

Modern Slavery Statement



1 July 2022 to 30 June 2023

<https://monashhealth.org>

ABN: 82 142 080 338

Monash Health is Victoria’s largest and most comprehensive health service. We work to support healthy communities, partnering with all levels of government, alongside not-for-profit and local organisations, to help individuals achieve their health goals.

At every step, we place our patients and clients at the centre of what we do, striving to make our services responsive to the changing needs of our communities. Today, we are proud to be recognised as a leading teaching and research health service of international standing.

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Introduction

This Modern Slavery statement is made pursuant to the Commonwealth Modern Slavery Act 2018 (Cth) by Monash Health for the 1 July 2022 to 30 June 2023 financial year.

Monash Health is committed to increasing awareness of the risks of modern slavery and taking positive action to eradicate these risks from the supply chain using a continuous improvement model.

Monash Health's commitment to combatting modern slavery within the supply chain aligns with the principles and values of the health service. Monash Health will:

- comply with the Modern Slavery Act 2018 (Cth) to reduce the risk of modern slavery across the supply chain;
- regularly assess the supply chain for continuous improvement opportunities to reduce the risk of modern slavery;
- foster open and transparent supplier relationships that encourage reporting and meaningful change through remediation; and
- provide education and awareness to the workforce on the requirements of the Modern Slavery Act 2018 (Cth) and understanding the modern slavery risks in the supply chain.

Statement of Annexure

This Modern Slavery Statement was reviewed and approved by the Monash Health Board of Directors as defined by the Modern Slavery Act 2018 (Cth) on 15 December 2023.



Dipak Sanghvi
Chair of Board, Monash Health



Martin Keogh
Acting Chief Executive, Monash Health

Mandatory Criteria One and Two: Identifying the entity, and reporting on the entity's structure, operations and supply chain

About Monash Health

Monash Health is a Victorian state government entity established under section 181 of the Health Services Act 1988 (Vic). Monash Health is registered at 246 Clayton Road, Clayton VIC, 3168, Australia.

With 25,500 employees, we provide care to south eastern metropolitan Melbourne and rural Victoria from over 40 locations, via telehealth, and in people's communities and homes. Monash Health cares for people across their entire lifespan, from pre-birth to end-of-life, providing integrated, comprehensive, and often highly complex care.

Our care at a glance per year:

- We provide more than 3.6 million episodes of care to our community.
- More than 293,000 people are admitted to our hospitals.
- More than 248,000 receive care at our three emergency departments.
- We respond to more than 65,000 ambulance arrivals.
- We perform more than 55,000 surgical procedures.
- We deliver more than 10,000 babies.

Our campuses:

- Monash Medical Centre
- Monash Children's Hospital
- Casey Hospital
- Cranbourne Integrated Care Centre
- Dandenong Hospital
- Jessie McPherson Private Hospital
- Kingston Centre
- Moorabbin Hospital
- Victorian Heart Hospital
- 19 Community Health Facilities
- Mental Health Facilities
- Aged Care Facilities

Monash Health is responsible for the end-to-end supply chain for all Monash Health campuses.

We improve the health of our community through:

- Prevention and early intervention
- Community-based treatment and rehabilitation
- Highly specialised surgical and medical diagnosis, treatment and monitoring services
- Hospital and community-based mental health services
- Comprehensive sub-acute, aged care and palliative care programs
- Research, education and teaching the next generation of healthcare professionals
- Regional and state-wide specialist services

Our Purpose

To deliver quality, patient-centred healthcare and services that meet the needs of our diverse community.

Our Guiding Principles

- We consistently provide safe, high quality and timely care
- We provide experiences that exceed expectations
- We work with humility, respect, kindness, and compassion in high-performing teams
- We integrate teaching, research, and innovation to continuously learn and improve
- We orientate care towards our community to optimise access, independence, and wellbeing

Our Values

- Integrity
- Compassion
- Accountability
- Respect
- Excellence

Further information about our operations, organisational structure, services and history can be viewed on the Monash Health website www.monashhealth.org.

Monash Health's Supply Chain

Monash Health has an extensive and complex supply chain. Our procurement team is responsible for managing the end-to-end process of obtaining goods and services required for all operational needs of the health service. The procurement process involves:

- Strategic sourcing, including managing tenders;
- Managing the procure-to-pay process;
- Supply chain management;
- Logistics and transport support;
- Contract management support;
- Vendor performance and relationship management;
- Managing probity practice when dealing with the vendor community; and
- Managing engagements with Health Share Victoria

Monash Health procures items from over 3,900 suppliers annually with an estimated value of \$676K. These items are procured from a range of industries, including;

- Hospital-specific items, including equipment, consumables and pharmaceutical products
- Office and corporate supplies
- Building and construction
- Labour hire
- Security
- Cleaning
- Textiles (linen and uniforms)
- Facilities management
- Catering, and
- Information technology services

Many goods and services are procured from suppliers and distributors in Australia. Monash Health also procures goods from international suppliers and manufacturers.

Working with HealthShare Victoria

HealthShare Victoria is a state-wide procurement organisation that partners with Victorian public health services to procure best-value goods and services. HealthShare Victoria 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.

Monash Health purchases many goods and services from suppliers who are party to Health Purchasing Victoria collective agreements. As such, it is recognised that HealthShare Victoria has a significant role in Monash Health supply chains.

HealthShare Victoria is committed to:

- Supporting health services in assessing operations and supply chain for modern slavery risks;
- Implementing systems and controls to reduce the risk of modern slavery;
- Ensure transparency in addressing modern slavery;
- Fostering supplier operations that encourage modern slavery reporting and change through remediation; and
- Applying continuous improvement to how it supports health services to report on modern slavery risk both within supply chains and the sector.

In the third reporting period (FY22/23), HealthShare Victoria established collective agreements from which Monash Health procured items from 214 suppliers.

During this period, Health Share Victoria also undertook the following activities in supporting health services to understand the modern slavery risks of shared suppliers:

- Modern slavery risk assessment: all suppliers under the collective Purchasing Agreement were assessed.
- Modern slavery risk mitigation: all very high-risk and high-risk suppliers were contacted with resources to support the development of modern slavery risk management systems. Contractual obligations under the Collective Purchasing Agreement and the Victorian Government Supplier Code of Conduct were re-emphasised to the suppliers.
- Health service engagement: continued to facilitate a community of learning for all health services on modern slavery

Mandatory Criteria Three: Risks of modern slavery within operations and the supply chain

Monash Health has a complex supply chain that sources products and services from high-risk countries.

Monash Health tier one suppliers (direct sourcing of goods) operate within Australia or multi-national headquartered countries with modern slavery or labour laws, and as a result, the modern slavery risk is low.

Monash Health acknowledges that there may be an increased risk of modern slavery from tier two suppliers (manufacturers for tier one suppliers) within the supply chain. Understanding the risks tier two suppliers could have on the supply chain will be analysed in upcoming reporting periods.

With the support of HealthShare Victoria, Monash Health conducts an annual high-level risk assessment of its supply chain to continue building a more in-depth understanding of the modern slavery risks that may exist within the supply chain. The high-level risk assessment has been undertaken with a review of the supplier that category items are procured through (41 categories were identified). It considers the suppliers' potential exposure to modern slavery due to the nature of the category or service provided.

Monash Health has considered suppliers have the potential to be high risk if:

- The supplier's labour force is considered potentially vulnerable (e.g., lesser skilled workers, casual labour, labour hire, and migrant labour).
- The entity supplies higher-risk products and services, particularly in the sourcing of raw materials.
- The entity is based or operates in higher-risk regions identified by the Global Slavery Index.

Monash Health has identified that there are some categories in its supply chain that may be at high risk of modern slavery. These include:

- Suppliers providing medical laboratory equipment, accessories and supplies, medicines and fluid products;
- Facility and property management services (including cleaning and security);
- Construction sector and major projects;
- Food and beverage suppliers, and
- Apparel suppliers.

These sectors account for approximately 50% of Monash Health's supply chain and procurement spending. We also acknowledge that in some cases there are sole manufacturers world-wide for certain products, and if any modern slavery risks are identified these will need to be carefully managed.

For the latest annual risk assessment, HealthShare Victoria sent a modern slavery risk assessment questionnaire to the 214 suppliers contracted to provide Monash Health supplies. The questionnaire received a 67% response rate. Out of these 214 suppliers, the risk assessment identified two very high-risk and 12 high-risk suppliers within Monash Health's supply chain.

In the next reporting period, an in-depth risk assessment of these 14 suppliers will be conducted using the HealthShare Victoria risk assessment tool. The risk assessment will also consider any very high or high-risk suppliers identified in previous annual risk assessments and others in the list of top 100 suppliers to Monash Health.

Monash Health acknowledges that the supply chain analysis undertaken to date focuses on tier-one suppliers – those who directly provide goods to Monash Health. We further acknowledge that contractors and independent services provided by third-party partners to assist with Monash Health operations may include modern slavery risk. We note the majority of our staff are directly employed by Monash Health rather than as contractors, and this lowers the risk of modern slavery within our workforce.

Mandatory Criteria Four: Actions taken to assess and address modern slavery risks, including due diligence and remediation processes

Supplier audit and understanding the risks

Monash Health Entities

Monash Health has continued to be significantly impacted by the aftereffects of the COVID-19 pandemic during the current reporting period, including managing a significant backlog of sourcing and contract management activities, reducing the capacity to implement planned actions from the previous reporting period. Monash Health recognises the importance of this work, and an action plan and regular reporting to key internal Monash Health committees will commence in the next reporting period.

Monash Health will continue to use the same modern slavery risk assessment tool as HealthShare Victoria to send to its suppliers. This will mean that suppliers who have already completed the questionnaire through HealthShare Victoria will not need to complete it again for Monash Health. For suppliers not contacted through HealthShare Victoria, this will ensure that consistent baseline assessments of modern slavery risks are captured in our systems.

Monash Health is in the process of optimising the use of the Zycus platform for supplier management. The Zycus system is used from the commencement of the tender process/contract through to the end of the contract period. It is currently also being implemented for processing purchase requisitions and purchase orders. Suppliers onboarded within the Zycus system must complete the modern slavery risk assessment questions, regardless of the level of risk the supplier/s may pose. In the next reporting period, Monash Health will be able to better analyse and report on the data provided by these suppliers in understanding modern slavery risk across the supply chain.

Monash Slavery guidance, Due Diligence and Remediation

Monash Health reviewed several internal policies and procedures in line with the requirements of the Modern Slavery Act, including the following;

- Group Procurement Policy
- Procurement Strategic Sourcing Procedure
- Procurement Sourcing Manual
- Charter of Human Rights Policy
- People and Culture Code of Conduct Policy
- Right to Work in Australia Procedure

These policies and procedures will continue to be refined in future reporting periods as part of our efforts to evolve our due diligence processes with the goal of strengthening our ability to identify, prevent and mitigate modern slavery within Monash Health operations and supply chain.

Monash Health is committed to implementing and embedding a Modern Slavery Policy in the next reporting period. The policy will be developed via consultation with key stakeholders and with reference to national and international standards for modern slavery. Monash Health will also ensure that the policy and risk assessments align with HealthShare Victoria, given the number of shared vendors.

Monash Health has revised and updated the contract and tender terms to include modern slavery clauses for all suppliers, aligning with the clauses used by HealthShare Victoria. Minimum supplier standards have been developed, which will be included in the Monash Health Modern Slavery policy and supply chain processes and will be embedded over future reporting periods. The policy will include a remediation process to address modern slavery identified within the supply chain.

An externally facilitated education session was held for the Board during the previous reporting period. The session focused on what the Modern Slavery Act is, the obligations Board members have under the Act, and the requirements of the Modern Slavery Statement.

Mandatory Criteria Five: How the entity assesses the effectiveness of its actions

Monash Health has focused on understanding the supply chain and supplier categories to identify potential risk areas, in line with the reviews conducted by HealthShare Victoria. Monash Health will continue to embed the work that has been undertaken and engage with suppliers to reduce the risk of modern slavery within the supply chain.

The impact of the COVID-19 pandemic on healthcare services has delayed assessment of the effectiveness of measures undertaken to date. However, we will continue to work on developing frameworks and processes to ensure we can review the effectiveness of our actions to assess and address modern slavery risks.

In the next reporting period, Monash Health intends to work collaboratively with HealthShare Victoria to identify mitigation efforts to combat modern slavery risks and foster collaboration between Monash Health and suppliers to address these risks.

In the third reporting period (FY22/23), Monash Health identified the following actions:

- Implement and embed the Modern Slavery Policy in line with best practice – in the process of being completed in Q2 FY23/24 and will be included in existing procedures.
- Provide targeted education and training for the Procurement and Supply Chain team using education packages from the Department of Home Affairs and HealthShare Victoria – completed in Q1 FY23/24.
- Have a greater understanding of the very high-risk and high-risk suppliers in the Monash Health supply chain – deferred to Q2 FY23/24.

In the fourth reporting period (FY23/24), Monash Health will work on operationalising ways to reduce modern slavery risk within our supply chain with a greater focus on the following:

- Embedding modern slavery mitigation processes into sourcing activities and category management.
- Embedding modern slavery mitigation into contract and supplier performance management frameworks, both for new and existing suppliers.
- Reviewing supplier onboarding processes to improve data collection using the Zycus platform.
- Support engagement with recruitment agencies and enterprise-wide representatives as part of a continuous improvement approach to unearthing risks or issues across our operations in order to address them.

Mandatory Criteria Six: Process of consultation with entities owned and/or controlled by the entity

During the previous reporting period, Monash Health coordinated with the entities we own (Jessie McPherson Private Hospital), including discussing details of the Modern Slavery Act 2018 reporting requirements.

Mandatory Criteria Seven: Additional information

To embed the implementation of the Modern Slavery Act (2018) within Monash Health, we will develop and implement a supply chain tool kit during the third reporting period - this has been deferred to Q3 FY23/24.

The tool kit will contain:

- Modern slavery policy
- Modern slavery training and education plan
- Modern slavery risk assessment tool and reporting timeframes for the results
- Modern slavery fact sheet for supply chain and procurement staff to refer to and give to suppliers as part of the supplier onboarding process

Closing Statement

Monash Health is confident that the actions taken to date and the planned actions for the next reporting will build strong foundations for identifying and addressing modern slavery risks across the Monash Supply Chain. We are committed to improving the approach to managing modern slavery through stakeholder partnerships and continuous improvement and education of the workforce and suppliers.