



Mercy Health

Care first

# MODERN SLAVERY STATEMENT

2023









**Title: wabung-ngetel**

Call of Country  
Gunnai Language

**Artist**

Dixon Patten  
Bayila Creative  
Gunnai and Yorta Yorta

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# ABOUT MERCY HEALTH

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Mercy Health is a Catholic not-for-profit organisation that provides a range of health, aged and community care services to communities in Victoria, the Australian Capital Territory, New South Wales, Western Australia and Queensland. We care for people throughout life from conception to death. We are focused on the whole person: their health, their wellbeing and their capacity and freedom to thrive.

Mercy Health operates at all times as part of the mission of the Catholic Church. In the tradition of the

first Sisters of Mercy and based on the vision of their founder, Catherine McAuley, we are an organisation dedicated to action. We are impelled by the principles of equity and social justice that were evident in that founding vision.

Central to our mission is providing care for those in need, irrespective of religion, faith, beliefs or background.

# WELCOME FROM THE MERCY HEALTH CHAIR

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In 1827, Catherine McAuley opened the first House of Mercy in Baggot Street, Dublin. It was the beginning of what Pope Francis would refer to in his February 2024 *Message for the Tenth World Day of Prayer and Awareness Against Human Trafficking* as a journey of dignity. The House of Mercy welcomed the poorest of the poor – women and children – offering shelter and education.

This complex journey continues to be characterised, as identified by Pope Francis, by listening, dreaming and acting. Listening to the needs of those who have no voice, dreaming of a better future for all and doing something about it.

Pope Francis has called modern slavery ‘a crime against humanity’ and has continued to encourage us to be unwavering in our commitment on this journey of dignity. In this he invites us to dream a world that is shaped by the wisdom of Catholic social teaching that has at its heart the absolute belief in the dignity of all.

We hear the cries of those who do not experience freedom, those for whom life is burdened by unjust work practices, exploitation and slavery like conditions. We dream of a better life for all as we contribute to the work eradicating of slavery.

We hear the call of the Pope who reminds us of the interconnectedness of all who share our common home. We hold close our responsibility to care for the earth and for each other.

Over the past year we have strengthened our policies and procedures to enable our people to flourish in our employment. We have examined our labour hire arrangements to ensure we hire only from registered providers. We continually review our policies and procedures to ensure they are reflective of our values. Our Modern Slavery and Ethical Purchasing Working Group continues the journey of the review of providers.

Mercy Health is pleased to be part of the Australian Catholic Anti-Slavery Network (ACAN) and for this modern slavery statement to form part of ACAN’s compendium of modern slavery statements. This statement is made together with a range of Australian Catholic organisations in the Australian Catholic Anti-Slavery Network (ACAN).

As Chair of Mercy Health, I would like to thank everyone who is working to eliminate modern slavery in the supply chains of Mercy Health. I look forward to continuing to lead and support our ongoing efforts to eliminate modern slavery and I encourage all to join me in this journey of dignity.



**Virginia Bourke**  
Chair, Mercy Health



# THIS MODERN SLAVERY STATEMENT

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This modern slavery statement is a joint statement made on behalf of the three reporting entities within Mercy Health:

- Mercy Hospitals Victoria Ltd (revenue \$591,759,919 in 2023)
- Mercy Aged and Community Care Ltd (revenue \$350,623,196 in 2023)
- Mercy Health Australia Ltd (does not produce consolidated accounts, but is the sole member of all the entities in the group and had a consolidated revenue in excess of \$986 million in 2023).

The statement covers all entities owned or controlled by Mercy Health Australia Ltd, known together as 'Mercy Health'.

All of the entities within Mercy Health are registered as charities with the Australian Charities and Not-for-profits Commission. Annual information statements, financial reports and other information for those entities can be found at [www.acnc.gov.au](http://www.acnc.gov.au).

Although Mercy Health generally reports on a 1 July to 30 June basis, we have adopted the reporting period of the ACAN's compendium members for the purpose of this statement. Accordingly, this statement is given for the period 1 January to 31 December 2023.



# OUR ORGANISATIONAL STRUCTURE

## Mercy Health

Mercy Health is comprised of Mercy Health Australia Ltd and its subsidiaries. Mercy Health Australia Ltd is the sole member of each of the following companies:

Mercy Hospitals Victoria Ltd	ACN 614 116 013	ABN 74 762 230 429
Mercy Hospitals NSW Ltd	ACN 075 648 350	ABN 53 075 648 350
Mercy Palliative Care Ltd	ACN 614 116 148	ABN 77 896 699 763
Mercy Aged and Community Care Ltd	ACN 088 254 460	ABN 77 191 901 062
Rice Village Ltd as trustee of the Rice Village Trust*	ACN 089 460 935	ABN 58 089 460 935
St Brigid's Convent of Mercy Perth Ltd	ACN 617 402 767	ABN 57 714 505 919
Mercy Health Foundation Ltd as trustee of the Mercy Health Foundation**	ACN 107 275 230	ABN 73 107 275 230
Mercy Health Property Ltd	ACN 082 093 150	ABN 26 412 756 615
Mercy Health Service Albury Ltd	ACN 068 291 234	ABN 82 068 291 234

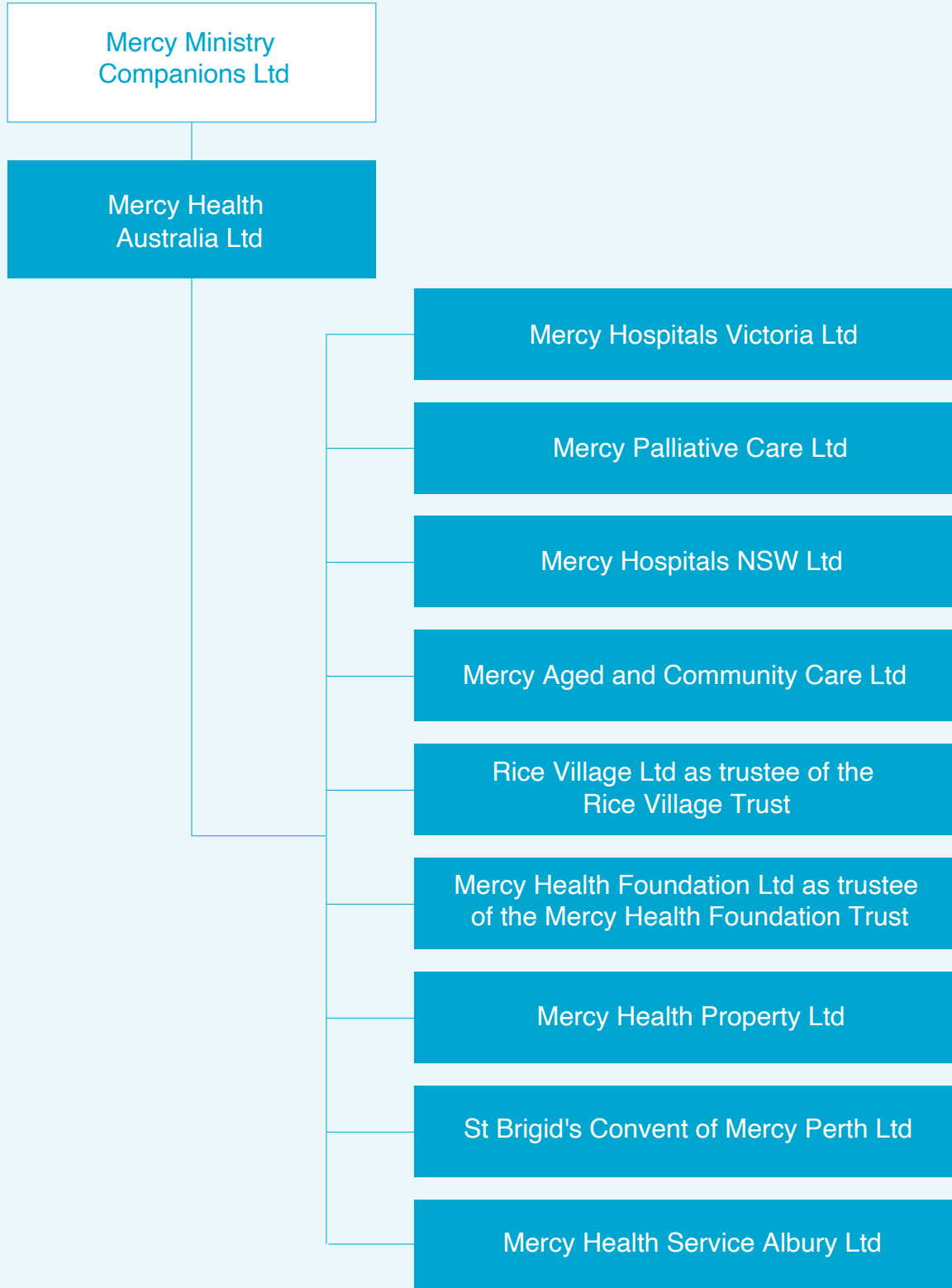
\* A trust established in accordance with the wills of Hannah Kathleen Moylan and Margaret May Rice administered cy-pres in accordance with Orders made by the Supreme Court of Victoria on 19 November 1993 and leave pursuant to section 63 of the Religious Successory and Charitable Trusts Act 1958 (Vic) given in Orders made by the Supreme Court of Victoria on 30 November 1994.

\*\* A trust established by deed made 30 March 2005 and as amended.



*Home Care client Ray  
and his carer Anna*

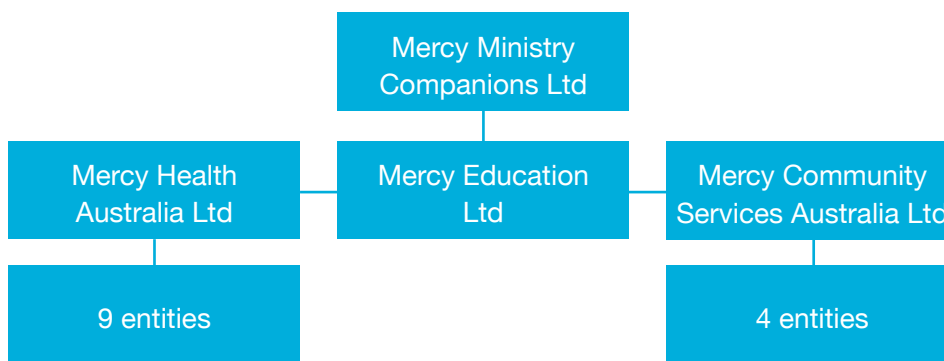
**Mercy Health's corporate structure is illustrated in the following chart:**



# MERCY MINISTRY COMPANIONS

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On 3 December 2021, ministries established by the Sisters of Mercy in Australia, including Mercy Health, were reorganised to become members of the Mercy Ministry Companions group, as illustrated in the following chart:



The reorganisation emerged out of the Sisters’ understanding that the number of Sisters skilled in governance is declining, and a desire that their ministries should continue in accordance with their ethos. The reorganisation has empowered the laity

(as directors of Mercy Ministry Companions Ltd) to take on a greater role in governance, while Sisters remain involved for now as members of Mercy Ministry Companions Ltd. The reorganisation has not changed the day-to-day operations of Mercy Health.

## OUR GOVERNANCE FRAMEWORK

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The membership of the Boards of all of the companies that make up Mercy Health, other than Mercy Health Foundation Ltd, is concurrent. The concurrent boards are known as ‘the Mercy Health Board’.

Mercy Health Foundation — which seeks philanthropic support for the work of Mercy Health — has a separate Board of Directors, referred to here as the ‘Foundation Board’.

All of the entities that make up Mercy Health are supported by our Group Chief Executive Officer and Executive management team based in Melbourne. Support services functions are also shared across the organisation. For example, human resources and procurement teams support the organisation as a whole.



# OUR OPERATIONS AND SUPPLY CHAIN

## Operations

Mercy Health provides a range of health, aged and community care services in Australia.

Mercy Health provides public hospital services in Victoria and New South Wales. We cared for approximately 133,000 people in our Victorian hospitals in 2023. In that year, just over 8,500 babies were born in those Victorian hospitals, 892 families were supported by our early parenting centre and more than 850 people received mental health services.

At the end of 2023, Mercy Health was operating 30 residential aged care homes across four states, providing care to about 2,200 people.

Mercy Health also supports people to live independently at home. In 2023, we provided care for more than 5,600 people in their own homes.

## Supply chain

Mercy Health purchases a wide range of goods and services, including:

- medical and related services, such as allied health services, medical imaging services, pathology services and agency staff
- building, construction and infrastructure services, including waste management and medical gas supply
- ancillary services such as food, cleaning, linen and laundry and security
- communications, information technology hardware and support, and software solutions and support.

We deal mainly with suppliers that have an Australian presence. However, our suppliers' head offices are based all around the world, with key countries including Australia, New Zealand, China, the United Kingdom, the United States of America and Germany.

Mercy Health's suppliers manufacture or source from manufacturers all over the world. Manufacturing occurs in a number of countries including Australia, the United States of America, Germany, Turkey, Japan, China, Malaysia, Mexico, Columbia and Sri Lanka.



*Werribee Mercy Hospital surgical team*

# MODERN SLAVERY RISKS IN OUR OPERATIONS AND SUPPLY CHAIN

## Operational risk

About 12,974 people — 79 per cent of whom are women — worked for Mercy Health in 2023. Of the total number of staff, 6,519 worked in health services, 5,128 worked in residential aged care, 825 worked in home care and 499 worked in support services.

While Mercy Health employs people from approximately 143 countries, including India, the Philippines, Nepal and the United Kingdom, the vast majority of our employees are engaged in Australia.

Just over 557 staff from 38 countries hold temporary visas. Visa applications related to those positions are managed by an in-house team in accordance with our Visa Policy and Procedure, and in compliance with immigration requirements under Australian law.

Mercy Health engages our employees under a wide range of enterprise agreements and modern awards, as well as under common law, and frequently engages with trade unions acting on our employees' behalf.

Some staff are engaged through agency and other labour hire arrangements. Where state laws require it, we engage such staff only from registered labour-hire providers.

Mercy Health has a range of systems in place to identify and action changes to employment entitlements, immigration requirements, equal opportunity requirements and health and safety legislation. Mercy Health has a rolling internal audit plan that includes review of employee related entitlements.

Mercy Health has a Code of Conduct that governs how our employees conduct themselves in our operations. The Code of Conduct is based on our organisational values: compassion, hospitality, respect, innovation, stewardship and teamwork.

Mercy Health does not tolerate improper conduct by our employees, officers or volunteers, and we are committed to protecting and supporting whistleblowers who disclose improper conduct. This is explained in greater detail in our Whistleblowers Policy and Procedure and on our website.

The policies and procedures that govern how we relate to our people are available throughout the organisation and are reviewed and updated on a regular basis.

## Supply chain risks

Turning to Mercy Health's supply chain, in 2023, Mercy Health purchased goods and services to the value of more than \$208 million from 2,045 suppliers for the purpose of carrying out its activities.

The goods and services purchased by Mercy Health to support its operations are outlined on page 11. Those goods and services include a number of categories identified as high risk in the ACAN Category Risk Taxonomy:

### High Risk Categories — ACAN Category Risk Taxonomy, August 2023

Building and construction	Furniture and office supplies
Cleaning and security	ICT Hardware
Events and event management	Labour Hire
Facility management and property maintenance	Linen, laundry and textile products
Finance and investment	Medical devices and supplies, uniforms and personal protective equipment
Food and catering services	Waste management services

# ACTIONS TAKEN TO ASSESS AND ADDRESS THE RISKS

## Modern Slavery and Ethical Purchasing Working Group

Mercy Health established a Modern Slavery and Ethical Purchasing Working Group in February 2020, chaired by General Counsel. The Working Group includes Executive representation from the Chief Financial Officer; Executive Director People, Learning and Culture; and the Executive Director Communications and Stakeholder Relations. The Group also includes representatives from procurement, health services, aged care and risk teams.

The Working Group discusses its progress against the actions at each meeting.

## Partnerships

Mercy Health operates in partnership to address risks of modern slavery.

### *Australian Catholic Anti-Slavery Network*

Mercy Health is a member of the Australian Catholic Anti-Slavery Network (ACAN), made up of more than 40 Catholic organisations around Australia including large Catholic health and aged care providers.

Mercy Health modern slavery liaison officers attended monthly ACAN meetings with the aim of understanding and responding to the potential risks of modern slavery in our organisation and supply chain.

Mercy Health worked with ACAN to develop our internal education and training and business systems.

### *Health Share Victoria*

Mercy Health procures certain goods and services for its Victorian hospitals and community palliative care service through Health Share Victoria. Health Share Victoria procures goods and services for public sector health services in Victoria. Health Share Victoria repudiates modern slavery and has adopted a risk-based approach to combating modern slavery in health service supply chains.



*Support Services staff from Richmond (L-R)  
Aditya, Lucille, and Ahmed*



### Australian Federal Police

In December 2023, Australian Federal Police gave a presentation to staff of Mercy Health’s Victorian Hospitals about human trafficking. The presentation focussed on how hospital staff can work with police by reporting suspicions of human trafficking. An outline of resources available to support victims of human trafficking was also given.

### Stopline

Mercy Health engaged Stopline to provide a third-party whistleblower service receiving disclosures of serious misconduct at Mercy Health, including concerning modern slavery practices in our operations and supply chain. Whistleblowers inside and outside of Mercy Health can use a range of technologies – including a website – to make disclosures. Disclosures may be made anonymously or confidentially, allowing whistleblowers to make them without fear of retribution. The service became operational early in 2023. To date, there have been no reports of modern slavery practices.

### Enterprise risk management

The Mercy Health Board reviews and approves an Enterprise Risk Management Framework annually. This framework ensures a consistent approach to identifying, evaluating and managing all significant risks across the enterprise. The risk of Modern Slavery was explicitly embedded in the framework in 2022, as part of the Environmental, Social and Governance risk category, and is regularly reviewed. Further to this work, our Enterprise Risk team has drafted a due diligence process to continuously identify, manage and mitigate modern slavery risks which has been incorporated into our organisation-wide Modern Slavery Policy.

### Investment

Mercy Health – including the Foundation – invests in accordance with Mercy Health’s Investment Management Policy, which has included ethical investment guidelines since at least 2019.

Mercy Health’s Investment Management Policy and its ethical guidelines frame our approach to ethical considerations in investing. We seek to invest in companies that promote human welfare, dignity and respect, and the general good.

Process	1. Risk stratify inventory	2. Risk-based engagement	3. Appropriate remediation
Risk management activities	Maintain inventory of suppliers with information regarding their potential modern slavery risk (high, medium or low) (ACAN Risk Taxonomy)	Assess the level of strategic and value impact of the high-risk supplier. (ACAN Supplier Engagement Strategy)  Develop Engagement Strategy based on the Strategic/Value impact of the high-risk supplier. (ACAN Supplier Engagement Strategy)	Where instances of modern slavery are identified, a prioritised risk management approach is taken: i. Modern slavery risk caused by our Entity ii. Contributed to by our Entity iii. Directly linked to our Entity
Scope	Mercy Operations; Suppliers/Vendors and their Suppliers; Emerging Suppliers		
Foundation	Core Internal Controls; ACAN Supplier Engagement Strategy; ACAN Risk Taxonomy; Modern Slavery Act 2018		
Objective	Care First: We will care for, and about, marginalised and disadvantaged groups		

We avoid, limit or minimise investments in companies whose products, services or practices are contrary to Mercy Health values or teachings of the Catholic Church, cause or perpetuate injustice and suffering, or infringe human rights. We also exclude investments in companies where their practices are unacceptable from a human rights or modern slavery perspective.

External investment advisors engaged by the Foundation are required to comply with our policy, including ethical guidelines relating to modern slavery, when providing us with advice or investing on our behalf.

### Internal education and awareness

Mercy Health has continued to promote internal education and awareness of modern slavery.

We are continuing to deliver online training using ACAN modules for the Working Group and relevant business units (procurement, information technology, finance and property). The number of staff who have completed training is listed below.

Training	Working Group	Business units
Modern slavery 101	5	132
Implementing a modern slavery risk management program	5	1
Business relevance	8	6
Grievance mechanisms and remedy	5	–

While we have focussed on educating and training the most relevant staff within Mercy Health, the online training module ‘Modern slavery 101’ was made available to all Mercy Health staff via our online education platform toward the end of 2021.

We published three posts on our internal collaboration platform, Workplace, to inform our staff about the work Mercy Health is doing to address the risk of modern slavery and the availability of the Modern slavery 101 module on our e-learning platform.

### Supplier education and awareness

We also encouraged our suppliers to educate themselves about modern slavery.

Mercy Health invited suppliers to attend webinars for suppliers to Catholic entities presented by ACAN which covered modern slavery risks, expectations of suppliers to cooperate in modern slavery risk management and ways for suppliers to build internal capacity. ACAN have advised that 14 suppliers attended those webinars in 2023.

### Community awareness

To promote awareness of modern slavery and Mercy Health’s efforts to overcome it, we placed the Mercy Health Modern Slavery Statement 2022 on the Mercy Health website along with a summary.

### Remediation

Mercy Health is committed to ensuring we provide appropriate and timely remedies to people affected by modern slavery.

Mercy Health is a founding partner of Domus 8.7, an independent program providing remedy to people affected by modern slavery. By partnering with Domus 8.7, Mercy Health can help people affected by modern slavery achieve meaningful outcomes.



*Linette and baby Marcella at Mercy Hospital for Women*

# ASSESSMENT OF OUR EFFECTIVENESS

The Modern Slavery and Ethical Purchasing Working Group continues to meet three-to-four times per year and will review the effectiveness of the actions Mercy Health is taking in addressing the risk of modern slavery in our operations and supply chain.

In 2022, the Working Group commenced providing the minutes of its meetings to the Mercy Health executive to allow ongoing governance by the executive of the Working Group's effectiveness.

## CONSULTATION WITHIN MERCY HEALTH

The entities owned or controlled by Mercy Health Australia Ltd were consulted in the preparation of this statement as follows:

- The Mercy Health Board was briefed on progress and approved the giving of this statement.

- Members of the management team involved in the Working Group work across all entities that constitute Mercy Health.

Neither Mercy Hospitals Victoria Ltd nor Mercy Aged and Community Care Ltd own or control any other entities.



*Left: Werribee Mercy Hospital Special Care Nursery midwives Jenny (L) and Claire (R) with mum Danielle and baby Flynn*

*Opposite: Mercy Place Mandurah staff and residents*



# APPROVAL

This statement was approved by the Board of Mercy Health Australia Ltd in its own right and as the parent entity of Mercy Hospitals Victoria Ltd and Mercy Aged and Community Care Ltd, at its meeting on 11 June 2024.



**Virginia Bourke**  
Chair, Mercy Health Australia Ltd







Mercy Health

*Care first*

## For more information

### **General Counsel**

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Richmond Vic 3121

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Mercy Health acknowledges Aboriginal and Torres Strait Islander Peoples as the first Australians. We acknowledge the diversity of Indigenous Australia. We respectfully recognise Elders past and present. This report was produced on Wurundjeri Country.