TOURISM AUSTRALIA MODERN SLAVERY STATEMENT

Reporting Period: 2023-24



Tourism Australia is committed to identifying, assessing and mitigating against modern slavery risks within our business activities and supply chain. Our work in this area is ongoing as we strive to ensure that our policies, procedures, reporting and controls reflect our role as leaders in sustainable tourism.

In this statement we report on our work to address modern slavery risks and grow a responsible supply chain for 2023-2024.

This statement has been endorsed by the Board of Tourism Australia.

Phillipa Harrison Managing Director

ACKNOWLEDGEMENT OF COUNTRY

Tourism Australia acknowledges the Traditional Aboriginal and Torres Strait Islander Custodians of the land, sea and waters of the Australian continent and recognises their custodianship of culture and Country for over 60,000 years.

Tourism Australia is proud of the work we do to ensure the cultures and stories, as well as the warmth, humour and generosity of Aboriginal and Torres Strait Islander peoples and communities are central to the Australian tourism story.

WHO WE ARE

Tourism Australia is a corporate Commonwealth entity formed under the Tourism Australia Act 2004 (Cth) and governed by a Board of Directors appointed by the Commonwealth Minister responsible for tourism. Tourism Australia is the entity reporting under the *Modern Slavery Act 2018* (Cth) (**Modern Slavery Act**).

Tourism Australia (ABN 99 657 548 712) aims to grow demand and foster a competitive and sustainable Australian tourism industry for global consumers in key, targeted markets. Marketing is the core operational activity of Tourism Australia. Our commitment to responsible supply chains forms part of a broader sustainability strategy with several touchpoints across the business. Each year, we use the modern slavery reporting obligations to review our policies and procedures and investigate opportunities for continual improvement.

A number of Tourism Australia's internal business units contribute to risk mitigation and operational solutions in this area including Legal, Procurement, Finance, Sustainability, Partnerships, Marketing and People & Culture. Our ambition is to improve awareness of modern slavery risks and better our sustainability practices across our operations. From time to time, we also use external service providers with dedicated Environmental, Social & Governance (**ESG**) expertise to support delivery of our sustainability strategy, including modern slavery.

OUR MARKET AND OPERATIONS

Our agency is active in 15 countries, with offices in 12 countries as shown below. We also undertake business activity in Canada, France, Italy and South Korea which is delivered through representative agencies, with oversight from our head office in Sydney.



Tourism Australia has a workforce comprised of:



full time equivalent (FTE) employees in our Australian head office in Sydney

FTE emplyees in international teams operating in the Americas, United Kingdom, Continental Europe, New Zealand and Asia.

As at end of 30 June 2024, the following description provides a breakdown of the locations of our staff:

COUNTRY	TOURISM Australia	AUSSIE SPECIALIST Program	ONE VOICE"	TOTAL
Australia	124	1		125
New Zealand	2			2
Japan	6	1	1	8
China	17	5		22
Hong Kong	1	1		2
Singapore	8	1		9
Malaysia	1	1		2
India	5	2		7
Indonesia	2	1		3
America	13	3	1	16
UK	8	3		11
Germany	8	1		9
Total	195	20	2	217

* Initiative between Tourism Australia and State Tourism Organisations (STOs) – shared resource

** Initiative between Tourism Australia and STOs



OUR SUPPLY CHAIN

Tourism Australia's supply chain includes a range of operators in local and international markets. Our suppliers are typically from marketing and tourism-related industries such as creative, digital media, production, events, hospitality, hotels, venues and merchandise.

Based on analyses undertaken in previous reporting periods, we understand that different industries carry different levels of risk, and we appreciate that some industries we work with involve higher risk than others. We acknowledge the ongoing work of organisations like Walk Free to upskill and educate government agencies like Tourism Australia on the modern slavery risks of using local and international suppliers, and to ensure that we stay across the latest changes (Global Slavery Index, Walk Free).

We also understand that not all risks are immediately evident and that some modern slavery practices are "hidden in plain sight" (Walk Free). In particular, we note that some of the suppliers we engage with are from industries with a large migrant worker cohort. This increases the risk of potential exploitation arising from post-pandemic labour shortages, visa conditions, the number of women that make up the migrant workforce, language barriers and lack of awareness around remediation processes.



Tourism Australia's Active Suppliers at 30 June 2024

Australia vs international supplier spend (AUD, excluding taxes)



FY24 STEPS TOWARD ONGOING IMPROVEMENT

- 1. Modelled behaviour for industry;
- 2. Introduced sustainability criteria at earlier stages of the procurement cycle;
- 3. Grew and diversified our supply chain; and
- 4. Commenced review of our existing procurement and supplier data capturing tools.

STEP 1: MODELLED BEHAVIOUR FOR INDUSTRY

As Australia's national tourism marketing agency, Tourism Australia, appreciates its role in modelling better practice for smaller, independent tourism operators who are upskilling in modern slavery, ethical and sustainable business. We acknowledge that many tourism operators are not necessarily caught by the modern slavery reporting provisions but are nonetheless seeking to make improvements and adhere to evolving standards.

Across Tourism Australia, in FY24 we continued to run a number of internal and external initiatives that reflect our commitment to reducing labour and workforce exploitation risks as well as demonstrating how to integrate responsible supply chain and ethical business practices into tourism industry operations. We appreciate the connections between modern slavery and sustainability issues more generally, and strive to successfully integrate, not silo, our practices and various reporting obligations and organisational policies.

Workforce standards, industry expectations and enforcement

- 1. Tourism Australia requires that staff comply with codes of conduct and complaint protocols, which affirms our commitment to human rights and prohibits violations of law, including labour and employment laws.
- 2. Tourism Australia does not tolerate any discrimination, harassment or mistreatment in the workplace and has formal procedures to investigate such complaints, if made.
- 3. Our People & Culture team conducts an annual review of staff salaries to benchmark against industry standards and avoid any risks in relation to underpayment. We also undertake payroll audits from time to time.
- 4. We know that modern slavery and trafficking disproportionately affects women and girls which may be a contributing factor to a gender gap in the workplace. Tourism Australia reported in FY24 to the Workplace Gender Equality Agency.

- 5. We report under the Child Safety Framework. No risks were identified in FY24.
- 6. All Tourism Australia staff are encouraged to report any misconduct, illegal acts or failure to comply with agency policy, including any incidents of modern slavery or trafficking.
- 7. Tourism Australia has a generous health and well-being program for staff which is designed to create a safe and inclusive space and encourages a 'speak up' culture, should an incident (including concerns about wages, mistreatment, safeguarding or any other form of potential exploitation) arise.
- All new FY24 staff were trained on modern slavery, including a briefing on Tourism Australia's approach to addressing risks of unethical practices in its supply chain. The content helps staff identify underlying indicators of modern slavery in supply chains and engage with potentially poor performing suppliers to 'dig a little deeper'.

Auditing, monitoring & remediation

In accordance with the *Public Governance, Performance and Accountability Act 2013* (Cth), Tourism Australia is committed to implementing better practice in corporate governance matters, including with respect to modern slavery. Building on the work previously undertaken by Deloitte to review our ESG framework and supply chain risks, in addition to the feedback we have received over previous years via our supplier questionnaire, we have sought to comprehensively cover the different touch points of modern slavery in our standard supplier agreement.

We know that outside of the *Modern Slavery Act* there are several other frameworks which complement and supplement the intention of the legislation and seek to minimise the risks imposed by poor performing and potentially exploitative suppliers. As of FY24, Tourism Australia's standard supplier agreement expressly requires the contractor to agree to separate provisions in relation to modern slavery; Tourism Australia's sustainability policies; work, health and safety laws, including Tourism Australia's workplace sexual harassment policies; complaints protocols and codes of conduct; proof of the suppliers' business or professional practice; anti-bribery and anti-corruption laws, including any third party payments; and child safety laws.

STEP 2: INTRODUCED SUSTAINABILITY CRITERIA AT EARLIER STAGE OF THE PROCUREMENT CYCLE

There are four key phases in any procurement cycle: Phase 1 – Development of documentation; Phase 2 – Bid evaluation / due diligence; Phase 3 – Contract negotiation; and Phase 4 – Audit and follow-up. We know that effective integration of sustainability principles into every phase of the procurement cycle is used to best manage ESG impacts of business activities. The benefit of early intervention (Phases 1 and 2), as opposed to later introduction of sustainability concepts at the contract negotiation phase-only (Phase 3), is that suppliers are on notice from the outset about our expectations, prompting them to evaluate and report on their own supply chain.

As set out above, our standard supplier contract language (Phase 3) includes a number of provisions with respect to modern slavery and responsible supply chain practices. In this reporting period, we intervened earlier in the procurement cycle (Phases 1 and 2) by standardising sustainability criteria for a major new supplier contract with the use of the Department of Finance's template for Request for Tender pre-screening guidance. In order to award the new digital and creative services contract, Tourism Australia assessed bids against various indicators including; ESG principles – Requiring tenderers to respond to their efforts to enhance ESG initiatives, minimise modern slavery risks and expand supply chain through First Nations businesses. Only tenderers that could demonstrate alignment with these activities progressed to the next stages of bid evaluation in the procurement process. In particular, the supplier advised us that it incorporates human rights due diligence within its broader risk management systems and legal compliance processes, referencing the work set out in its own modern slavery statements.

Adopting this approach then provided an obvious pathway toward formal agreement between Tourism Australia and the appointed agency to contractually ensure that it implements a Modern Slavery Risk Management Plan. The plan covers suitable training, the availability of a safe and accessible grievance mechanism and development of remedial strategies to respond to poorly performing suppliers in the agency's own supply chain. Tourism Australia now has the capability to monitor and audit performance and recommend improvements in collaboration with the new supplier over the course of the contract, in accordance with Phase 4 of the procurement cycle.



STEP 3: GREW AND DIVERSIFIED OUR SUPPLY CHAIN

Tourism Australia's expenditure has traditionally concentrated on a smaller pool of major suppliers. As part of steps to reduce modern slavery risks, we recognise the value of growth and diversification in supply chains to minimise exploitation. Collaboration between suppliers is understood as a key method in reducing modern slavery risks. To broker collaboration between suppliers, an organisation can seek to grow its traditional supplier pool.

In this instance, diversification or inclusivity of new, lower procurement-value suppliers provides opportunities for often previously untapped businesses to upskill and be brought into Tourism Australia's broader responsible supply chain journey. This gives those suppliers - who would otherwise not necessarily have had exposure to modern slavery risk identification strategies with knowledge-transfer touch points that can then be integrated into their own operational practices.

In FY24, we continued to move toward supplier growth, inclusivity and diversification particularly in the areas of First Nations suppliers, suppliers from the accessibility sector with lived experience and green suppliers.

Example #1 – First Nations suppliers

Tourism Australia has a strong history in seeking to recognise and empower First Nations people in its business activities and to dissuade cultural misappropriation and exploitation by non-Indigenous suppliers. As part of this program, Tourism Australia promotes local First Nations tour operators across the country, hires First Nations artists, performers and musicians at events and ceremonies, and uses First Nations local businesses to assist in the running of the daily operations of the agency. Since introducing its Innovate Reconciliation Action Plan (RAP) in May 2021, Tourism Australia has sought to ingrain and redefine business briefs to consider and prioritise First Nations owned and operated suppliers, wherever possible. In FY24, Tourism Australia:

- Awarded the new digital and creative contract to an agency who will deliver its services with the appointment of specialist cultural competency experts. Yarn Up builds business and marketing strategies to more effectively engage with Aboriginal and Torres Strait Islander people.
- Shared Indigenous-led tourism product through the "Discover Aboriginal Experiences" marketing collective. Discover Aboriginal Experiences is a collective of more than 185 quality and authentic Aboriginal guided tourism offerings, including a media kit.
- 3. Procured office and event suppliers, and talent for events from First Nations businesses.
- 4. Amplified the voices of First Nations storytellers through the availability of online training resources.
- Curated the Australian Tourism Exchange 2024 in Melbourne / Narrm program to include dual naming in promotional materials and a Smoking Ceremony and Welcome to Country to open the event, as well as spotlight a record number of Indigenous tourism operators.

Example #2 – Suppliers with lived experience

Tourism Australia has an extensive program which aims to ensure that tourist destinations, products and services are accessible to all people, regardless of their physical limitations, disabilities or age. Tourism Australia understands that to achieve meaningful, authentic and practical change in this space, using suppliers with lived experience is a critical component. The use of specialist suppliers from the disability sector - both private and community based - not only reduces modern slavery risks by growing and assessing the talent pool, but also mitigates against other forms of potential exploitation that can arise for this cohort.

In FY24, Tourism Australia engaged a number of suppliers from the disability sector to meet its ambition for growing accessible and inclusive tourism in Australia. The initiatives included:

- Appointment of Get Skilled Access, who are consultants with lived experience to develop an Accessibility and Inclusion Strategy and Action Plan.
- Appointment of Shift20 as a Tourism Australia partner. Shift20 focuses on increasing disability representation, inclusion, and accessibility in Australian advertising.
- Coordination of an accessible tourism-focused panel at the Destination Australia 2024 conference, with panelists sharing their lived experiences.
- 4. Inclusion of an Accessible Australia stand at Australian Tourism Exchange 2024.
- 5. Expansion of our network of talented content creators with lived experience and commissioning them to produce material for TA's owned and paid platforms. This included collaborating with accessibility advocates such as World Para-Surfing Champion Sam Bloom and photographer Jaimen Hudson to capture content for our marketing channels.

Example #3 - Green suppliers

As previously reported, Tourism Australia awarded the office build and fit out of its new premises in George Street Sydney to Lendlease and Renascent Australia in part because their tender response and supplier codes of conduct strongly promoted and operationalised sustainability principles. Following the identification of a number of higher worker exploitation risks in the property and construction sectors, Tourism Australia engaged its contractors with firm obligations around modern slavery and work, health and safety.

Tourism Australia continues to work with Lendlease and Renascent Australia, as part of the office's award of its 6-Star Green rating and 5.5 Star NABERS Energy rating. A number of green initiatives in our day-to-day FY24 operations, reflect our original selection of suppliers with strong sustainability credentials, including a showcase of green innovation to other potential Lendlease clients legacy-outcome and updates on sustainability goals and improvements, through regular meetings.

STEP 4: COMMENCED REVIEW OF OUR EXISTING PROCUREMENT AND SUPPLIER DATA CAPTURING TOOLS

In our previous reporting periods, we described the work we undertook to collect responsible supply chain data through questionnaires from various suppliers of varying procurement value.

In FY24 we began to review our capacity to collate certain types of supplier data, assess the quality of supplier data and evaluate the timing of supplier engagement, to improve our processes. This included seeking data directly from suppliers via supplier questionnaires. We will use the data from this review to inform and build enhanced functionality in our new procurement systems, including a number of modern slavery and human rights due diligence features.

NEXT STEPS FOR FY25

As we continue on our journey, we are working on the following initiatives and changes to grow our existing modern slavery program in FY25:

 Develop a new procurement tool – Tourism Australia is currently scoping a new procurement tool to build more efficient data capturing, review and assessment options, as well as reporting and auditing capabilities on modern slavery and responsible supply chains.

Factors for consideration include:

- Scope and content of the supplier questionnaire;
- Timing of the supplier questionnaire, as well as other supplier consultation touchpoints;
- Better user experience for suppliers to respond to supplier questionnaire; and
- Ease for contract managers to uplift suppliers' own modern slavery and responsible supply chain policies and processes, during Phase 4 contract management.
- Deepen responsible supply chain practices into procurement cycle - Tourism Australia will develop procedures to progressively introduce sustainability criteria, including modern slavery, into earlier phases of the procurement cycle i.e. tender documentation (Phase 1) and bid evaluation / due diligence (Phase 2).

- 3. Integrate 2024 Commonwealth Procurement Rules (CPRs) – On 1 July 2024, new CPRs came into force. The Commonwealth Supplier Code of Conduct (Code) is now a core component of the CPRs. The CPRs outline the Commonwealth's minimum expectations of suppliers, personnel and subcontractors while under contract with the Commonwealth. All Commonwealth contracts now include compliance with the Code as it is considered a key factor in strengthening supplier behaviour. Tourism Australia will integrate the Code into new contracts.
- 4. Assess Tourism Australia's new Indian LLP's reporting requirements, including in modern slavery.
- Consider opportunities to expand training modules to new audiences – Tourism Australia is reviewing capacity to integrate modern slavery training and sustainability principles into its FY25 event program.

