

PENINSULA HEALTH – MODERN SLAVERY STATEMENT

Introduction

This Modern Slavery Statement is made pursuant to the Commonwealth Modern Slavery Act 2018 (the Act) by Peninsula Health and relates to the financial year 1 July 2022 to 30 June 2023.

Reporting Criterion 1: identify the reporting entity

Peninsula Health is the major public health service established under section 181 of the Health Services Act 1988 (Vic) for Frankston and Mornington Peninsula.

Reporting Criterion 2: describe the reporting entity's structure, operations, and supply chains

Structure

- Peninsula Health (PH) is registered as a State Government statutory authority.
- Located in Australia
- Address: 2 Hastings Rd, Frankston VIC 3199
- ABN: 52 892 860 159
- Number of employees: 6300+ staff & 700+ volunteers
- PH consists of five major hospitals: Frankston Hospital, Frankston Public Surgical Centre, Rosebud Hospital, Golf Links Road Rehabilitation Centre, and the Mornington Centre; five community mental health facilities; and five community health centres in Frankston, Mornington, Rosebud, Hastings and Carrum Downs and MePACS.
- Link to Annual Report: <https://www.peninsulahealth.org.au/wp-content/uploads/150-Annual-Report-2021-A4-FINAL-LR-WEB-SPREADS.pdf>

Operations

- Services provided by PH for the community include care across the life continuum for obstetrics, paediatrics, emergency medicine, intensive care, critical care, surgical and general medicine, rehabilitation, and oncology, through to aged care and palliative care. PH also provides extensive services in community health, health education and promotion, ambulatory care, and mental health. PH is a major teaching and research health facility, training the next generation of doctors, nurses, allied health professionals and support staff.
- PH is located in Metropolitan Melbourne covering the local government areas of Frankston, Mornington Peninsula and parts of the City of Kingston. The catchment extends from the bayside areas bordered by Carrum in the north, Langwarrin and Hastings to the east, and down to Portsea and Flinders in the south.
- PH has strong partnerships with Monash University, Deakin University, La Trobe University, Chisholm Institute and Holmesglen Institute.

Supply chain

- Health Share Victoria (HSV) is a state-wide 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.

- Peninsula 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.hsv.org.au/contracts-and-documents/contracts>.

Reporting Criterion 3: describe risks of modern slavery practices in operations & supply chains

- As a public health service Peninsula Health has not caused or contributed to modern slavery practice. However, Peninsula Health recognises that the extensive nature of our global supply chains may expose us to modern slavery risks that exists offshore and in high-risk geographies.
- During the previous reporting periods Peninsula Health had not conducted supplier risk assessment. Peninsula Health was 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. Peninsula Health recognised the importance of this activity and has taken the first step in assessing our supply chain for modern slavery risk.
- 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. Peninsula 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.
- Peninsula Health utilised the Modern Slavery Risk Assessment Template provided by HSV to ascertain the risk ratings of our suppliers.

Reporting Criterion 4: describe the actions taken to assess and address risks of modern slavery

Policy

- Peninsula Health has developed a Modern Slavery Policy which has been approved by Executive Committee and is effective as of February 2023.

Due Diligence

- A modern slavery questionnaire has been incorporated in to the market release tender documents.
- This questionnaire will be used for all relevant tender categories and suppliers.

Contracts

- A modern slavery clause (provided below) has been incorporated in to Peninsula Health Commercial agreement template.
 - The Contractor must take reasonable steps to identify, assess and address risks of Modern Slavery practices in the operations and supply chains used in the provision of the Services.
 - If at any time the Contractor becomes aware of Modern Slavery practices in the operations and supply chains used in the performance of the Agreement, the Contractor must as soon as reasonably practicable take action to remove these practices from the operations and supply chains.
 - If requested by the Health Service, with at least twenty 20 Business Days' notice, the Contractor must respond to any reasonable requests for information (including any

supplier survey) provided by the Health Service relating to its compliance under clause x.xx.

▪ Where:

- either the Contractor or the Health Service has identified:
- significant or persistent Modern Slavery risks, or
- alleged Modern Slavery practice(s),

in the operations and supply chains used in the performance of the Agreement; and

- the Health Service has made reasonable efforts to engage the Contractor to take action to mitigate the risks or to remove the practice(s); and
- the Contractor fails to take action to mitigate those risks or remove those practice(s)

the Health Service reserves the right to terminate this Agreement in accordance with clause 21.3.6 which:

21.3.6 directors, officers, staff or sub-contractors of the Contractor commit any offence or do any act or fail to do any act which in the reasonable opinion of the Health Service is of such a nature as to be likely to harm the Health Service's reputation or affect the capacity of the Contractor to discharge its obligations under this Agreement

Training

- In the previous Statement, Peninsula Health had committed that all sourcing staff will undertake training using the HSV modern slavery training material during FY2022-23. All sourcing staff have now completed this training.

Risk Assessment

2021-22 Plan

- In the 2021-22 Statement, Peninsula Health committed to undertake the risk assessment as follows:
- In the first phase, during FY2022-23, Peninsula Health is assessing the top 20 suppliers who account for 60% of Peninsula Health's purchasing expenditure.
- Once this risk assessment is completed, Peninsula Health will provide risk ratings of these suppliers in the Modern Slavery Statement for FY2022-23.

2022-23 Action

Risk Assessment Methodology

- Peninsula Health utilised the risk assessment template provided by HSV to obtain information from suppliers regarding their supply chain and modern slavery mitigation practices.
- The Risk Assessment Questionnaire consists of the following:
 - Company Details – 10 Questions
 - Modern Slavery Policy – 8 Questions
 - Modern Slavery Due Diligence – 14 Questions
 - Modern Slavery Training – 6 Questions
 - Modern Slavery Remedy – 6 Questions
- The scores for these questions are designed to attract low score for responses conducive to mitigating modern slavery risks and a high score for responses that indicate that suppliers are yet to plan and undertake any actions to mitigate the said risks.
- To be clear, a low score means low risk and a high score means high risk.
- The questionnaire issued by Peninsula Health can attract the best score of 15 and the worst score of 175. Using this scoring methodology, a score in the range of 15-70 is considered low risk, 71-120 is considered medium risk and 121-175 is considered high risk.

- Low Risk = No action required
- Medium Risk = Monitor commitment to improve where stated and ensure supplier moves to the low risk category within 3 years.
- High Risk = Collaborate with supplier to develop and implement modern slavery risk mitigation plan

Supplier Assessment

- Peninsula Health issued the risk assessment questionnaire to 29 suppliers making up top 60% of our expenditure. In our previous statement we committed to assessing top 20 suppliers, however, our latest analysis showed that 29 suppliers now make up 60% of our expenditure. As such we extended our first phase assessment from 20 to 29 suppliers.
- Out of the 29 suppliers, 19 suppliers responded providing Peninsula Health with a 66% response rate.
- 18 suppliers who responded received a score between 15 and 68, placing them in the low risk category. No further follow up actions required for these suppliers.
- 1 supplier received a score of 74, which places them in medium risk category. This supplier scored high (medium-high risk) in 4 due diligence questions. They have plans to address these gaps within next 2 years. Peninsula Health will follow up in the following two financial years to ensure this supplier has addressed these gaps and moves in to the low risk category.
- No suppliers assessed were deemed to be in the high risk category.

2023-24 Plan

- Peninsula Health will endeavour to obtain a response to the risk assessment questionnaire from the suppliers in the top 60% spend who did not respond in the 2022-23 survey.
- Further Peninsula Health will target the suppliers in the next 20% of expenditure, covering an overall 80% expenditure over the two year period.
- PH will also analyse high risk categories and target the top 2 high risk categories to conduct the risk assessment in 2023-24. The suppliers in these categories who have not already submitted a response to the risk assessment questionnaire in the previous year will be requested to submit a response.

Reporting Criterion 5: describe how the reporting entity assesses effectiveness of actions

- Peninsula Health recognised the importance of assessing modern slavery risk in our supply chain and committed to introducing assessment mechanisms in the FY2022-23 reporting period.
- As a result of the actions undertaken in 2022-23, Peninsula Health has a better understanding of the modern slavery risk profile of 19 suppliers who make up 40% of expenditure. It is noteworthy that risk profile is demonstrably low.
- Peninsula Health has introduced a Modern Slavery Policy which is available on our website which highlights our commitment to reduce the harmful effect of modern slavery in our supply chain. The policy is expected to raise awareness of modern slavery with our internal and external stakeholder community.
- The modern slavery questionnaire in our tender documents and modern slavery clause in PH contract template are both designed to continuously understand the risk profile of our new and existing supplier base.
- Peninsula Health Procurement staff have all undergone modern slavery training using HSV online training material which has raised their awareness towards the risk present in our supply chain.

Reporting Criterion 6: describe the process of consultation with related entities

Peninsula Health does not own or control any other entities.

Reporting Criterion 7: provide any other relevant information

- The combination of COVID-19 pandemic, the code brown declaration in early 2022 and staff turnover and shortages in the Procurement department has had significant impact on the effective operation of sourcing and purchasing at Peninsula Health. The focus during this time has been to achieve maximum operational efficiency with the severely limited resources. As such additional compliance requirements such as the modern slavery risk assessment had not progressed until 2022-23.
- As committed in the previous statement, Peninsula Health has completed the first phase of modern slavery risk assessment and reviewed the risk profile of 19 out of the top 29 suppliers.
- Peninsula Health has also introduced modern slavery policy which was approved by the relevant internal committees in Feb 2023.

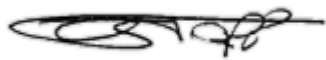
- **Closing statement**

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

Approval

This statement was approved by the Board of Peninsula Health in their capacity as principal governing body of Peninsula Health on 15 August 2023.

This statement is signed by Felicity Topp in her role as the Chief Executive Officer of Peninsula Health on 15 August 2023.



Sign: Felicity Topp. Chief Executive 15 August 2023