



**MODERN
SLAVERY
STATEMENT**

2023

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Telethon Kids Institute acknowledges Aboriginal and Torres Strait Islander people as the Traditional Custodians of the land and waters of Australia. We also acknowledge the Nyoongar, Wadjuk, Yawuru, Kariyarra and Kaurna Elders, their people and their land upon which the Institute is located and seek their wisdom in our work to improve the health and development of all children.



1. INTRODUCTION

The *Commonwealth Modern Slavery Act 2018* came into effect on 1 January 2019. The Act established a national modern slavery reporting requirement for organisations with annual consolidated revenue of at least AUD\$100 million. This requirement encourages Australian organisations to identify and address their modern slavery risks and maintain responsible and transparent supply chains. Entities required to comply with the reporting requirement must prepare annual Modern Slavery Statements. This is the Telethon Kids Institute's fourth Modern Slavery Statement and the third issued under the *Modern Slavery Act 2018*.

Modern slavery is defined in the *Modern Slavery Act (Cth) 2018* as including eight forms of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour services; and the worst forms of child labour.

The issue of modern slavery goes to the heart of the Telethon Kids Institute's vision of "Happy Healthy Kids" because globally one in four of the estimated 50 million victims of modern slavery are children¹.

It is everyone's responsibility to mitigate the risks of modern slavery through a persistent and collaborative approach involving employees, contractors, and other organisations on the same path. The Telethon Kids Institute recognises this responsibility and is determined to minimise its footprint in the entrenched global network that is modern slavery.



¹ The Global Slavery Index (GSI) 2023 produced by the International Labour Organization (ILO), Walk Free, and the International Organization for Migration (IOM)

2. ABOUT TELETHON KIDS INSTITUTE

2.1 OUR ORGANISATION

The Telethon Kids Institute was officially opened in 1990 and has grown into one of the largest and most successful medical research institutes in Australia. The Institute is comprised of a dedicated and diverse team of over 1,200 staff, students and honorary researchers.

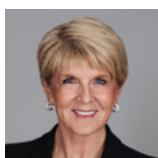
In 2019, our 2019 – 2023 Strategic Plan 'Up for the Challenge' was launched. This Plan sets out the blueprint for how we work to achieve our vision of Happy, Healthy Kids. Our work is focussed on our four strategic pillars of Impact, Partnerships, People and Sustainability and our values of Courage, Collaboration, Evidence and Respect underpin all that we do.

The Telethon Kids Institute is an independent Australian not-for-profit public organisation and is a charity registered with the Australian Charities and Not-for-Profits-Commission (ACNC) (ABN 86 009 278 755). The Telethon Kids Institute does not wholly own or control any other entities and is not part of a larger group, so no related consultation was required to produce this Statement. Our financial year runs from 1st January to 31st December and for the 2023 financial year our total operating revenue was over AUD\$100 million.

2.2 OUR STRUCTURE

The Telethon Kids Institute is governed by an eminent and highly skilled Board of Directors who all give their time voluntarily and work together to guide the overall business of the Institute, bringing a diverse range of experience from government (State and Commonwealth), academic and community sectors plus business and research organisations with substantial global reach.

The Board is Chaired by Hon Julie Bishop, who as Foreign Minister introduced and championed the *Modern Slavery Act* and was personally committed to ensuring it became a national focus.



HON JULIE BISHOP,
CHAIR



JONATHAN CARAPETIS AM



HON BEN WYATT



FIONA DRUMMOND



JANE MUIRSMITH



JOZEF GÉCZ



NICOLE O'CONNOR



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Under the leadership of Executive Director Prof Jonathan Carapetis, the Institute's Executive team is responsible for the overall management and strategic direction of the Institute to enable it to achieve its strategic vision, goals and priorities.

2.3 OUR OPERATIONS



The Telethon Kids Institute's head office is based within the Perth Children's Hospital (PCH) on the QEII Medical Centre campus in Nedlands, Western Australia. The Institute also has research teams based at other locations including Subiaco, Joondalup, the Kimberley (Broome), the Pilbara (South Hedland), Cockburn and Adelaide, South Australia.

The Institute's research is broadly organised into key themes relating to child health: Early Environment, Brain and Behaviour, Chronic and Severe Diseases and Indigenous Health. The Indigenous Health research theme integrates the needs of Indigenous families and children into all relevant areas of our work. Improving the health and wellbeing of Indigenous children and families is an overarching priority for every program and team at the Institute.

Other key elements of our operations include:

- Supervision and experience for students
- Provision of specialist research services and equipment
- Integration of research into clinical practice (e.g. CliniKids)
- Fundraising and development
- Community engagement
- Education and outreach
- Commercialization and innovation



Our national and international collaborative networks enable the ongoing development of medical research capacity as we work together to improve the lives of children in key areas. We are focused on training the next generation of child health researchers with 197 Honours, Masters, PhD and Doctor of Medicine students, sharing our state-of-the-art facilities, equipment, technology and expertise to benefit child health and development research worldwide.

Our annual [Impact Report](#) provides a full summary of the ways in which our research is making a real difference to children, young people, families and communities across the world. Recent examples of our research impacts include:

- Our Vaccine Trials Group researchers were involved in two pivotal clinical trials testing the effectiveness of a new long-acting monoclonal antibody treatment preventing RSV and which is now being rolled out in a national first immunisation program for babies in Western Australia.
- Our researchers have been involved in the development of Australia's first national guidelines for supporting the learning, participation and wellbeing of autistic children and their families.
- Recent clinical trials showed survival improvements of between 50-80 per cent for infants with leukaemia using a new immunotherapy in combination with standard of care chemotherapies.
- Our research has led to the development of a nasal therapy to prevent childhood ear infections, which are the major cause of childhood hearing loss and antibiotic use.
- Research has led to the development of a new National Healthy Skin Guidelines to help health care providers identify, diagnose and treat a range of skin conditions such as skin sores, scabies, tinea, eczema and head lice, particularly in Aboriginal and Torres Strait Islander children in urban and remote areas.

A total of **645** publications 

Total number of articles cited in 2022

31,083

We delivered **7** commissioned reports to government and non-government organisations

In 2022 we ran

39 clinical trials and **85** non-clinical trials



2.4 OUR SUPPLY CHAIN

Our supply chain consists primarily of research and consultancy service providers and contractors who supply products and services that support the research, our facilities and operations.

Key products purchased include laboratory and scientific equipment and consumables, ICT infrastructure, facilities consumables, and office consumables.

Key services purchased include research and consulting services, equipment servicing, facilities management services (including cleaning, waste disposal, repairs, and maintenance), travel services, ICT services, energy, software and delivery services.

3. IDENTIFYING MODERN SLAVERY RISKS

The Institute has identified the following key areas in our operations and supply chain where the perception of, or potential for, risk factors of modern slavery exist.

3.1 OUR OPERATIONS

- **Our people** including workers from diverse backgrounds and across various skill levels plus students, volunteers and honorary researchers.
- **Overseas operations** including research conducted abroad with overseas collaborators, especially collaborators from high-risk geographies.
- **Investments** including the risk that Institute funds are invested in organisations that do not adequately assess, understand, and address risks of modern slavery in their operations or supply chains.
- **Donations and partnerships** including the risk that the Institute accepts funds from and implicitly endorses organisations that do not adequately assess, understand, and address risks of modern slavery in their operations or supply chains.

3.2 OUR SUPPLY CHAINS

- **Engagement of contractors** including the risk that the contractors we engage do not adequately assess, understand, and address risks of modern slavery in their operations or supply chains.
- **Procurement of higher risk goods and services** including the risk that the supply chains involved in the development of these goods and services do not adequately assess, understand, and address risks of modern slavery in their operations or supply chains.

4. ASSESSMENT OF MODERN SLAVERY RISKS

4.1 OUR OPERATIONS

- **Our workforce**

The Institute's staff, students, volunteers and honorary researchers are predominantly based in Australia. Per the Global Slavery Index 2023, the prevalence of modern slavery in Australia is low (1.6 per 1,000 population) and its vulnerability to modern slavery is also low at 7%, with a high government response score of 67%. Furthermore, the Institute's recruitment processes and standards for employment are aligned with Australian legal and ethical obligations including the *Fair Work Act 2009* and supported by our policy framework including an Hours of Work Policy and Recruitment Procedure. Further, the Institute has a host of support mechanisms in place to further support the health and wellbeing of our workforce, explored further in **Section 5**.

- **Overseas operations**

The majority of the Institute's overseas activities and projects relate to research being conducted abroad with research collaborators. The Institute collaborates with researchers around the world, with active research collaborations in United States, Thailand, Israel, and Sweden during 2023. The operations and supply chains in some of these geographies evidently attract higher risk factors for modern slavery, so these collaborations are subject to due diligence and an appropriate contractual framework to mitigate these risk factors.

- **Investments**

In lieu of independent management of our investments the Institute engages a sustainability focused investment management organisation to guide our investment decisions, who conduct comprehensive modern slavery reviews of the parties they engage which serves to complement the Institute's own due diligence processes and policy requirements.

- **Donations and partnerships**

The Institute actively seeks and accepts donations and partnerships from Australian and international-based donors to ensure a sustainable approach to funding is achieved and maintained. The Institute understands its responsibility and accountability for ensuring that donations and partnerships are derived from ethical sources.

4.2 OUR SUPPLY CHAINS

- **Engagement of contractors**

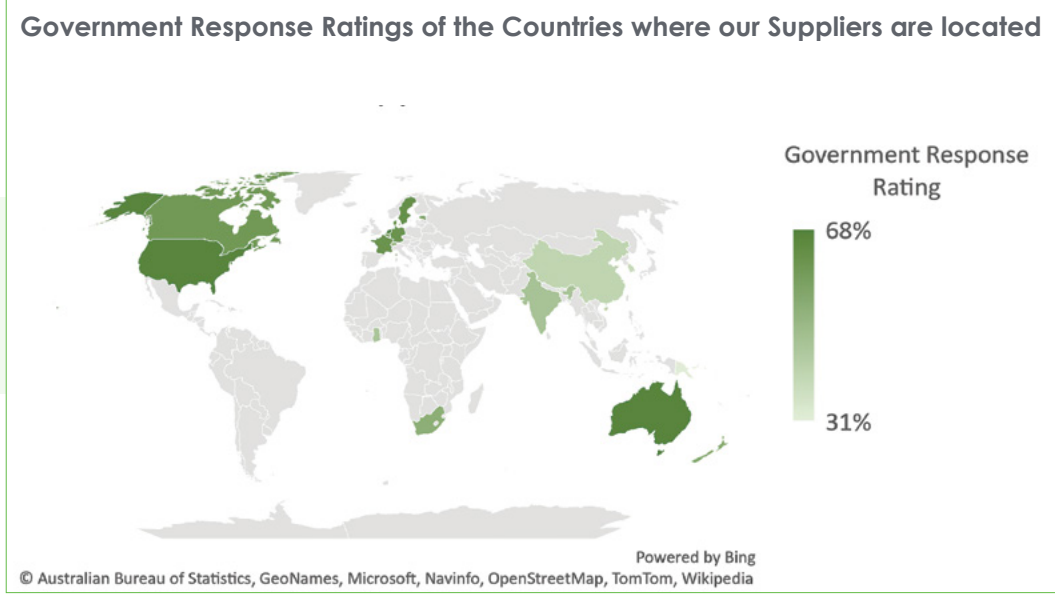
The Institute engages with many contractors across different sectors and geographies. During the 2023 financial year, the Institute directly engaged 1,207 contractors (an increase from 1,035 in 2022). 92% of our contractors in 2023 were Australian based contractors (consistent with 2022). As assessed by the Global Slavery Index 2023, Australia has a low prevalence of and vulnerability to modern slavery, together with active government responses to dealing with issues. However, such indications must not lead to complacency since Australia still has an estimated 41,000 victims of modern slavery per the Global Slavery Index 2023.

The Institute's online supply chain questionnaire with the CSR platform continues to collect modern slavery information about our key contractors, including the following:

- 13% of respondents have a consolidated revenue above \$100 million and report under the Modern Slavery Act.
- 32% provide human rights and modern slavery training to their staff.
- 41% have an established policy in place that covers human rights and modern slavery and 9% have plans to develop one in the next 12 months, although 35% had no current plans as there is no requirement under the Modern Slavery Act for them to do so.
- 26% screen existing contractors to assess the risk of modern slavery in their operations or supply chain and 28% screen new contractors (15% do not currently screen but plan to do so over the next 12 months).

The following maps indicate ratings from the countries the Institute sources its goods and services from in relation to the following estimates from the 2023 Global Slavery Index:

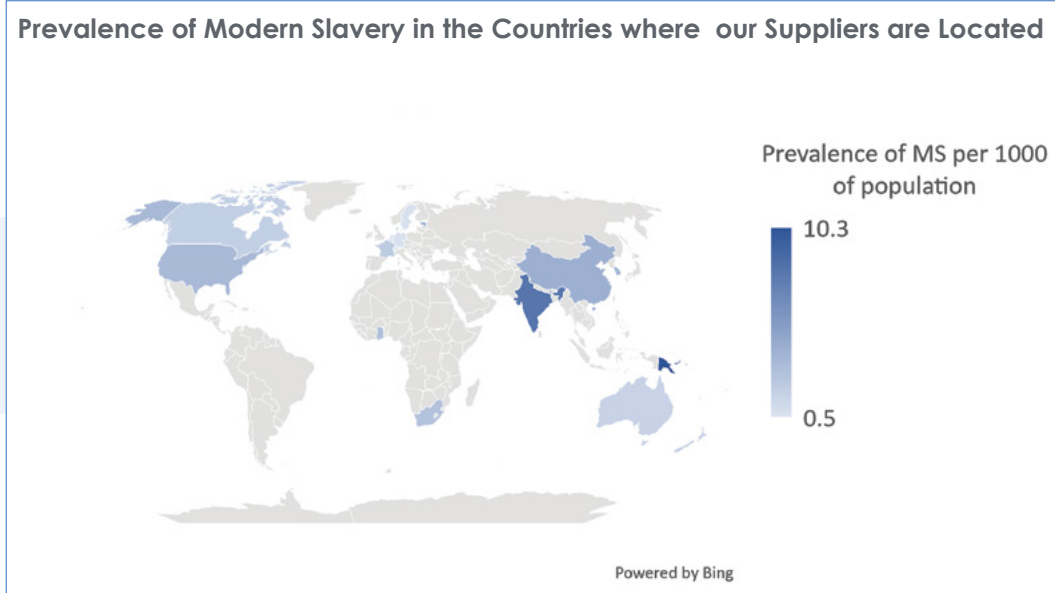
- Government response rating
- Vulnerability to modern slavery
- Prevalence of modern slavery



- Government response rating



- Vulnerability to modern slavery



- Prevalence of modern slavery

The following table provides the percentage of total spend for the Institute's key international contractors highlighted on the maps above:

Country	% Total 2023 Spend
United States	3.13%
Canada	2.84%
New Zealand	0.94%
Denmark	0.85%
United Kingdom	0.65%
Singapore	0.60%
South Korea	0.52%
India	0.38%

The assessment of contractor risk in terms of geography enabled us to identify our highest risk contractor from a country perspective, which is in Papua New Guinea (where the prevalence of modern slavery 10.3 per 1,000). The Institute's spend in Papua New Guinea accounted for 0.002% of the total spend and relates to research collaboration with a medical research institute and was subject to appropriate due diligence and a contractual framework.

- **Procurement of higher risk goods and services**

From a goods and services perspective, the Institute's greatest areas of expenditure fall into the following five broad categories: (1) People related spend (including salary reimbursements, scholarships and recruitments costs): 20% of total spend (2) Consultancy services: 17% of total spend (3) Research Services: 11% of total spend (4) IT Services: 7% of total spend (5) Variable outgoings, energy and utilities: 6% of total spend. These spend categories are not linked to high-risk profiles in relation to modern slavery, but key contractors in these categories were subject to modern slavery due diligence due to the related level of spend.

Outside of the top 5 spend categories, the Institute also purchased goods and services from the following higher-risk categories therefore the key contractors in these categories were also subject to appropriate modern slavery due diligence: cleaning, facilities repairs and maintenance, IT Hardware, coffee and merchandise.

5. ACTIONS TAKEN TO ADDRESS MODERN SLAVERY RISKS

With reference to the Institute's key identified modern slavery risk exposures, the following actions have been taken.

Concerns regarding human rights or modern slavery risks can be raised in accordance with the Institute's Safeguarding Policy, Safeguarding Incident Response Procedure, Grievance Handling Policy, Feedback and Complaints Procedure or Whistleblower Policy.

5.1 OUR OPERATIONS

• **Our workforce**

In addition to the Institute's robust recruitment processes, compliance with all applicable employment laws and established policy and procedure framework outlined in **Section 4** above, the Institute supports its staff's mental and physical wellbeing through a variety of initiatives, including training programs, wellbeing workshops, walks, yoga, social events, education style seminars, mentoring services and the provision of an employee assistance program.

The Institute offers a supportive and flexible workplace for those balancing families and other responsibilities with their careers, and strives to ensure our work environment is safe, family-friendly, environmentally friendly, and culturally sensitive with equal opportunity for all. The Institute embraces modern ways of working, with a focus on flexibility, adaptability and teamwork.

• **Overseas operations**

The majority of the Institute's overseas activities and projects relate to research being conducted abroad with research collaborators. These projects are actively monitored throughout the life of the project, through a series of processes and controls including:

- Research governance controls (including research governance review and approval prior to commencement including ethics);
- Ongoing monitoring of research projects;
- Procurement controls (including contractor checks, contract reviews); and
- Financial controls (including delegation of authority, segregation of duties, reporting, EFT and acquittal controls).

Details of projects to be undertaken are captured in collaboration agreements which are rigorously reviewed prior to execution and stored in the Institute's contract register. Furthermore our contract template for collaboration and research agreements now includes a clause articulating our requirements in relation to modern slavery. Active project and contract monitoring provides opportunities for greater oversight of overseas activities, for issues to be identified and proactively managed, and ensures desired research outcomes are met.

• **Our investments**

The Institute's investment policy statement clearly stipulates the requirement for a mission based / socially responsible investment strategy wherever direct investments are made, including requirements around human rights, child labour, anti-competitive practices and environmental responsibility that need to be upheld.

Our investment advisers annually facilitate the completion of modern slavery questionnaires on behalf of their clients and recognise the importance of raising awareness of modern slavery and promoting the adoption and awareness of good practices by businesses. They have a Board approved modern slavery policy in place and conducted a formal modern slavery risk assessment of their top 250 direct operational suppliers.

- **Our donations and partnerships**

Making ethical decisions regarding potential donations and partnerships requires sensitivity and a practiced method for exploring a wide range of factors relevant to the arrangement.

The Institute has developed a Donations and Partnerships Decision-Making Framework to:

- Encourage a robust, considered and consistent approach to evaluating all relevant aspects of potential donations or partnerships;
- Integrate adequate and proactive stakeholder engagement to inform decision-making;
- Ensure decisions regarding philanthropic support are aligned with the Institute's mission, vision and values; and
- Enable a sound, transparent and defensible position to explain decisions when requested.

Fundamental to the application of the Framework is the consideration of a series of risk assessment criteria which includes consideration of relevant geographical and political risk factors, including human rights and modern slavery risks associated with any potential donation or partnership.

5.2 OUR SUPPLY CHAIN

Although it is recognised that modern slavery can be hidden within a supply chain beyond an organisation's key contractors, the Institute's focus remains on understanding the modern slavery mechanisms that our key contractors have in place to manage their supply chains.

Outlined below are the key actions taken to manage the supply chain risks of modern slavery to date:

- The Institute's Procurement Policy mandates that all major purchases are to be managed via the Institute's Procurement team who are committed to ethical sourcing (supported by annual ethical training via the Chartered Institute of Procurement & Supply and evidenced by the robust and transparent processes and the due diligence undertaken) and work with contractors to improve their social and environmental practices.
- Key contractor engagement, contract, and relationship management to increase transparency of their supply chains.
- Due diligence on contractors during relevant procurement processes and prior to onboarding new contractors.
- Annual contractor mapping analysis to identify the Institute's highest-risk contractors in terms of location and category of spend.
- Expanded contractor monitoring via the online CSR platform where contractors upload their information and share with all relevant organisations.
- Establishment of a collaborative contractor monitoring questionnaire within the online CSR platform that has been made available to other medical research institutes to encourage collaboration and reduce duplication of effort.
- Implementation of media monitoring capability.
- All Institute procurement contract templates incorporate modern slavery clauses.
- All Request for Proposal (RFP) processes conducted by Procurement specifically ask providers about their approach to modern slavery as part of the weighted corporate social responsibility criteria, and this is also recommended in our Request for Quote (RFQ) document that all staff have access to.

5.3 WHOLE OF INSTITUTE

The issue of modern slavery extends beyond the key risk areas identified, with efforts undertaken at a whole of Institute level to raise awareness of and improve the rigour with which we monitor and manage the risks of modern slavery. Examples of actions taken are outlined below:

- **Cross functional Modern Slavery Working Group:** The working group leads the Institute's approach to mitigating modern slavery and drives staff training and awareness. Chaired by our Head of Procurement & Facilities, membership includes representatives from People and Culture, Communications, Risk & Compliance, Program Managers and Procurement.
- **Focus on research, education and training,** including:
 - Enhanced modern slavery awareness training within the Institute's online platform was developed and made available to all staff, students and honorary researchers via engaging communications. The refreshed and expanded training module incorporates a quiz and links to additional resources for further reading.
 - Provision of communication resources to teams, committees and all staff to increase awareness of modern slavery and related risks and opportunities
 - Information sessions to provide data driven updates about the importance of identifying and mitigating the risk of modern slavery across the Institute.
 - An extensive review of modern slavery statements to benchmark, learn and develop our understanding of appropriate and innovative mitigations.
 - Attendance at various webinars and modern slavery information sessions and shared key findings with the working group.
- **Dedicated suite of policies and procedures:** The Institute has developed and implemented a range of policies and procedures to establish expectations and express our commitment to protecting human rights and managing the risks of modern slavery. These policies and procedures seek to identify, avoid, and if necessary, mitigate human rights impacts that may result from our operations and supply chains. Examples of relevant policy and procedure frameworks include: our Modern Slavery Policy, Code of Conduct, Procurement Policy, Volunteer Policy, Contractor Code of Conduct, and our Environmental Sustainability Policy.
- **Governance Committee oversight:** Modern slavery compliance obligations and associated mitigation strategies are outlined within the Institute's Regulatory Compliance Obligations Register which is presented to the Risk and Compliance Committee on a six-monthly basis. Modern slavery risk is also considered as part of our broader supply chain risk, included within our organisation's corporate risk register which is reported quarterly to our Risk and Compliance Committee.
- **Networking and engagement:** Multiple conversations and collaborations with other organisations who continue to share best practice and learn from each other, including other not for profits, medical research institutes, universities and key contractors.
- **Performance of annual self-assessments:** Annual self-assessment of compliance against ACNC External Conduct Standards which evaluates the extent to which the Institute complies with the ACNC'S standards regarding operations outside of Australia
- **Record-keeping:** Transparency, oversight and record-keeping of activities and expenditure occurring outside of Australia

6. MEASURING THE EFFECTIVENESS OF ACTIONS TAKEN

Modern slavery occurs in every country in the world and almost every supply chain, therefore Telethon Kids takes the issue seriously and has implemented several initiatives designed to manage this risk exposure as detailed above.

An assessment of the effectiveness of our approach to modern slavery includes considering whether we find instances of such extreme forms of exploitation within our operations and supply chains. During this reporting period, we did not identify any potential issues of concern.

Clearly, we still have work to do in relation to mitigating modern slavery risk. We recognise that the process of developing a robust, effective, and sustainable approach to identifying, assessing, and managing modern slavery risk requires both time and resources. The Institute's effort this year has continued to focus on building a strong foundation to monitor the effectiveness of our actions. However, the Institute remains committed to expanding its scope and reach into the future to not only avoid any incidents but to continue to collaborate, educate and work on extending mitigations with internal and external stakeholders.

7. FUTURE COMMITMENTS AND THE WAY FORWARD

To continue to develop our approach to modern slavery mitigation and due diligence, over the next twelve months the Institute intends to focus on the following:

7.1 Supply Chain:

- Further extend the number of contractors monitored via the online CSR portal and expand related collaboration and engagement;
- Substantially improve contractor questionnaire response rates;
- Explore ways to achieve greater visibility over our contractors' supply chains, in particular across higher risk categories;
- Continue to work with our contractors to make them more aware of the risks of modern slavery and encourage risk mitigation;
- Continue to establish panels of contractors to minimise risk by consolidating the number of contractors used by the Institute, achieve greater transparency, operational efficiencies and sustainability outcomes.
- When enacting extensions of existing contracts seek to add modern slavery mitigation clauses where appropriate; and
- Improve spend management reporting and analysis to strengthen related visibility and improve decision making capability.

7.2 Broaden the scope of our approach to modern slavery mitigation:

- Continue to increase our understanding and awareness of the Institute's modern slavery risk areas, including ongoing identification of mechanisms to better manage our risk exposure, particularly in relation to our operations;
- Extend internal and external collaborations;
- Continue to extend modern slavery risk identification, assessment and mitigation processes more widely across our operations, research programs and partnerships in Australia and internationally;
- Conduct further related research and training, including mandatory training for higher risk stakeholders; and
- Continue to utilise the Institute's collaborative procurement program to raise modern slavery risk awareness and improve identification and mitigation capability across its memberships.

7.3 Build awareness internally and externally:

- Extend mandatory modern slavery training to all key stakeholders and staff, including those involved in supplier selection;
- Explore developing a modern slavery training module for contractors and encourage them to work towards ISO 26000 Social Responsibility; and
- Through continued communications through a variety of mediums, build awareness of modern slavery across the organisation to assist all staff to identify and mitigate modern slavery risk.

7.4 Continual improvement including enhanced monitoring of the effectiveness of our actions.

- Develop and monitor Key Performance Indicators (KPIs); and
- Explore the opportunity to engage a third-party expert to review and validate the effectiveness of our actions and provide further insights to assist us to improve our mitigation strategy.

8. STATEMENT APPROVAL

This statement was reviewed and approved by the Board of Directors of the Telethon Kids Institute on 18th April 2024 and signed on its behalf by:



Hon Julie Bishop
Chair



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