

ALBURY WODONGA HEALTH MODERN SLAVERY STATEMENT

This Modern Slavery Statement is made pursuant to the Commonwealth *Modern Slavery Act 2018* (the Act) by Albury Wodonga Health and relates to the financial year 1 July 2021 to 30 June 2022.

Mandatory Criteria 1 & 2: Identify the reporting entity and describe its structure, operations and supply chains.

Albury Wodonga Health (ABN 31 569 743 618) is an Australian health service established under section 181 of the *Health Services Act 1988* (Vic). Albury Wodonga Health is a 343 bed regional health service comprising of 30 sub-acute beds, 95 mental health beds, 7 intensive care beds, 7 operating rooms, 117 general beds and a range of community based residential facilities and community health centres. Albury Wodonga Health delivers care from 24 different sites across North East Victoria and Southern NSW. Albury Wodonga Health employs approximately 3,000 staff across its health service.

Albury Wodonga Health's annual report can be found at: [AWH Annual Reports](#).

Health Share Victoria (HSV) is a state-wide procurement organisation that partners with Victorian public health services to procure best-value goods and services. HSV 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. Albury Wodonga Health purchases the goods and services it needs from the suppliers who are party to HSV collective agreements. As such, it is recognised that HSV has a significant role in health service supply chains.

HSV works with approximately 449 tier-one suppliers and is responsible for more than 94 suppliers.

HSV contracts cover a broad range of services, equipment and supplies across a number of categories including ventilators, beds, mattresses, patient trolleys, treatment chairs, hypodermic needles and syringes, gloves, pharmaceutical products, IV fluids, agency labour, catering supplies, laundry and linen services and non-emergency patient transport. A full list of HSV's sourcing categories can be found at <https://healthsharevic.org.au/contracts-and-tenders/contracts-and-documents>.

HSV acknowledge that the COVID-19 pandemic has heightened the risk of modern slavery in the health care sector. The International Labour Organisations has predicted that between 20.1 million and 35 million more people will be in working poverty than in the pre COVID-19 estimates. The COVID-19 pandemic has posed unprecedented challenges, disrupting supply chains, causing many workers to lose their jobs, and being forced to look for opportunities in informal economics, which are rife with exploitation. Businesses are contending with difficult human rights trade-offs to secure their financial viability. The COVID-19 pandemic has also provided employers with strong incentives and greater latitude for exploitation as there is reduced scrutiny of labour standards.

Mandatory Criteria 3: Describe the risks modern slavery practices in the operations and supply chains of the reporting entity and any entities the reporting entity own or controls.

The focus of this reporting period under the Modern Slavery Act 2018 (Cth) was to undertake supplier risk assessments within HSV Collective Purchasing Agreements. In the next reporting period, Albury

Wodonga Health intends to work collaboratively with HSV to identify mitigation efforts to combat modern slavery risks, and foster collaboration between Albury Wodonga Health and suppliers to seek to address these risks.

Albury Wodonga Health has not caused or contributed to modern slavery practice, but rather, Albury Wodonga Health is linked to risks which exist offshore and in high-risk geographies.

The supplier risk categorisations reflect the outcome of combined macro components with assigned weighting.

The macro assessment considered whether there is a high prevalence of modern slavery in a particular sector or industry, or associated with a particular good or service, or in the location that the product or service is sourced or produced. The macro assessment also considered whether the nature of the supply chain model carried a greater risk of modern slavery. This type of assessment provides a general understanding of the scope of modern slavery risk that suppliers may carry.

This means, for example, that suppliers with a “very high” risk categorisation may not have provided training on their modern slavery policy to suppliers, and/or had limited supply chain visibility, and/or did not intend to implement prequalification processes. In contrast, suppliers with a “low” risk categorisation has such measures in place.

Albury Wodonga Health has taken a targeted, risk-based approach to assessing modern slavery risks within its operations and supply chains, consistent with the UN Guiding Principles on Business and Human Rights.

Additionally, this approach has enabled Albury Wodonga Health to continue addressing areas of higher modern slavery risk. As a health service with a largely skilled workforce, Albury Wodonga Health considers the risk of modern slavery within its direct business operations to be relatively low. In line with a risk-based approach, these risks will be further examined in subsequent reporting periods.

Albury Wodonga Health recognises that the extensive nature of our global supply chains may expose us to modern slavery risks. Given HSV’s significant role in Albury Wodonga Health’s supply chains, HSV has helped identify the general risks of modern slavery that may be present.

Albury Wodonga Health may be exposed to a number of modern slavery risks due to the diversity of products and services sourced by HSV and the associated geographic locations, industries and regulatory systems further down those supply chains.

Some of the general risk areas present in Albury Wodonga Health’s supply chain include:

- Labour practices in offshore manufacturing facilities, some of which are located in South-East Asia;
- Labour practices in the sourcing of raw materials, including cotton and rubber; and
- Industry risks associated with textiles, electronics and cleaning services.

In addition to general risks, HSV has identified the following high risk areas specific to the healthcare sector:

- Surgical and examination gloves;
- Surgical instruments; and
- Linens and gowns.

Given the level of complexity in such extensive supply chains, HSV will continue to refine its risk assessment methodology to further improve the visibility of high-risk areas within health supply chains in Victoria.

Albury Wodonga Health has identified that most of our expenditure in 'high risk' categories already sits within HSV Contracts, in that a large quantity of clinical products and other high risk categories of spend are captured in HSV Contracts. Although Albury Wodonga Health also procures and purchases items that are not contracted with HSV, these categories are not as high risk in regards to modern slavery.

Mandatory Criteria Four: Describe the actions taken by the reporting entity and any entities that the reporting entity owns or controls to assess and address these risks, including due diligence and remediation processes.

Albury Wodonga Health recognises the importance of this activity and will endeavour to undertake these actions in the FY2022-23 reporting period. In the interim, Albury Wodonga Health has engaged with HSV to understand the actions that HSV has undertaken to assess and address the modern slavery risks in Albury Wodonga Health's supply chains.

HSV undertook numerous activities between 1 July 2021 and 30 June 2022 to address modern slavery risks in Albury Wodonga Health's supply chains.

HSV has established a modern slavery program of work and appointed a Supply Chain Risk Manager to implement the program and support Victorian health services to address modern slavery risks in their operations and supply chains. The program encompasses health service education and support, supplier engagement, due diligence and remediation, amongst other activities.

HSV upholds the Australian Government's position on modern slavery. HSV has updated its Procurement Policy to include a statement on combatting modern slavery in health supply chains and capturing allegations of modern slavery practice(s) in its remit of complaints management, enabling the development of remediation processes. The Procurement Policy is an important internal document that outlines HSV's position on procurement governance and activities, including its response to Government policy.

The amendment to the Procurement Policy consolidates HSV's position on modern slavery, which will in turn inform other internal governance amendments and educational resources for the health sector. The modern slavery section of HSV's website contains information and resources to assist reporting entities required to submit a Modern Slavery Statement

As part of its due diligence, HSV has included a modern slavery clause in some Invitation to Supply (ITS) documentation to ensure prospective suppliers acknowledge their responsibility to health services that are reporting entities pursuant to the Act. In addition to its inclusion in the ITS, this clause has been incorporated into select executed contracts.

As well as specific modern slavery provisions, suppliers wishing to conduct business with HSV, public hospitals or any other branch of the Victorian Government must aspire and commit to meet the Supplier Code of Conduct. Under the Supplier Code of Conduct, suppliers are expected to proactively identify, address and – where required by legislation – report on risks of modern slavery practices in their business operations and supply chains.

To further enhance its approach to due diligence, HSV is developing a Supply Chain Management dashboard. The dashboard will synthesise and analyse HSV supply chain data, providing additional capability to detect and prevent modern slavery risk in health supply chains. This platform will enable HSV to:

- Conduct in-depth supply chain mapping (tier one+);
- Develop detailed modern slavery risk analysis and dashboard reporting;
- Screen prospective suppliers for modern slavery risk as part of ITS due diligence activities;
- Assess incumbent suppliers on modern slavery risk through tailored supplier questionnaires; and
- Manage remediation actions arising from due diligence or supplier questionnaires.

In addition to these activities, HSV has facilitated training workshops for HSV staff and key health service stakeholders on modern slavery practices and the requirements of the Act.

In relation to HSV contracted suppliers, HSV has written to all very high risk, high risk and medium risk suppliers providing these suppliers with tools and resources to develop/enhance their modern slavery risk management systems. HSV also outlined their contractual obligation under Collective Purchasing Agreements and expectation under the Victorian Government Supplier Code of Conduct to respond to modern slavery risk in their operations and supply chains.

HSV provided the following modern slavery community of learning sessions to health services:

- July 2021 –Modern Slavery Statements
- August 2021 –Modern Slavery Risk Assessments
- September 2021 –Demonstrating Progress
- October 2021 –Good Practice Reporting
- November 2021 –Australian Border Force Presentation
- March 2022 –HSV Work Program Update
- April 2022 –Supplier Risk Remediation
- May 2022 –Modern Slavery Act 2018 (Cth)
- June 2022 –HSV Modern Slavery Position Statement

Mandatory Criteria Five: Describe how the reporting entity assesses the effectiveness of actions taken to assess and address modern slavery risks.

Albury Wodonga Health recognises the importance of this activity and will endeavour to introduce assessment mechanisms in the FY2022-23 reporting period. In the interim, Albury Wodonga Health has engaged with HSV to understand the effectiveness of the assessments they have conducted.

HSV has introduced several mechanisms for monitoring the effectiveness of the actions it has taken to date. Representatives from mandated health services who attend training sessions on the requirements of the Act periodically complete surveys to self-assess their progress against several criteria. The results are used to measure the success of engagement programs, inform future workshop content and identify potential gaps in training.

In addition to this, HSV’s senior leadership has taken ownership of the modern slavery program and progress is regularly discussed at senior committees. Feedback from committee members is used to inform decision making and future activities within the program.

Mandatory Criterion Six: Describe the process of consultation with any entities the reporting entity owns or controls

Albury Wodonga Health does not own or control any other entities.

Mandatory Criterion Seven: Any other relevant information

In order to support the implementation of the Act within health services, HSV has developed a toolkit to assist with meeting the requirements under the Act. The toolkit contains:

- A modern slavery plan to support the implementation of the governance structures, policies, processes and risk registers needed to underpin a successful modern slavery framework;
- Advice on implementing a modern slavery policy;
- A modern slavery risk register to capture and address the key modern slavery risks that a health service might cause, contribute or be directly linked to;
- A modern slavery risk assessment tool, including advice on modern slavery risk assessments, supplier questionnaires for ITS due diligence and incumbent suppliers and advice on how to interpret questionnaire results;
- A modern slavery fact sheet to facilitate staff training; and
- Supplier contract considerations, including the addition of modern slavery clauses in contracts.

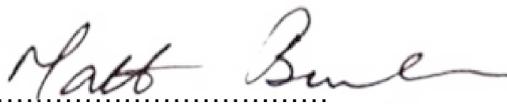
The rollout and implementation of the toolkit will support health services to conduct their own risk assessment, due diligence and remediation activities.

Albury Wodonga Health intends to implement the toolkit once it becomes available.

Closing statement

Albury Wodonga Health is confident that the steps taken this year have built a strong foundation for a robust modern slavery framework. We recognise there is more to do and Albury Wodonga Health is committed to continually improving our approach, partnering with our stakeholders and working to eradicate modern slavery.

This statement was approved by the Board of Albury Wodonga Health on 22 12 2022

Signature.....

Name..... Mr Matt Burke OAM

Board Chair