



Modern Slavery Statement

Australia
2022

The Salvation Army Statements

Our Mission

The Salvation Army is a Christian movement dedicated to sharing the love of Jesus.

We share the love of Jesus by:

CARING FOR PEOPLE

Being there when people need us most

We offer care and compassion as a sacred encounter with transformative potential

CREATING FAITH PATHWAYS

Taking a holistic approach to the human condition that values spirituality

We graciously share the Good News of Jesus and grow in faith together

BUILDING HEALTHY COMMUNITIES

Investing ourselves in relationships that promote mutual flourishing

We find the wholeness God intends for us in community

WORKING FOR JUSTICE

Tackling the social systems that harm creation and strip away human dignity

We join God's work to build a fairer world where all can thrive

Our Vision

Wherever there is hardship or injustice, Salvos will live, love and fight, alongside others, to transform Australia one life at a time with the love of Jesus.

Our Values

Recognising that God is already at work in the world, we value:

INTEGRITY

Being honest and accountable in all we do

COMPASSION

Hearing and responding to pain with love

RESPECT

Affirming the worth and capacity of all people

DIVERSITY

Embracing difference as a gift

COLLABORATION

Creating partnerships in mission

The Inclusion Statement



The Salvation Army Australia acknowledges the Traditional Owners of the land on which we meet and work and pay our respect to Elders, past, present, and future. We value and include people of all cultures, languages, abilities, sexual orientations, gender identities, gender expressions, and intersex status. We are committed to providing programs that are fully inclusive. We are committed to the safety and well-being of people of all ages, particularly children.

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Message from the Territorial Commander

The Salvation Army, as both a church and charity, works in cities, country towns and rural communities, with every demographic and age group, to meet human need without discrimination through the love of Jesus.

The Salvation Army, in Australia, is one of the largest providers of social services and programs for people experiencing hardship, injustice or social exclusion. As part of realising our vision and living our values, we are continuing to respond to modern slavery in Australia, and we recognise our responsibility for supporting victims of modern slavery who are disproportionately represented in the communities we serve.

We are committed to our ethical, social and legal responsibility to ensure modern slavery does not take place in our operations and supply chains, and we value and respect the human rights of all including our officers, employees, volunteers, contractors, suppliers, those working in our supply chains and community members.

I am delighted to share with you our progress over the past year in our third modern slavery statement. I am appreciative of the activities and initiatives that have been undertaken by our personnel in continuing to build effective systems to prevent modern slavery in our operations and supply chains. I acknowledge that this work is a journey and will continue with a program of awareness, process improvements and adaptability over the years to come.

God bless you,



Robert W. Donaldson
(Commissioner)
BSc LTh PGDipBusAdmin MInstD(NZ)
Territorial Commander and Chair of
the Board Australia Territory

Message from the Chief Secretary

Since our first modern slavery statement, The Salvation Army continues to advance in its commitment to responding to the complex issue of modern slavery, as we live our vision of seeing lives transformed through the love of Jesus.

The 2022 financial year has again been a challenging year, with the ongoing effects of the global pandemic, as well as multiple natural disasters across Australia, which has increased vulnerability and demand for those engaging with The Salvation Army.

As we tackle modern slavery risks in our service delivery, operations and supply chains, we are continuing to improve our detection and response processes, as well as general awareness amongst our personnel.

I am proud of The Salvation Army's progress this year towards recognising and reducing modern slavery risks, and I sincerely acknowledge that this has been a broad effort across all of The Salvation Army, its personnel and suppliers. **I also acknowledge that** this statement presents an opportunity to share our initiatives that will be of focus for future reporting periods, noting that continuous improvement is key to addressing modern slavery via long-term, sustainable action.

God bless you,



Winsome Merrett (Colonel)
B.Sp.Thy., MA Arts (Theological
studies) A.Mus.A
Chief Secretary
Australia Territory



Who we are

Across Australia – in cities, country towns and rural communities – our work touches every demographic and age group. We're involved in national issues while also bringing hope to people who may be experiencing hardship or injustice.

This Joint Modern Slavery Statement is submitted on behalf of the following incorporated and unincorporated entities under section 14 of the Modern Slavery Act 2018 (Cth) for the reporting period 1 July 2021 to 30 June 2022.

- The Salvation Army Australia (unincorporated association)
- The Salvation Army (New South Wales) Property Trust ABN 57 507 607 457
- The Salvation Army (Northern Territory) Property Trust ABN 65 906 613 779
- The Salvation Army (Queensland) Property Trust ABN 32 234 126 186
- The Salvation Army (South Australia) Property Trust ABN 13 320 346 330
- The Salvation Army (Tasmania) Property Trust ABN 94 917 169 560
- The Salvation Army (Victoria) Property Trust ABN 64 472 238 844
- The Salvation Army (Western Australia) Property Trust ABN 25 878 329 270
- The Salvation Army (Australia) Redress Limited ABN 94 628 594 294
- Salvation Army Housing ABN 59 608 346 934
- Salvation Army Housing (Victoria) ABN 85 133 724 651
- Salvos Legal Limited ABN 14 147 213 214
- Salvos Legal (Humanitarian) Limited ABN 36 147 212 940
- The Salvation Army Community Housing Service ABN 47 152 257 728

The reporting entities:

The Salvation Army is a worldwide, unincorporated association, led by the person appointed from time to time holding the office of the 'General of The Salvation Army'. The General is a corporation sole and is the actual trustee of two separate trusts, known as 'The Social Work Trust' and 'The General Work Trust'. In order to hold property and conduct operations of The Salvation Army around the world, there are a range of different legal structures in place. In Australia, the relevant legal vehicles are the State/Territory-based statutory corporations, each given the name 'The Salvation Army ([State/Territory]) Property Trust' ('the Property Trusts').

The Property Trusts were established and / or are authorised under each of the following Acts of Parliament:

- (a) The Salvation Army (New South Wales) Property Trust Act 1929 (NSW);
- (b) Salvation Army (Queensland) Property Trust Act 1930 (Qld);
- (c) Salvation Army (Tasmania) Property Trust Act 1930 (Tas);
- (d) The Salvation Army (Victoria) Property Trust Act 1930 (Vic);
- (e) The Salvation Army (South Australia) Property Trust Act 1931 (SA);
- (f) The Salvation Army (Western Australia) Property Trust Act 1931 (WA);
- (g) Salvation Army Property Trust Act 1934 (ACT); and
- (h) Salvation Army (Northern Territory) Property Trust Act 1976 (NT).

The Property Trusts are not actually trusts themselves; they are corporate trustees of the General Work / Social Work Trusts. Officers of the Property Trusts are constituted as a body corporate called 'The Trustees', consisting of individuals appointed from time to time by the General of The Salvation Army.

Essentially, the difference between the Social Work and General Work Trusts lies in the purposes for which the assets of each of those trusts can be applied. The Social Work is essentially social / benevolent work; The General Work is essentially religious work.

The Social Work Trust is a Public Benevolent Institution with deductible gift recipient status. The General Work Trust is a Charitable Institution.

Some employees and other non-employee personnel (e.g. Clergy) within The Salvation Army are employed / engaged under the General Work Trust (usually Corps [Church] based / religious workers). Others are employed / engaged under the Social Work Trust. Even further still, some personnel are apportioned partly under General and partly under Social (e.g. 50% of their time is classified as being related to General Work and 50% Social Work), based on the role and responsibilities of the individual.

The following companies limited by guarantee are wholly owned by The Salvation Army (New South Wales) Property Trust:

- i. Salvos Legal Limited ABN 14 147 213 214
- ii. Salvos Legal (Humanitarian) Limited ABN 36 147 212 940
- iii. The Salvation Army Community Housing Service ABN 47 152 257 728

The following companies limited by guarantee are wholly owned by The Salvation Army (Victoria) Property Trust:

- iv. Salvation Army Housing (Victoria) ABN 85 133 724 651

The following company limited by guarantee is jointly owned by the Northern Territory, South Australia, Tasmania and Western Australia Property Trusts:

- v. Salvation Army Housing ABN 59 608 346 934

The following company limited by guarantee is jointly owned by the Property Trusts:

- vi. The Salvation Army (Australia) Redress Limited ABN 94 628 594 294

Throughout this Joint Modern Slavery Statement, unless otherwise specifically indicated, the companies listed above at (i)-(vi) are collectively referred to as the 'Companies'.

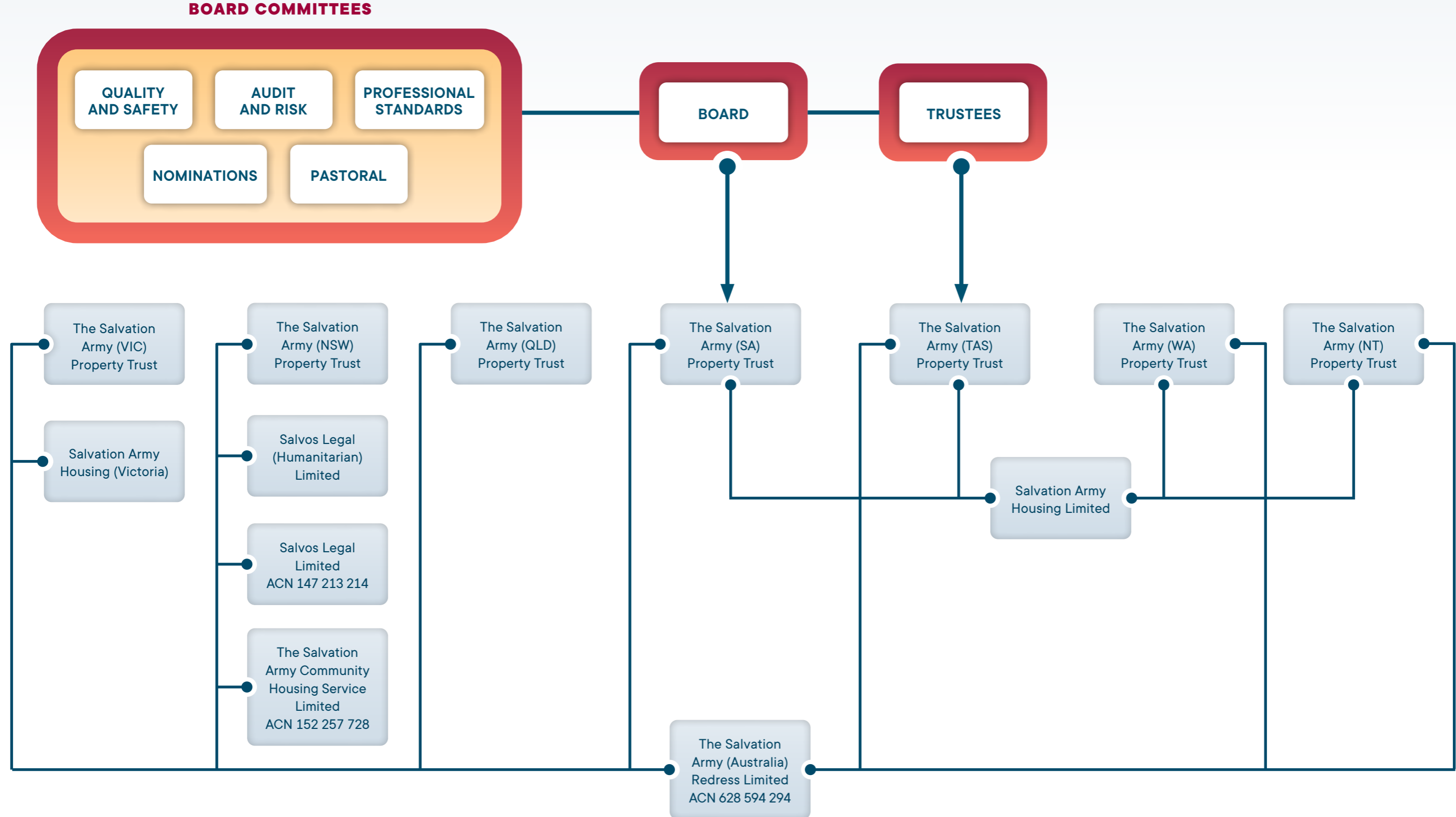
Throughout this Joint Modern Slavery Statement, unless otherwise specifically indicated, all of the above entities / bodies are collectively referred to as 'The Salvation Army Australia'.

Each of the above entities / bodies consisting of The Salvation Army Australia are charities registered with the Australian Charities and Not-for-profits Commission ('ACNC') and as such, are subject to the ACNC Governance Standards.

In 2019, The Salvation Army Australia established a body known as The Salvation Army Australia Territory Board (the 'Board'), which, together with the Trustees is responsible for effectively representing and promoting the interests of The Salvation Army Australia, with a view to adding long term value to the movement's mission. The purpose and objects of the Board are to provide governance oversight to The Salvation Army Australia in accordance with law; to strategically position The Salvation Army Australia so that it has a sustainable, major influence on Australian society; and to provide advice and assistance to the Trustees in the discharge of their responsibilities.

Members of the Board are appointed by the General of The Salvation Army, on recommendation by the Chair of the Board, who is the General's personal representative in Australia, known as the Territorial Commander.

The Salvation Army Australia entity structure



The Salvation Army Australia highlights 2021-2022

1.86+ million sessions of care provided
across all social programs



9950+ women and children supported
who experienced family and domestic violence



303 Salvation Army corps (churches)
in the community

1.52+ million meals provided

to people who accessed homelessness services



nearly 12,700 people financial counselling provided



provided 1 million+ nights of accommodation

across all social programs

nearly 760,060 crisis beds provided

to people who experienced homelessness



provided \$32 million+ of financial assistance

in cash, gift card, vouchers, etc



317,850+ sessions of care provided

to people who were at risk of or experienced homelessness



assisted 16,790+ households/families

who were impacted by disaster (bushfires, floods, drought, cyclones)



348 Salvos Stores

locations throughout Australia



generated back \$18 million+ profit from Salvos Stores

into The Salvation Army programs



11,374+ people assisted with addiction

to alcohol and other drugs, gambling at rehabilitation services

assisted 50,700+ job seekers

to find employment



86,420+ sessions of care provided to young people



2620+ seniors being cared for
in residential Aged Care facilities



What We Do - Our Services, Operations and Supply Chains



Corps

The Salvation Army is a worldwide Christian church. Our local churches (known as corps) offer a community presence around

the country. We provide a wide variety of spiritual and social activities such as church services, prayer meetings, men's and women's groups and community support services. Our faith convinces us that hope, purpose and fulfilment can be everyone's story. Whether you're looking for connection, guidance or a community of like-minded people, The Salvation Army welcomes you.



Salvos Housing

Salvos Housing is a community housing organisation. Homes are provided for individuals and families who are

homeless or at risk of homelessness, are on low incomes and those with specific support needs. We run a range of programs which include Long Term, Transition Housing Management, Crisis Housing and rooming house properties.



Property Management and Development

The Salvation Army property solutions are designed to best support mission delivery at a local

level. This includes sales and leasing, facility management and development to build and fit-out premises that best meet mission and business requirements. A centralised approach to property management enables stewardship of the portfolio for maintenance of a sustainable resource, which will continue to support the future financial and operational needs of The Salvation Army.



Alcohol and Other Drug Recovery

The Salvation Army offers several services and programs

across Australia that provide safe and high-quality support for people adversely affected by alcohol and drugs. These services help encourage a sense of hope and freedom, and enable those affected to pursue a holistic transformation, which improves outcomes for not just themselves but also their families and communities.



Disaster and Emergency Recovery

The Salvation Army Emergency Services (SAES) have served Australian communities

for over 40 years. Whether it's a natural disaster or a missing person search, SAES volunteers are among the first to arrive on the ground, providing immediate, medium and long-term support to victims and emergency personnel on the front line. Services provided aim to meet people at their point of need and this help doesn't stop when the crisis has passed.



Red Shield Defence Services

The Salvation Army Red Shield Defence Services (RSDS) in

Australia provides the Australian Defence Forces with practical, emotional and spiritual support in difficult times, times of grief and in the everyday.

We support members and their families according to their needs. Whether it be a chat over a cuppa, a referral or a prayer, we want to be there. Where there's a need, we are here to support our troops as they serve our country and risk their lives in the line of duty.



Doorways

Doorways provides emergency financial relief and holistic case management with referral to internal

and external support services. Each year thousands of individuals and families come to The Salvation Army for help meeting day to day expenses or paying unexpected bills. Our aim is to journey with individuals to find long-term solutions to their struggles with the goal to end the cycle of poverty.



Moneycare

The Salvation Army's Moneycare service provides information, support and advocacy to assist people in financial difficulty. Our

qualified team offers free and confidential financial counselling to people from all walks of life and understand that everyone's finances are different. They offer step-by-step advice and help with:

- Financial coaching
- Financial counselling



Youth Support Networks and Programs

The Salvation Army's network of youth services offers targeted programs that support and engage youth across Australia as they transition to independence. Pathways include accommodation and material aid, drug and alcohol counselling, youth justice, mental health and advocacy support, education and training, driver training, creative arts and multimedia, safe places and support to build a better future.



Aboriginal and Torres Strait Islander Programs

The Salvation Army respects, values and

acknowledges the unique histories and languages of the Aboriginal and Torres Strait Islander communities and aims to walk alongside them, to improve outcomes through social programs. At the heart of all work is a commitment to reconciliation – a faith movement committed to social justice, equity and freedom. Reconciliation Action Plans (RAPs) are a key vehicle for driving the reconciliation processes.



Microfinance

Microfinance provides small no-interest loans for essential items or services that help to build capability and provide an alternative

for "predatory" commercial very high-interest loans. No-interest loans are a safer way to pay e.g. household items or car-related expenses.

The Salvation Army's Microfinance service is available across Australia, and our team can assist community members as needed.

What We Do - Our Services, Operations and Supply Chains (continued)



Eva Burrows College

Eva Burrows College is the national learning centre of The Salvation Army.

Drawing from our cutting-edge experience, the college exists to encourage and empower people for life, mission, and service through our nationally recognised and accredited courses. We can provide a comprehensive learning pathway that integrates practical experience with formal qualifications. We have campuses in Melbourne and Sydney and also offer online and blended learning.



Family Domestic Violence

The Salvation Army provides a wide range of services around the country to support women

and women with children impacted by family and domestic violence. We understand that experiencing family violence can be frightening and isolating. We offer refuge, children's and parenting services, counselling, support, men's programs, accommodation and advice to women and children who are experiencing, or who have experienced, family violence.



Chaplaincy

The Salvation Army's network of Christian chaplains meet people at their point of need to provide support. They are committed

to helping in any way they can, offering the highest level of professional confidentiality, no matter a person's belief. If people are interested, they are also happy to answer questions about God, faith, and spirituality. Our chaplains can provide support in schools, emergency services (police, fire brigade, etc), prisons, rural areas.



Salvos Funerals

Salvos Funerals is a Salvation Army initiative that offers compassionate and affordable care to those

in grief. By working with our trusted partners, Salvos Funerals provides real value for quality services. We are here to help people and thoughtfully plan and manage what can be an overwhelming task. Salvos Funerals is entirely owned and operated by The Salvation Army, with all profits reinvested into our charitable works.



Homelessness Services

The Salvation Army has a long and successful history in responding to the

immediate needs of those experiencing or at risk of homelessness. While services may vary depending on location, they are united by a singular vision – to end homelessness, transform lives and restore hope and dignity. Catering to different stages of homelessness, these services also help those affected connect with a range of services aimed at helping them get back on their feet.



Fundraising and Financing

The primary goal of The Salvation Army's fundraising is to raise funds by inspiring the

hearts of our supporters, unlocking their generosity and journeying with them to enable The Salvation Army's mission. The primary fundraising campaigns annually are the Red Shield Appeal and Christmas campaign. Due to the impacts of COVID-19, a majority of community collections have been converted to on-line fundraising. The Salvation Army's mission is additionally funded through investment activities. Funds are invested to further the achievement of mission objectives and include equity, hybrid and fixed interest instruments.



Aged Care

The Salvation Army aims to promote a unique experience of choice, lifestyle and belonging for

all people as they age. Our Aged Care services span across Australia in twenty residential aged care centres, seven retirement villages, one respite centre, and community care services. We offer support to people based on their needs – those older Australians who choose to live independently in their own home or those who require short-term or full-time care.



International Development Partnerships

The Salvation Army's International Development office

supports community development by working in partnership with communities in Asia, Africa and the Pacific. Our focus is to work alongside communities to enable them to alleviate poverty. We believe that for any project to be successful it is crucial to train people and provide tools to enable them to achieve their full potential.



The Salvation Army Employment Plus

The Salvation Army Employment Plus was established as an agency in 1998 by The Salvation Army to deliver on the aim of helping people to find work that supports their wellbeing and benefits the community. As one of Australia's largest recruiters, we provide our job seekers with specialised training, work experience and a range of support services, to help them find meaningful employment. Everything we do is guided by our vision of 'Work for All. Hope for all.'



Salvos Stores/Family Stores/Thrift Shops

Our Salvos Stores and op shops specialise in the sale of pre-loved items generously donated by the Australian public. Ranging from our family stores and thrift shops to our well-known Salvos Stores, all our stores sell quality used goods, including furniture, clothing and shoes, homewares and books. All profits made through our stores go to funding Salvation Army programs and services around Australia.

Supply chain procurement and operations

In alignment with its services, The Salvation Army Australia procures goods and services in a number of categories.

MAJOR SPEND CATEGORIES

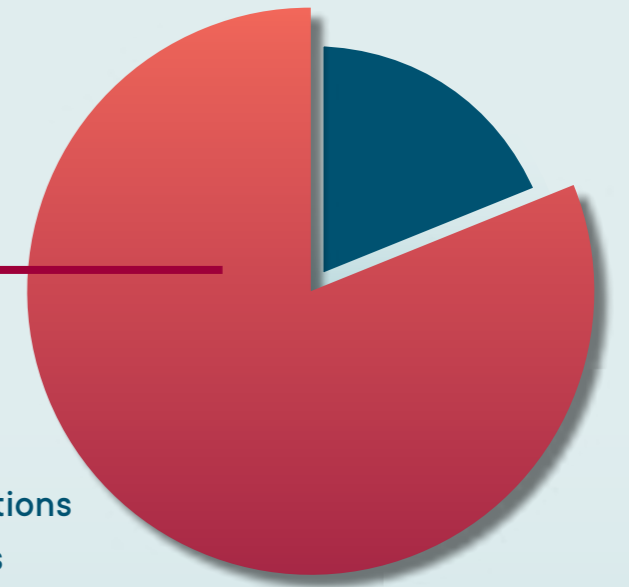
 ALLIED HEALTH	 ARCHIVING & DOCUMENT DESTRUCTION	 BEDDING & LINEN	 CLEANING	 CLINICAL CONSUMABLES
 COMPLIANCE	 CONTINGENT LABOUR & RECRUITMENT	 FOOD & CATERING	 FURNITURE AND WHITEGOODS	 COUNSELLING
 FINANCIAL SERVICES AND BANKING	 FLEET MANAGEMENT AND OPERATIONS	 GIFT CARDS AND CRISIS PROGRAMS	 HARDWARE	 INFORMATION & COMMUNICATIONS TECHNOLOGY
 INSURANCE	 KITCHEN, LAUNDRY & CLINICAL EQUIPMENT	 LAUNDRY	 MARKETING, ADVERTISING & MEDIA	 OFFICE CONSUMABLES & PRINTING
 PHARMACY	 POSTAL & LOGISTICS SERVICES	 PROFESSIONAL SERVICES	 PROPERTY	 SALARY PACKAGING
 SANITARY AND WASTE	 SECURITY SERVICES	 TRAVEL	 UNIFORMS & MERCHANDISE	 UTILITIES



Major spend categories are managed centrally by The Salvation Army Australia's Strategic Sourcing and Procurement function. These categories have been identified as potentially high risk and require material and active relationships with suppliers.

81% of our total spend is with our top 10 suppliers, which are:

- Bedding & Linen
- Insurance
- Food & Catering
- Fleet Management and Operations
- Gift Cards and Crisis Programs
- Contingent Labour & Recruitment
- Financial Services and Banking
- Utilities
- Cleaning
- Clinical Consumables



10,600
employees



870
ministers of religion



378
contractors



58,000
volunteers

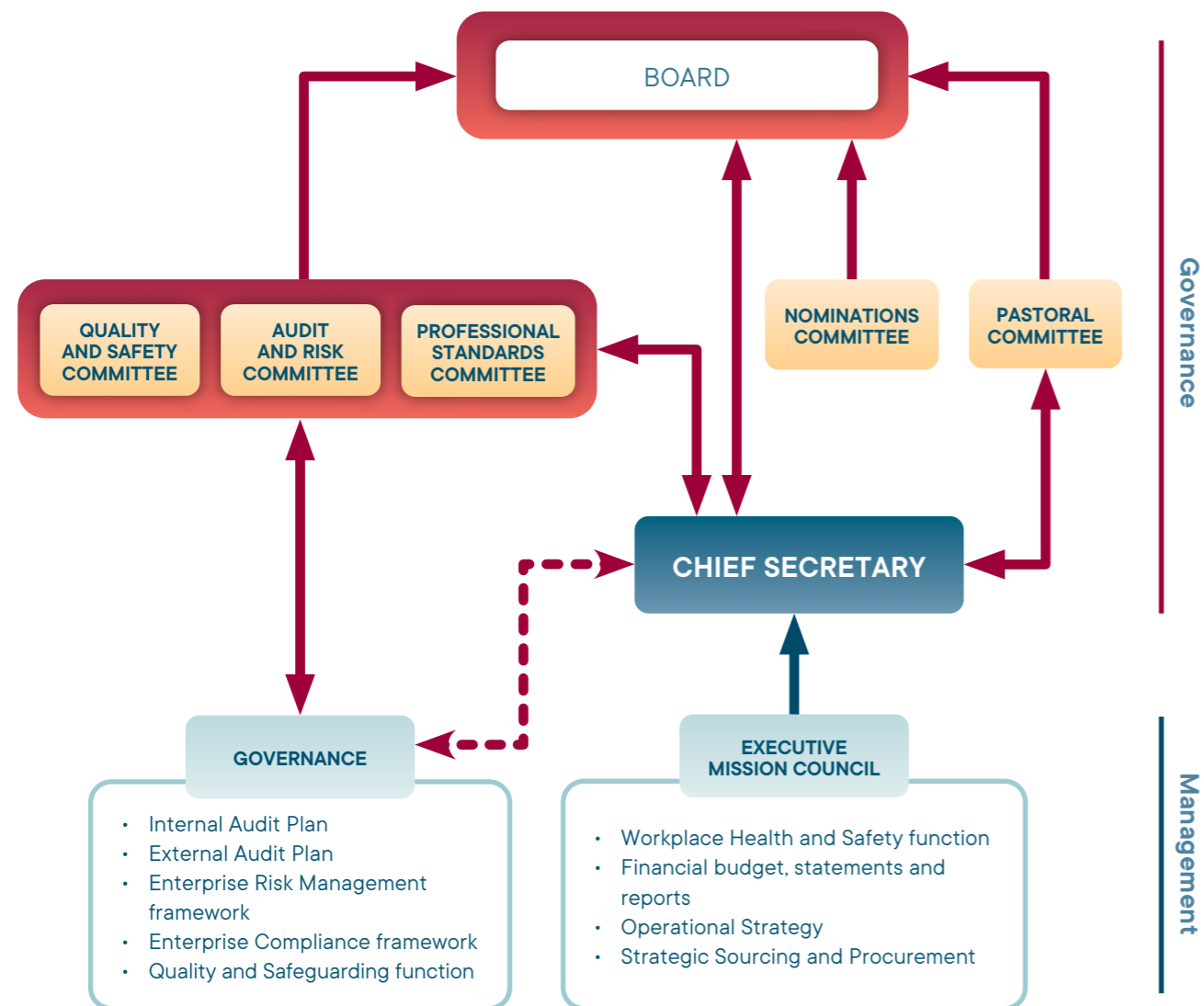
Workforce Composition

The Salvation Army Australia manages its human resources utilising an operational model which integrates charitable and faith-based activities, is transparent, and in accordance with procurement and sourcing governance principles. It engages in excess of 70,000 personnel.

Oversight of Modern Slavery

Governance Framework

The Salvation Army Australia has a robust governance framework, with oversight by the Board and direct monitoring of activities through its committees. The below diagram outlines The Salvation Army Australia's governance structure.



Australian Charities and Not-for-Profits Commission

The Salvation Army Australia is registered with the Australian Charities and Not-for-profits Commission (the Commission), the national regulator of charities, established to maintain, protect and enhance public trust and confidence in the Australian not-for-profit sector. The Salvation Army respects and adheres to the governance standards as set by the Commission, which include the requirement to comply with Australian laws.

PROCUREMENT POLICY

The Salvation Army Australia's Procurement Policy outlines the principles and identifies the standards that apply to procurement and the purchase of goods and services. It outlines due diligence in the procurement process, which must be proportionate to the level of expenditure and associated risk. Further, the policy highlights the possibility that purchased goods and services may be the result of Modern Slavery and that this must be considered by all parts of The Salvation Army Australia that engage in procurement of goods and services.

The following procedures and standards have been implemented to strengthen the application of the Procurement Policy:

Contingent Labour Standard

Provides guidance on the use of contingent workers by The Salvation Army Australia, including procurement of contingent workers, engagement of contingent labour (Professional Services / Independent Contractors / Labour Hire / Sole Traders), and management of contingent workers.

Sourcing and Agreement Standard

Provides guidance to The Salvation Army Australia's personnel on the sourcing goods and services on using quotes and tenders, creation of preferred supplier arrangements, including supplier risk assessments, and procurement agreements.

Purchasing Standard

Provides guidance to The Salvation Army Australia's personnel in the purchase of goods and services, use of purchasing arrangements/agreements, specified purchasing methods, and supplier selection.

Supplier Code of Conduct

Establish The Salvation Army Australia's expectations of suppliers and their supply chain when they are providing goods and services to The Salvation Army Australia.

During the next reporting period, there will be a renewed focus on review and improvements to all policies, standards and procedures to specifically delineate social responsibility requirements, including those applicable to addressing modern slavery.

Underpinning the governance framework are several policies, and, in particular, the following provides the principles for the effective, efficient and consistent management of risks across The Salvation Army Australia, which cover and address a broad range of fundamental principles, which guide the delivery of The Salvation Army's mission, with a focus on ethical and lawful behaviour.

GOVERNANCE POLICY

Outlines The Salvation Army Australia's commitment to a high standard of governance that will provide assurance so that it can achieve its objectives and deliver its mission.

COMPLIANCE POLICY

Outlines the requirement by The Salvation Army Australia to conform to its legislative and regulatory compliance obligations.

INVESTMENT MANAGEMENT POLICY

Outlines The Salvation Army Australia's approach to management of its investment portfolio and requires that investments are ethical and socially responsible.

APPROVED AUTHORITIES POLICY

Determines the authority granted to personnel within The Salvation Army Australia by the Trustees of the various Salvation Army Property Trust Acts.

CODE OF CONDUCT POLICY

Defines the appropriate behaviour and conduct required of all personnel in The Salvation Army Australia and anyone with whom it engages.

INCIDENT MANAGEMENT POLICY

Provides the principles and framework for the effective management of all incidents (including critical incidents) and the reduction of preventable incidents, across The Salvation Army Australia.

WHISTLEBLOWER PROTECTIONS POLICY

Encourages and facilitates the reporting of information regarding improper conduct by The Salvation Army Australia or its personnel. This policy aims to provide a safe and confidential structure where individuals can raise these concerns and grievances without fear of detrimental treatment.

FEEDBACK AND COMPLAINTS POLICY

Outlines the tools for the management of feedback in a consistent, transparent and effective manner to continuously improve service delivery, and provides a mechanism for reporting of grievances.

RISK MANAGEMENT POLICY

Provides the principles for the effective, efficient and consistent management of risks across The Salvation Army Australia.

SAFETY AND WELLBEING OF CHILDREN AND YOUNG PEOPLE POLICY

Establishes The Salvation Army Australia's position as a child safe organisation and its commitment to ensuring the provision of a safe and inclusive environment for children and young people where they feel respected, safe, valued and encouraged to reach their full potential.

Identification of Modern Slavery Risks in our supply chains and operations

As part of its Governance framework, The Salvation Army Australia's Enterprise Risk and Compliance function continues to actively consider and review risks throughout its operations and supply chain, and, in particular, assesses the overall links to and understanding of modern slavery, as well as other ethical, social and governance matters.

The Salvation Army Australia recognises that there are inherent risks of modern slavery within a number of its key supply chains and spend categories.

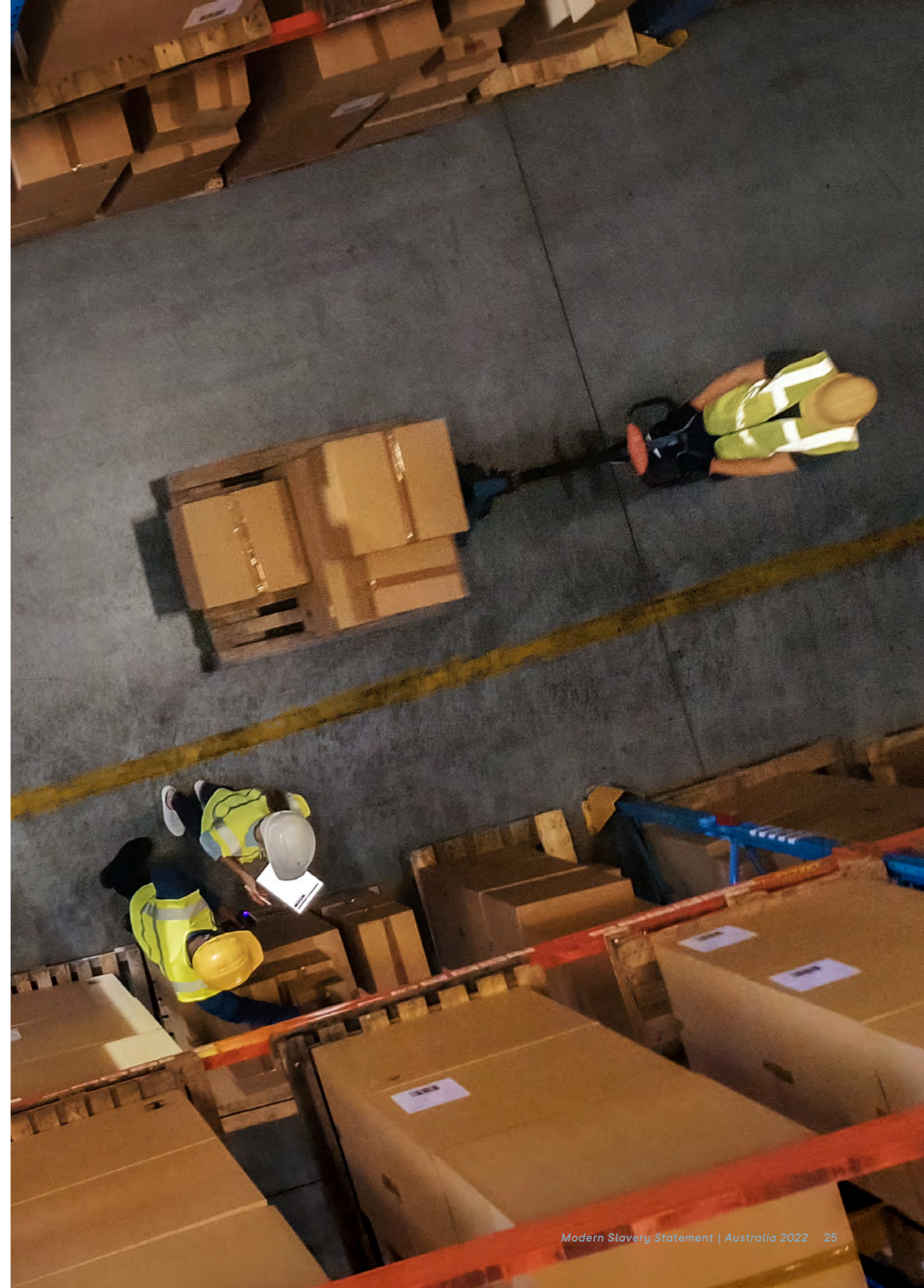
Specifically, the following key modern slavery risk focus areas have been identified:

- Outsourcing & sub-contracting, noting that at times there is limited visibility of contractual arrangements at all levels
- Financing and property activities, inadvertently via the development of properties, all in support of what we do
- Worker vulnerability and labour exploitation, across all parts of the supply chain
- Forced labour, in association with deceptive contracting, identity management and service fees
- Child labour, particularly in the preparation of raw materials as part of the broader supply chain Engagement of people overseas, for example, via our international development partnerships

During the reporting period, The Salvation Army Australia's Enterprise Risk and Compliance function, in collaboration with the Strategic Sourcing and Procurement function, established a dedicated supply chain risk register. This undertaking considered all Australian and international suppliers across all supply chain activity, noting the adoption of centralised procurement practices across The Salvation Army Australia, and acknowledging that at times localised procurement decisions are required to meet the immediate needs.

The following risks were identified:

- Poor Due Diligence undertaken in vetting and onboarding new suppliers
- Supplier values do not align to those of The Salvation Army Australia, and they do not support key community expectations
- Supplier activities and behaviours directly impact The Salvation Army Australia's reputation and public trust
- Supplier agreements are implemented without appropriate governance considerations and protections to The Salvation Army Australia
- Failure by suppliers to comply with laws and regulations that govern the products and services provided to The Salvation Army Australia
- Supplier processes and systems do not adequately support The Salvation Army's processes and governance requirements
- The Salvation Army's personnel do not appropriately follow established sourcing and procurement processes





What we are doing to manage Modern Slavery Risks in our supply chain

In order to address the risks identified in its supply chain, The Salvation Army Australia established the role of Responsible Sourcing Manager, within the Procurement and Strategic Sourcing team. This role will have the following key responsibilities:

- Support the meaningful reduction of slavery and other rights violations in The Salvation Army Australia's operations and supply chains.
- Guide The Salvation Army Australia to maintain and, where appropriate, exceed minimum compliance standards to fulfill community, legal and moral obligations.
- Inform The Salvation Army Australia's modern slavery risk profile.
- Strategically engage with The Salvation Army's suppliers to cascade responsible sourcing expectations into the supply chain. The Salvation Army Australia's centralised Strategic Sourcing and Procurement function was formed and continues to evolve and integrate within all sourcing and supply decisions and activities.
- Enhance The Salvation Army Australia's capacity through modern slavery awareness and training initiatives.

Work in these key focus areas will progress in future reporting periods, and strengthen the following existing initiatives in reducing modern slavery risks:

- Supply chain mapping beyond tier 1 and risk management in high risk spend categories
- Contractor engagement and management procedures
- Relationship with The Salvation Army's investment management partner
- Enterprise Risk Management with respect to Environmental, Social and Governance (ESG) considerations
- Maintenance of key supply partnerships, including for uniforms, labour-hire, fleet, information technology, paper products, insurance
- The Salvation Army Australia's Supplier Prequalification and Assessment tool, with consideration of ethics, labour practices, health and safety, and sustainability

Supplier Assessment and Selection

A key focus of The Salvation Army's Strategic Sourcing and Procurement function continues to be to reduce supply risk through objective and transparent supplier selection and management.

The Salvation Army Australia's Supplier Code of Conduct outlines the expectations of suppliers and their supply chain when providing goods and services to The Salvation Army Australia, including with respect to modern slavery.

As such, all suppliers must:

1. Meet their obligations under the Australian Modern Slavery legislation

2. Never supply goods that have been produced or are made from components that have been produced under conditions of modern slavery

3. Certify with the provision of evidence that to the best of their knowledge the products and/or services being supplied are ethically sourced

4. Not use forced labour

Key Sourcing and Procurement Initiatives

During the reporting period, The Salvation Army Australia's Strategic Sourcing and Procurement function introduced the following tools and initiatives to further enhance risk management capabilities:

PROCURE TO PAY SYSTEM

Coupa was introduced to provide a standardised purchase to pay process across The Salvation Army Australia which will provide improved stewardship and control of our procurement decisions and transactions, as well as greater visibility and transparency of spend profiles, which will enable improved long-term management of supplier arrangements and compliance to supply processes.

CLEANING CONTRACTOR MANAGEMENT

A review of independent contractor agreements throughout The Salvation Army, with respect to cleaning services, was conducted. As a result, a number of improvements were implemented to tighten procedures for the engagement of cleaning contractors, as well as well contingent labour, which will ultimately reduce associated risks.

FLEET

The Salvation Army Australia's fleet services provider was reviewed and renewed, with a nationally consistent approach streamlined and strengthened for better management of risks.

CATERING AND FOOD

A multi-year project was completed to consolidate The Salvation Army's catering and food needs to a single preferred supplier, providing more favourable contractual terms and improved compliance oversight.

SOLAR

The Salvation Army Australia has partnered with AGL for the shared installation and benefits of solar power. This work has positioned The Salvation Army Australia strategically within the solar industry to understand and address risks in energy supply chains.

Plans are also underway to work formally with The Salvation Army's international territories to remediate detected human rights violations in supply chains.

Continuous Improvement Activities

1. Review and update policies and standards to more specifically delineate social responsibility requirements.
2. Update and action modern slavery risk information and management guidance and supplier assessment tool.
3. Review strategic and high-risk supply categories with a view to mapping tiers 1-2 and engaging suppliers to better understand our exposure to modern slavery risks.
4. Extend our supplier engagement activities through Sedex and supplier forums to improve risk mitigation.
5. Work with TSA internationally to remediate detected human rights violations in our supply chains.

Modern Slavery Risk Controls

As part of the development of The Salvation Army Australia's dedicated supply chain risk register, the following controls are under consideration and will be reviewed in the next and future reporting periods:

- Suppliers agree to comply with modern slavery reporting obligations where necessary.

- Suppliers demonstrate that ethical sourcing policies and processes are in place.

- Supplier processes incorporate appropriate practices that address modern slavery.

- Supplier contracts/agreements include a statement that indicates third parties operate in accordance with applicable laws and regulations.

- Supplier contracts/agreements include a statement requiring sub-suppliers or sub-contractors to immediately report any changes in ownership or structure that would alter risk profiles.

- Supplier contracts/agreements include enforceable penalties for breach of terms by sub-suppliers or sub-contractors, including termination, as a last resort.

- Supplier contracts/agreements allow reasonably for sub-suppliers or sub-contractors to rectify issues related to modern slavery.



How we are assessing the effectiveness of our management of Modern Slavery Risks in our supply chains and operations

Achieving effectiveness in the management of Modern Slavery risks is a long-term strategy for The Salvation Army Australia. As referenced earlier in this statement, the centralised Strategic Sourcing and Procurement function has undertaken extensive work to consolidate financial data, establish national policies and processes, and on-board systems to get a better view of our supplier base and spend, streamline supplier engagement and improve data and analysis. While these do not necessarily relate directly to the management of Modern Slavery risks, we regard them as essential components of a long-term strategy to effectively assess and address a range of social risks in our supply chains.

During the reporting period:

- 100% of new or renewed centralised contracts included dedicated Modern Slavery clauses.
- We actively simplified our supply chain by reducing the number of suppliers and establishing a preferred supplier register.
- All Strategic Sourcing and Procurement personnel continue to maintain up to date Modern Slavery training completion.

Enterprise Risk and Compliance Program

The Salvation Army Australia's Enterprise Risk and Compliance function continues to actively monitor modern slavery risks, with formal mitigation, reporting and escalation protocols embedded to ensure risk concerns are appropriately escalated in a timely manner and mitigating actions are managed to completion.

The Enterprise Risk and Compliance function actively works with the Strategic Sourcing and Procurement function to identify and mitigate Modern Slavery risks.

Internal Audit

The Salvation Army Australia's Internal Audit program provides independent assurance that risk management, governance and internal control processes are operating effectively.

During the reporting period, a review of The Salvation Army Australia's efforts in combatting modern slavery and compliance with the Modern Slavery Act 2018 (Cth) was undertaken.

The key risks addressed the review included the potential for:

- Misleading disclosures in TSA's modern slavery statement;
- Inadequate policies, procedures and systems to underpin TSA's modern slavery initiatives;
- Lack of clarity of roles, responsibility and accountability within the modern slavery compliance framework;
- Inadequate communication and training about modern slavery across employees, Officers and volunteers; and
- Inadequate documentation/record keeping to demonstrate compliance.



The review consisted of the following findings and opportunities for improvement:

- The remit of the Strategic Sourcing and Procurement function could be extended to govern localised procurement and supplier engagement, noting that these are ordinarily due to immediate need and are not accepted as standard practice

- Whistleblower Protections, Incident Reporting and Feedback/Complaints channels could be strengthened to include a clear channel for the reporting and capture of actual and suspected modern slavery concerns

- Formal reporting on modern slavery risks could be introduced as a standalone element of TSA's Enterprise Risk and Compliance function, which would enable improved visibility of modern slavery risk exposures and The Salvation Army Australia's work in addressing them

- Modern slavery training and awareness programs should be extended to be available to all personnel at The Salvation Army Australia

During the next reporting period these recommendations will be adopted.

- Step by step procedures could be established for the monitoring of supplier compliance to TSA's Supplier Code of Conduct



How we are working together to combat Modern Slavery Risks in our supply chains and operations

All of the Property Trusts share the same body of Trustees and executive management teams. All of the Property Trusts adopt the same policies, procedures and protocols, operate in the same sectors and, save for minor exceptions, share the same suppliers.

The Companies have Boards of directors appointed with the express approval of the Trustees of the Property Trusts who are the relevant parent entities of each company. Other than with respect to industry specific additional requirements, all of the Companies adopt the same policies, procedures and protocols, operate in the same sectors and, save for minor exceptions, share the same suppliers as the Property Trusts.

This Joint Modern Slavery Statement was prepared in consultation with The Salvation Army Australia's Enterprise Risk and Compliance, Strategic Sourcing and Procurement, and Policy and Advocacy Teams, together with in-house legal counsel. This Joint Modern Slavery Statement was prepared following discussions and involvement of these functions in so far as they operate and the relevant key individuals interact both with the Property Trusts and the Companies. The Salvation Army Australia's Board is committed to the modern slavery initiatives set out in this Joint Modern Slavery Statement.

Throughout the reporting period, updates on our activities of our Modern Slavery discussion group were provided to the Board Audit and Risk Committee for their awareness. This Joint Modern Slavery Statement was provided to the Board for review, prior to it being formally adopted by the Board for sign off by the Board Chair and the Chief Secretary of The Salvation Army Australia.

What else we are doing to fight Modern Slavery

The Salvation Army advocates to influence key decision makers and those who have the power to implement social policy change. This includes our advocacy with federal, state and territory members of parliament, as we know from experience that social policy can make the most difference to those experiencing hardship, injustice and marginalisation.

Situated within The Salvation Army Australia's Policy, Research and Social Justice Department, the Policy and Advocacy team is responsible for coordinating social policy development, social justice education and advocacy efforts on social policy issues, including modern slavery and human trafficking.

The Salvation Army played a key role in the passage of the Modern Slavery Act 2018 (Cth) and has continuously advocated for improved protections for vulnerable migrant workers and restricting the importation of goods made with forced labour into Australia.

The Salvation Army Australia is also a founding member of the National Roundtable on Slavery and Trafficking and works collaboratively with government to support with the Department of Home Affairs to establish a model and a mechanism for survivor consultation.

Service, Support and Outreach

Since 2008, The Salvation Army Australia has continued to independently operated the only refuge in Australia dedicated exclusively for survivors of slavery and trafficking. The Safe House also supports men, women and children in the community who may be at risk of slavery and severe labour exploitation.

Pathways to Independence

The Salvation Army Australia also operates the Australian Freedom Fund, which provides small, individual grants to survivors and people at risk of

modern slavery. The Salvation Army Australia also operates Australia's first and only Modern Slavery Transitional Housing Pilot in partnership with Salvos Housing and the Sisters of Charity Foundation, providing survivors with supported pathways to independence.

Lived Experience Engagement Program (LEEP)

The Lived Experience Engagement Program (LEEP) is funded by the Australian Government through the National Action Plan to Combat Modern Slavery 2020-25 Grant Program.

LEEP seeks to support direct contributions and advice to the Australian Government on human trafficking and modern slavery policy and programs from people with lived experience, specifically utilising their experience and knowledge of criminal labour exploitation. LEEP will pilot a Survivor Advisory Council to the government, the first of its kind in Australia and a first step in a partnership approach with modern slavery survivors to achieving change.

LEEP commenced activity in September 2021 and will complete activity by September 2023. The program design of LEEP has incorporated consultation insights from survivors in Australia and internationally, and is currently training and supporting survivors to engage in regular meetings with government officials and in civil society opportunities to engage with the government and other stakeholders.

The program has strong links with the Salvation Army Australia's Trafficking and Slavery Safe House Program, utilising staffing expertise in anti-trafficking and slavery in the management of the LEEP.



Each of the bodies / entities defined in this document as comprising The Salvation Army Australia, are all owned and controlled by the Trustees, who, by virtue of a resolution of the Trustees, consider the Board to be the relevant higher entity as per section 14(2)(d)(ii) of the Modern Slavery Act 2018 (Cth). This Modern Slavery Statement was considered and approved by the Board of The Salvation Army Australia on 8 December 2022.



Robert Donaldson, Commissioner
Territorial Commander and Board Chair

The Salvation Army Australia



Winsome Merrett, Colonel
Chief Secretary

The Salvation Army Australia

**Modern Slavery Statement
Australia 2022**



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