

# 2024 Modern Slavery Statement



1 July 2023 to 30 June 2024

<https://monashhealth.org>

ABN: 82 142 080 338

Monash Health is Victoria's largest and most comprehensive health service. We work to support healthy communities, partnering with all levels of government, with not-for-profit and local organisations to help individuals achieve their health goals.

At every step we place our patients and clients at the centre of what we do, striving to make our services responsive to the changing needs of our communities. Today, we are proud to be recognised as a leading teaching and research health service of international standing.

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## Introduction

This Modern Slavery statement is made pursuant to the Commonwealth Modern Slavery Act 2018 (Cth) by Monash Health for the 1 July 2023 to 30 June 2024 financial year.

Monash Health is committed to increasing awareness of the risks of modern slavery and taking positive action to eradicate these risks from its operations and supply chain using a continuous improvement model.

Monash Health's commitment to combatting modern slavery within its operations and supply chain aligns with the principles and values of the health service. Monash Health will:

- comply with the Modern Slavery Act 2018 (Cth) to reduce the risk of modern slavery across operations and the supply chain;
- regularly assess operations and the supply chain for continuous improvement opportunities to reduce the risk of modern slavery;
- foster open and transparent supplier relationships which encourage reporting and meaningful change through remediation; and
- provide education and awareness to the workforce on the requirements of the Modern Slavery Act 2018 (Cth) and understanding the modern slavery risks within operations and the supply chain.

## Statement of Annexure

This Modern Slavery Statement was reviewed and approved by the Monash Health Board of Directors as defined by the Modern Slavery Act 2018 (Cth) on 7 November 2024.



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Dipak Sanghvi

Chair of Board, Monash Health

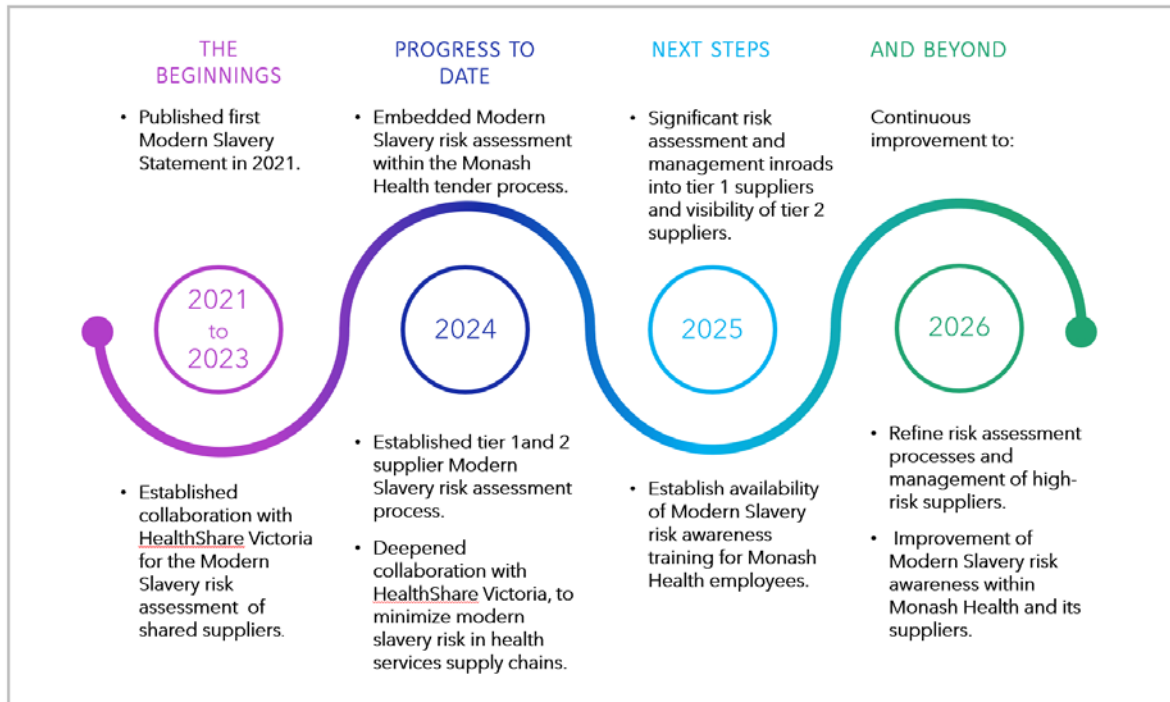


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Eugene Yafele

Chief Executive Officer, Monash Health

## Roadmap: Modern Slavery Risk Management at Monash Health



## Mandatory Criteria One & Two: Identifying the entity, and reporting on the entity's structure, operations and supply chain

### The Entity

Monash Health is a Victorian state government entity established under section 181 of the Health Services Act 1988 (Vic). Monash Health is the largest public health service in Victoria, Australia. Monash Health is registered at 246 Clayton Road, Clayton VIC, 3168, Australia.

### Monash Health Operations

With 25,500 employees, Monash Health fulfils its purpose of delivering quality, patient-centred healthcare and services to diverse communities across southeast metropolitan Melbourne and rural Victoria. This is achieved via telehealth, within communities and homes, and from our facilities and campuses. Monash Health cares for people across the full lifespan, from pre-birth to end-of-life, providing integrated, comprehensive, and often highly complex care.

Our care at a glance per year:

- We provide more than 3.6 million episodes of care to our community.
- More than 293,000 people are admitted to our hospitals.
- More than 248,000 receive care at our three emergency departments.
- We respond to more than 65,000 ambulance arrivals.

- We perform more than 55,000 surgical procedures.
- We deliver more than 10,000 babies.

We provide our services through our campuses:

- Monash Medical Centre
- Monash Children's Hospital
- Casey Hospital
- Cranbourne Integrated Care Centre
- Dandenong Hospital
- Jessie McPherson Private Hospital
- Kingston Centre
- Moorabbin Hospital
- Victorian Heart Health Hospital
- 19 community health facilities
- Mental Health facilities
- Aged Care facilities

Monash Health is responsible for the end-to-end supply chain for all Monash Health campuses.

Our services include but are not limited to:

- prevention and early intervention programs;
- specialised surgical, medical diagnosis, treatment, and monitoring services, at primary, secondary, tertiary, and some quaternary level care;
- community and home-based treatment and rehabilitation;
- specialist referral role for many specialties serving greater Melbourne, Victoria and interstate;
- hospital and community-based mental health services;
- comprehensive sub-acute and aged care programs;
- palliative care;
- research; and

- teaching the next generation of healthcare professionals through undergraduate, postgraduate, vocational, and specialist programs, simulation, and telehealth.

### Organisational Structure

Further information about our operations, organisational structure, services and history can be viewed on the Monash Health website [www.monashhealth.org](http://www.monashhealth.org). Monash Health's annual report for 2023-2024 will also soon be available for public viewing on our website.

### Monash Health Supply Chain

Monash Health has an extensive and complex supply chain. The Monash Health procurement and supply chain team 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; and
- managing engagements with Health Share Victoria.

Monash Health procures items from over 3,900 suppliers with an estimated value of \$800M. These items are procured from a range of industries including;

- hospital specific items and equipment;
- pharmaceutical supplies;
- office and corporate supplies;
- building and construction;
- labour hire;
- security;
- cleaning;
- textiles (linen and uniforms);
- facilities management;

- catering, and
- information technology services.

Many of the goods and services are procured from suppliers and distributors located within Australia. Monash Health also procures goods from international suppliers and manufacturers.

### Working with HealthShare Victoria

HealthShare 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. Monash Health purchases many goods and services from suppliers who are party to Health Purchasing Victoria collective agreements. As such, it is recognised that HSV has a significant role in Monash Health's supply chain.

### HSV Modern Slavery Governance

HSV Procurement Policy 5, Collective Purchasing and Supply Chain, outlines HSV's commitment to assisting mandated health services in minimizing modern slavery risk. Part of HSV's role is to conduct risk assessments of suppliers on HSV collective purchasing agreements to evaluate the potential for modern slavery in health service supply chains. Consequently, HSV has undertaken its third annual supplier risk assessment (FY2022-23) of suppliers under these agreements.

The risk assessment methodology, which used a questionnaire, remained consistent with the previous period to highlight shifts in the identification, assessment, and addressing of modern slavery risk by suppliers. The questionnaire included 26 central questions, with additional questions posed when initial responses provided by the supplier indicated an opportunity to gain further specific insights into the supplier's understanding and approach to modern slavery.

An additional section was included in the third annual supplier risk assessment, focusing on continuous improvement, which is central to the regulatory approach to modern slavery. When a supplier provided a response that could be improved from a risk rating perspective, the Continuous Improvement Plan (CIP) at the end of the risk assessment offered further prompts for the supplier to consider.

In the third reporting period (FY22/23), HSV established collective agreements, from which 214 suppliers were utilized by Monash Health. Monash Health acknowledges the collaborative support of HSV in developing this Modern Slavery Statement for the current reporting period through the provision of timely information, support, and training.

## Monash Health Modern Slavery Governance

Monash Health modern slavery governance is supported by the following structure:



## Mandatory Criteria Three: The risks of modern slavery within operations and the supply chain.

### Operations

Monash Health operations are supported by an array of enterprise agreements that include but are not limited to:

- Nurses and Midwives (Victorian Public Sector) Enterprise Agreement 2020-2024;
- Health and Allied Services, Managers and Administrative Workers (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2021-2025;
- Allied Health Professionals (Victorian Public Sector) (Single Interest Employers) Enterprise Agreement 2021-2026;
- Medical Scientists, Pharmacists and Psychologists (Single Interest Employers) Enterprise Agreement 2021-2025; and
- Medical Specialists (Victorian Public Health Sector) (AMA Victoria/ASMOF) (Single Interest Employers) Enterprise Agreement 2022-2026.

Furthermore, Monash Health adheres to the Code of Conduct for Victorian Public Sector Employees 2015, which requires a commitment to human rights and influences hiring practices. For these reasons, the risk of modern slavery within Monash Health operations is deemed to be very low. However, it is acknowledged that modern slavery can occur in any sector. Thus, it is Monash Health's objective in the next reporting period to provide modern slavery risk awareness resources that can be readily accessed by Monash Health employees.

### Supply Chain

#### Comprehensive Risk Assessment of existing Tier 1 Suppliers

In alignment with our commitment to combat modern slavery, Monash Health undertook its first supplier risk assessment in Q3 FY2023-24 by sending the HSV-developed Risk Assessment Questionnaire to 144 Tier 1 suppliers. These suppliers are part of a cohort of the top 219 suppliers by spend across all Monash Health categories that were either yet to be assessed or would not be



assessed by HSV if they are not part of a collective agreement. Monash Health aims to directly or via HSV assess all the top 219 suppliers in the following reporting period/s, to comprehensively minimize modern slavery supply chain risk.

From the 144 suppliers, 49 replies were received, a response rate of approximately 1 in 3. Suppliers who did not respond will be followed up, and progress will be reported in the next reporting period. Priority will be given to suppliers dealing with high-risk products, sectors, regions, or organisations, including:

- **Cleaning, security, and catering:** Due to the predominance of low-skilled and migrant labour characteristic of these sectors.
- **Patient clothing, uniforms, sheets, towels, gloves, footwear:** These items are typically made in locations where laws protecting human rights are either weak or not enforced.
- **Products with raw materials sourced from high-risk geographies:** Such as surgical instruments, electronic goods, and pharmaceuticals, potentially extracted by vulnerable people and/or labour-hire companies.
- **Multinational corporations (MNCs) with extensive, complex, and/or global supply chains:** Due to varied legal, cultural, and economic environments that may increase opacity and uncertainty within the supply chain.
- **Property and construction:** High demand for a low-skilled labour force and poor visibility over long and complex supply chains are modern slavery risk factors.

The analysis outcomes of the received questionnaire responses was generally positive, with only three suppliers showing a risk rating of high or very high. These suppliers came from property and construction, manufacturing, and security sectors. Monash Health is engaging with these suppliers and aims to collaborate with HSV to implement a risk management plan, aligned with HSV methodology, to ensure consistent measurement of supplier risk across both organisations, whilst also assisting these suppliers to improve their risk rating. It is noted most of the assessed suppliers are low risk, with a small number being medium risk.

As we progress, we are committed to transparently communicating the results of this risk assessment, fostering a culture of accountability, and implementing targeted actions to address identified risks in collaboration with our suppliers.

### Tier 2 Suppliers

Monash Health also added questions to the HSV Risk Assessment Questionnaire requesting tier 1 suppliers to advise the extent of their engagement in active risk assessment and management of the specific suppliers they work with to fulfil their contract/s with Monash Health (tier 2 suppliers to Monash Health). In addition to the three suppliers who had a high or very high-risk rating in their own assessment and by extension a high or very high-risk rating relating to their suppliers for Monash Health related contracts, another three suppliers were also identified as high risk concerning their suppliers for Monash Health related contracts. These tier 1 suppliers did not actively engage in risk assessment and management of the suppliers they engage to fulfil Monash Health contracts. Monash Health will be inviting these suppliers to undertake modern slavery risk awareness training with HSV.

### New Supplier Risk Assessment

To ensure all new suppliers contracted by Monash Health are risk assessed, Monash Health procurement has embedded the Risk Assessment Questionnaire into the tender process to ensure modern slavery risk assessment is a standard requirement for all tenders. Any supplier identified as high risk will be required to agree to a risk management plan.

### Improving Awareness

Modern slavery mitigation has been integrated into the Monash Health Strategic Sourcing and Contract Management procedures, demonstrating a steadfast commitment to combating modern slavery from the very early stages of sourcing.

In Q3 FY2023-24, the Monash Health procurement team completed modern slavery risk awareness training and workshop. These initiatives aimed to enhance awareness and foster a commitment to modern slavery risk management throughout the procurement cycle.

### Suppliers through HealthShare Victoria

From the data referenced in the previous reporting period, HSV identified 14 suppliers as high to very high risk. Correspondence was sent to all high and very-high risk suppliers, advising them of their ratings and highlighting areas needing attention. These suppliers received Continuous Improvement Plans (CIPs). The CIPs highlighted areas where the suppliers lacked effective measures to mitigate modern slavery risks and recommended actions for improvement. These actions included drawing their attention to free resources and training available on HSV's website. Additionally, supplier engagement sessions, which essentially serve as training, were conducted. The outcome was 7 suppliers maintained their high-risk profile, while 7 suppliers improved their risk profile to medium-low.

In the current reporting period, HSV conducted another Risk Assessment of suppliers contracted to Monash Health. This assessment achieved a 75% response rate, an increase from 67% the previous year. This improvement indicates a growing awareness of modern slavery risks among suppliers, reflecting the ongoing journey of continuous improvement undertaken by Monash Health, HSV, and the suppliers themselves.

The recent HSV Risk Assessment identified another 16 suppliers rated as very high or high risk, bringing the total to 23 suppliers with very high to high-risk profiles. To address these concerns, HSV is implementing the strategies adopted the previous year and aims to deepen interactions with suppliers. This includes regular online engagement sessions to enhance suppliers' understanding of and commitment to ethical practices.

The outcomes of this process will be provided in the next reporting period.

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

### Monash Slavery Guidance, Due Diligence and Remediation

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

- Group Procurement Policy
- Procurement Strategic Sourcing Procedure
- Procurement Sourcing Manual
- Charter of Human Rights Policy
- People and Culture Code of Conduct Policy
- Right to Work in Australia Procedure

Where appropriate, these policies have integrated guidance and actions to combat modern slavery. Aligned with the continuous improvement model, these policies will continue to be reviewed and adapted as modern slavery risk management learnings emerge.

Furthermore, Monash Health contracts contain a supplier code of conduct clause requiring suppliers to adhere to the Victorian State Government Supplier Code of Conduct, which cites minimum expectations of conduct related to labour and human rights, in alignment with the Modern Slavery Act 2018. This clause along with the integration of modern slavery awareness responsibilities in the Contract Management Procedure, help to combat modern slavery during the contract performance stage.

It is noted that in the previous reporting period, Monash Health advised that it would develop a Modern Slavery Policy. An extensive review of existing policies at Monash Health and the Victorian Government, where applicable to Monash Health, revealed that a Modern Slavery Policy was not necessary. This is because the Procurement Strategic Sourcing and Contract Management Procedures, the Victorian Government Supplier Code of Conduct, and the Code of Conduct for Victorian Public Sector Employees 2015, collectively state the responsibilities of suppliers and Monash Health in eradicating modern slavery, thus serving the purpose of a Modern Slavery Policy.

### Additional Due Diligence Approach

An additional approach to due diligence for operations includes making modern slavery awareness resources available to Monash Health employees in the next reporting period. This awareness, combined with the policies highlighted in the Guidance section of our response to Mandatory Criteria Four, is intended to serve as a foundational knowledge and practice base that can empower Monash Health employees to identify modern slavery risks in their everyday work.

Similarly, our additional due diligence approach to supply chain includes risk assessment processes for existing and new suppliers as detailed in our response to Mandatory Criteria Three. Policies,

procedures and risk assessment processes form a holistic approach which will continue to be reviewed and adapted as modern slavery risk management learnings emerge.

#### Additional Remediation Approach

The corrective process undertaken for high to very high-risk suppliers identified by the risk assessment questionnaire includes engagement with the suppliers advising them of the outcome of the risk assessment and encouraging them to attend monthly modern slavery training sessions conducted by HSV. If a supplier is unwilling to engage in corrective action, Monash Health's dispute resolution clause in contracts, will apply. Monash Health will also seek support from HSV and/or the Department of Home Affairs where required.

Furthermore, our commitment to continuous improvement fosters positive change within our supply chain, driving towards a future free from modern slavery.

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

Monash Health assesses the effectiveness of its actions to combat modern slavery through a combination of qualitative and quantitative measures:

#### Supplier Risk Assessments:

- **Response Rates:** One key measure of effectiveness is the response rate to the Risk Assessment Questionnaire sent to suppliers. The intent is to measure this year on year.
- **Risk Profile Improvement:** The analysis of questionnaire responses helps identify suppliers with high or very high risks. The number of suppliers who improve their risk profiles through supplier engagement, serves as a critical metric.

#### Corrective Action Plans:

- **Implementation and Compliance:** Effectiveness is measured by the extent to which high-risk suppliers engage with Monash Health, to report and minimise their modern slavery risk.

#### Policy Integration and Review:

- **Policy Updates and Integration:** Regular review and updating of policies to integrate modern slavery guidance where appropriate, are assessed under a continuous improvement model.

#### Awareness Programs:

- **Team engagement with modern slavery risk management:** In Q3 FY2023-24, the Monash Health procurement team completed modern slavery risk awareness training and workshop. These initiatives aimed to enhance awareness and foster a commitment to modern slavery risk management. Team engagement continues to be monitored and assessed.

By employing these measures, Monash Health continuously evaluates and enhances its strategies to ensure effective identification, mitigation, and management of modern slavery risks within its operations and supply chain.

### Mandatory Criteria Six and Seven: Process of consultation with entities owned and/or controlled by the entity and, additional information.

During this reporting period, Monash Health placed significant focus on modern slavery risk assessment and management in its supply chain. In the next reporting period, Monash Health aims to engage across the organisation including all its entities with the aim of increasing awareness of the risks of modern slavery.

### Closing Statement

Monash Health is confident that the actions taken to date and the planned actions for the next reporting will assist in minimising modern slavery risk for Monash Health.