

Modern Slavery Position Statement

Addressing modern slavery in the Victorian healthcare sector

Version	2
Implementation	October 2025
Review	October 2026

1. Modern slavery and the healthcare sector

- 1.1 Modern slavery is a serious crime, involving grave human rights impacts. Global estimates suggest there are 50 million people experiencing modern slavery, of which an estimated 27.6 million people are in forced labour. More than two thirds of all forced labour cases are connected to global supply chains. In Australia, there is an estimated 41,000 people living in modern slavery, however, only 1 in 5 people experiencing modern slavery are identified.
- 1.2 The healthcare sector is considered high risk for modern slavery practices in the procurement of healthcare goods and in operating activities. The intersection of multiple factors, such as raw material and manufacturing country locations, low visibility over supply chains, extensive sub-contracting, and informal outsourcing, heighten vulnerability for modern slavery practices.



- 1.3 Operating activities, including cleaning, construction, food services, and security services also expose health services to the risk of modern slavery practices.

2. Our role in combatting modern slavery

- 2.1 HealthShare Victoria (HSV) is an independent public sector commercially orientated provider of supply chain services that partners with Victoria's public health services and suppliers in delivering best-value health related goods and services.
- 2.2 HSV upholds the Australian Government's position on modern slavery. There is no place for modern slavery in the Australian community or in supply chains of Australian goods or services.
- 2.3 HSV is in a unique position to use our substantial leverage over the conduct of suppliers and market practices to drive positive change to address modern slavery risks in the healthcare sector supply chains.
- 2.4 HSV is committed to providing leadership to the healthcare sector through the introduction and continuation of a Modern Slavery Risk Mitigation Program (Program).
- 2.5 This Program aligns with our vision of **Health.Safety.Value. In everything we do.**

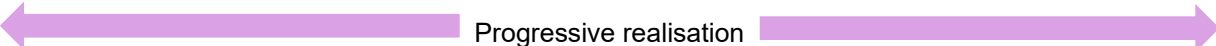
3. Implementation of the modern slavery risk mitigation program

- 3.1 Over the last three years HSV commenced implementation of the Modern Slavery Risk Mitigation Program (the Program) which aims to embed modern slavery risk considerations and mitigation actions in our end-to-end procurement cycle for our direct and indirect suppliers.
- 3.2 The Program includes establishing a minimum set of mandatory standards (Standards) for conduct for suppliers and requires suppliers to commit to and demonstrate progressive realisation of the Standards. These Standards became effective as of 1 July 2024.
- 3.3 The Standards align with the:
 - a. UN Guiding Principles on Business and Human Rights;
 - b. *Modern Slavery Act 2018* (Cth) (the Act); and
 - c. Victorian Government Supplier Code of Conduct.
- 3.4 The Program requires suppliers to understand the risks of modern slavery in their operations and supply chains and take appropriate action to identify and address those risks.
- 3.5 Since introduction of the Program, seven of the eight initiatives have been implemented, with the remaining action, *Progressive realisation*, largely implemented as of 31 December 2024. HSV however continues to improve its focus on modern slavery risk in response to changing learnings and

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understandings, including a trauma-led approach¹ of the presence of modern slavery in supply chains both in Australia and abroad as identified by various organisations focused on uplifting action on modern slavery eradication.

- a. The seven initiatives implemented to date are:
- the introduction of strengthened contract controls for HSV Collective Purchasing Agreements and sample contract clauses provided for health service use;
 - updated HSV Modern Slavery webpage with added resources, templates, other training and support materials for health service and supplier use;
 - engagement with prospective suppliers through providing information on the Standards at the tender application stage;
 - implementation of the Standards, for suppliers participating in new HSV procurement activities from 1 July 2024;
 - engaged with current HSV suppliers through annual supplier risk assessments. As existing suppliers tender for new contracts, commitment to the Standards becomes a contractual requirement, and all suppliers will be required to complete the annual supplier risk assessment, as requested;
 - information is being shared with the health services through the annual Risk Assessment Reports and training provided by HSV to the mandated health services with a revenue above \$100 million, which assists health services with their reporting requirements under the Act; and
 - the introduction of non-HSV supplier modern slavery risk assessments for Victorian public health services who are reporting entities under the Act.

Standards				
Policy	Due diligence	Remedy	Training	Effectiveness
A policy commitment to meet their responsibility to respect human rights (modern slavery)	A modern slavery due diligence process to identify, prevent, mitigate, and address modern slavery impacts	A process to enable the remediation of modern slavery impacts they cause or contribute to	Training for personnel in relevant business functions in their operations and supply chain	To verify whether adverse modern slavery impacts are being addressed, track the effectiveness of their response
				

3.6 Strengthening procurement process for prospective suppliers

- From 1 July 2024, HSV requires suppliers to commit to progressive realisation of the Standards. Suppliers are required to complete the annual modern slavery risk assessment as part of the Standards. The risk assessment provides the necessary information on the supplier's practices to identify, assess and mitigate the risk of modern slavery in their operations and supply chains.
- Once awarded, suppliers progress towards realising the Standards.

3.7 Strengthening requirements for awarded and existing suppliers

- Suppliers are subject to an annual modern slavery risk assessment and, where risks are identified, HSV works with suppliers in a collaborative way to mitigate the risks. HSV adopts a risk-based approach to the introduction of improvement action plans as required.
- HSV's assessment measures the progress of suppliers towards realising the Standards within a continuous improvement context. Suppliers will over time be required to provide evidence of

¹ At the broadest level, trauma-informed care means that services have an awareness and sensitivity to the way in which clients' presentation and service needs can be understood in the context of their trauma history (Knight, 2015). Trauma-informed care could be described as a framework for human service delivery that is based on knowledge and understanding of how trauma affects people's lives and their service needs (Harris & Fallot, 2001)

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proportionate progress relative to their size, operational context, supply chain complexity and internal resources.

4. Supporting health services

- 4.1 HSV supports health services to implement the Program for their suppliers. This includes assisting health services in undertaking modern slavery supplier risk assessments on the health services' behalf. HSV provides the health service a report based on the supplier risk assessments and also provides guidance on recommended mitigation actions to assist health services to implement and monitor improvement actions with their suppliers.
- 4.2 HSV continues to offer training to HSV and non-HSV suppliers, helping to increase understanding of modern slavery risk in the Victorian public health sector.
- 4.3 HSV also assists in risk mitigation in health services' operations through enhanced capacity building, including HSV's community of learning, template documents and training for health services' employees and as noted above, their suppliers.

5. Value alignment

- 5.1 The Program aligns with HSV's vision and values, including accountable and customer centric.
- 5.2 The Program strengthens the integrity of the HSV supply chain and supports HSV, health services and suppliers to meaningfully address the risks of modern slavery practices in end-to-end health service supply chains.