



Eastern Health's Modern Slavery Statement FY2019-20

Introduction

Eastern Health is committed to safe workplaces, to limiting the risk of modern slavery within its operations and supply chains, and to the eradication of modern slavery.

This Modern Slavery Statement is made pursuant to the Commonwealth *Modern Slavery Act 2018* (the Act) by Eastern Health and relates to the period 1 July 2019 to 31 March 2021.

Eastern Health Structure, Operations and Supply Chain

Overview

Eastern Health is a health service established under section 181 of the *Health Services Act 1988* (Vic) and is one of Victoria's largest public health services. It provides a range of emergency, surgical, medical and general healthcare services, including maternity, palliative care, mental health, drug and alcohol, residential care, community health and statewide specialist services to people and communities that are diverse in culture, age, socio-economic status, population and health care needs.

Supply Chain

Eastern Health manages over 2,000 contracts, with over 15% being arranged by HealthShare Victoria (HSV).

HealthShare Victoria is a statewide procurement organisation that partners with Victorian public health services to procure best-value goods and services. HSV works in partnership with public health services to understand their requirements, facilitate large-scale collective tenders and manage common-use contracts on behalf of the state. Eastern Health purchases the goods and services it needs from the suppliers who are party to HSV collective agreements. As such, it is recognised that HSV has a significant role in health service supply chains.

HSV works with approximately 449 tier-one suppliers and is responsible for more than 65 contracts with a spend value of over \$1.16 billion.

HSV 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, IV fluids, agency labour, catering supplies, laundry and linen services and non-emergency patient transport. A full list of HSV's sourcing categories can be found at <https://www.hpv.org.au/contracts-and-documents/contracts>.

The risks of modern slavery practices in Eastern Health operations and supply chains

Eastern Health has taken a targeted, risk-based approach to assessing modern slavery risks within its operations and supply chains, consistent with the UN Guiding Principles on Business and Human Rights. This approach has enabled Eastern 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, Eastern 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.

Eastern Health acknowledges the impact that COVID-19 has had on global supply chains, particularly in light of the significant increase in demand for personal protective equipment.

Eastern Health/HSV Joint Risk Assessment

Eastern Health recognises that the extensive nature of its global supply chains may expose it to modern slavery risks. Given HSV's significant role in Eastern 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. Eastern Health 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 areas of risk present in Eastern 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, Eastern Health will continue to refine its risk assessment methodology to further improve the visibility of high-risk areas within health supply chains in Victoria.

It is recognised 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.

Along with relying on resources from HSV, Eastern Health will continue to assess and address additional risks within its supply chains caused by the COVID-19 pandemic.

Eastern Health's actions to assess and address Modern Slavery risks

Eastern 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 its operations and supply chains. Eastern Health recognises the importance of this activity and will endeavour to undertake these actions in the reporting period to December 2021. In the interim, Eastern Health has engaged with HSV to understand the actions that HSV has undertaken to assess and address the modern slavery risks in Eastern 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.

Eastern Health is including a modern slavery clause as part of its due diligence in its Invitation to Supply (ITS) documentation to ensure prospective suppliers acknowledge their responsibility to meet Eastern Health requirements pursuant to the Act. As well as specific modern slavery provisions, suppliers wishing to conduct business with Eastern Health must aspire to and commit to meeting 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.

Consultation process with any entities Eastern Health owns or controls

Eastern Health does not own or control any other entities.

Any other relevant information

Eastern Health is utilising a toolkit developed by HSV to assist with meeting the requirements under the Act. The toolkit contains:

- 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.

Closing statement

Eastern Health is confident that the steps taken during the first reporting period have built a strong foundation for a robust modern slavery framework. It recognises there is more to do and is committed to continually improving its approach, partnering with its stakeholders and working to eradicate modern slavery.

This statement was approved by the Board of Eastern Health on 7 July 2021.

A handwritten signature in black ink, appearing to read 'G. Smith', with a stylized flourish at the end.

Gayle Smith, Acting Chief Executive Officer