

# The Leprosy Mission Australia Modern Slavery Statement 2020



**Leprosy Defeated. Lives Transformed.**



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The Leprosy Mission Australia is located on Aboriginal land, the traditional owners of which have not been formally recognised. This report was designed on the lands of the Wurrundjeri people of the Kulin Nation. We wish to acknowledge the traditional owners of this land, and give our respect to their Elders past, present and emerging.



# The Leprosy Mission Australia's Approach

This voluntary statement, in line with the Australian Modern Slavery Act 2018, sets out the actions taken by The Leprosy Mission Australia to address modern slavery in our business and supply chain for the financial year ending 30 June 2020

The Leprosy Mission Australia (TLMA) is not required to submit a statement but has chosen to do so voluntarily as doing so aligns with our organisational values.

TLMA believes our commitment to following Jesus Christ means that we do not want to see people trapped in slavery. We are also aware that modern slavery overwhelmingly impacts people who live in poverty. Many people affected by leprosy are economically disadvantaged and face a higher risk of ending up in slavery. As people living in the light of Jesus, and committed to serving people affected by leprosy, we want to be active participants in preventing slavery.

The Leprosy Mission Australia operates in some high-risk sectors for modern slavery. This includes operating in high risk geographies, using an investment management firm, subcontracting cleaners, security services, and mail-houses.

TLMA has a retail shop which has a risk of modern slavery in its supply chain. We also recognise that COVID-19 has exacerbated the conditions which can cause people to end up in modern slavery.

TLMA undertakes action to mitigate the risks of modern slavery in its supply chain. These include a human rights policy, a grievance procedure, and an international reporting service. They also include site visitations, a supplier code of conduct, an auditing process and appropriate child and vulnerable adult policies.

The Leprosy Mission Australia knows this is an ongoing issue. As such we are committed to improving our procedures and supplier awareness over the next few years. Choosing to submit a voluntary statement is our first step in the process.

## Key Areas of Action in 2019/20

Committing to producing a voluntary statement going forward

Helping our suppliers understand the risks of modern slavery

Improving current procedures and policies in regard to modern slavery awareness

# The Leprosy Mission Australia

The Leprosy Mission Australia (TLMA) is a large Australian charity with 22 full time employees. TLMA is a company limited by guarantee in Australia and has its headquarters in Melbourne. TLMA's ABN is 52 354 004 543. TLMA's ACN is 067 616 193. TLMA is located at 37-39 Ellingworth Parade, Box Hill, VIC, 3128.

TLMA is governed by a voluntary Board consisting of individuals with work experience in the respective fields of fundraising, finance, health, program management and consultancy. The management team of TLMA are the managers of the Customer Service, Finance, International Program, Engagement, and Merchandise Departments and the HR/CEO office.

Our main operations include the office, fundraising appeals, funding the implementation of work overseas and a retail operation. These activities involve workers who we employ directly and contractors for specialised or ad hoc work. TLMA enters into both short term and changeable relationships with suppliers and contractors as well as stable longer-term relationships. TLMA's operations take place in Australia, Papua New Guinea, Timor Leste, Thailand, Indonesia, India, Nepal and Nigeria.

TLMA's supply chains include:

- Main operations in the office, fundraising appeals, funding the implementation of work overseas and a retail operation;
- the design, printing and delivery of its direct mail appeals and catalogues it uses as its primary means of raising revenue. In this context TLMA supply chains include the mailing companies' warehouses where the catalogues and appeals are produced and Australia Post
- the writers and graphic designers who help to produce the appeals and catalogues.

- TLMA's merchandising supply chains, overseas and Australian businesses which make the products sold in its catalogues (mostly gifts and homeware), and the importation of the products into Australia. These overseas businesses are located in China, India, Nepal, Nigeria, Timor Leste, Papua New Guinea, and England.
- the investment managers who oversee TLMA's investments, and human resources consultants.
- services that contribute to its operations, such as the cleaning, security, plumbing and electrical companies which service TLMA's office.



# Risk Assessment

TLMA is a charity which operates a retail arm in Australia and funds development projects in Papua New Guinea, Timor Leste, Thailand, Indonesia, India, Nepal and Nigeria. TLMA's initial scoping exercise shows the entity has a range of modern slavery risks.

TLMA operates in a high-risk sector (high risk geographies) but its operations and supply chains also involve a range of high-risk sectors and industries. TLMA has identified there is a risk that it may contribute to modern slavery by subcontracting its mailing, cleaning and security services to other companies at a low price point. All of these are risk categories as they engage migrant workers, and base skilled workers.

TLMA has also identified a number of risks in the supply chains in the sourcing of its merchandise for sale. Many of its products are sourced from countries which have a medium to high risk of modern slavery, and where workers have a medium to high vulnerability of ending up in slavery. These countries are considered to have high modern slavery risks because of poor governance, and a high population of vulnerable workers. As a result, there is a risk TLMA may be exposed to modern slavery through these supply chains as suppliers may subcontract labour to a third party, or use forced labour, or engage in child labour.

TLMA recognises that the current COVID-19 situation has had an impact on both its implementing partner operations and its merchandise suppliers. TLMA and The Leprosy Mission Global Fellowship have acted to ensure that no employee of an implementing partner loses their job as a result of the current crisis. This prevents employees in high risk geographies from being at risk of ending up in modern slavery. Some of TLMA's merchandise suppliers will be unable to ship during this time, but TLMA will re-engage them as suppliers as soon as it is possible. TLMA has also contacted them to see what support TLMA can provide.

Lastly, TLMA has identified that it may contribute to modern slavery by contracting the use of an investment management firm. TLMA is concerned it may be at risk of contributing to modern slavery if investments are made, by the investment management firm, in industries or firms which engage in modern slavery. We have asked our investment management firm to review their approach to managing modern slavery.

## Key Risks in 2019/20

Areas of operation

COVID-19 increasing risk of workers in low income areas slipping into poverty

Subcontracted services like mail houses

# Mitigation and Due Diligence

TLMA undertakes a number of actions to mitigate the risk of modern slavery in its supply chain. TLMA has a human rights policy which sets out its position on worker's rights, and a grievances procedure to address any issues which may arise. TLMA has a reporting service which any employee in Australia or in implementing partner countries can ring if they suspect or experience modern slavery.

Within Australia TLMA has supplier code of conduct agreements which reference modern slavery, and TLMA's expectations around this, which will be part of any agreement with new suppliers. It will also be given to existing suppliers. TLMA is also committed to providing educational resources about this issue to current suppliers, especially smaller scale suppliers who do not need to report on their supply chain. TLMA is therefore committed to annual onsite visitations with regular Australian suppliers starting in January 2021.

TLMA has agreements with its implementing partners around expectations of rights, and how programs are delivered. TLMA is an accredited organisation and its programs are monitored by DFAT. As a result, TLMA's program partners are visited on an annual basis with an opportunity to see labour practices first-hand. As COVID-19 has restricted annual visits, our programs team will institute more regular catch ups, hopefully with some by video where issues like this can be addressed. Visits will be re implemented as soon as possible. TLMA also has child and vulnerable adult protection procedures, and policies in place. These apply both within Australia and oversees for implementing partners. TLMA also addresses this issue with implementing partners through the Quality Assurance Review which is administered

annually. Like all of TLMA's policies these are reviewed and updated within a set time framework.

TLMA's highest risk of being linked to modern slavery is in its supply chain which sources products from countries with a moderate to high risk of modern slavery. To mitigate risk in those areas TLMA looks to source Fair Trade products. These suppliers are accredited and monitored on a regular basis by Fair Trade to ensure they have fair labour practises. Where TLMA cannot source products from Fair Trade accredited organisations TLMA has an auditing process, which includes visits to supplier workplaces.

TLMA recognises that implementing further actions is a growth process. One of the reasons TLMA is voluntarily submitting a statement is to ensure that we are aware of actions which need to be taken to relation to this. One area TLMA still needs to work on a response to, is our investment portfolio. From FY2022 TLMA will ensure it only invests with a firm which submits a modern slavery statement as a first step.

To ensure TLMA is implementing effective action each manager is required to review this statement annually, and ensure their suppliers are compliant. Ultimately TLMA's actions in this regard are the responsibility of the CEO, and the CEO reports on it to the board.

## Key Mitigations in 2019/20

Enabling suppliers to better understand the risks of modern slavery

Ensuring implementing partners address this issue

Managers required to review and understand statement

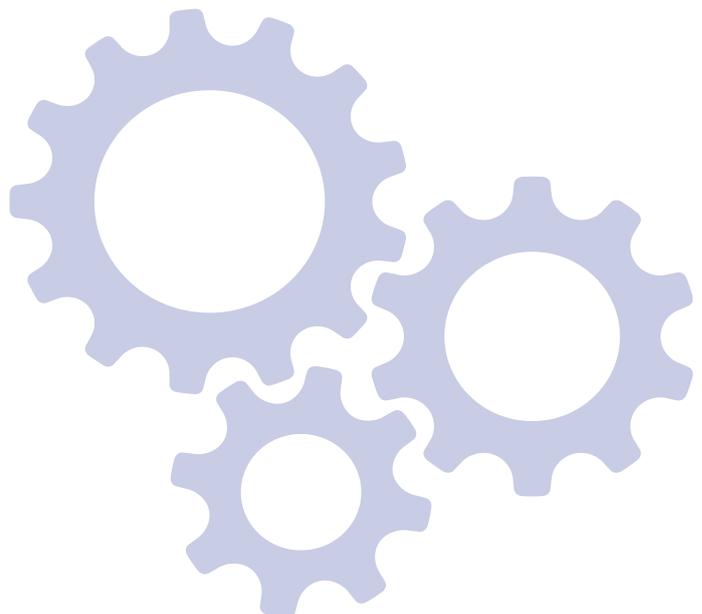
# Measuring Effectiveness

TLMA will undertake a number of actions to assess the effectiveness of the above actions. Each year there will be a review of TLMA's response to modern slavery by senior management, and this discussion will be reported on at the Board Level as well. TLMA has also included modern slavery as a risk on its risk register which will ensure it is regularly reviewed by its risk committee.

TLMA has established a number of KPIs, and an annual review of these will help TLMA determine if they are effectively acting to address modern slavery risks. These KPIs are:

- TLMA is committed to holding one modern slavery training session each year for its Australia staff
- 100% of calls to TLMA's global whistleblowing calls service which are about modern slavery begin remediation within a three-month time period
- 100% of new supplier contracts include modern slavery causes
- 100% of new suppliers are provided with a fact sheet on modern slavery
- 100% of first tier suppliers are provided with a survey each year to gauge their understanding of modern slavery
- All Partner Agreements include a reference to modern slavery compliance
- All Partners are asked about modern slavery in the annual QAR review

TLMA will also survey suppliers in a high-risk geography areas, post COVID-19 to ensure that their practices have not changed as a result of the situation. Six months into the next reporting period the actions in the Mitigation and Due Diligence Section will be reviewed to assess if they have been carried out.



# Addressing root factors which contribute to modern slavery

The Leprosy Mission Australia funds projects which are fundamentally about the defeat of leprosy and associated disability. However, we understand that the basic causes of leprosy are also about poverty and structural marginalisation. These are also causes of modern slavery.

Most of our projects are structured within a group settings. People living with leprosy are incorporated within a circle of people all dealing with the same issue. Initially that means care of wounds and completing regimes of medication. Participants learn to self-care and associate to encourage each other; thus, they are often called self-care groups. It is usual for these groups to graduate into self-help groups in order for them to establish more productive livelihoods. These groups learn skills in finance as well as technical skills to earn income. These groups may graduate further to be registered with local government and/or into cooperatives and to take on loans with financial institutions. This then allows people living with leprosy to overcome the effects of poverty. In this way The Leprosy Mission Australia is contributing to the elimination of some of the root causes of modern slavery.

The Leprosy Mission is also interested in education. Not only as another basic right but as an opportunity to overcome structural deprivation. Some of our projects have scholarship systems for children living with leprosy themselves or for children of people living with leprosy. These children range from primary school age through to university students. We also support a vocational training centre that supports students living with leprosy or children of people living with leprosy to gain a specialised education that will allow them to earn a sustainable income. Through supporting education initiatives for people affected by leprosy,

The Leprosy Mission Australia is working towards reducing the risk of modern slavery for program participants.





# Moving Forward

The Leprosy Mission Australia is aware that modern slavery risk management is a continuous process. This statement, and improved policies and procedures are our first steps in committing to make sure we are committed to prioritising the risk management of modern slavery.

This statement was approved by the board of The Leprosy Mission Australia

Signed,



**Sheldon Rankin**  
CEO, The Leprosy Mission Australia



# Appendix:

## Modern Slavery Act 2018 mandatory criteria and where to find them

### **1. Identify the reporting entity**

This is addressed on page 4: The Leprosy Mission Australia

### **2. Describe the reporting entity's structure, operations and supply chain**

This is addressed on page 4: The Leprosy Mission Australia

### **3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls**

This is addressed on page 5: Risk Assessment

### **4. Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes**

This is addressed on page 6: Mitigation and Due Diligence

### **5. Describe how the reporting entity assesses the effectiveness of these actions**

This is addressed on page 7: Measuring Effectiveness

### **6. Describe the process of consultation with any entities the reporting entity owns or controls**

This criteria is not applicable to The Leprosy Mission Australia

### **7. Any other relevant information**

This is addressed on page 8: Addressing root factors which contribute to modern slavery



The Leprosy  
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Australia

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