risks due to the diversity of products and services sourced by HSV and the associated geographic locations, industries and regulatory systems further down those supply chains.

Some of the general risk areas present in GV Health's supply chain include:

- Labour practices in offshore manufacturing facilities, some of which are located in South-East Asia;
- Labour practices in the sourcing of raw materials, including cotton and rubber; and
- Industry risks associated with textiles, electronics and cleaning services.

In addition to general risks, HSV has identified the following high-risk areas specific to the healthcare sector:

- Surgical and examination gloves;
- Surgical instruments; and
- Linens and gowns.

Given the level of complexity in such extensive supply chains, HSV will continue to refine its risk assessment methodology to further improve the visibility of high-risk areas within health supply chains in Victoria.

HSV also recognises that COVID-19 may have increased modern slavery risks in some supply chains. These risks include:

- Increased global demand due to supply chain shortages, particularly in the category of personal protective equipment;
- Shorter production windows;
- Increased unemployment and a fear of loss of income;
- Factory closures; and
- Inability of vulnerable migrant workers to return to home countries.

HSV will continue to assess and address additional risks within healthcare supply chains caused by the COVID-19 pandemic.

Mandatory Criteria 4: Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.

GV Health has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to undertake actions to assess and address modern slavery risks in our operations and supply chains. GV Health recognises the importance of this activity and will undertake these actions in the financial year 2020/21 reporting period. In the interim, GV Health has engaged with HSV to understand the actions that HSV has undertaken to assess and address the modern slavery risks in GV Health's supply chains.

In recognition of the significant role that HSV has in health service supply chains and the substantial resourcing constraints placed on GV Health as a result of the COVID-19 pandemic, HSV undertook numerous activities between 1 July 2019 and 30 June 2020 to address modern slavery risks in GV Health's supply chains.

HSV has established a modern slavery program of work and appointed a Supply Chain Risk Manager to implement the program and support Victorian health services to address modern slavery risks in their operations and supply chains. The program encompasses health service education and support, supplier engagement, due diligence and remediation, amongst other activities.

HSV upholds the Australian Government's position on modern slavery. HSV has updated its Procurement Policy to include a statement on combatting modern slavery in health supply chains and capturing allegations of modern slavery practice(s) in its remit of complaints management, enabling the development of remediation processes. The Procurement Policy is an important internal document that outlines HSV's position on procurement governance and activities, including its response to Government policy.

The amendment to the Procurement Policy consolidates HSV's position on modern slavery, which will in turn inform other internal governance amendments and educational resources for the health sector. The modern slavery section of HSV's website contains information and resources to assist reporting entities required to submit a Modern Slavery Statement

As part of its due diligence, HSV has included a modern slavery clause in some Invitation to Supply (ITS) documentation to ensure prospective suppliers acknowledge their responsibility to health services that are reporting entities pursuant to the Act. In addition to its inclusion in the ITS, this clause has been incorporated into select executed contracts.

As well as specific modern slavery provisions, suppliers wishing to conduct business with HSV, public hospitals or any other branch of the Victorian Government must aspire and commit to meet the Supplier Code of Conduct. Under the Supplier Code of Conduct, suppliers are expected to proactively identify, address and – where required by legislation – report on risks of modern slavery practices in their business operations and supply chains.

To further enhance its approach to due diligence, HSV is developing a Supply Chain Management dashboard. The dashboard will synthesize and analyse HSV supply chain data, providing additional capability to detect and prevent modern slavery risk in health supply chains. This platform will enable HSV to:

- Conduct in-depth supply chain mapping (tier one+);
- Develop detailed modern slavery risk analysis and dashboard reporting;
- Screen prospective suppliers for modern slavery risk as part of ITS due diligence activities;
- Assess incumbent suppliers on modern slavery risk through tailored supplier questionnaires; and
- Manage remediation actions arising from due diligence or supplier questionnaires.

In addition to these activities, HSV has facilitated training workshops for HSV staff and key health service stakeholders on modern slavery practices and the requirements of the Act.

The significant impact that COVID-19 has had on health procurement and supply chains has meant that HSV has had to postpone planned supplier engagement activities; however, these remain an important part of the modern slavery program of work. While the priority for the first reporting period was to implement actions to address identified high-risk areas, HSV will continue to investigate what actions it can take in response to the modern slavery risks caused by the COVID-19 pandemic.

HSV was made aware of allegations of forced labour in the manufacturing of a clinical product currently sourced under HSV's collective agreements. HSV did not have a direct relationship with the manufacturer and it engaged all tier-one suppliers within the category to determine if the manufacturer was involved in their supply chains and, if so, what corrective actions were implemented to address any modern slavery risks.

Suppliers were asked to provide evidence of their commitment to the Supplier Code of Conduct, which requires suppliers to proactively identify modern slavery risks. HSV received detailed survey responses from all suppliers, including details of social responsibility audit non-conformities and remediation actions. This information was used to assess all tier-one suppliers and will inform future engagement activities.

Mandatory Criteria 5: Describe how the reporting entity assesses the effectiveness of actions taken to assess and address modern slavery risks.

GV Health has been significantly impacted by the COVID-19 pandemic, which has resulted in reduced capacity to implement mechanisms to assess the effectiveness of actions taken to address our modern slavery risks. GV Health recognises the importance of this activity and will introduce assessment mechanisms in the financial year 2020/21 reporting period. In the interim, GV Health has engaged with HSV to understand the effectiveness of the assessments they have conducted.

HSV has introduced several mechanisms for monitoring the effectiveness of the actions it has taken to date. Representatives from mandated health services who attend training sessions on the requirements of the Act periodically complete surveys to self-assess their progress against several criteria. The results are used to measure the success of engagement programs, inform future workshop content and identify potential gaps in training.

In addition to this, HSV's senior leadership has taken ownership of the modern slavery program and progress is regularly discussed at senior committees. Feedback from committee members is used to inform decision making and future activities within the program.

The impact of the COVID-19 pandemic has delayed the implementation of further monitoring activities, however HSV aims to define modern slavery key performance indicators within the financial year 2020/21 reporting period.

Mandatory Criteria 6: Describe the consultation process with any entities GV Health owns or controls.

GV Health does have a controlling interest of 14% in Hume Rural Health Alliance (HRHA). The procurement practices of HRHA comply with those of GV Health as financial and procurement services are delivered for HRHA by GV Health.

Mandatory Criteria 7: Any other relevant information.

In order to support the implementation of the Act within health services, HSV has developed a toolkit to assist with meeting the requirements under the Act. The toolkit will contain:

- A modern slavery plan to support the implementation of the governance structures, policies, processes and risk registers needed to underpin a successful modern slavery framework;
- Advice on implementing a modern slavery policy;
- A modern slavery risk register to capture and address the key modern slavery risks that a health service might cause, contribute or be directly linked to;
- A modern slavery risk assessment tool, including advice on modern slavery risk assessments, supplier questionnaires for ITS due diligence and incumbent suppliers and advice on how to interpret questionnaire results;
- A modern slavery fact sheet to facilitate staff training; and
- Supplier contract considerations, including the addition of modern slavery clauses in contracts.

The rollout and implementation of the toolkit will support health services to conduct their own risk assessment, due diligence and remediation activities.

GV Health will implement the toolkit once it becomes available.

Closing Statement

GV Health is confident that the steps taken this year have built a strong foundation for a robust modern slavery framework. GV Health recognises there is more to do and GV Health is committed to continually improving our approach, partnering with our stakeholders and working to eradicate modern slavery.

This statement was approved by the Board of GV Health on 30 March 2021.

Name: Michael Delahunty

Position: Board Chair

Signature:

