



Modern Slavery Statement

1 July 2020 to 30 June 2021

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Introduction

The Commonwealth Government has enacted the *Modern Slavery Act 2018* (the Act), which requires certain entities to report annually on the risks of modern slavery within their supply chains and to implement actions to mitigate the identified risks under a continuous improvement model.

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and to undermine their freedom. Practices that constitute modern slavery can include:

- Human trafficking
- Servitude
- Forced labour
- Debt bondage
- Forced marriage, and
- Child Labour.

Monash Health will adopt a risk based approach to combating modern slavery in its operations and supply chains.

Monash Health is committed to:

- Complying with applicable legislation that supports the elimination of modern slavery globally including the Act.
- Continually assessing its operations and supply chains for modern slavery risks.
- Implementing and enforcing effective systems and controls to reduce the risk of modern slavery.
- Fostering open and transparent supplier relationships which encourage modern slavery reporting and meaningful change through remediation. It is noted this is reinforced with appropriate contractual obligations.
- Applying a continuous improvement approach to how the risk of modern slavery can be reduced within operations and supply chains.

Mandatory Criteria One and Two: Identifying the reporting entity, operations and supply chain

Monash Health is a Victorian State government entity established under section 181 of the *Health Services Act 1988 (Vic)*. Monash Health is Victoria's largest public health service, providing safe, comprehensive and high quality care to over one quarter of Melbourne's population.

Monash Health Operations

Currently, we have over 18,000 employees who work over a total of 40 locations across south eastern Melbourne, including Monash Medical Centre, Monash Children's Hospital, Moorabbin Hospital, Dandenong Hospital, Casey Hospital, Kingston Centre, Cranbourne Integrated Care Centre, and an extensive network of rehabilitation, aged care, community health and mental health facilities.

Monash Health is committed to improving the health of our community through:

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

Monash Health's guiding principles are:

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

Monash Health remain firmly committed to ensuring that the iCare values are demonstrated across all areas of the business.

Monash Health's values:

- Integrity
- Compassion
- Accountability
- Respect
- Excellence

Further information about our operations, services and history is available on the Monash Health website www.monashhealth.org.

Monash Health entities

Jessie McPherson Private Hospital is a wholly owned subsidiary of Monash Health and is co-located on the Monash Medical Centre site at Clayton, Victoria. Monash Health is responsible for the Jessie McPherson Private Hospital supply chain.

Monash Health supply chain

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

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

- Managing engagements with HealthShare Victoria.

Monash Health procures items from over 5,700 suppliers with an estimated value of \$444 million. Each year Monash Health procures items from a range of industries including:

- Hospital-specific items and equipment
- Office and corporate supplies
- Building and construction
- Labour hire
- Security
- Cleaning
- Textiles (linen and uniforms)
- Catering, and
- Information technology services.

Many of the goods and services are procured from suppliers and distributors located within Australia. However there are also suppliers located in China, Italy, France, India, Ireland, Japan, Malaysia, Mexico, Sweden, Taiwan, United Kingdom and the United States of America.

HealthShare Victoria

HealthShare Victoria is a State-wide procurement organisation that partners with Victorian public health services to procure best-value goods and services. HealthShare Victoria works in partnership with public health services to understand their requirements, facilitate large-scale collective tenders and manage common-use contracts on behalf of the State. Monash Health purchases many goods and services from suppliers who are party to Health Purchasing Victoria collective agreements. As such, it is recognised that HealthShare Victoria has a significant role in health service supply chains.

HealthShare Victoria is committed to:

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

In the reporting period HealthShare Victoria procured items from 185 suppliers for use across Monash Health.

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

Monash Health has conducted a high level risk assessment of its supply chain and will continue to build a more in-depth understanding of the modern slavery risks that may exist within the supply chain in the next reporting period. The high level risk assessment has been undertaken with a review of the supplier categories through which items are procured (43 categories were identified) and

considers the suppliers' potential exposure to modern slavery due to the nature of the category or service provided. Monash Health has considered suppliers have the potential to be high risk if:

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

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

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

These sectors account for 48% of Monash Health's supply chain and procurement spending.

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

Supplier audit and understanding the risks

Monash Health is committed to understanding and reducing the risk of modern slavery within its supply chain. Monash Health has continued to be significantly impacted by the COVID-19 pandemic during the current reporting period, which has resulted in the reduced capacity to implement planned actions from the previous reporting period. Monash Health recognises the importance of this work being completed and has identified key actions and timeframes for the following actions to be undertaken.

Monash Health has used the same modern slavery risk questionnaire as HealthShare Victoria to send to its suppliers. This will mean that suppliers who have already completed the questionnaire through HealthShare Victoria will not need to complete it again for Monash Health. For suppliers not contacted through HealthShare Victoria this will ensure that a consultant base line of modern slavery risks are captured in our systems.

Monash Health has identified the top 300 suppliers which equate to approximately 80% of the annual spend, and these are the first group of suppliers to complete the modern slavery risk questionnaire in the next reporting period. HealthShare Victoria sent out the modern slavery risk assessment questionnaire to the 185 suppliers contracted to provide Monash Health supplies and received a 77% response rate. The results of the survey are to be reviewed together with the Monash Health results to gain an in-depth understanding of the risks within the supply chain.

Modern Slavery Document development

Monash Health reviewed a number of policies in line with the requirements of the Modern Slavery Act, including the following:

- Group Procurement policy
- Strategic Sourcing procedure

- Charter of Human Rights policy
- Code of Conduct policy

These policies and procedures will continue to be refined in future reporting periods. Monash Health is committed to implementing a Modern Slavery Policy in the third reporting period. The policy will be developed with key stakeholders and HealthShare Victoria.

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

Monash Health is committed to working with its suppliers and has a Procurement Complaints policy in place. In the next reporting period the policy will be revised and updated to include a remediation process if modern slavery was to be identified.

Education and training for the Board, Executive and staff working across the Monash Health supply chain has been identified as a key priority for the third reporting period.

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

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

The impact of the COVID-19 pandemic on healthcare services has meant Monash Health are delayed in assessing the effectiveness of measures undertaken to date. However, Monash Health will continue to work on developing frameworks and processes to ensure we can review the effectiveness of the actions we are taking to assess and address modern slavery risks in our operations and supply chains.

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

In the third reporting period Monash Health will focus on the following areas:

- Implement a Modern Slavery policy (February 2022 completion)
- Provide targeted education and training to the workforce and the Board of Directors (April 2022 completion)
- Review and identify areas of focus for reducing modern slavery risks based on the results of the supplier questionnaire (April 2022)
- Provide Jessie McPherson Private Hospital with the results and actions from the supplier questionnaire (June 2022)

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

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

Mandatory Criteria Seven: Additional information

In order to embed the implementation of the Modern Slavery Act 2018 (Cth) within the Monash Health supply chain, a tool kit will be developed and implemented. The tool kit will contain:

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

The tool kit will be implemented by the end of the third reporting period.

Closing Statement

Monash Health is confident that the actions taken to date and the planned actions for the third reporting period will build a strong foundation for identifying and addressing modern slavery risks across the Monash Health supply chain. Monash Health is committed to improving the approach to managing modern slavery through stakeholder partnerships and continuous improvement.

Statement Annexure

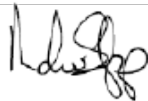
This statement was reviewed and approved by the Monash Health Board of Directors on 2 December 2021.

X



Dipak Sanghvi
Chair of Board, Monash Health

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Andrew Stripp
Chief Executive, Monash Health