



MODERN SLAVERY STATEMENT

MÉDECINS SANS FRONTIÈRES AUSTRALIA LIMITED

Reporting Period:

1 January 2022 – 31 December 2022



MÉDECINS SANS FRONTIÈRES AUSTRALIA LIMITED

MODERN SLAVERY STATEMENT

2022

1. INTRODUCTION.....	2
2. STRUCTURE, OPERATIONS CHAINS.....	4
3. RISK OF MODERN SLAVERY PRACTICES.....	9
4. GRANTS.....	10
5. STAFF (OFFICE STAFF AND FIELD WORKERS).....	12
6. SUPPLIERS.....	12
7. GOVERNANCE, ACTIONS TO ASSESS & ADDRESS RISK.....	14
8. REPORTING PERIOD: ACTIONS TAKEN IN 2022.....	17
9. LOOKING FORWARD.....	18
10. CONSULTATION AND APPROVAL PROCESS.....	21

1. INTRODUCTION

- 1.1 Médecins Sans Frontières Australia Limited (**MSFA**) (ACN 068 758 654) has prepared this **third Modern Slavery Statement**, in accordance with the *Modern Slavery Act 2018* (Cth) (**the Act**). MSFA is a reporting entity under the Act and this Statement sets out the steps MSFA has taken during the Reporting Period from 1 January 2022 to 31 December 2022 (**Reporting Period**) to understand our Modern Slavery risk, and the processes we have in place to assess and address this risk.
- 1.2 Our objective is to have visibility in and across our operations and supply chains to enable us to reduce, as far as possible, the risk and presence of Modern Slavery in all facets of our organisation.
- 1.3 MSFA is wholly committed to acting ethically and operating responsibly. This commitment extends to continuously enhancing our practices and processes to better identify and minimise the risk of Modern Slavery in our operations and supply chains and to ensure we are engaging with suppliers that share that commitment.
- 1.4 During the Reporting Period, MSFA continued to work towards implementing measures to reduce the risk of Modern Slavery occurring in our supply chains. This was done through a continuation of our previous work, and through the implementation of new initiatives. Highlights of our actions during the Reporting Period include:
- 1) Retaining the organisation's first full-time General Counsel, as part of a broader strategic plan to:
 - a) Ensure an ongoing, transversal dialogue between the organisation's Leadership Team (**LT**), its governing body and other key stakeholders, with the aim being to continuously review, assess and address the risk of Modern Slavery practices across MSFA's operations and supply chains;
 - b) Establish a legal function within MSFA – known as the Legal, Regulatory, and Compliance Department (**LRCD**), with one of the LRCD's purposes being to bolster organisational capacity to manage Modern Slavery risk through:
 - i) ensuring confident compliance with current legislation and best practices;

- ii) partnering with the business in undertaking risk governance work, including the identification of, assessment of, response to and reporting of risks (in this context, where it relevantly concerns Modern Slavery risk); and
 - iii) initiating forward-focussed Modern Slavery Plans, based on specialised knowledge and skills that can facilitate execution of the Board's strategy for Modern Slavery risk mitigation; and
 - c) Further embedding the fundamental ethics inherent in Médecins Sans Frontières' (MSF) social mission as a key part of MSFA's tangible local governance framework. As one example, this has occurred through the General Counsel's championing the Board's wish to establish an Environmental Social & Governance (ESG) Committee, and guiding the operational implementation of its initial framework. The ESG Committee's objectives are to (amongst other things), undertake independent review of management and operational activities, so as to ensure that MSFA is run in a principled manner, with social sustainability as a priority, and to ensure that expectations are set around the iterative development of high ethical standards in all parts of our work. Ultimately, this oversight should further mitigate the general and the specific risks associated with Modern Slavery in the running of our organisation.
- 2) Significantly investing in organisational upskilling initiatives, through further deployment of Modern Slavery training modules to both staff and suppliers, and thereby ensuring greater awareness of and vigilance against Modern Slavery;
 - 3) Enacting a comprehensive revision of the organisation's Procurement Policy and process, enhancing the depth of supplier evaluations and maturing the risk analysis process, both designed to pinpoint and manage Modern Slavery risks within MSFA's supply chain;
 - 4) Recalibrating our Request for Proposal (RPF) process to include a comprehensive review and evaluation of MSFA's suppliers, identifying the Modern Slavery risk inherent in our supply chain, and streamlining our supplier base accordingly to ensure compliance with regulatory requirements.

2. STRUCTURE, OPERATIONS AND SUPPLY CHAINS

2.1 Structure

2.1.1 MSF is an international, independent medical humanitarian movement that provides medical assistance to people affected by conflict, epidemics, disasters, or exclusion from healthcare. MSF operates in more than 70 countries around the world.

2.1.2 MSFA is part of the global network of entities which together form this MSF movement, where all of these entities are guided by medical ethics, and the principles of impartiality, independence and neutrality. This partnership between the entities is not a partnership in the legal sense: it is bound by a shared purpose, and underpinned by the MSF Charter¹ and our governing processes, where all partners are expected to adhere to the following:

- 1) La Mancha Agreement;²
- 2) Chantilly Principles.³

2.1.3 The MSF movement consists of 24 'sections' (of which MSFA is the Australian section), 18 branch offices, MSF International, and additional satellite organisations; all of which support the movement's humanitarian medical aid work. MSFA was established in 1994 to provide support to this international movement, and as part of a wider plan to expand the movement's capacity for mobilisation and the provision of aid wherever it was most needed around the world.

2.1.4 MSFA is an independent charity, registered with the Australian Charities and Not-for Profits Commission (**ACNC**). MSFA is a public company limited by guarantee, incorporated under the *Corporations Act 2001* (Cth) and principally based and registered in Sydney, New South Wales.

2.1.5 Médecins Sans Frontières New Zealand Charitable Trust (**MSFNZ / the Trust**) is (as the name suggests) a charitable trust, incorporated under the *Charitable Trusts Act 1957* (NZ) on 9 March 2016. MSFNZ's registered place of business is in Auckland, New Zealand, and it has been registered with the Charities Services department in New Zealand continuously since March 2016. MSFNZ has three Trustees.

¹ [MSF Charter](#)

² [La Mancha Agreement](#)

³ [Chantilly Principles](#)

- 2.1.6 When it concerns the Trust, MSFA has to date generally managed and administered large portions of the Trust's activities, pursuant to a Services Agreement. That Services Agreement provides for MSFA and MSFNZ to, amongst other things, share a central procurement function, through to sharing staff resources where reasonable and in the best interests of both entities to do so.
- 2.1.7 This shared services approach means that MSFA sees it as ever more important to keep the risk of Modern Slavery under the careful supervision of the department heads, the Procurement team and the Leadership Team (LT). The shared services arrangement has informed numerous policies and procedures that have been set in place via resolutions of the MSFA Board of Directors (**Board**).
- 2.1.8 The Board are elected by the MSFA member cohort (known collectively as **the Association**), which is comprised of past and present MSF field and office staff from Australia and New Zealand. The Board governs and takes responsibility for the actions of MSFA.
- 2.1.9 The Board delegates day-to-day operational management and decision-making to the Executive Director and the LT, while retaining its oversight role. The Board also delegates some of its functions to Board Committees as per the diagram below:

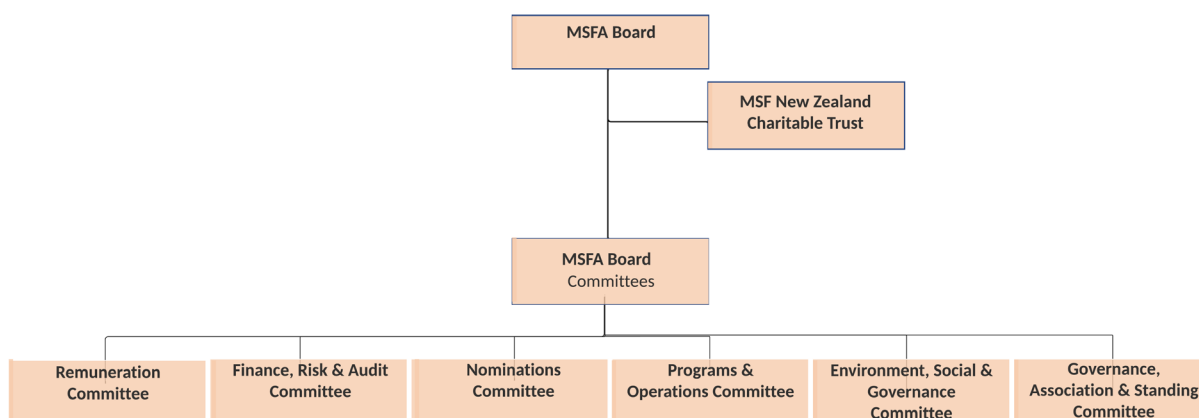


Figure 1 MSFA's **Finance, Risk and Audit Committee** has oversight of our risk and compliance obligations, encompassing MSFA's Modern Slavery reporting approval process and regulatory obligations. The newly formed **Environment, Social & Governance Committee** has Modern Slavery in its channel, and addresses Modern Slavery at a governance level, ensuring that the organisational culture is attuned to ethical and regulatory best practices in all areas of operation.

2.2 Operations

2.2.1 MSFA's key activities include:

- 1) Fundraising from the Australian and New Zealand general public, in order to finance the medical humanitarian operations of the MSF movement. Fundraising activities in New Zealand are managed by MSFA for MSFNZ under the Services Agreement, mentioned at para 2.1.6.
A significant proportion of these raised funds are used in medical humanitarian programs run by the Geneva and Paris MSF Operational Centres. These MSF Operational Centres run and deliver programs in more than 55 countries around the world.
- 2) Liaising with institutions and individuals in Australia and internationally, with a view to obtaining funding or other operational support for field projects, and for co-ordination with other organisations involved in overseas humanitarian relief.
- 3) Provision of medical expertise in women's health, child health and sexual violence care through:
 - a) Direct visits to MSF medical humanitarian projects overseas and provision of technical support and oversight; and,
 - b) Preparation of medical field staff for MSF programs, which includes medical training, medico-operational research, medical communications, and medical policy development.
- 4) Operational participation in the international MSF movement's field projects, where this is accomplished through:
 - a) Financing field operations and recruitment of humanitarian relief workers; and,
 - b) Participation as faculty in various Australian and international training courses for these team members, and undertaking evaluation missions to field projects.
- 5) Engaging with communities via:
 - a) The dissemination of public information on humanitarian and development issues through provision of materials and spokespeople to journalists in the print and electronic media; and,

- b) Publication of newsletters, participation in seminars or other public events, and guest lectureships at educational institutions.

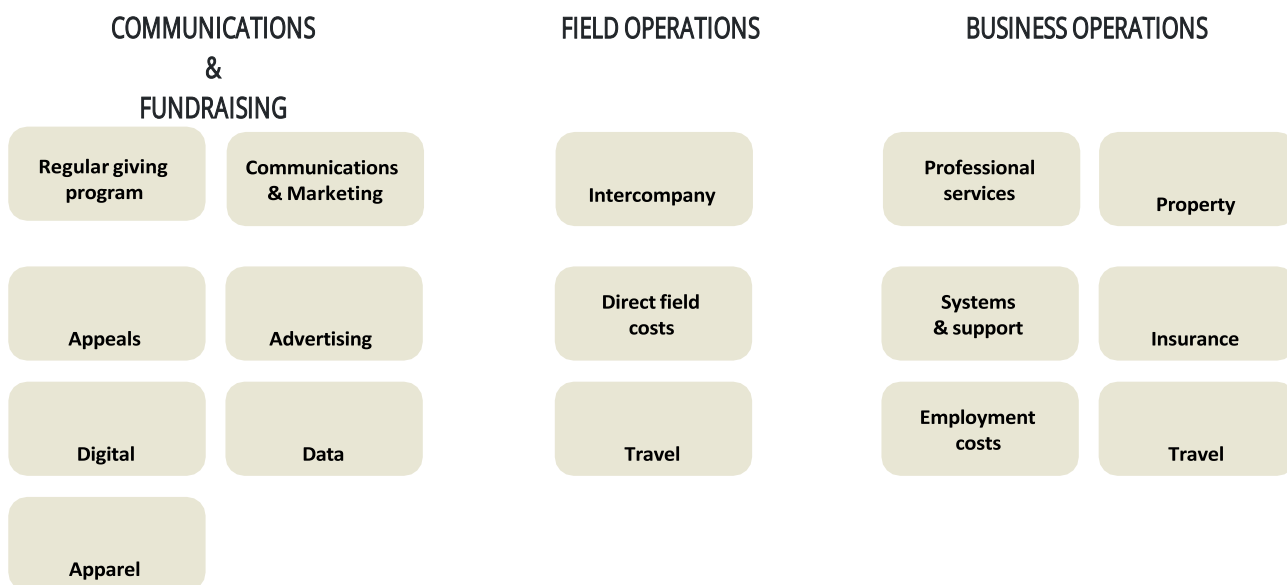
2.2.2 During the full course of the Reporting Period, MSFA directly employed 326 individuals, divided between 169 office staff, and 157 field team members, working in various locations abroad on secondment.

2.3 Supply Chain

2.3.1 As noted in the preceding section, MSFA partners with particular MSF Operational Centres to provide them with both recruited Australian and New Zealander field team members, and financial grants to support the medical humanitarian aid projects being undertaken overseas in each reporting cycle. The 2022 Reporting Period followed this same course.

2.3.2 In the course of the Reporting Period, MSFA also procured considerable quantities of goods and services from over 300 suppliers to support our operations. MSFA's suppliers are predominately located in Australia and New Zealand. These countries have a low prevalence of Modern Slavery, and the governments of Australia and New Zealand take strong views - and actions - against those who engage in it.

2.3.3 MSFA obtains goods and services across three broad main categories, each with various sub-categories, as shown below:



2.3.4 MSFA's supply chains involve the procurement of the following necessary goods and services:

- **Regular giving program** – Outsourced Face-to-Face fundraising and tele-fundraising services
- **Appeals** – Design, printing, mail house, postage services
- **Digital** – Media buying and other marketing services
- **Communications & Marketing** – Design, printing services
- **Advertising** – Creative, print services
- **Data** – Database support, data analysis services
- **Apparel** – T-shirts, stock
- **Intercompany financial grants** – To MSF Operational Centres
- **Direct field costs** – Accommodation, materials
- **Travel** – Air travel, accommodation
- **Professional services** – audit services, legal services, translations, IT consulting services
- **Systems and support** –licensing, systems support
- **Employment costs** – salaries and wages, training, health & wellbeing
- **Property** – rent, electricity, cleaning
- **Insurance** – premiums

Note: Impact of COVID-19 on supply chains in 2022

This Reporting Period saw an easing of the international and domestic restrictions that had been enacted in earlier years in response to the COVID-19 pandemic. However, because MSFA is informed by over fifty years of medical expertise, our organisation has been consistently mindful of the ongoing impact of the pandemic, particularly as regards the risk of Modern Slavery creeping into a business' supply chains. As a result, we have remained vigilant to the heightened threat that COVID introduced to our own supply chains.

In this context, throughout the Reporting Period MSFA did not observe any material alterations to our existing supplier relationships that were attributable to the pandemic, and there was no identified escalation of the level of Modern Slavery risk within our supply chain that were, or could be, in our assessment, specifically attributed to the pandemic circumstances.

In evaluating our suppliers, it should be noted that we incorporated any significant expenses that would customarily have been incurred in the absence of the pandemic's influence.

3. RISK OF MODERN SLAVERY PRACTICES

3.1 MSFA has considered the ways in which it may contribute to, cause, or be linked to, Modern Slavery risk in its operations and supply chains. This evaluation extends to MSFNZ due to the shared functions governed by the Services Agreement (see paragraph 2.1.6).

3.2 As an organisation, we recognise that there is a complex network of interacting issues which potentially create increased Modern Slavery risk, including:

- 1) Total supplier spend amount;
- 2) Industry category, including industries that, in turn, feed into higher-risk categories further down the supply chain;
- 3) Depth/'Tiering' within the supply chains;
- 4) Recognising that direct suppliers (Tier 1) have their own supply chain (Tier 2), who, in turn, have their own supply chain (Tier 3), and remaining cognisant that our responsibility to mitigate Modern Slavery risk is not limited to Tier 1 suppliers;⁴

⁴ Explanatory Memorandum, Modern Slavery Bill 2018 (Cth) 20 [130].

- 5) Geographical areas and conglomerate locations of direct and 'tiered' suppliers, particularly relevant to country risk factors such as those that have not ratified the ILO fundamental conventions or have a weak record of implementation, those where there is a linkage to migration and employment informality, locations where debt-risk factors exist to allow credit arrangements or debt schemes for workers with their employers, and other such issues;
- 6) Suppliers' own approaches to Modern Slavery, their policies, tolerances for such activity, education programs for their staff, etc.

3.3 For the purposes of this Statement, we continued to conduct Modern Slavery risk assessments, maintaining focus on our Tier 1 ('direct') suppliers – namely where the total supplier spend for the Reporting Period was greater than AUD \$10,000. This has been done with a more nuanced and strategic approach, for a number of reasons that are discussed further on in the Statement (see section 6 below).

3.4 MSFA's spend can be categorised into three main tranches:

- Grants;
- Staff; and
- Suppliers.

Each of these is addressed in the section below.

4. GRANTS

4.1 MSF Operational Centres are spread across 5 European countries (all of which operate in highly regulated jurisdictions), and one which operates in Africa. A significant source of expenditure for MSFA is the granting of funds to the Operational Centres in Paris and Geneva, which (as mentioned) are used to fund medical humanitarian aid operations around the world. In turn, the use of the MSFA funds, is subject to each Operational Centre's field practices and procurement processes.

4.2 MSFA does not have direct control over the Operational Centres' decisions as to the way that the MSFA funds are used, nor does MSFA have any direct control or oversight of the products and services that the MSFA funds ultimately purchase for the Operational Centres.

- 4.3** However, MSFA does have control over the projects it chooses to fund within each of these Operational Centres, including decisions about continuing funding for projects in future reporting cycles.
- 4.4** The Operational Centres are also aware that the requirements of due diligence, care and vigilance set by the framework; including the natural cascade outwards of Modern Slavery risk from a company's immediate operations in terms of (in this instance) the supply chains involved. This framework informs how MSFA considers the international funding relationships maintained with the Operational Centres.
- 4.5** The Operational Centres also have a long history of championing human rights in their own right, by virtue of the work that they (and we as a wider movement) undertake. This includes adhering to the **MSF Charter** and **Chantilly Principles** - as underpinned by the following values:

- Medical ethics
- Independence
- Impartiality and neutrality
- Bearing witness
- Respect for human rights
- Accountability

5. STAFF (OFFICE STAFF AND FIELD WORKERS)

- 5.1 Field workers engaged by MSFA are Australian or New Zealand citizens. They are individuals who are employed by MSFA under an Australian contract, and who work on humanitarian projects run by five of the six MSF Operational Centre partners (in Belgium, France, the Netherlands, Spain and Switzerland).
- 5.2 These five Operational Centres are committed to remaining in compliance with:
- 1) their respective national laws concerning Modern Slavery; and
 - 2) any EU regulations and directives that may be applicable to their operations at any given point in time.
- 5.3 The majority of MSFA's office staff are employed in Australia and their employment is governed by the *Fair Work Act 2009* (Cth).
- 5.4 Where MSFA engages external consultants, they are contracted on a case-by-case basis, and the consulting engagements are subject to applicable Australian legislation.
- 5.5 MSFNZ is staffed by the employees of MSFA, pursuant to the same Services Agreement mentioned in paragraph 2.1.6.

6. SUPPLIERS

- 6.1 To pinpoint potential Modern Slavery risk, we scrutinised our operations and supply chains to identify suppliers, functions, and activities posing a higher risk of involvement in Modern Slavery practices. We chose to continue scrutinising our key suppliers (high spend) and flagged suppliers (high risk) in this Reporting Period. We took this course because MSFA is mid-way through a whole-of-business transformation program, and this year saw our Procurement function develop to the

maturity level whereby certain core business functions were subject to a streamlining and rationalisation exercise in respect to their suppliers.

6.2 We grounded this exercise in key risk indicators, as suggested by expert bodies such as the Global Slavery Index (GSI), in addition to country-specific, industry-specific, product-specific, and service-specific risk profiles. We have yet to encounter any allegations of Modern Slavery against our suppliers.

1) Geographical Risk in Our Supply Chains

- a)** As mentioned above, a significant proportion of our direct suppliers operate in Australia and New Zealand. These nations' respective governments exercise stringent measures to combat Modern Slavery, if and where it is identified. However, we are mindful that, even in these contexts, there always will be a residual risk of Modern Slavery activity; and so there has been active attention paid to addressing this through our supplier engagement framework. MSFA will also be prospectively looking to expand the ability to more accurately assess heightened on-shore risk in the 2023 Reporting Period, utilising a benchmarking strategy that we estimate as likely to provide better oversight of subsidiary suppliers.
- b)** An improvement on the 2021 Statement (which detailed our assessment sitting at a 1.5 per cent expenditure pertaining to direct suppliers stationed in countries with a medium-high risk of Modern Slavery) in this Reporting Period, expenditure in this bracket arrived at less than 1.34 per cent. The assessed suppliers were located in the following countries:
 - i)** Singapore;
 - ii)** Malaysia;
 - iii)** China; and,
 - iv)** India.
- c)** We have based this determination on key GSI 2018 metrics, including:

- i) Government response to Modern Slavery, assessing the availability of criminal justice mechanisms; labour laws; support for survivors.
- ii) The prevalence of Modern Slavery in the State in question.
- iii) Additional considerations of State-imposed forced labour practices (of note for supplier engagement in China and Singapore).
- d) Travel-related expenses and digital marketing services are the most common categories of goods and services that we obtain from suppliers in these regions.

2) Industry, Product, and Service-specific Risks

After careful consideration of product types, sectors, and geographical locations, the following sectors, industries, products, and services in our supply chains are identified as potentially exhibiting elevated risk of Modern Slavery practices:⁵

Sector or industry	Product or services risks
Cleaning	Outsourced cleaning and facilities management services
Manufacturing	Externally sourced equipment, including electronics such as laptops and mobile phones, medical supplies and equipment (including personal protective equipment), uniforms and stationery
Travel	Flights, accommodation, transportation of personnel
Textiles	Uniforms/apparel
Information technology	Offshore/outsourced IT services

7. GOVERNANCE, ACTIONS TO ASSESS & ADDRESS RISK

7.1 The Board is responsible for instituting a comprehensive governance framework to evaluate and mitigate Modern Slavery risk within our operations and supply chains.

7.2 Given MSF’s extensive global operations, the MSFA Board is obligated to comply with the External Conduct Standards set forth by the ACNC.⁶ The careful evaluation called

⁶ Australian Charities and Not-for-profits Commission Regulations 2022 (Cth) div 50.

for by these standards does bear a resemblance to the requirements encountered under the Modern Slavery regime. This is simply because persons involved in key decision-making must give diligent consideration to the potential impacts of organisational decisions on vulnerable individuals susceptible to exploitation. This adds an additional layer of regulatory accountability to the actions endorsed and undertaken by our governing body.

Our governance practices are anchored in a series of policies and procedures that underscore a collective commitment to upholding human rights across our operations and supply chains. These protocols play an instrumental role in our endeavours to minimise the risk of Modern Slavery and facilitate full compliance.

7.3 Due Diligence Processes

- 1) **Recruitment** – We operate a recruitment process that includes right-to-work checks for all our prospective employees, which helps reduce the risk of human trafficking and Modern Slavery. Our Recruitment Policy seeks to ensure that hiring decisions are fair and equitable and that all positions have a Police Criminal History Check and a Working with Children Check where relevant.
- 2) **Face-to-Face Fundraising Suppliers** – MSFA is committed to the lawful and socially responsible engagement of personnel within our fundraising supply chains, and we expect the same standards to be upheld by the suppliers of our face-to-face fundraising services. As part of our Fundraising Supply Chain Governance Strategy, we conduct a rigorous supplier due diligence process, which includes requiring that our suppliers are accredited by the *Public Fundraising Regulatory Association*, and commit to adhering to our *Fundraising Supplier Code of Conduct*⁷ (**Code**) and *Supplier Responsibility Standards Statement*.⁶
- 3) The Code sets out expectations in the areas of:
 - a) Labour and human rights;
 - b) Health and safety;
 - c) Integrity, ethics and conduct; and,

⁷ **Fundraising Code of Conduct**, MSF Australia

- d) Corporate and supply chain governance.

7.4 Remediation Processes

7.4.1 MSFA's policies that touch on Modern Slavery have been constructed around our values, ensuring that we:

- 1) Provide a strong ethical framework, with zero-tolerance for discrimination, violence, and exploitation;
- 2) Foster an inclusive work environment with equal opportunities and protection from harassment or discrimination;
- 3) Encourage reporting of unethical or illegal behaviour without fear of repercussions, maintaining transparency and high ethical standards;
- 4) Address grievances in a prompt, impartial, and confidential manner, upholding fairness and protecting against victimization; and
- 5) Empower employees to voice concerns, promoting an accountable, transparent, and ethically driven work environment.

7.4.2 These policies (listed below) apply to employees, volunteers, interns, contractors, Board members, and the Association, provide robust mechanisms to report concerns about suspected or actual improper conduct, including issues related to Modern Slavery:

- 1) **Code of Conduct:** Establishes a crucial framework for ethical decision-making and behaviour across all our operations;
- 2) **Equal Employment Opportunity, Discrimination and Harassment Policy:** Demonstrate our enduring commitment to an inclusive, respectful work environment;
- 3) **Whistle-blowers Policy:** Provides mechanisms for anonymous reporting of unethical or illegal conduct;
- 4) **Complaints and Grievance Handling Policy; The Association Members Complaints Policy; Global Grievance Procedure:** Our suite of grievance handling policies prioritise prompt, impartial, and confidential resolution of

workplace grievances; provides the Association with a platform for airing concerns; and extend protections to our international and field-based employees.

8. REPORTING PERIOD: ACTIONS TAKEN IN 2022

A. ACTIONS

8.1 ACTION 1: Training of Senior Staff

8.1.1 Employee Awareness and Training continued in the 2022 calendar year, with the deployment of further large-scale learning modules. Department managers and employees with procurement within their ambit were given additional training through specially crafted training workshops, specifically catering to MSFA's unique context and risk profile, to ensure a deeper understanding of the pervasiveness of Modern Slavery, and the need for vigilance in all aspects of our operations.

8.2 ACTION 2: General Counsel & Establishment of the In-House Legal Function

8.2.1 In June 2022, MSFA appointed a full-time General Counsel to establish the Legal Regulatory and Compliance Department (**LRCD**). General Counsel has brought an increased level of legal expertise to the business, along with governance, regulatory and compliance experience, including in the Modern Slavery law space.

8.2.2 The last six months of the Reporting Period (to December 2022), saw the General Counsel involved in many ESG-related activities and initiatives, including:

- 1)** rendering assistance with departmental reviews of supplier lists, in a supplier portfolio rationalisation project;
- 2)** advising in the foundational stages of MSFA's Procurement re-alignment initiative (MSF sought that sections harmonise their procurement process with that used by the movement in Europe), and
- 3)** championing the establishment of the Board's ESG Committee;

8.2.3 all of which have impacted on the Modern Slavery Statement outcome for this Reporting Period.

8.2.4 General Counsel will assist the business to prepare for the rapid institution of amended compliance frameworks in what can only be called a period of great legal and regulatory change.

8.3 **ACTION 3: LRCO Responsibility for Modern Slavery Portfolio**

8.3.1 MSFA assigned the LRCO, and in turn, the General Counsel, with responsibility for the Modern Slavery framework. As part of this responsibility, the most suitable stakeholders can be brought together to assist with the ongoing assessment and management of MSFA's Modern Slavery risk and response plan.

8.3.2 By taking on accountability for this framework, the General Counsel provides a permanent co-ordination point for tackling Modern Slavery issues within our operations and supply chains.

8.4 **ACTION 4: Procurement Policy Review & Supplier Rationalisation**

8.4.1 In the Reporting Period, we undertook an exhaustive revision of our procurement process, tailored to align with the International Procurement Program. This strategic initiative, to be operationalised in 2023, is designed to pinpoint and manage a select number of key regulatory concerns, one of which is the inherent Modern Slavery risk within MSFA's supply chains.

8.4.2 One aspect of the revision was the implementation of an extensive Modern Slavery Questionnaire for every tendered procurement.

8.4.3 This process has established an enhanced supplier evaluation process, to more effectively identify potential Modern Slavery risk.

8.4.4 Further, the business and General Counsel undertook a review of a large portion of the organisation's suite of ongoing suppliers, leading to a streamlined supplier portfolio and the organisation anticipates a lower risk of Modern Slavery in the supply chains.

9. **LOOKING FORWARD**

9.1 **GOAL 1: Further Training**

9.1.1 In the 2023 Reporting Period, our aim is to implement a more inclusive Modern Slavery training program for a larger portion of staff members.. This includes

more specialised training for certain departments and individuals, under the guidance of General Counsel. Our objective through these initiatives is to enhance awareness and understanding across the organisation regarding the potential impact of Modern Slavery on our operations, aspiring to an organisation-wide approach to mitigating Modern Slavery risk.

9.2 GOAL 2: Consolidation of ESG Committee

9.2.1 In the 2023 Reporting Period, MSFA aims to advance its commitment to ESG work, as the Modern Slavery work plan has an increased opportunity to succeed where it funnels through a consolidated ESG Committee. Similarly, the Modern Slavery framework's alignment with the Committee will assist consolidation efforts in the following ways:

1) Strengthening Risk Management and Reporting Practices:

The Committee aims to mature and refine its strategies around risk analysis and reporting. This work could better position MSFA to better address Modern Slavery risk through: fostering the development of robust protocols for risk identification, assessment, and management, along with the opportunity to develop relevant benchmarks for future use. (See more below at 9.4 re benchmarking via data provider),

2) Enhancing Integration and Continual Learning:

The Committee aims to foster a culture of continuous learning and commitment to ESG within MSFA. This is envisaged to occur through progressively integrating all aspects of the ESG pillars into our daily operations, while maintaining an open and adaptive approach where necessary. As a part of that plan, it is anticipated that Modern Slavery awareness, due diligence red lines, and reporting needs will be progressively embedded along with other ESG areas. The expectation is that this approach will foster more ethical and sustainable Modern Slavery business practices.

9.3 GOAL 3: Expansion of the LRCD

- 9.3.1** In the 2023-2024 period, MSFA is exploring possibilities for enhancing the LRCD, which reports to the General Counsel. The department is intended to coordinate and liaise with all relevant internal stakeholders, seeking to improve our efficiency, effectiveness and responsiveness in addressing Modern Slavery risk. This augmentation in procedural management is anticipated to help ensure that risk mitigation and response to Modern Slavery become regular considerations across all vital facets of the organisation, supporting our efforts to fulfil our Modern Slavery-related commitments.
- 9.3.2** Through these strategic endeavours, we seek to position the LRCD as an integral cornerstone of MSFA's broader initiatives to counteract Modern Slavery. These steps are key in aligning our operational activities, ethical obligations, and our staunch commitment to upholding human rights.
- 9.3.3** Having conducted a thorough review of MSFA's earlier Statements and in the course of the 2022 reporting work, General Counsel has drafted a blueprint for a multi-year strategy that seeks to prioritise continuous improvement in the assessment and monitoring of Modern Slavery within MSFA and MSFNZ (as it pertains to MSFA's shared remit over MSFNZ's activity). The preliminary stages of this strategic roadmap are now being set in motion.

9.4 GOAL 4: Benchmarking Data Platform for Advanced Supplier Evaluation

- 9.4.1** General Counsel will evaluate potential benchmarking data suppliers, with a specific focus on those specialising in ESG - and particularly - Modern Slavery data. Integration of an SME supplier with MSFA's Modern Slavery work is expected to bolster the capacity for more timely risk analysis, along with monitoring, management and reporting capabilities.

9.5 GOAL 5: Revised Procurement Policy - Integration of Modern Slavery Risk Principles

- 9.5.1** The revised Procurement Policy, developed over the 2022 Reporting Period, is anticipated to start its implementation phase in the latter half of the 2023 Reporting Period. The recalibration of our supplier selection process and risk assessments has offered us a deeper insight into the ESG aspects of procurement, with a particular focus on Modern Slavery risk.

- 9.5.2 Drawing from insights we gained from scrutinising our Tier 1 suppliers, we aim to revise and widen the ambit of the Modern Slavery Supplier Questionnaire to encompass subsidiary tiers of the supply chains, which we anticipate deploying in the 2023 calendar year.
- 9.5.3 Our enhanced supplier evaluation process, calibrated to identify Modern Slavery risks more effectively, builds upon our prior evaluations of suppliers with procurement costs exceeding \$200,000. Incorporating Modern Slavery as a crucial element under our new policy for supplier engagement, coalescing with broader ESG concerns, we anticipate that the expected implementation of our revised Procurement Policy in 2023 could mark a significant milestone in our ongoing efforts to prevent Modern Slavery within our operations and supply chains.
- 9.5.4 We anticipate that this will strengthen our ability to identify and mitigate potential Modern Slavery risk effectively and transparently.

10. CONSULTATION AND APPROVAL PROCESS

- 10.1 This Statement was circulated to the Finance, Risk and Audit Committee for comment, prior to being put to the Directors of the Board for review and approval.
- 10.2 This Statement was approved by the Board of Médecins Sans Frontières Australia Limited on 30 June 2023.



Ms Katrina Penney
President
Médecins Sans Frontières, Australia Limited

Jun 30, 2023

Date