



### Statement annexure

### Mandatory criteria

This modern slavery statement (**Statement**) addresses the mandatory reporting criteria of the Modern Slavery Act 2018 (Cth) in the following sections:

Modern Slavery Act 2018 (Cth) requirements		
Identify the reporting entity.	4	
Describe the reporting entity's structure, operations and supply chains.	6-8	
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	9-14	
Describe the actions taken by the reporting entity and any entity it owns or controls to assess and address those risks, including due diligence and remediation processes.	9-14	
Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks.	15-16	
Describe the process of consultation with any entities that the reporting entity owns or controls.	17	
Any other information that the reporting entity, or the entity giving the statement, considers relevant.	17-20	

### Principal governing body approval

This modern slavery statement was approved by the principal governing body of Australian Red Cross as defined by the *Modern Slavery Act 2018 (Cth)* on 27 October 2023.

### Signature of responsible member

This Statement is signed by a responsible member of Australian Red Cross as defined by the *Modern Slavery Act 2018*:



President, Australian Red Cross Society

### **Contents**

Statement annexure	2
A message from our President	3
A message from our CEO	3
The reporting entity	4
Our progress on a page	5
Our structure, operations and supply chain	6
Identifying modern slavery risks across our organisation	9
Effectiveness of actions	15
Consultation	17
Other information	17



### **Acknowledgement of Country**

Australian Red Cross acknowledges Traditional Custodians of the lands on which we operate, live and gather, the First Nations peoples. We pay our respects to Elders, past, present and those of the future. We are deeply committed to working with First Nations peoples in the true spirit of reconciliation. We will continue to learn from the beliefs, customs, culture and history of First Nations peoples and draw upon their wisdom, knowledge and leadership to guide us in changing hearts and minds.

Note: This document may contain the names and/or images of Aboriginal and Torres Strait Islander peoples who are now deceased.

### From the President



Australian Red Cross remains committed to addressing modern slavery risks in our operations and supply chain and the broader community.

Our actions to address modern slavery are overseen by the Board of Australian Red Cross Society. In this, our fourth year of modern slavery reporting, we updated our modern slavery policy and reaffirmed our dedication to moving towards good practice in this area.

The Australian Red Cross modern slavery statement outlines processes for assessing and addressing risks, the progress we have made, and our future commitments. As our processes to address modern slavery have matured, we are moving to embed modern slavery awareness and risk assessment processes within our organisation-wide risk framework. We included modern slavery as a specific category within our new incident management system that we rolled out this year. Through our month-long Spotlight on Modern Slavery event, which formed part of our Speak Up risk management program, we further assisted our staff and volunteers to identify and safely respond to modern slavery risks. This led to all staff completing an e-module and assessment on modern slavery, as well as in-house, team-based modern slavery workshops.

We recognise that eliminating modern slavery requires collective action. Australian Red Cross remains unwavering in our desire to play a pivotal role in this vital global endeavour.

**Ross Pinney** 

President, Australian Red Cross Society

### From the CEO



Australian Red Cross Chief Executive Officer Kym Pfitzner wrote the following words prior to his passing on 22 October 2023. Vale Kym Pfitzner.

'When I look, I'm in a much better position now. I appreciate life. I appreciate what I went through didn't make me collapse but I am recovering. I have a good job, I can take care of my daughter. It's still the start, it's still the beginning, but at least I see there's a door open. I think I'm just lucky. It was lots of relief, I couldn't do it my myself without Red Cross help.'

- Comments from a modern slavery survivor

The devastating humanitarian impacts of modern slavery are global, widespread, and systemic. Poverty, gender, unemployment, migration or visa status, and lack of education are just some of the interrelated factors that can increase a person's vulnerability to modern slavery. Others, like climate change, armed conflict, and disasters can cause disruption and displacement, which further increase risks of exploitation. In the context of global events and pressures, it is therefore not surprising that we have seen a significant increase in the estimated number of people exposed to modern slavery — on any one day in 2021 an estimated 50 million people were living in modern slavery.

Australian Red Cross takes seriously our responsibility to mitigate the risks of modern slavery within our organisation. We have developed a systematic program of work to assess and address these risks in our operations and supply chain, and we review this program on an ongoing basis to continuously improve our actions. Our work is informed by the voices of those with lived experience of modern slavery. Their stories will ensure that our actions in this space are effective, meaningful and have people at their core.

But our efforts don't stop at our own front door. We are also committed to eliminating modern slavery within the broader community. In service of this goal, we are part of a collective of people and organisations who are working together to build community strengths, empower survivors to help themselves and each other, and to address the systemic causes that make people vulnerable to exploitation. We work across communities, sectors, industries, and countries, harnessing the power of partnerships to eliminate modern slavery. We were also active participants in the review of the *Modern Slavery Act 2018* (Cth) and the Modern Slavery Conference, where we collaborated with civil society organisations, government, and businesses to increase effectiveness of the legislation.

We cannot address modern slavery without empowering workers, ensuring they understand their rights and can access and navigate effective supports. This year we launched the Work Right Hub, an online platform designed to help migrants and frontline responders find support if they, or someone they know, is being exploited at work. Australian Red Cross stands strong with people who are survivors of modern slavery and remains dedicated to supporting their recovery, as well as to shaping the operational and policy landscapes that will protect others from walking the same path.

**Kym Pfitzner** 

CEO, Australian Red Cross

10 October 2023

## The reporting entity

Australian Red Cross Society (the **Society**) is incorporated as a body corporate by Royal Charter<sup>2</sup> and is registered with the Australian Charities and Not-for-profits Commission, under ABN 50 169 561 394. The Society is one of 191 Red Cross and Red Crescent Societies, often referred to as National Societies of the International Federation of Red Cross and Red Crescent Societies (**IFRC**). The IFRC network, together with the International Committee of the Red Cross (**ICRC**), forms the world's largest humanitarian movement.

The Society is comprised of two operating divisions: the Australian Red Cross Lifeblood (**Lifeblood**) and Australian Red Cross Humanitarian Services (**Australian Red Cross**).

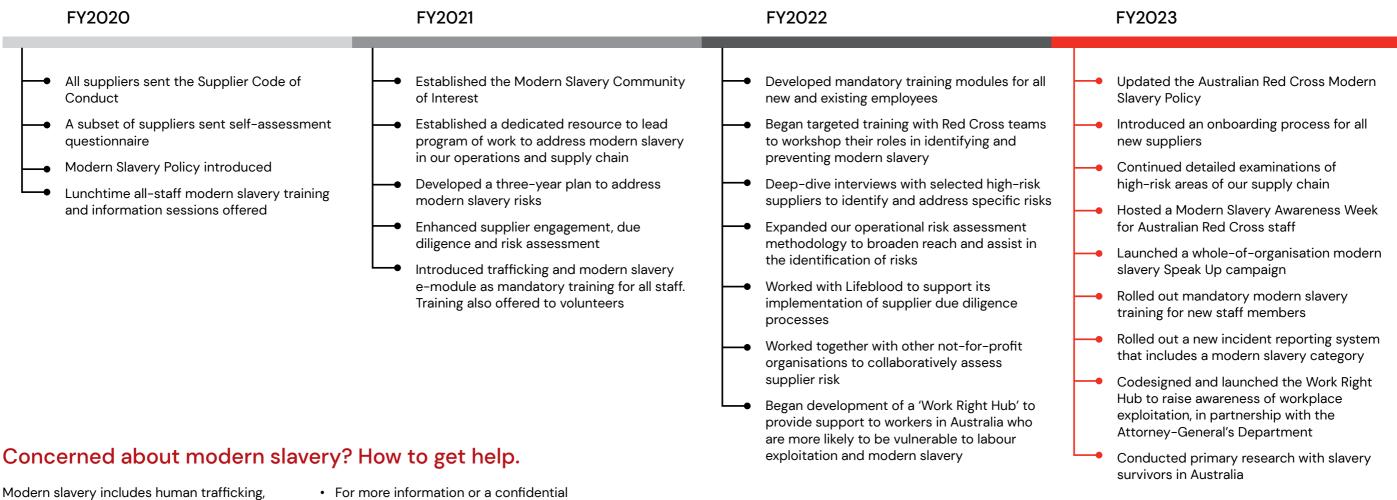
The Board of the Society (Society Board) has ultimate responsibility under the Society's Rules to govern all activities of the Society. In accordance with the Society's Rules and delegations the Society Board grants certain authorities, discretions, and powers to a separate Board (Lifeblood Board) who is responsible for general oversight of Lifeblood.

This Statement refers to the actions of the Australian Red Cross Humanitarian Services, known throughout this statement as Australian Red Cross. Lifeblood will submit a separate modern slavery statement.



## Addressing modern slavery risk in our operations and supply chain - our progress on a page

Australian Red Cross remains determined to address modern slavery risks across the breadth of our organisational culture, systems and processes.



### Modern slavery includes human trafficking, slavery, and slavery-like practices (including forced marriage). If you are concerned that

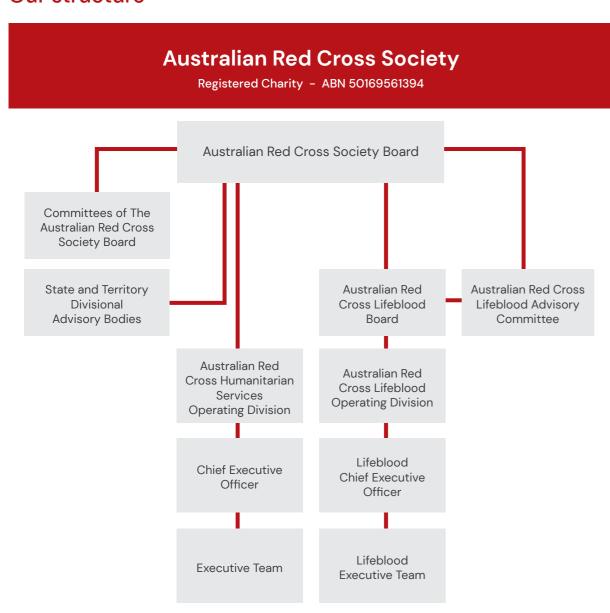
you or someone you have contact with is at risk of modern slavery, help is available through the channels below:

- If someone is at risk of immediate harm in Australia call 000 for support.
- If you are concerned that you or someone else may be at risk of modern slavery call the Australian Federal Police on 131 AFP (131 237) or you can make a report through AFPs confidential online form.
- discussion contact Australian Red Cross on 03 9345 1800 or email national\_STPP@redcross.org.au.
- · If you believe you or someone you know may be exploited at work visit the Work Right Hub for information and support.

For more information about modern slavery, including downloadable materials, videos, guides and toolkits visit Red Cross modern slavery resources.

# Our structure, operations and supply chain

### Our structure



The Australia Red Cross head office is at 23-47 Villiers Street, North Melbourne, Victoria 3051. Further information <u>Humanitarian Services Annual Report</u>.



### Who we are

Australian Red Cross mobilises the power of humanity to bring people and communities together in times of need. We provide relief in the face of disaster, care for people experiencing vulnerability in Australia and around the world, and walk respectfully with First Nations peoples towards a brighter and more equitable future.



### Purpose

Bringing people and communities together in times of need and building on community strengths. We do this by mobilising the power of humanity.



### Vision

Trusted as the leading humanitarian organisation, making a genuine difference in the lives of people and communities.



### **Values**

We respect.
We aspire.
We collaborate.
We stand up.
We deliver.

### **Our Fundamental Principles**

Empowering communities and building resilience is crucial to addressing the underlying factors that increase people's vulnerability to exploitation and slavery. Our work towards this goal is guided by seven Fundamental Principles that shape our operations at every level and provide our foundation, framework and philosophy, as well as a benchmark for our work.

### Our fundamental principles

- Humanity: to prevent and alleviate suffering, protect life and health, and ensure respect for the human being without discrimination. To promote mutual understanding, friendship, cooperation and lasting peace.
- Impartiality: to be guided solely by need and make no discrimination based on nationality, race, religious beliefs, class or political opinions.
- Neutrality: to ensure we can continue to engage with confidence, we do not take sides in hostilities or engage at any time in controversies of a political, racial, religious or ideological nature.
- Independence: to maintain autonomy to ensure we are always able to act in accordance with the principles of the Movement.
- Voluntary service: we are not prompted by a desire for gain in any manner.
- Unity: there can only be one Red Cross or Red Crescent Society in any one country that is open to all.
- Universality: all societies in the International Red Cross and Red Crescent Movement have equal status and share equal responsibilities and duties in helping each other.

## Centring First Nations people and cultures

Australian Red Cross works with, and for, First Nations people, placing their cultural authority, leadership, values and perspectives at the heart of our organisational strategy. This approach is known as First Nations Centrality. It ensures our work and organisational practices address the issues that matter to First Nations staff, volunteers, members and communities of interest, and that our programs, services and work environments are culturally safe and welcoming to all First Nations people.

### Our strategic focus

### Strategic Focus 1: Emergency Services and Disasters

In a changing climate, disasters are increasing in intensity and frequency. Our emergency services work is focused on supporting communities to anticipate, prepare for, respond to and recover well from disasters and emergencies.

#### Strategic Focus 2: Migration

Guided by the voices of people with lived experience of migration, our migrant support programs support migrants experiencing vulnerability to meet their basic humanitarian needs; engage in safe, dignified and meaningful employment; and find a sense of belonging in their local communities. We also undertake research and provide technical advice to ensure the movement is responding to humanitarian protection risks and the needs of migrants in local contexts across the world.

## Strategic Focus 3: Community Activities and Programs

Our community programs foster meaningful links for people seeking human connection. Many of these programs are led by volunteers. For example, volunteers who reach out to those who are lonely, vulnerable or disconnected and help them connect with their local communities.



#### Strategic Focus 4: International Programs

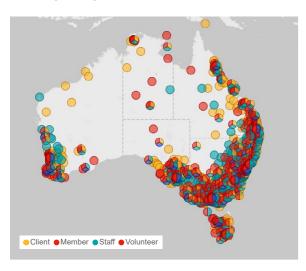
Australian Red Cross is part of a global movement, working alongside National Societies around the world to keep the flame of humanity burning brightly. We support our Red Cross and Red Crescent colleagues to deliver locally-led humanitarian action in response to crises of all kinds. In doing so, we contribute to building stronger and more resilient global communities.

### Strategic Focus 5: International Humanitarian Law

We are a voice for the laws of war. Through our learning, practice and research, we support better humanitarian outcomes for people and communities impacted by armed conflicts.

More details on how we achieve our objectives across each area of strategic focus can be found in our Annual Report.

### Our people



Australian Red Cross operates 310 sites across Australia. We are located in all Australian capital cities and throughout the regions.

Our people (members, volunteers and employees) are on the ground in every state and territory. Our work reaches communities in major cities, remote communities and everywhere in between.

- 1,639 staff as of 30 June 2023
- 7,701 members as of 30 June 2023
- 10,749 volunteers in 2022/3.

### Our sites

### Our operations and supply chain sites

Australian Red Cross has eight national and state offices that form the basis of our operations. We also operate several sites across the country that house our community programs, membership services and other program and administrative functions.

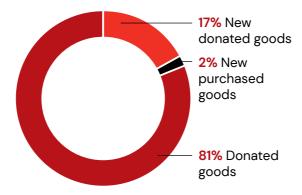
### **Australian Red Cross shops**

We run 162 Red Cross stores across Australia. Every purchase made at our shops is channelled into our programs to help people and communities stand strong in the face of adversity.

During the reporting period, our retail operations employed approximately 184 staff (including casual staff) and operated with the generous assistance of over 3,200 volunteers.

Approximately 81% of the goods sold in our shops were pre-loved items. We also stocked unsold clothing from major retailers, as well as new sunglasses purchased from three different suppliers.

#### Source of goods sold in Red Cross shops



### Our suppliers and supply chain

Our supply chain has 1,610 direct suppliers. The vast majority, 97%, are based in Australia. Our top spend categories are listed in the table below.

#### Percentage of spend by category



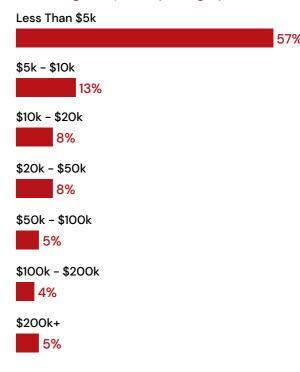
Food & staples retailing

2%

3%

Many of our suppliers are small local businesses that play a vital role in the delivery of our support services. During the reporting period we spent less than \$5,000 with 57% of our suppliers.

#### Percentage of spend by category



## Identifying modern slavery risks across our organisation

### Our governance structure

A whole-of-organisation governance process provides the foundation for our modern slavery

### **Australian Red Cross Society Board**

The Board has overall accountability and is responsible for approving our Modern Slavery Statement

#### **Audit & Risk Committee**

Responsible for overseeing risk management framework & controls including modern slavey risk.

**Executive Management Team** Responsible for managing our response to modern slavery.

#### Modern Slavery Steering Committee

Develops and implements the rolling strategy to address modern slavery.

### Modern Slavery Working Group

Development and implementation of the rolling strategy to address modern slavery.

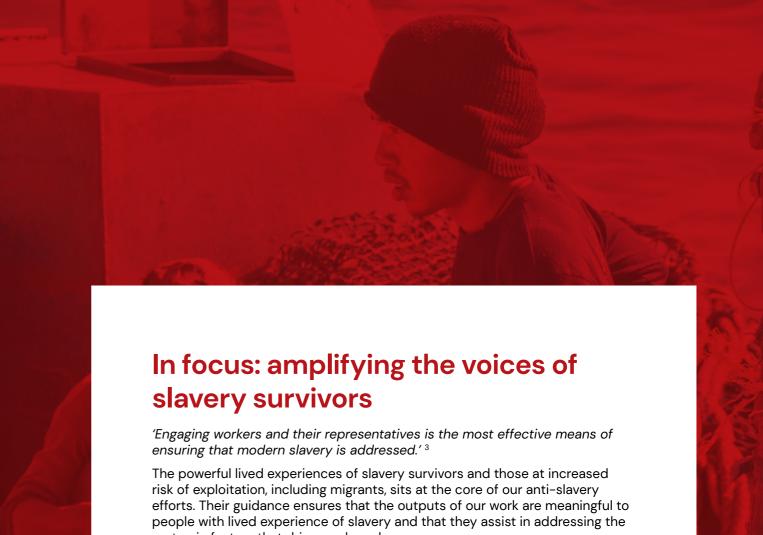
#### Lifeblood Consultation Committee

Confirms expectations in meeting modern slavery requirements and provides opportunity to work collaboratively to address modern slavery.

This year the Board approved a refreshed Modern Slavery Policy and our modern slavery maturity pathway, endorsing our continued effort towards good practice and leadership in this area and the program of work that underpins it.

### Our work is informed by lived experience.

We aim to ensure lived experience is central to our actions to address modern slavery.



systemic factors that drive modern slavery.

Alongside our ongoing work with survivors, during the reporting period, in partnership with the University of South Australia, we spoke to people with lived experience of forced labour to better understand the circumstances in which modern slavery occurs.

Participants told us that modern slavery often happens within smaller organisations that are hidden in larger supply chains.

"When you are small, not everyone pays attention to you [...] there are lots of ways that businesses can get around it."

"Small businesses like the family businesses, they do a lot of things which are not acceptable as well."

Educating workers to understand their work rights, and providing safe and trusted pathways to help, were clearly identified as two vital components of preventing modern slavery.

"They [reporting entity] should speak directly with the workers because they are the ones that are doing the work".

"The employees are doing the work. If they [reporting entity] speak directly to the employees, they will be able to find out about a lot of things that are going around and then can take action."

This research has been central to shaping our own anti-slavery efforts, including our submission to the review of the Modern Slavery Act 2018 (Cth). We are working with suppliers in high-risk areas to share information and avenues for support with their workers. We have also strengthened our engagement with smaller companies in our supply chain to increase their awareness of modern slavery and support them in addressing any issues.

## Embedding modern slavery commitments in our policies

Our policies spell out the actions we will take to address modern slavery across all aspects of Australian Red Cross. This year we:

- updated our Modern Slavery Policy to articulate the obligations of Australian Red Cross people, suppliers and partners in addressing modern slavery
- updated our Fundraising and Donations
   Policy to add a prompt for staff to consider modern slavery risks when accepting donations
- began updating our Procurement Policy to streamline our processes and incorporate consideration of modern slavery and other environmental, social and governance risks.



# In focus: updating our policy commitment

Our revised <u>Modern Slavery Policy</u> spells out our organisational response and promotes whole-of-community action to address modern slavery, including by supporting survivors and mitigating operational and supply chain risks.

The updated policy is the result of a comprehensive review of our supply chain, risks and governance frameworks. It represents a significant step forward in our efforts to combat modern slavery by:

- raising awareness of modern slavery with our suppliers and partners
- making clear our expectations of our people, suppliers and partners in reducing modern slavery risks, including complying with all applicable laws
- working together to drive continuous improvement in modern slavery mitigation.

Other key policies that integrate our actions to address modern slavery into our work include:

Governing document	Relevance to modern slavery	How we implement it
Risk Management Policy	Provides a structured and consistent approach to managing risks across Australian Red Cross, including modern slavery risk.	All our people are required to identify and proactively manage risks to guide day-to-day operations and decision-making.
Ethical Framework	Provides a clear and shared understanding of the values and principles to which all Australian Red Cross people commit, ensuring that they consider modern slavery risks and behaviours that could cause, contribute, or link our organisation to modern slavery.	The Framework is an integral part of staff induction and provides practical tools and guidance to support ethical decision-making.
Whistleblower Policy	Provides a platform for people (including those in our supply chain) to confidently raise concerns.	Australian Red Cross provides an independent channel through which people can raise concerns, with the option for anonymity for those who are looking to protect their identity.
Complaints, Concerns & Feedback Policy	Recognises the importance of feedback as a mechanism for continuous improvement and sets out the principles that govern our response to complaints, concerns, or feedback.	Australian Red Cross promotes a positive risk culture where people are encouraged to proactively speak up about concerns, incidents and issues. Red Cross People, clients and community members have various channels and mechanism to raise complaints, concerns and feedback about the actions of Australian Red Cross, both internally or externally.
Grievance Policy	Provides a clear and transparent process for dealing with staff and volunteer human resource-related grievances.	All staff are made aware of the Grievance Policy as part of employee induction. Each department and program are assigned a dedicated human resources business partner to ensure that all grievances are managed in alignment with our Grievance Policy and Procedures.

Governing document	Relevance to modern slavery	How we implement it
Supplier Code of Conduct	Outlines our baseline expectation that suppliers comply with the laws and regulations, must not be complicit in any human rights abuses and must endeavour to ensure that there is no modern slavery in their operations or supply chain.	The Supplier Code of Conduct forms part of our supplier contractual terms. All new suppliers are asked to read and acknowledge the Code via our online portal as part of our onboarding processes.
Procurement Policy (being updated)	Requires people to engage suppliers that act consistently with our Ethical Framework and satisfy our modern slavery and corporate social responsibility requirements.	Staff are introduced to the Procurement Policy at induction and supported to implement through a centralised national procurement function.
Risk Management Policy	Provides a structured and consistent approach to managing risks across Australian Red Cross, including modern slavery risk.	All our people are required to identify and proactively manage risks to guide day-to-day operations and decision-making.
Safeguarding Policies	Express our commitment to protecting and improving the wellbeing and safety of all people we interact with, particularly those experiencing vulnerability and/or who depend on Australian Red Cross support and services.	Regular training on child and adult safeguarding and reporting. We also have a national Client Practice Framework supporting quality client practice. Our risk management practices also ensure a clear focus on safeguarding of people, including from risks of modern slavery.
Partnership Protocol	Provides a framework for engaging partners who are aligned with our values.	We screen large partners against the Protocol to ensure they support our vision and Fundamental Principles.
Investment Guidelines	Ensures our investments are consistent with our Fundamental Principles.	We screen and monitor investments on an ongoing basis to ensure continued alignment with our guidelines.

Governing document	Relevance to modern slavery	How we implement it	
Fundraising and Donations Policy	Sets out the principles that underpin our fundraising activities and describes the circumstances in which we may or may not accept donations.	The policy applies to all our people across Australia Red Cross and Lifeblood. It empowers our people to refuse funds from donors actively engaged in practices that involve a high risk of modern slavery.	
Work Experience Policy	Expresses our commitment to safe and appropriate work experience opportunities.	Staff are required to conduct a risk assessment to ensure that work experience placements are appropriate and supported by proper supervision.	
Volunteering Policy	Recognises the importance of volunteering and our commitment to meaningful engagement with volunteers.	Volunteering opportunities are incorporated into program assessments. Volunteers are invited to participate in decision making and we allocate resourcing to ensure we support volunteers appropriately.	

### Our due diligence approach

Our due diligence process assists us to identify where we may cause, contribute, or be directly linked to modern slavery in our operations or supply chain, and provides a framework for us to respond accordingly. The approach includes assessments of key risk drivers, including:

- external drivers (suppliers and third-party related)
- internal risks (in terms of our own culture, processes and systems).

## Addressing our operational risks

We take a comprehensive approach to modern slavery risk assessment that includes:

- an operational risk assessment by the Modern Slavery Working Group that considers and ranks the likely risks and effectiveness of controls in each program area
- 2. considering modern slavery as part of our standard risk assessments
- 3. modern slavery risk workshops that identify risk areas and mitigation strategies within individual Australian Red Cross teams
- 4. our Speak Up campaign, which helps our people speak up about incidents or issues of concern, including modern slavery.

## Protecting our people through ethical employment

Our Staff Recruitment and Selection Policy has been designed to ensure that our hiring processes are equitable, fair, transparent and based on merit. All employees are engaged under contracts that are covered by the appropriate modern award and can choose whether they join a trade union.

## Creating safe and responsive operations

Many people who access our services may be vulnerable to exploitation, particularly those in need of support following a disaster and migrants falling through the gaps. During the reporting period, we strengthened our protections for the people we serve by:

- equipping our staff, contractors and volunteers with the skills to identify and respond to modern slavery risks
- screening large delivery partners to assess modern slavery risks in their operations and supply chains

updating our Fundraising and Donations
 Policy to include considerations of modern
 slavery risk and staff discretion to refuse
 donations on that basis.

## Creating fair fundraising environments

Australian Red Cross used four agencies for face-to-face fundraising and three agencies for telephone fundraising. We actively engage with these agencies to ensure effective governance. Australian Red Cross has the right to audit its fundraising suppliers to verify compliance with our requirements.

## Working closely with our international partners

Working internationally can increase our risk of being linked to modern slavery. This year, we strengthened our contractual agreements with our international partners by adding modern slavery clauses and developing a framework that provides a more systematic approach to risk assessment. Our next focus will be to support Australian Red Cross workers

# In focus: Addressing modern slavery risk in Australian Red Cross shops

The garment and textile industry has a high risk of modern slavery. Complex, opaque supply chains that are heavily labour-dependent lead to increased risk of forced labour, debt bondage and other exploitative practices.

In our Australian Red Cross shops, we frequently receive donations of textiles and clothing from retail partners, including some large companies. This year, we asked these large partners to provide detailed information about their risk indicators and governance processes, with a request to work closely with us to address any areas of concern. When we receive significant, one-off textile donations, our retail team assess each one on a case-by-case basis, with the support of our modern slavery subject matter experts.

Stock that doesn't sell in our stores is on-sold to four organisations. We asked each of these companies to complete our modern slavery self-assessment questionnaire and to acknowledge our Supplier Code of Conduct.

who are deployed internationally to build their understanding of modern slavery and its indicators, as well as their knowledge of how to connect vulnerable people to support.

## Taking an ethical approach to investment

Australian Red Cross does not invest in companies involved in the manufacture of arms, adult entertainment, or gambling. Our Investment Policy and Ethical Investment Guidelines ensure our Australian equities investments are in organisations that have a minimum independently-assessed positive ESG rating. In addition, we have chosen not to invest in companies that earn more than 10% of their revenue from fossil fuels, alcohol, or tobacco.

## Safeguarding our supply chain

A supply chain comprised of many low-value transactions and decentralised procurement processes presents an ongoing challenge to managing risk. In response, we've adopted a multifaceted approach to addressing modern slavery risk, described below.

## Enabling better procurement processes

Equipping our people with education and awareness of modern slavery issues can support them to make better procurement decisions. During the reporting period, we:

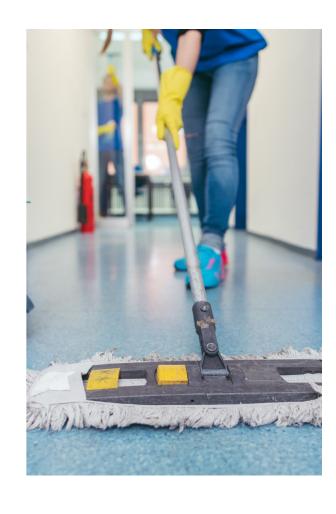
- raised employee awareness of modern slavery through our Speak Up campaign (see page 14 for more information),
- began updating our Procurment Policy and associated processes to enhance consideration of modern slavery risks, and
- developed a range of tools to help staff consider modern slavery risks when making purchase decisions.

## Strengthening supplier onboarding mechanisms

From January 2023, all new suppliers were asked to acknowledge our Supplier Code of Conduct as part of the onboarding process. Our Supplier Code of Conduct sets out clear expectations for suppliers, including that their workers:

- · are paid at least minimum wage
- · have the right to collective bargaining
- can access relevant channels to report concerns, including through the Australian Red Cross whistleblower service.

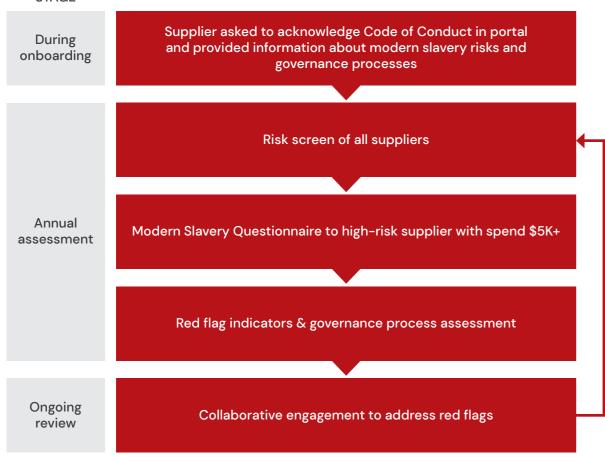
Acknowledging that many of our suppliers are small to medium enterprises, we also added a Quick Guide to Modern Slavery to the onboarding process. This guide provides an overview of modern slavery, guidance around the steps organisations can take to address modern slavery and information on where to find further support.



### Understanding supplier risk profiles

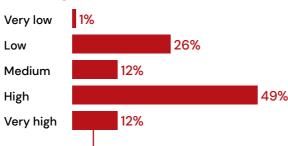
#### Supplier due diligence process

STAGE



During the reporting period, we conducted a risk screen of all our suppliers based on their geographic location and the industry they work in. With 97% of our suppliers based in Australia, our overall supply chain risk rating was low; however, as outlined in the chart below, based on industry classification, 49% of our suppliers were considered high-risk and 12% were considered very high-risk.

### Percentage of suppliers by industry risk



Our very high risks suppliers were primarily in the following industries:

- Environmental & facilities services (including security)
- Health care facilities, services & supplies
- Textiles, apparel & luxury goods
- Technology
- Food & staples

High-risk suppliers with a spend of more than \$5,000 for the period were asked to complete our modern slavery self-assessment questionnaire as part of the Purpose Collaboration. The questionnaire assesses suppliers in terms of their:

- · modern slavery risk indicators
- · governance processes
- risks relating to workforce composition and supply chain, including:
  - the main products and services sourced through their supply chain
  - the percentage of goods and services sourced from outside Australia
- details about the countries from which these goods are sourced.

This information enables us to conduct a robust assessment of our modern slavery risks beyond the first tier of our supply chain and undertake red flag analysis to identify increased risk indicators. Twenty-one suppliers had red flag indicators, including instances where the supplier said they:

- · held original identity documents of workers,
- recruited temporary or casual workers from overseas,
- · provided workers' accommodation, or
- self-identified modern slavery risks in their operations or supply chain.

We are systematically working through these red flag indicators with each supplier to better understand the issues and support the management of risks.

To complement this supplier risk assessment, we also:

- monitored international policy and assessment tools designed to improve supply chain integrity, including the US Customs Withhold and Release Orders
- assessed the suppliers' modern slavery statements (where available) when making substantial purchases in high-risk areas.

## A detailed exploration of high-risk areas

We conduct systematic deep dives into specific areas that were at higher risk of modern slavery. This year, we focused on cleaning, facilities management, information technology and our Australian Red Cross shops (see page 12 for further details about our shops).

## Cascading information to workers in the supply chain

People with lived experience of forced labour in Australia have told us that modern slavery is often hidden deep in the supply chain and that providing workers with information about their rights is key to overcoming exploitation (read more on page 9).

Based on this feedback, this year we started working with suppliers in high-risk areas to:

- build their knowledge of modern slavery and exploitation
- provide their staff with information about their entitlements
- connect their workers to support services via the Work Right Hub.

We also began developing materials to enhance the capability of smaller suppliers to identify, mitigate and respond to modern slavery risk.

### Upskilling our people

Equipping all our staff with knowledge of modern slavery is crucial to building an organisational culture united against exploitation. Through education and training, we raise awareness of modern slavery and exploitation among our people and build their skills and confidence to respond.

During the reporting period, we delivered a wealth of modern slavery education programs for Australian Red Cross staff and volunteers. Our major achievements during the reporting period were:

- Modern Slavery Awareness Week.
   This event, which was planned to coincide with the July 2022 United Nations Day Against Trafficking in Persons, sought to raise awareness and debunk myths about modern slavery. Activities included all-staff presentations, internal and external social media campaigns, and the screening of the Trafficked to Australia documentary.
- Induction training. As of January 2023, all new employees are required to complete a modern-slavery e-module as part of their induction. By 30 June 2023, 264 new starters had completed the online module.
- Team-specific training. Our in-house modern slavery specialists briefed team leaders on modern slavery risks and mitigation strategies, empowering them to lead interactive briefing sessions with their teams.
- Australian Red Cross Lifeblood procurement team training. Our modern slavery training extends to all corners of Australian Red Cross, including our Lifeblood teams. An interactive training session, with the Lifeblood Procurement team, taught participants to identify modern slavery risks, mitigation strategies and best practice response processes.
- Spotlight on Modern Slavery. This event took place throughout June 2023 as part of our organisational Speak Up campaign. Staff completed an e-module designed to enhance their understanding of modern slavery risk factors and support pathways.

 Work Right Hub training sessions. One hundred and forty-three staff, volunteers and other stakeholders attended a Work Right Hub training session. The sessions introduced the Hub and guidance on how they could use it to support migrant workers at risk of modern slavery.

## Encouraging staff to Speak Up about workplace wellbeing

A transparent and trusting culture relies on people (staff, volunteers, clients and community members) feeling comfortable to proactively raise concerns, without fear of negative repercussions. This year, we launched our Speak Up campaign to provide easy and transparent ways for Australian Red Cross people to raise concerns and seek support about risks of any kind. This includes modern slavery, which is now included as a specific category in our incident management system.

In February 2023, we made Speak Up training a mandatory part of the onboarding process for all new volunteers.

We also continue to enhance our response framework to ensure that we deal with any risks, indicators and incidents appropriately, with the focus on protecting any people at risk. Consistent with the United Nations Guiding Principles on Business and Human Rights, our response varies according to our involvement and leverage.



### **Effectiveness of actions**

We continue to assess the effectiveness of our work to address modern slavery risks in our operations and supply chain, with a focus on the likely impact on people exposed to, or at risk of, exploitation.

We reviewed and developed the qualitative and quantitative measures to benchmark our actions. Based on the criteria used in independent assessments of modern slavery statements, Australian Red Cross has categorised actions to address modern slavery as:

- "Compliance" meeting minimum expectations of stakeholders,
- "Good practice" considered middle ground in terms of stakeholder expectation would include a systematic, cross-organisational program to identify and address risk.
- "Leadership" comprehensive programs to address modern slavery that have senior leadership sponsorship and engagement, and collaboratively engage workers to mitigate risk at the root cause level.

Key outcomes from this work are captured in the table below.

	Objective	Status	What's working well	Effectiveness measures
Governance & Policy Commitment	Outline a commitment to addressing modern slavery that is reflected in our strategy, policies and processes and supported by good governance processes.		<ul> <li>Commitment from the Society Board and Executive</li> <li>Established cross-functional working group</li> <li>Updated commitment to address modern slavery and integrated modern slavery considerations into other relevant policies</li> <li>Updated key performance indicators and reporting cycle to increase organisation-wide engagement and focus</li> </ul>	<ul> <li>Engagement and effectiveness of governance structure and working group</li> <li>Commitment to modern slavery reflected in our policies and processes</li> </ul>
Risk Assessment	Understand and address modern slavery risks in our supply chain and operations.		<ul> <li>Systematic process to assess supply chain risk that includes risk screen of all suppliers</li> <li>Supplier onboarding process that includes in-system acknowledgement of Supplier Code of Conduct</li> <li>Building supplier capacity as part of the onboarding process</li> <li>Collaborative supplier risk assessment with high-risk groups</li> <li>Multi-sector collaboration through the Purpose platform</li> <li>Detailed due diligence</li> <li>Integrating operational risk assessment with organisational processes</li> </ul>	<ul> <li>Percentage of all to staff who are confident in identifying modern slavery risk – 94%</li> <li>Percentage of active suppliers screened for modern slavery risk – 100%</li> <li>Percentage of high-risk suppliers that have engaged in modern slavery risk assessment – 32%</li> </ul>
Act & Remediate	Ensure people are not exposed to modern slavery through our operations or supply chain. Adopt a survivor-centred approach to response and remedy.		<ul> <li>Ongoing whole-of-organisational engagement</li> <li>Increased awareness and understanding of modern slavery and actions to prevent/respond</li> <li>Integration of modern slavery risk assessment into organisational processes</li> <li>Australian Red Cross Ethical Framework that drives culture &amp; behaviour</li> </ul>	<ul> <li>Percentage of all staff who have completed modern slavery e-module - 56%.</li> <li>Number of new staff who have completed modern slavery induction module - 264</li> <li>Percentage of all staff who feel confident in responding to modern slavery risk - 95%</li> </ul>

■ Compliance ■ Good practice ■ Leadership



	Objective	Status	What's working well	Effectiveness measures
Stakeholder Engagement & Grievance Mechanisms	Ensure people have access to easy-to-use mechanisms to voice their concerns.		<ul> <li>Increased engagement across Australian Red Cross to raise awareness of incident reporting and grievance mechanisms</li> <li>Engagement with facilities management to increase awareness with workers in extended supply chain (new)</li> <li>Extensive engagement with a broad range of stakeholders to address systemic issues and support survivors (including establishing a labour exploitation lived experience advisory group to co-design Work Right Hub resources)</li> </ul>	<ul> <li>Number of modern slavery complaints or incidents reported – 0</li> <li>Number of consultation sessions with people involved in the design of the Work Right Hub – 6 Advisory Group sessions</li> </ul>
Reporting & Measurement			<ul> <li>Measurement framework to support maturity analysis and identify program gaps</li> <li>Integrating compliance/measurement findings into organisational processes (new)</li> </ul>	Regular reporting to Executive, Audit & Risk Committee and Society Board on our modern slavery maturity pathway

■ Compliance ■ Good practice ■ Leadership



# Consultation with entities owned or controlled

Australian Red Cross consulted with Lifeblood during the reporting period on its actions to assess and address modern slavery and in the preparation of this Statement. Our established cross-functional group, including teams from procurement, legal, partnerships and strategy, has members from both divisions. The group consults and collaborates on their actions to address the requirements of the Modern Slavery Act and the preparation of statements. In addition to formal meetings, the Australian Red Cross Modern Slavery Lead regularly consulted with Lifeblood on an informal basis.

### Other information

### Continuing our work

As long as exploitation exists, our commitment to eradicate all forms of slavery will continue. Having laid the foundations for a rigorous anti-slavery response over the last four years, we will focus our future actions on expanding our education activities to ensure that people working in our supply chains, as well as those who use our products and services, are aware of their rights and available pathways to support.

Key priorities for FY24 include:

- continuing to develop robust modern slavery governance processes by:
  - reviewing our modern slavery governance processes to ensure that they are consistent with our maturity in this area and focused on embedding modern slavery risk assessment in organisational processes
  - continuing to work collaboratively with Lifeblood to support their progress
- increasing engagement with suppliers to systematically identify and address risks in our supply chain, including by:
- continuing our supplier onboarding, risk screening and due diligence processes and exploring ways to increase supplier engagement in these processes
- continuing to develop corrective improvement plans to address supplierspecific risks and governance gaps
- developing our procurement policies, processes and support tools to embed our new Procurement Policy
- developing a vetted supplier list to encourage staff to purchase from suppliers who meet our modern slavery requirements
- working with suppliers in high-risk sectors to increase their awareness of modern slavery risks, indicators and avenues for support

- developing our processes to identify and address risks in our operations, including by:
- reviewing and updating our operational risk assessment processes to ensure they are fit for purpose
- reviewing our engagement and governance processes for fundraising agencies
- expanding our third-party risk screening processes
- increasing the awareness and engagement of Australian Red Cross people and stakeholders by:
- conducting modern slavery drop-in sessions for suppliers, volunteers and members
- expanding on our existing training modules with quarterly sessions for Australian Red Cross staff
- reviewing and updating the modern slavery sections of our intranet and internet to create a one-stop-shop for modern slavery resources and support pathways
- launching a modern slavery purchasing guide to help staff consider modern slavery risks in their purchasing decisions
- developing a network of modern slavery ambassadors to support our work, both within our organisation and across the broader community
- further developing our response procedures to ensure they are fit-for-purpose and focused on protecting people at risk
- continuing to develop the effectiveness assessments and KPIs that underpin our reporting framework and crossorganisational engagement activities.

## Preventing modern slavery in the community

As a humanitarian organisation, our efforts to prevent modern slavery extend far beyond our workplaces. Through our programs and services, we promote a whole-of-community approach to eliminating modern slavery in Australia and beyond.

## Supporting people who have experienced modern slavery in Australia

One of our key programs is the delivery of the Australian Government-funded Support for Trafficked People Program, which connects people who have experienced modern slavery in Australia to casework, financial, health, accommodation and counselling support. Since 2009, this program has supported 642 people to find safety from slavery and exploitation, including 204 who were referred during the reporting period.

### Type of exploitation of people referred to the Support Program in FY22/23

Forced labour, slavery, debt bondage and deceptive recruitment

Trafficking

Forced marriage

23

Domestic servitude

8%

Sexual servitude

6%

Other

1%

Reporting figures from the Support for Trafficked People program this year show a significant increase in the number of people who have experienced deceptive recruitment<sup>4</sup> (a twofold increase on the previous year) and exit trafficking<sup>5</sup> (a threefold increase on the previous year).

## Working in partnership with stakeholders

We collaborate with a range of stakeholders, including migrant workers, government, nongovernment and industry partners, to identify and prevent modern slavery. Highlights of our collaboration activities during the reporting period are detailed below.

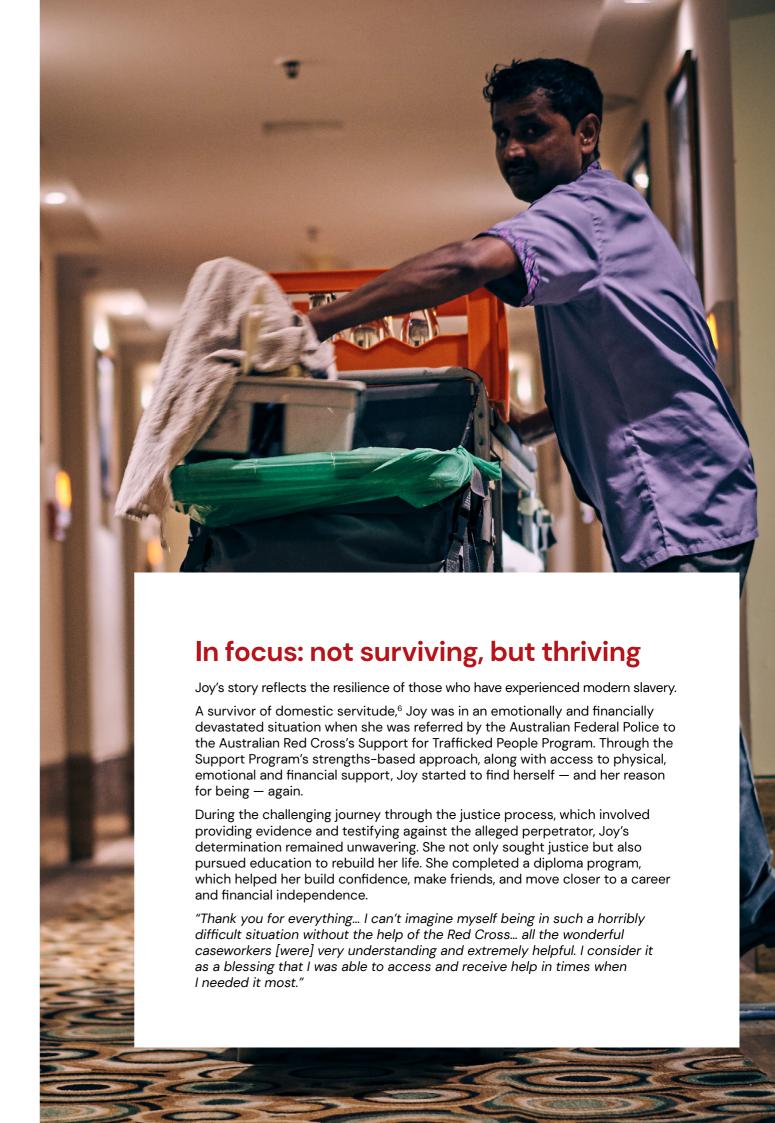
### **Purpose Collaboration**

The Purpose Collaboration is a group of not-for-profit reporting organisations that work together to conduct supplier due diligence and share resources. In recognition of the burden that modern slavery questionnaires place on suppliers, particularly smaller suppliers, Purpose Collaboration organisations joined together to allow suppliers to complete a questionnaire through the Informed365 online supplier platform and elected to share their answers with other not-for-profit organisations.

### Government forums

In November 2022, we made a <u>submission to</u> <u>the Attorney General's review of the Modern</u> <u>Slavery Act 2018 (Cth)</u>. Our submission drew on the experience and expertise of people with lived experience of slavery to reflect the impact of the Act on survivors. Our submission made 10 recommendations to improve the impact of the Act, including a greater focus on victims/survivors.

We were also an active participant in the Australian Government's Modern Slavery Conference – *Taking Action Together* and continued our role as a member of the National Roundtable on Human Trafficking and Slavery.



### Support for our partners

We engage with a variety of partners to help us deliver our programs and services. Many of these are frontline response organisations that work directly with people who may face increased risks of modern slavery. The Work Right Hub, launched by Australian Red Cross with the Attorney General's Department during the reporting period, aims to support migrants and frontline responders in identifying and responding to potential exploitation.

# In focus: building knowledge and resilience among at-risk workers

The Work Right Hub is an Australian Red Cross-led online platform designed to help migrants and frontline responders to access support if they, or someone they know, is being exploited at work.

Funded by a Modern Slavery Grant from the Australian Government, the Hub was co-designed in consultation with migrants and frontline responders. It was launched in March 2023 at an event hosted by Attorney-General Mark Dreyfus.

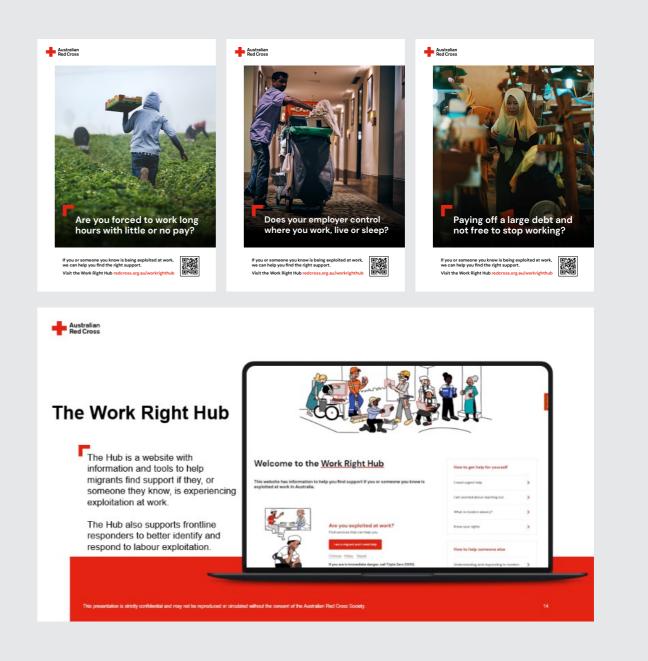
Australian Red Cross has delivered a series of online and face-to-face showcases to modern slavery and humanitarian settlement networks, government agencies, legal services, Members of Parliament, community-based organisations and migrant communities, including hundreds of seasonal workers, and at community-led events across Australia.

We have also delivered eight online training sessions for community members and frontline workers across Australia. The sessions were designed to build participants' knowledge and capacity to respond to labour exploitation in workplaces and the community.

In June, we launched a social media campaign in multiple languages to promote the Hub and increase engagement with its resources and tools. The campaign targeted a range of audiences who might be vulnerable to modern slavery, including:

- · international students
- · seasonal workers
- working holiday visa holders
- · people seeking asylum
- refugees and other migrant communities
- migrants working in high-risk industries, including agriculture, construction, hospitality, retail and manufacturing
- language groups such as Chinese, Malay, Nepali, Hindi, Arabic and Thai.

As of 29 June 2023, the campaign had reached 292,248 people and driven 7,437 link clicks to the Work Right Hub. It also accounted for 729 post reactions, 59 comments, 194 post saves and 160 post shares.



### Research and policy

In addition to delivering programs and services that tackle modern slavery in all its forms, we participate in a range of research and policy initiatives that help strengthen Australia's modern slavery policy response. Our research draws on our extensive history of supporting survivors of modern slavery in Australia and those at risk of exploitation.

Highlights of our research participation during the reporting period included:

- Hidden victims, intergenerational trauma: supporting the dependants of modern slavery victim-survivors in Australia, funded by the Department of Social Security. In partnership with the University of South Australia, we developed a report on the impacts of modern slavery on dependents of victim-survivors and the barriers they face when seeking help.
- Migrants' perspectives: Building trust in humanitarian action. This global initiative, led by the Red Cross Red Crescent Global Migration Lab, draws on research conducted by 15 National Red Cross and Red Crescent Societies to shine a light on migrants' perspectives of and trust in humanitarian organisations. The findings will support National Societies, including Australian Red Cross, to develop more compassionate and human-centred migration services and programs.
- Anti-Trafficking Review Special Issue —
   Home and Homelessness. We contributed
   to a special issue of this journal that
   explored the links between housing,
   homelessness, migration, and exploitation
   in New Zealand, Australia, Hong Kong,
   Singapore, Malaysia, the United States, and
   Ecuador. Topics included:
- housing options for survivors of trafficking and other marginalised groups
- experiences of migrants and sex workers with homelessness
- experiences of live-in domestic workers.

This content also informed the Global Alliance against Traffic in Women Submission to the United Nations Special Rapporteur on Contemporary Forms of Slavery. It formed the basis of a report on homelessness as a cause and a consequence of contemporary forms of slavery.

We also provided submissions to a range of government inquiries on modern slavery, including:

- Submission to the Attorney General's
   Department on the Modern Slavery Act
   2018 (Cth) Review (2022), which was
   informed by the views of people with lived
   experience of forced labour in Australia and
   our experience working with survivors and
   migrant communities.
- Submission to the Department of Home Affairs, A Migration System for Australia's Future (2022), including strengthening protections within the migration system that address and seek to combat the drivers and root causes of modern slavery and human trafficking.

## Engaging our cross-sector partners

We collaborate extensively with international, national, and local cross-sector partners, drawing on our years of effort to amplify the voices and stories of slavery survivors. We work with government and other stakeholders to identify and address the systemic causes of modern slavery and to support and empower those who have experienced exploitation.

During the reporting period, we participated in numerous forums that sought to embed lived experiences of slavery as central to process reform, including:

the Pacific Perspectives: Combating
 Human Trafficking in the Pacific Regional
 Conference and a peer—to—peer event
 organised by the Organization for Security
 and Co—operation in Europe (OSCE) that
 focused on gender—specific experiences
 and data as they relate to human trafficking,
 prosecution and protection

- the National Roundtable on Human Trafficking and Slavery, a collaborative mechanism between government and civil society
- the Seeking Freedom Advisory Group, which is led by Anti-Slavery Australia. This group aims to improve Australia's response to children at risk of or experiencing modern slavery through meaningful engagement with young people
- local community forums and consultations that sought to raise awareness of modern slavery among communities and within law enforcement.

### Resources

As part of our commitment to ending modern slavery, we have developed a vast suite of resources to support people, communities and organisations to address this pressing humanitarian issue.

- Work Right Hub information about identifying and addressing workplace exploitation
- Community Partner: Modern Slavery Toolkit
   a guide for our community partners
- Step-by-Step Guide to Understanding <u>Modern Slavery</u> — a guide for businesses and partners
- <u>Understanding and Responding to Modern</u>
   <u>Slavery in Australia</u> a guide for frontline workers and responders
- A suite of modern slavery resources for community members and frontline workers, developed in August 2019 with funding support from the Department of Home Affairs
- Support for Trafficked People Program Data Snapshot: 2009-2019 — a summary of program findings
- Addressing Modern Slavery A Guide for Australian Businesses — developed in January 2020 in conjunction with students from Ducere Global Business School

### **Endnotes**

- 1. Comments from a modern slavery survivor.
- Article (iv), Royal Charter, 28 June 1941.
   Prior to incorporation, the Society was an unincorporated Society formed in 1914 as a Branch of the British Red Cross Society.
- Good Practice Toolkit: Strengthening Modern Slavery Responses, see < https:// www.humanrights.unsw.edu.au/news/ strengthening-modern-slavery-responsesgood-practice-toolkit>.
- Deceptive recruitment '[d]escribes situations where the victim is deceived about whether they will be exploited through a type of modern slavery', see Commonwealth Modern Slavery Act 2018, Guidance for Reporting Entities, May 2023, p 80.
- 5. Exit trafficking involves people being forced to leave Australia against their will through the use of force, threats or coercion.
- 6. 'Servitude describes situations where the victim's personal freedom is significantly restricted and they are not free to stop working or leave their place of work', see Commonwealth Modern Slavery Act 2018, Guidance for Reporting Entities, May 2023, p 77.