



Modern Slavery Statement 2022





This Modern Slavery Statement was approved by the Board of Mater Misericordiae Ltd as defined by the Modern Slavery Act 2018 (Cth) (theAct) on 19 June 2023. This Modern Slavery Statement is signed by a responsible member of Mater Misericordiae Limited as defined by the Act.

Francis Sullivan AO
Board Chair

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Disclosure Note

This statement has been made on behalf of Mater Misericordiae Ltd. ACN – 096708922 ABN – 83096708922. This Statement covers all entities owned or controlled by Mater Misericordiae Ltd.

This Statement has been developed in accordance with the Modern Slavery Act 2018 (Cth).

All patient and spend statistics referred to within this report are based on our 2021/2022 Financial Year. However, in order to align our Modern Slavery Statement to other Australian Catholic Anti-Slavery Network (ACAN) members, our modern slavery risk mitigation strategies are reported for the calendar year 1 January 2022 to 31 December 2022.

ABNs

MML (ACN) – 83096708922 | Mater Education Ltd – 50148130349 | Mater Research Ltd – 28109834719
Mater Foundation Ltd – 96723184640

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Brief statement from our Chair

With modern slavery impacting millions of people around the world, Mater is committed to ensuring that its processes for the supply of goods and services align with our vision to honour and promote the dignity of human life.

As a not-for-profit Catholic ministry in healthcare, Mater strives to make a positive difference beyond legislative compliance and works closely with the Australian Catholic Anti-Slavery Network to address widening inequality across the globe.

The most recent Global Estimates of Modern Slavery reveals 50 million people were living in forced labour and forced marriages in 2021, an increase of 10 million people compared with 2016 figures.

Working together to identify and understand the risks of modern slavery, including in supply chains, is critical for mitigating this scourge and preserving human dignity.

This, Mater's third Modern Slavery Statement, is for the reporting period of 1 January 2022 until 31 December 2022 and signifies our ongoing commitment to ensure Mater People, suppliers, contractors and other services providers share our values and principles.

Francis Sullivan AO
Board Chair

About us

Mater is Queensland's largest Catholic not-for-profit network of hospitals and healthcare services, bringing together collective expertise across health, education and research with a shared vision to live better lives through improved health and wellbeing.

Mater is committed to a culture of compassion and care inspired by God's mission of mercy to help those in need. In the spirit of Catherine

McAuley and her legacy which has been carried forward by the Sisters of Mercy, we embrace opportunities to provide healing and hope to the communities we serve.

In delivering the healing ministry of Jesus, Mater not only responds to, but actively seeks to support individuals and families disadvantaged by health or social circumstances.



Our Mission and Values



**Our Mission, Values
and Strategic Vision guide
everything we do at Mater.**

They are foundational to our work to transform healthcare and are reflected in strategic priorities as well as the behaviors that guide our interactions with each other, everyone we serve in our ministries, and within our communities.

Our Mission

We serve together to bring God's mercy to our communities through compassionate, transforming, healing ministries.

Our Values

We honour and promote the dignity of human life and of all creation.
We act with compassion and integrity.
We strive for excellence.

Our Strategic Vision

Empowering people to live better lives through improved health and wellbeing.

2022 modern slavery risk management initiatives

Mater strives to embed ethical and sustainable practices into every aspect of our business.

Mater's Board and Executive strongly support the legislation and take their roles, responsibilities, and accountabilities under the Act seriously. This statement, pursuant to the Australian Modern Slavery Act 2018 (Cth), sets out the actions taken by Mater to address modern slavery in our operations and supply chain from 1 January 2022 to 31 December 2022.

The practice of healthcare is inextricably linked with the philosophical belief that every human life is valuable and should be respected as such. This belief is enshrined in our Mission and Values, which promote the dignity of human life and all creation. This concept of dignity and respect is also embedded into our policies and procedures, and extends to all our stakeholders, both internal and external.

In 2022 Mater continued its planned program of work to mitigate the risk of modern slavery in our operations and supply chain during 2022 which are outlined in the reporting criteria 1 – 5 within this statement.



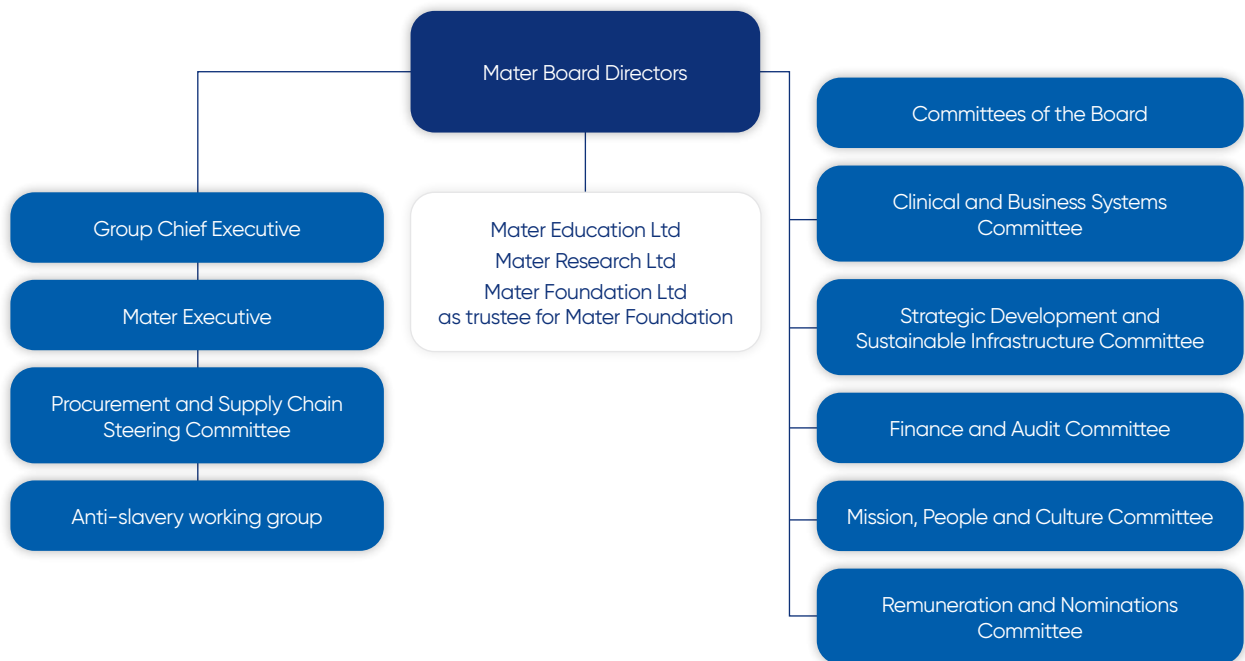
Reporting criteria 1 and 2: About Mater

Our organisational structure

Mater’s organisational structure reflects our commitment to the strategic and consistent integration of health, education and research.

In July 2020, a single Board was established to unify all Mater hospitals and health services across Queensland to further our vision—empowering people to live better lives through improved health and wellbeing. Our head office is located in Newstead, Queensland.

Committee Governance and Reporting Structure



Our operations

Mater comprises an extensive network of public and private hospitals, healthcare at home services, community services, health centres and related businesses, as well as a nationally-accredited education provider, a world-class medical research institute and a philanthropic foundation.



Mater Health

Mater Health comprises 11 hospitals across Queensland, as well as a range of healthcare services. These services combine to help Mater offer comprehensive healthcare that addresses unmet community needs.

Mater Research

Mater Research is an internationally-recognised leader in medical research, connecting its findings from bench to bedside and translating medical research into clinical practice to deliver better outcomes for our patients and the wider community.



Mater Education

Mater Education is a nationally-accredited, hospital-based independent Registered Training Organisation—the only one of its kind in Queensland. It offers a range of courses for students and further education opportunities for highly experienced practicing clinicians.

By combining our collective expertise and resources across health, education and research, we are able to deliver new services in new ways, and continue to fulfil our Mission to meet the healthcare needs of our community by delivering safe, high-quality, compassionate care.

Mater's Board and Chief Executive Officer have governance over Mater Health, Mater Education, Mater Research and Mater Foundation, in addition to corporate services.



Mater Foundation

Mater Foundation raises funds by engaging community to partner with Mater to improve the health of Queenslanders through fundraising and philanthropic opportunities.

Operations during 2021/2022

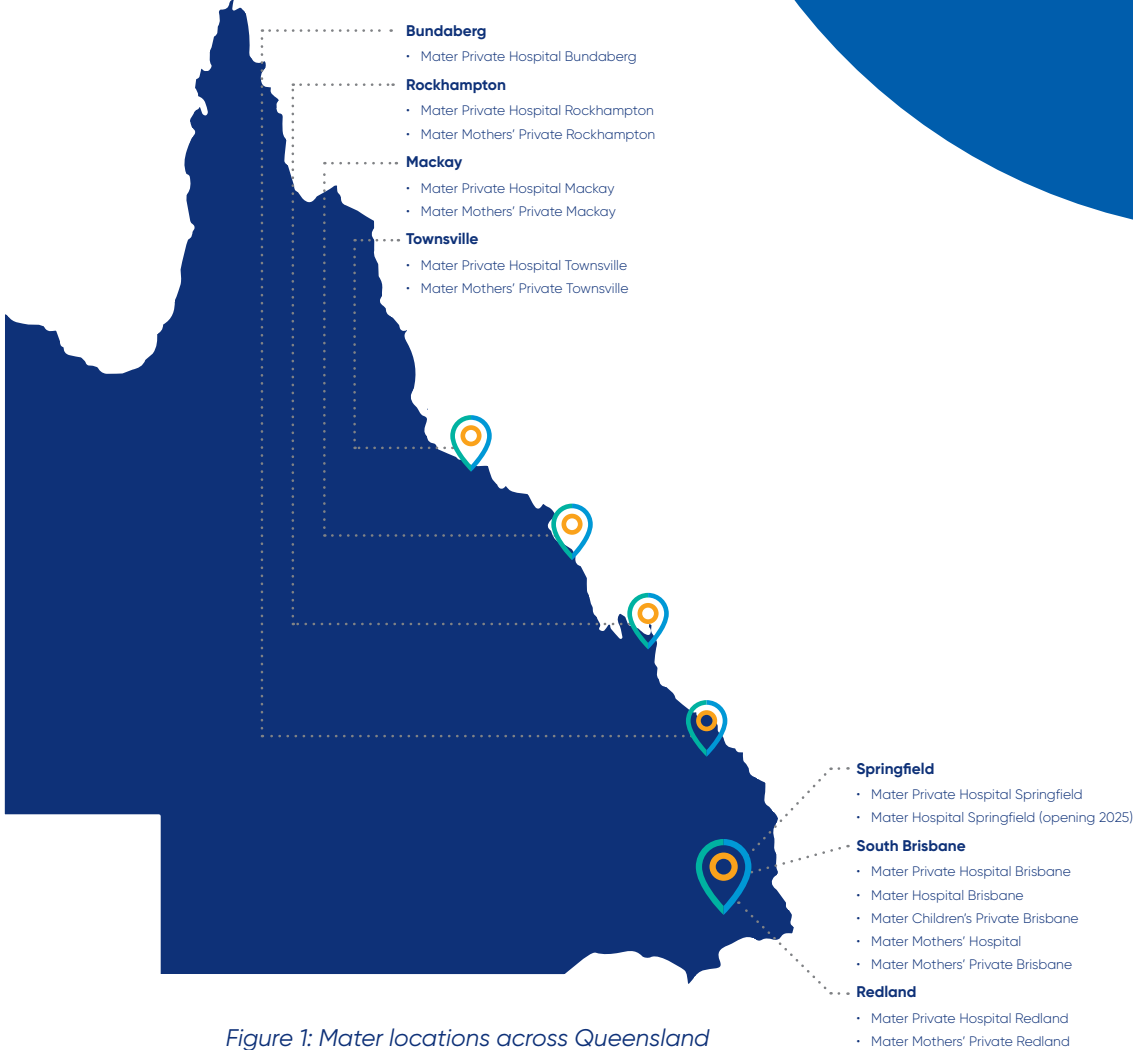


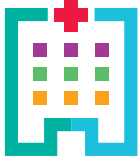
Figure 1: Mater locations across Queensland



224,403
in-patients



12,402
babies



100,813
emergency
attendances



\$31,330,925
Mater Foundation
distributions



119,903
procedures
conducted



2,105
Mater Education
students



8,609
Mater People



60,000+
volunteers hours

*Mater Annual report 2021/2022

Our supply chain

Mater's procurement and supply chain activities are delivered through a centre-led operating model in partnership with our divisions. We seek to undertake business with suppliers and contractors who share Mater's Values and are environmentally and socially responsible.

Mater's procurement policies and procedures provide the governance and guidance for procurement activities to ensure due diligence checks are performed with social and environmental requirements included within tender documentation.

The procurement activity is undertaken by the clinical; indirects (waste, uniforms, electricity etc); and information and communication technology (ICT) teams. In addition to this, Mater Development and Property undertakes procurement activities for major and minor construction works, and Mater Foundation purchases a range of goods and services for its philanthropic and fundraising endeavours.

Mater purchases goods and services from both domestic and international supply chains with a procurement spend of approximately \$645 million across three categories and 13 diverse procurement sub-categories.

The below information provides a snapshot of Mater's business and procurement activities.



4,398
suppliers
engaged



\$645 million
total addressable
spend



37
suppliers engaged via
CNA*



\$1,502,380
annual
consolidated
entity revenue

*Mater is a member of the Catholic Negotiating Alliance (CNA), a network of Catholic health care facilities authorised by the Australian Competition and Consumer Commission with suppliers

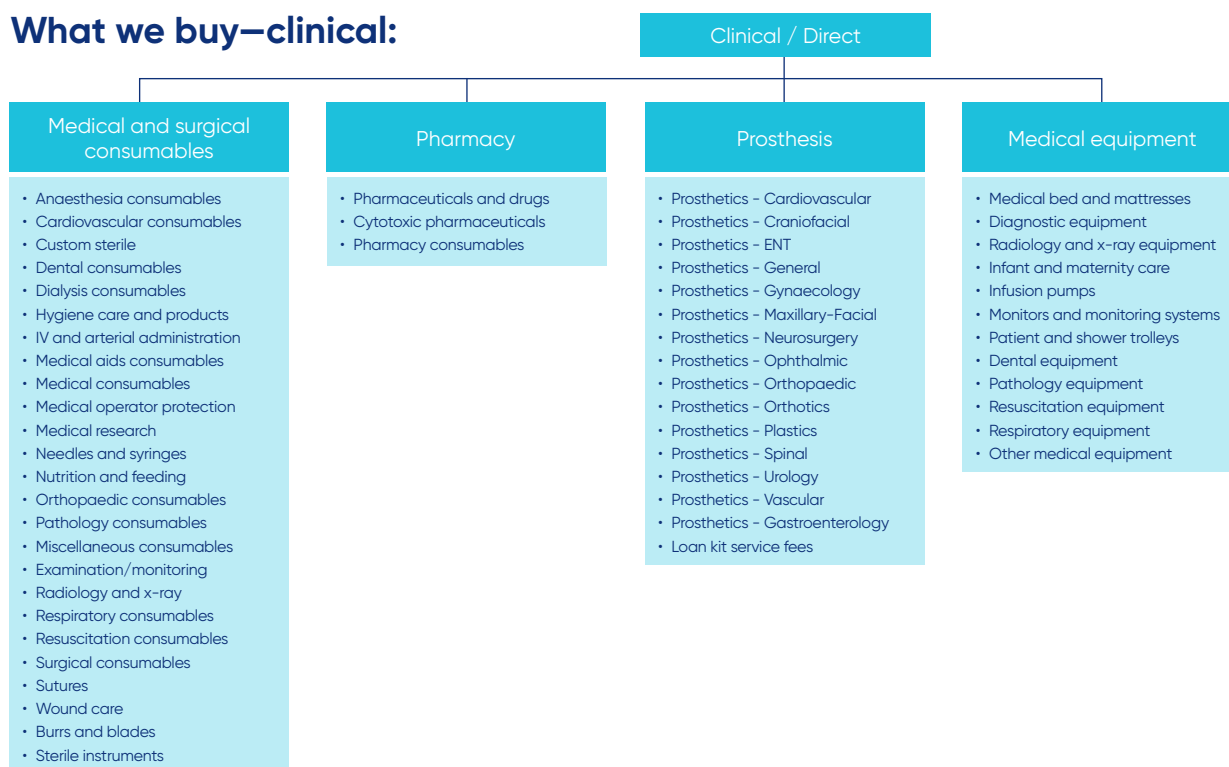
Mater procures goods and services from both domestic and international supply chains with a procurement spend of approximately \$645 million across three procurement categories and 13 broad procurement sub-categories.

Category spend FY 2021/22

Our largest supply categories include business services, medical and surgical consumables, pharmacy, prosthetics and medical equipment, equalling 68.62 per cent of the spend

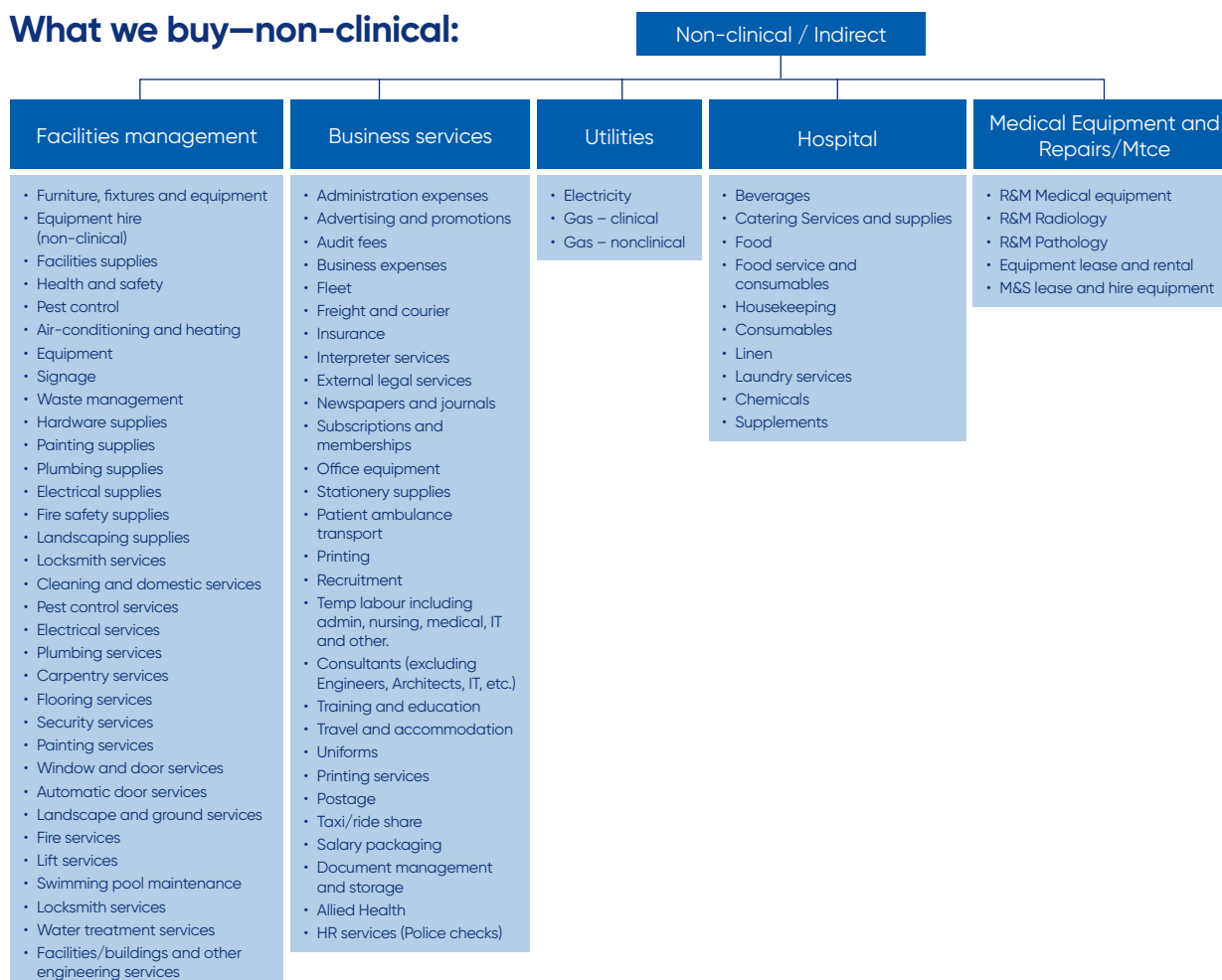
The clinical category accounts for 37.36 per cent of spend which includes four key sub-categories), medical and surgical consumables, pharmacy, prosthesis and medical equipment with a further breakdown of the products or goods purchased under each of these key sub-categories shown below.

What we buy—clinical:



The remaining 31.38 per cent includes non-clinical categories including facilities management, business services, utilities, hospitality and medical equipment and repairs. An overview of the products and services procured is listed below:

What we buy—non-clinical:



Supplier Code of Conduct

Mater is committed to the responsible engagement of suppliers. This includes requiring all suppliers to comply with Mater's Supplier Code of Conduct. In 2022 Mater strengthened its Supplier Code of Conduct (Code) and referenced this Code as a contract clause within its legal contract suite. This reinforces the Code's legal compliance and aligns with Mater Values. We expect our suppliers to apply this Code to their own suppliers. New suppliers are selected based on their compliance with Mater's standards and their ability to provide and maintain high-quality products and services. We expect our suppliers and their supply chains to share our values and adhere to the same principles. These include:

• Complying

with international human rights laws and behaviours set out in the International Bill of Human Rights and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

• Managing

all operations and supply chains to assess the risk of modern slavery practices and implement mitigation strategies to reduce this risk.

• Ensuring

compliance with relevant laws regarding forced or involuntary labour, child labour, discrimination and security practices. This includes freedom of employees to leave their workplace after their shift ends or to resign giving reasonable notice.

• Allowing

freedom of association and collective bargaining for workers to join or form trade unions of their own choosing and to bargain collectively.



Reporting criteria 3: Modern slavery risks in operations and supply chain

Mater is committed to ensuring our procurement practices are transparent, fair and responsible and support the high standards of integrity and honesty that align with our values.

We also recognise that instances of modern slavery are often complex and hidden.

Operational risks

As a healthcare provider, Mater's operations continued to be impacted by COVID-19 in 2021/2022 with Queensland's Chief Health Officer reporting approximately four million Queenslanders tested positive for the virus at least once in the past year and that more people were infected by COVID-19 in the year compared with any any other virus in the state's history.

The impact of COVID-19 has created significant supply chain challenges with pricing and transport costs escalating and supply risks exerting extra pressure on suppliers and contractors to provide sufficient continuity of supply of goods and services. We have responded to these challenges by continuing to purchase consumables, where possible, through known, long-term suppliers with a public, zero-tolerance position toward modern slavery.

Our people

Mater has more than 8,609 employees and approximately 500 volunteers throughout Queensland. Mater has policies and processes that support a safe and fair working environment for our staff.

Mater increased its training on modern slavery in 2022 with the Group Chief Executive mandating training for all managers across Queensland. A total of 238 Mater People have now been trained in modern slavery identification and mitigation at Mater.

To further increase awareness and education, Mater Chief, Mission introduced a segment on modern slavery in Mater's Welcome Day induction for all new starters, directing staff to undertake modern slavery training.

Mater also increased its governance and oversight of its modern slavery program of work with the Anti-Slavery Working Group now reporting to the Procurement and Supply Chain Steering Committee. This new step in the governance structure provides greater transparency of the program of work activities, and serves to support and champion key activities. Quarterly reporting continues to be provided to Mater Executive and Board on the progress and risks of modern slavery.

Meetings were convened during 2022 to examine remediation and counselling services for victims of modern slavery in conjunction with ACAN. This body of work will continue in 2023.

Agency suppliers

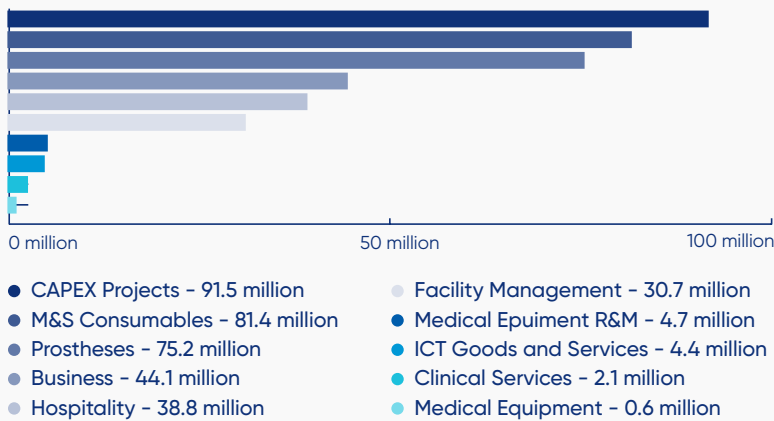
To support our workforce, Mater engages medical and nursing resources under contract agreements that include requirements aimed at ensuring environmental and modern slavery risks are mitigated.

Supply chain risks

We understand that our suppliers could be directly linked to modern slavery practices through their own supply chain.

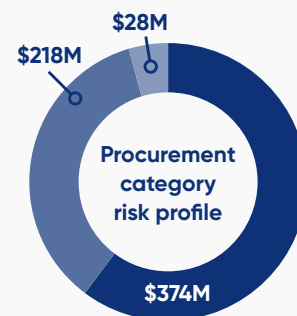
Mater has undertaken steps to gain a better understanding of potential modern slavery risks and is using a category risk taxonomy, specifically developed for ACAN entities, to assist in identifying supplier risk and engagement activities. Mater has categorised the types of goods and services with a risk dashboard. See Diagram 1 below.

Diagram 1
Breakdown of potential high risk category spend



Of the \$374 million accounting for 57.98 per cent, the key procurement sub-category areas of high risk (refer to Diagram 2) relate to Capex Projects (building and construction, medical, non-medical and ICT equipment), medical and surgical consumables, prosthesis, business services, hospitality and facility management by 2,263 suppliers with approximately 100 suppliers with a spend over the value of \$1 million.

Diagram 2
Procurement risk categorisation



Based on Mater's analysis of its procurement categories as provided in Diagram 1, \$374 million of Mater's procurement spend has been identified as potentially high risk with \$28 million shown as medium risk and \$218 million as low risk.

● High Risk ● Medium Risk ● Low Risk

The category risk taxonomy considers the following criteria:

- Commodity/product**
 Specific products and commodities deemed as high-risk, as outlined in the US Department of Labor's 2018 List of Goods Produced by Child and Forced Labor, the Global Slavery Index (GSI) and other international guidance materials.
- Workforce profile**
 The type of labour involved in the production of goods and services, particularly where low-skilled, vulnerable or migrant labour may be used, or where the work was deemed as '3D' (dirty, dull or dangerous).
- Industry sector**
 Specific industry sectors deemed as high-risk in international and national guidance documentation.
- Geographic location**
 Based on estimated prevalence of modern slavery and the government responses as outlined in the 2018 Global Slavery Index. While we predominantly use Australian-based suppliers, we recognise that our goods and services may come from countries other than those where suppliers' headquarters are based.

Mater recognises that further work needs to be undertaken to prioritise and identify goals and targets for the review of suppliers' modern slavery risks.

It is envisaged that through the establishment of an ACAN health and aged care working group, a collaborative risk assessment process can be developed to maximise our impact and facilitate a consistent approach for undertaking supplier assessments across the Catholic healthcare sector.

Modern slavery gap analysis

As part of our membership with ACAN, Mater undertakes a review of our existing processes and practices with the third gap analysis now completed. As shown from 2021, Mater continues to drive the necessary changes to improve its understanding of modern slavery risks and the gaps.

The results demonstrate ongoing improvement across all five categories (refer to Table 1: Risk Mitigation Slavery Gap Analysis) compared to a number of improvements in 2021. It should be noted that the gap analysis is based on an alphabetical scoring system (A-F) which translates into areas of improvement, in progress and not started. The outcomes of the gap analysis were shared and reviewed by ACAN.

Throughout 2023 Mater will continue to maintain and build on these results.

This will help us review the adequacy and effectiveness of our risk management program across five key areas:

1. External risks

Review and map risks and vulnerabilities of high risk suppliers and their extended supply chains, in conjunction with ACAN, CNA hospitals and global data technology provider Supplier Ethical Data Exchange (SEDEX).

2. Awareness

Increase education-based communications to all Mater People in collaboration with Mater's Corporate Affairs and Growth team.

3. Training

In conjunction with Mater People & Learning, ensure all mandatory training is completed, monitored and reported.

4. Supplier engagement

Partner with ACAN to develop a formal supplier engagement process for assessing the same supplier / product.

5. Monitoring and corrective actions

Implement strategies for supporting the risk assessment and documentation relating to supplier engagement, in conjunction with SEDEX.

Table 1: Risk Mitigation Modern Slavery Gap Analysis

Category	Topic	2020	2021	2022
Management systems	Governance	●	●	●
	Commitment	●	●	●
	Business system	●	●	●
	Action	◐	●	●
	Monitor/report	◐	●	●
Risk management	Risk framework	◐	●	●
	Operational risk	●	●	●
	Identifying external risks	○	○	◐
	Monitoring and reporting risk	◐	●	●
Human resources and recruitment	Awareness	○	◐	●
	Policies and systems	◐	●	●
	Training	○	◐	●
	Labour hire/outsourcing	◐	●	●
Customers and stakeholders	Customer attitude	◐	●	●
	Information provision	◐	●	●
	Feedback mechanisms	◐	●	●
	Worker voice	◐	●	●
Procurement and supply chain	Policy and procedures	◐	●	●
	Contract management	◐	●	●
	Screening and traceability	◐	●	●
	Supplier engagement	○	◐	●
	Monitoring and corrective action	○	◐	◐

Legend: ○ not started | ◐ in progress | ● completed/on track

Reporting criteria 4:

Actions taken to assess and address risk

Mater's modern slavery approach to addressing risk management includes the following:

- Continuation of training program for Mater People and regular progress reports to Mater Executive and Board.
- All Mater suppliers invited to attend training and education.
- Governance structures implemented that include a cross functional anti-slavery working group which reports to the Procurement and Supply Chain Steering Committee, Mater Executive and Board on a quarterly basis.
- Modern Slavery included as a risk within Mater's Risk Management System with reporting provided to Mater Executive and Board .
- Policies and procedures in place to support a fair and safe working environment for staff and suppliers, including a whistle-blower policy.
- Procurement policies and procedures updated to include environmental and sustainability requirements.
- Tender, contract documents and Supplier Code of Conduct updated to include modern slavery requirements/clauses.
- Modern slavery taxonomy developed to identify high, medium and low risk suppliers.
- Engagement with suppliers to assess modern slavery risks.
- In conjunction with ACAN, investigation of remediation and counselling services.
- Development of a supplier site on Mater's internet site to provide further information to suppliers including Mater's Modern Slavery Statement and reference to training and education resources.

2022 modern slavery action plan and road map

During 2022, Mater communicated with all suppliers to complete a modern slavery survey and to encourage membership to SEDEX. Additionally, Mater invited its suppliers to attend webinars to further understand the modern slavery legislation and to gain a better understanding of modern slavery risks.

- In conjunction with ACAN, Mater's suppliers were approached to learn more about modern slavery risks.
 - 285 suppliers completed a modern slavery survey to be assessed in conjunction with ACAN.
 - 88 suppliers attended an ACAN webinar on modern slavery.
 - CNA approached 20 high risk suppliers to complete a modern slavery survey with meetings convened by CNA hospitals to progress discussion following receipt of 19 supplier responses.
- Mater continues to share information with staff members on the progress of modern slavery activities and to raise awareness of its obligations outlined in Mater's Modern Slavery Annual Statement. Mater will continue to remain proactive in addressing modern slavery risks with its suppliers.

Case Study

On 24 August 2022, an article on ABC alleged that Ansell 'knowingly was profiting from slave labour' at a Malaysian supplier.

The article outlined how a Bangladeshi migrant worker along with 12 other workers had taken a job in Malaysia where he/they were exploited, working in conditions which could be characterised as slavery.

Many indicators of slavery were present: Identity papers being taken, excessive recruitment fees being paid to agents, physical punishment, long working hours, exposure to dangerous substances, poor food and accommodation etc. The US Customs and Border Protection (CBP) found 10 out of 11 United Nations Indicators of forced labour and slavery being present.

As Ansell is a supplier to Mater this greatly concerned its Executive and Board members. As a member of ACAN, it was decided to engage Ansell in a unified approach, via ACAN.

During 2022 ACAN met with representatives from Ansell on two occasions:

- 7 September 2022
- 8 December 2022

Further meetings were scheduled with Ansell for 2023, the first of which was held on 21 February 2023.

The engagement fosters a collaboration with Ansell, to enable impact and progress, and ultimately remove the risk of slavery in this part of our supply chain.

As a first step, it was important to understand the baseline. What had happened in the past, and what was planned moving forward, and how ACAN could help drive that, in a direction that works for the victims, Ansell and the entities participating in ACAN.

Issues related to supplier compliance programs, supplier capacity building, recruitment fees in migrant worker departure countries, wages, accommodation, grievance mechanisms, victim support and consequences were discussed.

Among other issues and ideas discussed, were;

- Regular update meetings between ACAN and Ansell
- Establishing a joint commission / working group to oversee progress
- ACAN requesting an observer seat at the Responsible Glove Alliance meetings
- Invitations to attend some Human rights Due Diligence /Social Audits on site
- Development of joint capacity building projects, and
- Alternative sources for materials, production locations and reshoring.

While the above actions have not materialised yet, the engagement with Ansell is a positive step forward, and one we expect to use a model for our engagement with other suppliers, especially for those suppliers who wish to be true partners.

Mater has confirmed with Ansell that they did not provide gloves from this particular manufacturer. It should also be noted that Mater secures supply of its gloves from several suppliers.

Reporting criteria 5: Effectiveness assessment

Mater understands the importance of assessing the effectiveness of our actions to assess and address modern slavery risks.

We have implemented a program review and evaluation process as part of our reporting requirements. This is regularly reviewed by the cross functional anti-slavery working group and reported to the Procurement and Supply Chain Steering Committee, Mater Executive and Mater Board on a quarterly basis.

As part of the reporting process, the gap analysis will continue to be a focus point to ensure all categories and topics continue to be reviewed, monitored and actioned in 2023.

ACAN, an experienced external party in mitigating modern slavery risks, has reviewed Mater's gap analysis and supports our activities and progress in this area.



Reporting criteria 6: Process of consultation with entities owned or controlled

The Mater Board governs the wholly-owned subsidiaries of Mater Education Ltd, Mater Research Ltd and Mater Foundation Ltd, with representatives of these subsidiaries committed to mitigating modern slavery risks.

Representatives from Mater Education, Mater Research and Mater Foundation are also members of Mater's anti-slavery cross-functional working group.

A copy of Mater's annual Modern Slavery Statement has also shared with the Archbishop of Brisbane and Bishops from Rockhampton (includes Mackay and Bundaberg) and Townsville to ensure they are aware of our anti-slavery actions.

Reporting criteria 7: Other

Mater is committed to internationally-recognised human rights frameworks, standards and goals including:

- International Bill of Human Rights
- international Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work
- UN Guiding Principles on Business and Human Rights
- Sustainable Development Goals—including Target 8.7 to eradicate modern slavery

Our plans for 2023

- Continue to incorporate, expand and embed processes and reporting on modern slavery training at Mater.
- Assist and support the establishment of an ACAN health and aged care working group with shared goals and targets to address modern slavery risks within the health sector.
- Undertake review of tender evaluations to determine how environmental and social (including modern slavery) tender criteria is assessed and, where necessary, implement new guidance information and/or training.
- Develop an action plan that identifies potential high-risk suppliers, as measured by Mater's modern slavery taxonomy, to determine targets and timeframes for Mater to review high-risk suppliers and modern slavery risks.
- Continue to support, educate and assist Mater suppliers in mitigating modern slavery risks.
- In conjunction with the CNA, finalise assessments and discussions with high-risk suppliers across high-risk categories such as ICT, construction, asset management and clinical categories.
- Establish a supplier page on Mater's internet site that provides access to Mater's Modern Slavery Statement, Code of Conduct, resources for training and education and standard suite of contracts.
- Continue to progress the remediation and counselling service activities with ACAN and the relevant areas within Mater.

Our plans beyond 2023

- Continue to review high-risk suppliers identified in the proposed action plan and determine the timeframe for commencing review of medium-risk suppliers.
- Undertake the yearly gap analysis to ensure processes, education and mitigation strategies continue to remain in place and, where applicable, take action as necessary.
- Review actions from the previous year associated with the remediation and counselling services to identify next steps.



Francis Sullivan AO
Board Chair

