



# **MODERN SLAVERY STATEMENT**

**MÉDECINS SANS FRONTIÈRES AUSTRALIA**

Reporting Period:  
1 January 2021 – 31 December 2021

# 1. INTRODUCTION

Médecins Sans Frontières Australia Limited (**MSFA**) (ACN 068 758 654) has prepared this **second Modern Slavery Statement** ("Statement"), in accordance with the *Modern Slavery Act 2018* (Cth) ("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 2021 to 31 December 2021 ("Reporting Period") to understand our modern slavery risks (as defined in the Act), and the processes it has in place to assess and address those risks.

MSFA is fully 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.

During the Reporting Period, MSFA continued to work towards implementing measures to reduce the risk of modern slavery occurring in our supply chain. Highlights of our actions during the Reporting Period include:

- formation of the Modern Slavery Working Group
- implementing a Modern Slavery Action Plan
- conducting employee awareness training
- developing a procurement policy
- inserting modern slavery clauses in our standard supplier contracts
- developing a supplier questionnaire
- establishing key performance indicators for the Modern Slavery Working Group.

Further details are included in section 4 of this Statement.

## 2. STRUCTURE, OPERATIONS AND SUPPLY CHAINS

### Structure

Médecins Sans Frontières/Doctors Without Borders (MSF) is an international, independent medical humanitarian organisation that provides medical assistance to people affected by conflict, epidemics, disasters, or exclusion from healthcare in more than 70 countries around the world.

MSFA is part of a global network of entities which together form the MSF International movement which is guided by medical ethics and the principles of impartiality, independence and neutrality. This partnership is not a partnership in the legal sense: it is bound by a shared purpose and underpinned by the MSF Charter<sup>1</sup> and our governing processes, where all partners are expected to adhere to the following:

- La Mancha Agreement<sup>2</sup>
- Chantilly Principles<sup>3</sup>

MSF is a worldwide movement consisting of 24 sections, including one in Australia, 18 branch offices, MSF International and additional satellite organisations to support our work. MSFA was established in 1994 to provide support to this international movement.

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). MSFA's principal place of business and registered office is in Sydney, New South Wales.

MSFA has a wholly owned subsidiary, Médecins Sans Frontières New Zealand Charitable Trust (MSFNZ). MSFNZ's

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<sup>1</sup> [MSF Charter](#)

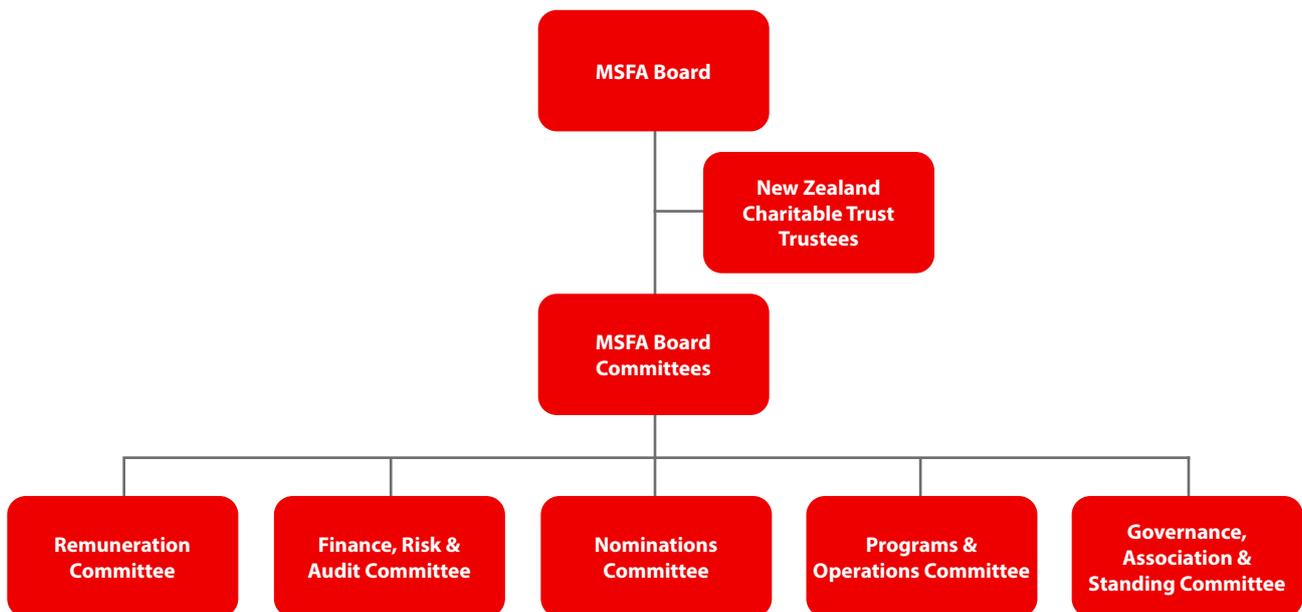
<sup>2</sup> [La Mancha Agreement](#)

<sup>3</sup> [Chantilly Principles](#)

registered place of business is in Auckland, New Zealand.

The members of MSFA are made up of past and present MSF field workers and office staff from Australia and New Zealand, who have been admitted by the Directors of MSFA as members of the company. The members of MSFA elect a Board of Directors ("Board") who govern on their behalf. The Board takes responsibility for the actions of MSFA and MSFNZ and is responsible for the overall governance of both entities. MSFA and MSFNZ share central procurement, governance, and legal functions, as well as policies and procedures endorsed by the Board of Directors.

The Board delegates day-to-day operational management and decision-making to the Executive Director and the Leadership Team, while retaining its oversight role. The Board also delegates some of its functions to Board Committees as per the diagram below.



The Board Finance, Risk and Audit Committee is the Board Committee that has oversight of our risk and compliance obligations, including in relation to modern slavery reporting.

## Operations

MSFA's key activities include:

- Fundraising from the Australian and New Zealand general public in order to finance the medical humanitarian operations of MSF. Our fundraising activities in New Zealand are managed by MSFA under a services agreement.
- These funds are used to run medical humanitarian programs run by the Geneva and Paris MSF Operational Centres, which are delivered in more than 55 countries.
- Liaison with institutions and individuals in Australia and internationally, with a view to obtaining funding or other operational support for field projects, and for coordination with other organisations involved in overseas humanitarian relief.
- Provision of medical expertise in women's health, child health and sexual violence care through direct visits to MSF medical humanitarian projects overseas, technical support and oversight, preparation of medical field staff, medical training, medico-operational research, medical communications, and medical policy development.
- Operational participation in the field projects of the international movement of MSF, through financing field operations; recruitment of humanitarian relief workers; participation as faculty in various Australian and

international training courses for such humanitarian relief team members; and evaluation missions to field projects.

- Engaging with communities in the form of dissemination of public information on humanitarian and development issues; provision of materials and spokespeople to journalists in the print and electronic media; publication of newsletters; participation in seminars or other public events; and guest lectureships at universities.

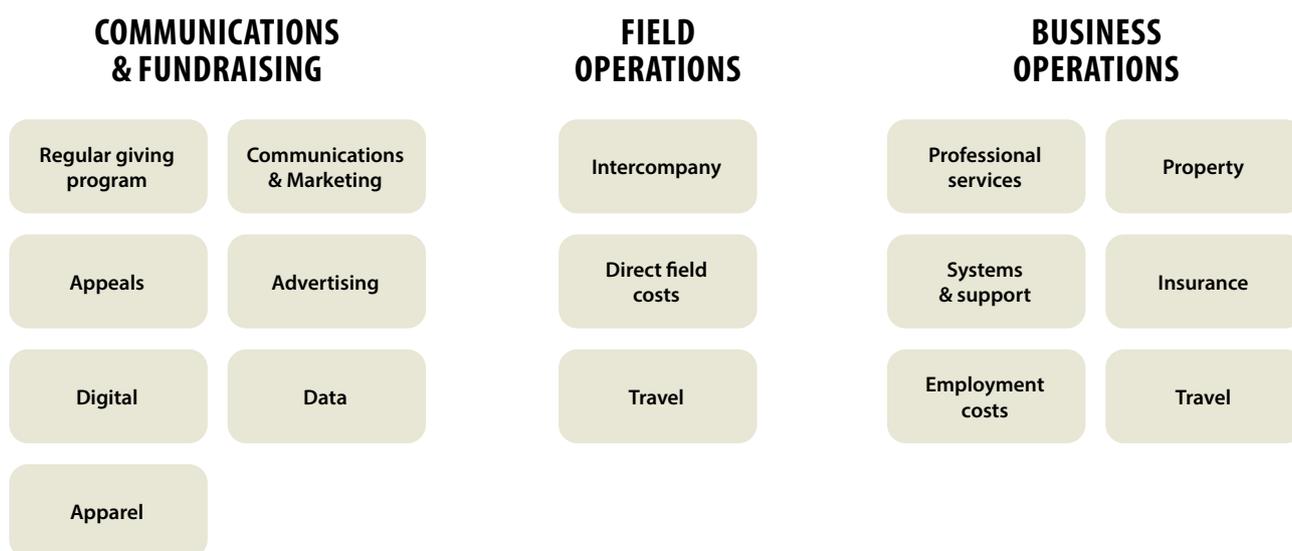
MSFA directly employs 167 staff. At the end of the Reporting Period, MSFA employed 115 staff in the Australia office and employed 52 field team members working abroad on field placements.

## Supply chain

MSFA partners with MSF Operational Centres to provide field team members and grants to support medical humanitarian projects overseas.

MSFA procures significant quantities of goods and services from over 450 suppliers. Our suppliers are predominately located in Australia and New Zealand. These countries have a low prevalence of modern slavery and these governments take strong action against it.

MSFA obtains goods and services across three main categories, each with various subcategories:



MSFA's supply chains include the procurement of the following key goods and services:

- **Regular giving program** – Face to Face fundraising, tele-fundraising
- **Appeals** – design, printing, mail house, postage
- **Digital** – media buy, marketing
- **Communications & Marketing** – design, printing
- **Advertising** – creative, print
- **Data** – database support, data analysis
- **Apparel** – t-shirts, stock
- **Intercompany grants** – to MSF Operational Centres
- **Direct field costs** – accommodation, materials
- **Travel** – air travel, accommodation

- **Professional services** – audit services, legal services, translations
- **Systems and support** – licensing, systems support
- **Employment costs** – salaries and wages, training, health & wellbeing
- **Property** – rent, electricity, cleaning
- **Insurance** – premiums

### **Impact of COVID-19 on supply chains**

During the Reporting Period we did not identify any significant changes to our existing supplier relationships or increase to modern slavery risks as a result of the COVID-19 pandemic.

For the purposes of analysing our suppliers, we have included any material costs that would normally have been incurred without the impact of COVID-19.

## **3. RISKS OF MODERN SLAVERY PRACTICES**

MSFA has considered the ways in which it may contribute to, cause or be linked to modern slavery risks in its operations and supply chains.

We recognise that there is a complex network of issues that interact to potentially create increased modern slavery risk, including:

- Total supplier spend amount
- Industry category, including industries that, in turn, feed into higher-risk categories further down the supply chain
- Depth or ‘tiering’ within the supply chain(s) – recognising that direct suppliers have in turn their own supply chain (Tier 2), who, in turn, have their own supply chain (Tier 3) and so on
- Geographical area of direct suppliers and ‘tiered’ suppliers.

For the purposes of this Statement, in addition to the Supplier Questionnaire established under Goal 4 (see section 5 below), we continued to conduct a modern slavery risk assessment focused on Tier 1 (‘direct’) suppliers where the total supplier spend for the Reporting Period was greater than AUD \$10,000. We have not been made aware of any modern slavery incidents by these suppliers in this Reporting Period or the previous reporting period.

Our spend can be categorised into three main types: grants, staff and suppliers.

### **Grants**

A significant source of expenditure for MSFA is the granting of funds to our Operational Centres in Paris and Geneva, which are used to fund medical-humanitarian operations around the world. The use of these funds is subject to each Operational Centre’s field and procurement processes. MSFA does not have direct control over the products and services the funds are used for by the Operational Centres; however, it does have control over the projects it chooses to fund.

These MSF Operational Centres operate in the highly regulated EU jurisdiction and have a longstanding history of adhering to the MSF Charter and Chantilly Principles which are underpinned by the following values:

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

## Staff (office staff and field workers)

Field workers are employed by MSFA under an Australian contract and work on humanitarian projects run by five of the six MSF Operational Centre partners in Belgium, France, the Netherlands, Spain and Switzerland. These MSF Operational Centres operate in the highly regulated EU jurisdiction.

MSFA has one office staff member currently employed through MSF Germany. Germany is considered a low-risk country on the Global Slavery Index (GSI) and subject to similar pay and conditions as Australia.

The majority of MSFA's office staff are employed in Australia and their employment is governed by the *Fair Work Act 2009* (Cth). MSFA also uses external consultants, contracted on a case-by-case basis and subject to applicable Australian laws.

## Suppliers

In order to identify modern slavery risks, we assessed our operations and supply chains to identify suppliers, functions and activities that carry a greater risk of involving modern slavery activities. We based that exercise on key risk indicators provided by expert organisations such as the GSI, and by reference to country, industry, product and service risk profiles. We have not been made aware of any modern slavery allegations against any of our suppliers.

### i. Risks in where our suppliers are located

The majority of direct suppliers are based in Australia and New Zealand. These countries have a low prevalence of modern slavery and these governments take strong action against it.

**Less than 1.5 per cent** of our spend is with direct suppliers who are located in countries that have a medium to high modern slavery risk<sup>4</sup> (in regard to vulnerability). Travel costs and digital marketing costs are the most prevalent categories of goods and services that we procure from suppliers in these countries.

### ii. Risks in industry, product and services

Having regard to product type, sector and geography, we have identified the following sectors, industries, products and services in our supply chains as potentially having higher levels of risk of modern slavery practices:

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

## Impact of COVID-19 on modern slavery risks

Despite the economic and social impacts of COVID-19, we have been able to maintain continuity of services, operations and arrangements with our suppliers. The majority of our office staff transitioned to working remotely with only critical roles working from the office. COVID-19 has not impacted on our ability to identify risks of modern slavery.

<sup>4</sup> We have used the Global Slavery Index as our basis for determining medium-high risk countries.

## 4. OUR GOVERNANCE AND ACTIONS TAKEN TO ASSESS AND ADDRESS RISKS OF MODERN SLAVERY PRACTICES

MSFA is committed to high standards of corporate governance and the Board is responsible for ensuring that MSFA has an appropriate governance framework in place to assess and address modern slavery risks in its operations and supply chains. Forming part of and underpinning our governance practices are a number of policies and procedures which outline our commitment to respecting human rights throughout our operations and supply chains, and which assist us in mitigating the risk of modern slavery.

### Due diligence processes

- **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.
- **Fundraising Face-to-Face suppliers** – We are committed to the lawful and socially responsible engagement of human resources in our fundraising supply chains, and we expect the same standards of our suppliers of fundraising services. As part of our Fundraising Supply Chain Governance Strategy, we conduct a rigorous due diligence process which includes requiring that our suppliers are accredited by the Public Fundraising Regulatory Association and committed to adhere to our Fundraising Supplier Code of Conduct<sup>5</sup> and Supplier Responsibility Standards Statement<sup>6</sup>. Our code sets out our expectations in the areas of: (i) labour and human rights; (ii) health and safety; (iii) integrity, ethics and conduct; and (iv) corporate and supply chain governance.

### Remediation processes

MSFA has established a number of mechanisms which allow employees and third parties to report concerns about suspected or actual improper conduct, including in relation to modern slavery. These include the following:

- **Code of Conduct** – This code applies to all employees, volunteers, interns, contractors, Board members and members of MSFA and is communicated to all new employees as part of the induction process. The code sets out a framework for making ethical business decisions and behavioural commitments for the way we work, including a zero-tolerance policy approach to child abuse and exploitation.
- **Child Protection Policy** – The purpose of this policy is to endorse MSFA's continued commitment to child protection in our operations and applies to all employees, volunteers, interns, contractors, Board members and Association members.
- **Equal Employment Opportunity, Discrimination and Harassment Policy** – This policy sets out MSFA's commitments to creating an inclusive environment and respecting the dignity and diversity of all people.
- **Whistle-blowers Policy** – This policy applies to all employees, volunteers, interns, contractors, Board members and members of MSFA and encourages these individuals to report their concerns about any illegal or unethical conduct.
- **Complaints and Grievance Handling Policy, Association Members Complaints Policy** and a global grievance procedure for employees to report any wrongdoing.

### Our actions to minimise modern slavery risks and progress during this Reporting Period

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<sup>5</sup> [Fundraising Code of Conduct](#), MSF Australia

<sup>6</sup> [Fundraising Code of Conduct](#), MSF Australia

## Formation of the Modern Slavery Working Group

MSFA formed a Modern Slavery Working Group (“Working Group”) to assess the risks of Modern Slavery in its supply chains and operations and with the aim of addressing MSFA’s obligations under Modern Slavery legislation. The Working Group is made up of senior MSFA staff and members from MSFA’s Leadership Team. During the Reporting Period, the Working Group met regularly to create a Modern Slavery Action Plan (MSAP), monitor and evaluate the progress of the MSAP, and improve MSFA’s modern slavery compliance with the Act across its supply chains and organisation.

## The MSAP

MSFA implemented a MSAP to identify, assess and take action to mitigate the risks of modern slavery in its operations and supply chains. During the Reporting Period, the MSAP successfully achieved the following five goals:

### Goal 1: Employee awareness training

MSFA provided modern slavery training to employees to educate them about modern slavery laws and our obligations under Modern Slavery legislation, as well as to enable staff to recognise situations where modern slavery risks occur, and safeguard against unethical behaviours in our supply chain.

On 6 December 2021, an employee awareness training session on modern slavery laws was provided to all MSFA employees across the organisation. In addition, a tailored modern slavery training program was finalised to be rolled out to key employees who have direct contact with suppliers, so they are adequately trained in modern slavery laws.

### Goal 2: Development of a Procurement Policy

In November 2021, MSFA developed a detailed Procurement Policy, approved by the Working Group, including specific provisions relating to modern slavery to facilitate compliance with modern slavery laws by our MSFA procurement processes and the practices of our suppliers. The Procurement Policy is in the process of being finalised and is expected to be rolled out in the next reporting period.

### Goal 3: Insertion of modern slavery clauses in our standard supplier contracts

MSFA has reviewed and updated its relevant standard supplier contracts to include specific contractual clauses dealing with modern slavery to mitigate the risk of illegal activity. As part of the roll out of the clauses, all current and prospective MSFA suppliers, related body corporates and sub-contractors across its supply chain are required to contractually agree to comply with their obligations under modern slavery laws. Under the contracts, suppliers must also notify MSFA if they become aware of breaches of modern slavery laws. This will enable MSFA to consider any appropriate action that should be taken in response, which may include action such as terminating the contract and reporting the illegal activities to the relevant authorities.

### Goal 4: Development of a Supplier Questionnaire

MSFA has continued to assess its supply chain by developing and conducting a Supplier Questionnaire with a focus on key suppliers:

- where the total supplier spend for the Reporting Period was over \$200,000; and
- suppliers identified by MSFA as medium to high risk according to the Global Slavery Index (‘GSI’)<sup>7</sup>.

This allowed MSFA to identify and better understand the risk of modern slavery in its operations. The questionnaire was rolled out over two phases during the Reporting Period to select suppliers and was used as a tool to determine the level of knowledge of modern slavery and any potential risks in the relevant supplier’s supply chains.

### Goal 5: Establishment of Key Performance Indicators (KPIs)

KPIs for the Working Group were established to monitor the effectiveness of the MSAP throughout the Reporting Period as well as managing and reporting on the quantitative impact of our actions in response to modern slavery risks. The KPIs were assessed internally following the Reporting Period.

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<sup>7</sup> [Global Slavery Index 2018](#)

MSFA continues to monitor and manage concerns regarding modern slavery raised through reporting or grievance mechanisms made available to our employees and suppliers. These tools can be used for identifying modern slavery risks and provide MSFA with the opportunity to assess and address modern slavery concerns. They also allow us to review and improve our policies and procedures to reduce the risk of similar issues arising in the future.

### **Impact of COVID-19 on modern slavery risks**

COVID-19 has created some challenges in relation to our 2021 Goals. For example, modern slavery training to employees was required to be online only.

## **5. EFFECTIVENESS OF ACTIONS AND OUR NEXT STEPS**

During the Reporting Period, we performed the following activities to assess the effectiveness in addressing the risk of modern slavery:

- Formation of the Working Group to oversee the monitoring of risks of modern slavery in MSFA's supply chains and operations throughout the organisation.
- Development and monitoring of KPIs relating to modern slavery risks.
- Monitoring whether the goals of the MSAP are achieved including tracking the percentage of staff who have completed modern slavery training, the number of whistleblowing alerts raised, and effective management and mitigation of modern slavery risks in our procurement activities.
- Consultation with our Leadership Team and key stakeholders to continuously review, assess and address risks of modern slavery practices across our operations and supply chain; and
- Completion of a review and evaluation of MSFA's >\$200,000 suppliers to determine the extent to which modern slavery risks exist within our supply chain in this target group.

Looking forward to the financial year ending 31 December 2022, we intend to build on the actions that we took over this Reporting Period to continue to enhance our policies and processes to manage and mitigate potential modern slavery risks in our operations and supply chain. As part of this process, MSFA currently hopes to focus on the following areas in future:

- Conducting further reviews of selected suppliers through our Supplier Questionnaire to allow us to better understand any potential risks of modern slavery practices in their supply chains.
- Considering any trends in cases reported through grievance mechanisms and how these cases were handled.
- Raising awareness of modern slavery and human trafficking across MSFA through ongoing education and staff training including formal integration of such training into the induction process for new relevant employees.
- Refining and rolling out the Procurement Policy.
- Further developing our modern slavery KPIs and checks and balances through the Working Group to monitor, measure and improve the effectiveness of our actions.
- Consultation on development of a Supplier Code of Conduct for new suppliers including provisions on modern slavery.

### **Impact of COVID-19 on modern slavery risks**

Notwithstanding the impacts of COVID-19, our new Working Group continued to meet virtually during the Reporting Period. All our other goals were able to be met by working remotely.

## 6. CONSULTATION AND APPROVAL PROCESS

We have consulted with all areas of our business, including MSFNZ and our Leadership Team, to comply with our legal obligations under the Act.

This Statement was circulated to the Leadership Team and Chair of the Finance, Risk and Audit Committee for comment prior to being put to the Directors of the Board for review and approval.

This statement was approved by the Board of Médecins Sans Frontières Australia Limited on 28 June 2022.

A handwritten signature in black ink, appearing to read 'Katrina Penney', written in a cursive style.

Ms Katrina Penney  
President, Board of Directors

28 June 2022