

MODERN SLAVERY STATEMENT

2023 (2022 YEAR)



CONTENTS

CONTACT:	2
STRUCTURE, OPERATIONS, SUPPLY CHAINS	3
Structure	4
Operations	4
Supply Chains	5
MODERN SLAVERY RISKS	5
Operations	5
Supply Chain	6
ACTIONS TO ADDRESS RISKS	7
Operations	7
Supply Chain	8
EFFECTIVENESS OF ACTIONS	8
OTHER INFORMATION	9

CONTACT:

Trisha Hopper
Compliance & Contracts Lead, The Fred Hollows Foundation
thopper@hollows.org

INTRODUCTION



As an Australian entity with annual revenue over \$100m in 2022, The Fred Hollows Foundation ABN 46 070 556 642 (**The Foundation**) is required to publish a Modern Slavery Statement under the *Modern Slavery Act 2018* (Cth).

This Modern Slavery Statement (Statement) reports on The Foundation's activities to address the risks of Modern Slavery in its operations and supply chains for the financial year 1 January 2022 to 31 December 2022.

The Foundation's Board is committed to taking action to address Modern Slavery throughout the organisation, to make improvements internally and to model responsible corporate behaviour, and to collaborate with partners to create positive change. The Foundation condemns all forms of Modern Slavery and will take a human rights-based approach to tackling Modern Slavery risks in its operations and supply chains. In this Statement we refer to Modern Slavery using the definition by the Australian Department of Home Affairs:

Modern slavery describes situations where offenders use coercion, threats or deception to exploit victims and undermine their freedom.

Practices that constitute Modern Slavery can include:

- *human trafficking*
- *slavery*
- *servitude*
- *forced labour*
- *debt bondage*
- *forced marriage, and*
- *the worst forms of child labour¹*

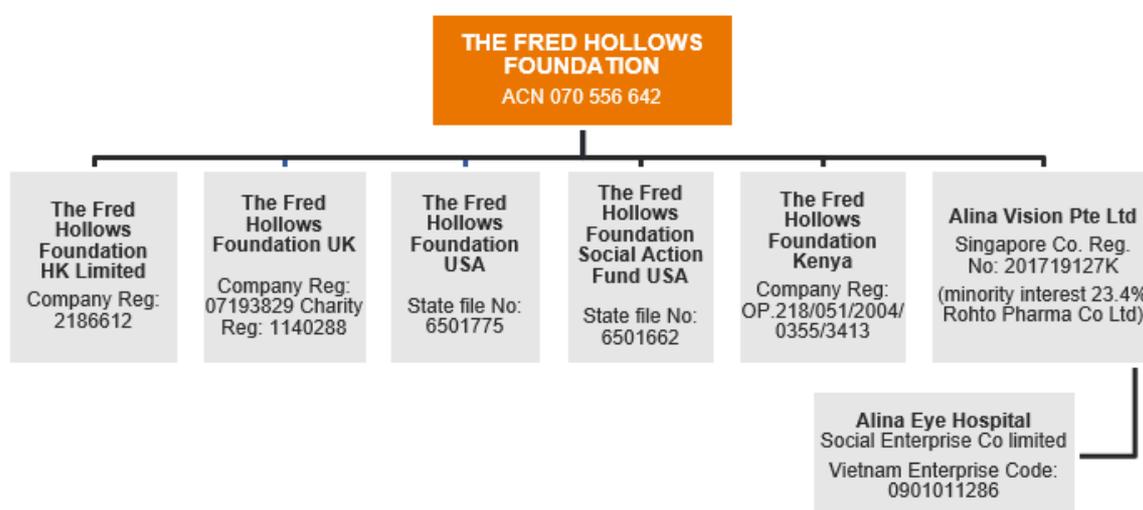
¹ <https://www.homeaffairs.gov.au/criminal-justice/Pages/modern-slavery.aspx#:~:text=Expert%20Advisory%20Group-Overview,victims%20and%20undermine%20their%20freedom.>

STRUCTURE, OPERATIONS, SUPPLY CHAINS

STRUCTURE

The Fred Hollows Foundation is an independent, not-for-profit, politically unaligned, and secular international development organisation working towards eliminating avoidable blindness around the world. Founded in 1992 to carry on the work of the late Professor Fred Hollows, world-renowned eye doctor and humanitarian, the eponymous Foundation today implements sight-saving programs in over 25 countries worldwide.

The Fred Hollows Group consists of entities in Australia, Hong Kong, Kenya, Singapore, UK, USA and Vietnam. These entities come together in a governance model based on principles of tight integration and local empowerment; working together we can be greater than the sum of our parts. The Foundation and each entity enter into a Collaboration Agreement that seeks to ensure a shared purpose and global synergy between entities whilst encouraging empowerment.



The Foundation is fully accredited by the Australian Government’s Department of Foreign Affairs (DFAT) and Trade and is a recipient of funding under DFAT’s Australian NGO Cooperation Program. The Foundation is also a signatory to the Australian Council for International Development’s (ACFID) Code of Conduct.

OPERATIONS

The Foundation is a global organisation with its head office in Sydney and branch offices in 13 countries with programs delivered in over 25 countries.

The Foundation is led by its Board, CEO and Executive Leadership Team (ELT). Country Managers and other leaders inform the ELT through the Programs and Public Affairs Executive Directors as thematically appropriate. Globally The Foundation has 488.4 FTE employees.

Our activities are conducted through partnerships with local organisations, 75% of which are government entities.

SUPPLY CHAINS

Generally, each international branch office and the corporate global office undertake their own procurement, though payment of suppliers is managed centrally by the global office accounts payable system. In 2022 The Foundation's procurement spend was approximately \$52m across our global footprint.

Direct procurement ranges from small stationary items to complex medical equipment purchased at times on behalf of our implementing partners for logistical reasons.



MODERN SLAVERY RISKS

In developing our first Modern Slavery Statement we have considered first tier suppliers only due to resource and capacity constraints. The Global Slavery Index² was consulted to guide the assessment of risk, using a matrix of industry and geographic categories.

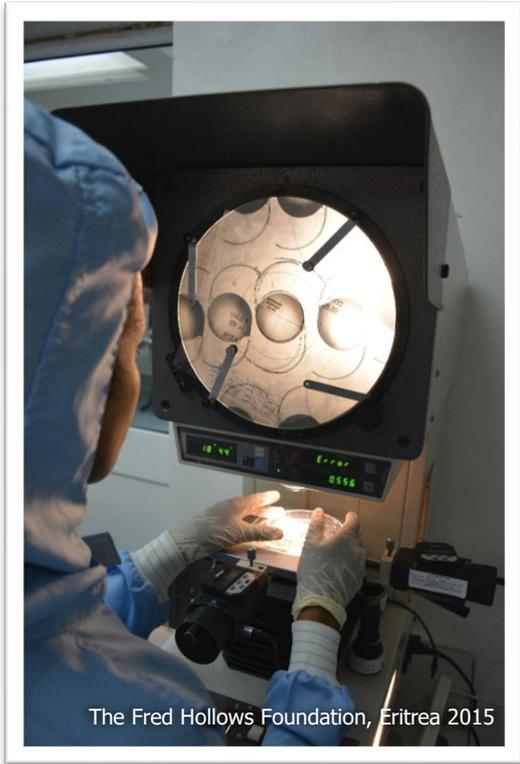
While seeking to benefit from global efficiency where possible, local empowerment in relation to procurement means that The Foundation does not have one global approach for all procurement. This has local benefits, but we recognise may lead to Modern Slavery risks being unidentified. Notwithstanding, The Foundation is committed to integrating its responses to Modern Slavery across the organisation wherever it operates, including assessing and addressing such risks, with the leadership and commitment of The Foundation's Board.

OPERATIONS

Modern Slavery risks identified within The Foundation's operations are:

- Branch offices that are located in countries that are considered high-risk locations, for example, Pakistan, Bangladesh, Eritrea where there may be a weak rule of law or high conflict areas which can create an environment where Modern Slavery practices thrive. Associated risks for these branch offices relate predominantly to any contracted workforce engaged within that office because there may not be a high standard of labour practices (including recruitment) within that context.
- Whilst The Foundation does have a Speak-Up Policy in place that encourages a speaking up culture, we acknowledge a lack of accessibility to primary beneficiaries who may not have internet access. Further, we note that a complainant may not have access to a person fluent in their own language as part of our complaints handling procedure. This increases the risk of Modern Slavery going undetected in our operations.

² <https://www.globalslaveryindex.org/>



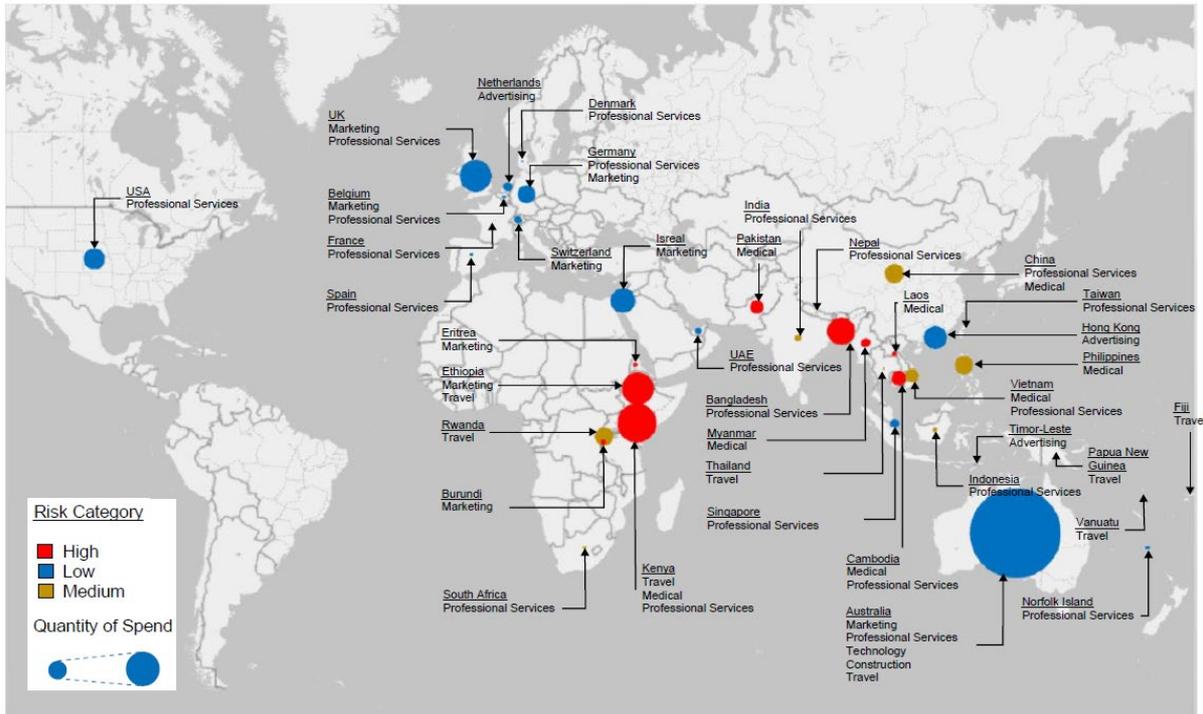
SUPPLY CHAIN

The Foundation has an overarching Procurement Policy and Framework and as mentioned, procurement activities are undertaken locally by each office, some of which have dedicated procurement roles. Modern Slavery risks identified within the first tier of the supply chain include global travel and accommodation, IT software and hardware, merchandise such as clothing used for the promotion of The Foundation, cleaning services, hospitality services and medical equipment.

The identification and assessment of Modern Slavery risks within The Foundation's supply chain is limited to the extent that the accounts payable system used to source the data does not yet allow for identification of supply by type for the following high-risk categories:

- Hospitality
- Cleaning
- Medical equipment
- Textiles/clothing

Global Risk Map



ACTIONS TO ADDRESS RISKS

OPERATIONS

In 2022 The Foundation engaged 180 Degrees Consulting, to assist with preparing for its first Modern Slavery statement. The consultants undertook an assessment of a selection of currently published statements to determine what best practice looks like and used this to provide tailored guidance specific to The Foundation. In addition, they provided an example risk map with the associated methodology to be used as a tool to assist us with the process of assessing data. A number of the actions below were based on the recommendations from 180 Degrees Consulting.

The Foundation is committed to ensuring a safe environment and culture for those with whom we come into contact during the course of our work, projects and activities including children, vulnerable adults and all other people. In 2022 the Safeguarding People Policy was updated to strengthen and elevate The Foundation's existing principles and commitments relating to Modern Slavery. The Foundation's subsidiary entity, Alina Vision, has adopted these changes into their Safeguarding People Policy.

Other Foundation policies that incorporate strong requirements relating to Modern Slavery include the Human Rights, Equity & Inclusion Policy and the Procurement Policy. The Health, Safety, Security & Wellbeing Policy contains an important commitment to do no harm and to promote a culture of health and safety for our personnel and others engaged on our behalf. This is supported by our recruitment guidelines that cover prohibited labour practices. We also have a Speak-Up Policy that emphasises encouraging a transparent speaking-up culture and environment, being open to feedback and complaints and taking them seriously is an important component of our corporate culture.



Each quarter in 2022, The Foundation provided orientation to all new starters who have commenced in that quarter. In 2023 this will be delivered via pre-recorded videos for new starters to watch within the first few weeks of commencing their employment. One of the sessions delivered in orientation is on Safeguarding People. This training includes a section to educate personnel on what Modern Slavery is, what the drivers are and how to report. In 2022, these Modern Slavery components were enhanced and also incorporated into several training sessions with our in-country implementing partners.

Part of The Foundation's risk management process is screening of all third parties through the World Check One platform, which covers alerts for human trafficking offences that are publicly available. A significant proportion of the third parties that we engage are our implementing partners who enter into partnership agreements a requirement of which is to comply with our Safeguarding People Policy.

To address risk within The Foundation's investment portfolio The Foundation takes an approach which is intended to achieve returns consistent with its risk appetite whilst incorporating consideration of Environmental, Social and Governance (ESG) objectives. The Foundation supports the United

Nations Principles for Responsible Investment (UNPRI). The Foundation has made a commitment to adopt and implement the UNPRI, consistent with its fiduciary responsibilities.

In 2022, we also commenced a search for a global travel management company, and we prioritised consideration of ESG when evaluating and selecting a supplier. Similarly, when procuring laptops for the organisation we considered suppliers' Modern Slavery statements as part of the selection process.

2022 was the 30th Anniversary of The Fred Hollows Foundation and to celebrate The Foundation created Freddy Bear, a teddy bear to represent Professor Fred Hollows. The team responsible ensured that ESG considerations were taken into account when undertaking procurement of this product. The chosen supplier is committed to international ethical codes of conduct such as the ILO's Declaration of Fundamental Principles and Rights at Work and the UN's Guiding Principles on Business and Human Rights, including a commitment to human rights due diligence in its supply chains.

Responsibility for The Foundation's Modern Slavery approach and development of this statement sits with the Compliance and Contracts Lead who brought together a tailored task team for this purpose. The team comprises the Lead, a representative from global procurement along with a member of the Indigenous Australia Program with accounting and finance expertise. Together they have reviewed the consultant's report and have contributed to some of the above actions. In 2023 the team will develop a work plan for future actions to tackle Modern Slavery at The Foundation. Finally, the Compliance and Contracts Lead is a member of the Modern Slavery Charities and NFP Forum which was formed in 2021. This group's purpose is to collaborate and support those working on this issue for their respective organisations within the Not-for-profit sector.

SUPPLY CHAIN

In response to risks of Modern Slavery in The Foundation's supply chain, additional clauses within our supply contracts were included in 2021-2. These clauses oblige the supplier to take reasonable actions to ensure their operations and supply chains are free from Modern Slavery.

All Foundation suppliers are provided with a copy of the 'Working Together Principles', essentially a supplier code of conduct. This document details our commitment to the sustainability principles of the [Sustainable Development Goals](#) and its aspiration that all third parties would commit to them also. As they pertain to Modern Slavery, these commitments are:

		THE FOUNDATION'S COMMITMENT	ASPIRATIONS FOR THIRD PARTIES
PEOPLE	HUMAN RIGHTS	Uphold internationally proclaimed human rights conventions and avoid any purchasing practices that may increase the likelihood of human rights breaches in our supply chains. Safeguard people by preventing and reporting harm and avoiding negative impacts on the health and safety of all people, particularly children, vulnerable people and disadvantaged groups.	MINIMUM: Comply with all relevant laws and regulations. LEADERSHIP: Collaborate with The Foundation to increase transparency and traceability of its extended supply chains and assess and mitigate adverse human rights practices.
	FAIR LABOUR PRACTICES	Maintain or exceed the minimum standards set by the International Labour Organization (ILO) in the locations in which The Foundation works.	MINIMUM: Comply with all relevant laws and regulations. LEADERSHIP: Promote a healthy, safe, inclusive and diverse workforce and supply chain.

EFFECTIVENESS OF ACTIONS

Responsibility for assessing the effectiveness of The Foundation's actions to address Modern Slavery risks rest with the Compliance & Contracts Lead and ultimately the Foundation's Board. Assessment

for 2022 included only those actions where effectiveness could be measured. As such, awareness-raising was the most significant action undertaken throughout 2022 in that numbers of attendees at Safeguarding People training sessions are recorded.

- Global orientation was attended by 88 participants
- The main virtual training session conducted for implementing partners was attended by over 170 logged in users which may have included multiple participants under one login.

The above activities will be assessed on an annual basis.

Going forward developing a stronger working relationship with the Internal Audit function will improve the assessment of compliance with policies and accessibility of our complaints mechanism.

CONSULTATION

The CEO of related body corporate, Alina Vision was consulted on a draft of this statement and their feedback was taken into consideration.

Each of The Foundation's other subsidiaries shown on page 4 are wholly owned or controlled with operations and activities that are fully aligned with that of the parent entity.



OTHER INFORMATION

In 2023 a priority for The Foundation will be to address the identified risk of data quality to ensure the inclusion of high-risk categories at the point supplier data is initially captured. This will assist in improved assessment of risk throughout tier one of The Foundation's supply chains. In addition, better internal engagement and awareness raising on our approach to addressing Modern Slavery will be important to continue maturing in this space. Other actions we are considering in the coming year/s are:

- Utilising the Internal Audit function to better identify risks and assess control efficiency. This may include direct engagement with workers.
- Reviewing supplier 'Working Together Principles' to increase robust obligations in relation to Modern Slavery
- Developing a supplier questionnaire for use where high-risk suppliers have been identified
- Developing a factsheet for provision to branch offices located in high-risk countries
- Considering inclusion of more detailed employee data

BOARD APPROVAL

This statement was approved by The Foundation's Board at its meeting on 8 March 2023.



Signature

Jane Madden, Chair

Name & Title

29/05/2023

Date



The Fred Hollows
Foundation

For further information:
www.hollows.org