



**MacKillop
Family
Services**



Modern Slavery Statement 2023

1 January 2023 – 31 December 2023

mackillop.org.au

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Introduction, Approval and Signature

2 This is the fourth Modern Slavery Statement (“Statement”) submitted by MacKillop Family Services Limited (“MacKillop”) pursuant to the Commonwealth Modern Slavery Act 2018 (the “Act”).

7 Modern slavery is defined by the Act as: slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour, and deceptive recruiting for labour or services (“Modern Slavery”).

10 At MacKillop, we are deeply committed to working for the rights of children, young people and families to promote healing from trauma and loss, and to enable hopeful futures. The Act and its objectives are consistent with our organisational Purpose, Vision and Values.

21 As MacKillop embarks on a journey to embed sustainability in our work, we acknowledge the disproportionate impact that Modern Slavery has on vulnerable populations. We recognise that factors which impact on the rights of children, young people and families are varied and operate at multiple layers of an organisation, community and society. As such, we are committed to identify and address our impact through our work as outlined in this Statement and in our Sustainability Strategy.

This is a joint Statement made with a range of Australian Catholic organisations that are participating in the Australian Catholic Anti-Slavery Network (“ACAN”). It forms part of ACAN’s 2023 Compendium of Modern Slavery Statements.

This Statement relates to the period 1 January 2023 to 31 December 2023 (“Reporting Period”).

This Statement was approved by the principal governing body of MacKillop on 11 June 2024 and is signed by a responsible member of MacKillop as defined by the Act.

Brian Keane
Chair of the Board
MacKillop Family Services

Criteria 1: About MacKillop Family Services

Today, MacKillop continues the work of our founding congregations within the framework of Catholic Social Teaching and in the spirit of the Gospel - one of radical inclusion, restoration and accompaniment. Just like our founders, we are deeply committed to our work and are driven by social justice. Every child should be protected from abuse, neglect and exploitation, and as a child-safe organisation, we are committed to protecting and advocating for the best interests of children and families across all our programs.

MacKillop is a national charitable organisation and a leading provider of services for children, young people and their families across all our service locations. Services and programs are offered in family support, foster care, residential care, disability services, youth support, education and training, parenting, family therapy, mental health, family violence, early childhood, and support to women and men who, as children, were in the care of MacKillop's founding agencies.

We also operate three specialist schools in Victoria and are in the process of establishing our first specialist school in New South Wales.

For more information on MacKillop and our services, visit www.mackillop.org.au.



Our Founding Story

On 1 July 1997, MacKillop was formed as a new organisation by re-founding seven agencies operated by the Sisters of Mercy, the Christian Brothers and the Sisters of Saint Joseph of the Sacred Heart in Victoria. However, our legacy and inspiration are much older. From the 1850s, these three congregations - respectively founded by Catherine McAuley, Edmund Rice and Mary MacKillop - worked in Victoria to establish homes for children who were orphaned, destitute or neglected, and for families who were in need of care and support. Throughout the years, the original model of institutional care evolved into different forms of residential care, foster care, education, family support and disability services.

The purpose and character of MacKillop as a Catholic organisation continues to draw from the lives, works and inspiration of our three founders, who provide a living model for the way our staff and volunteers approach their work. Woven through this ethos is the acknowledgement and recognition of the inherent Aboriginal spirituality of this country and respect for the cultures of the peoples who have lived here for thousands of generations.

Our Purpose

Like our founders, MacKillop's work is underpinned by a passionate commitment to social justice - to work for the rights of children, young people and families to be safe, to learn, feel nurtured and connected to culture. We provide high quality services to promote healing from trauma and loss, and to enable hopeful futures.

MacKillop will care compassionately, respond large-heartedly and advocate courageously.

Our Vision

Children, young people and families are welcomed and supported by MacKillop to be empowered and thrive.

Our Values

We commit to the following five foundational values which we continue to embed in the culture of our organisation and practice:



Justice

We believe in the right of all people to experience respect and to have access to quality services irrespective of sex, race, ethnicity, culture, language, religion, marital status, disability, sexuality or age. We advocate for inclusiveness and social justice in the wider community and commit to these principles across our organisation and all services we provide.



Hope

We commit to creating positive and hopeful relationships where people find meaning in their experiences and relationships and are able to learn, explore their strengths and create possibilities for growth and change.



Collaboration

In our work with individuals, families and other organisations and groups, we commit to working in a collaborative spirit through cooperation, coordination, partnership and empowerment.



Compassion

Compassion is an attitude of the heart, an expression of our shared humanity and a deep desire to alleviate another's suffering. We commit to creating an attitude of openness to others and to their circumstances.



Respect

We value ourselves and other people, the earth and all creation. We seek to listen and learn from each other and build relationships with respect, being proud of what we hold in common and with understanding and tolerance of our differences.

Sanctuary Commitments

MacKillop's values are brought to life through our commitment to the Sanctuary Model. Sanctuary is an evidence-supported, whole-of-organisation framework that guides how we practice as an agency. Sanctuary enables a shared language, knowledge, and response to the impact of trauma and loss on all of us.



Non-Violence

Mean what you say and don't be mean when you say it



Democracy

Everyone is heard



Growth and Change

Open to new ideas and ways of thinking



Emotional Intelligence

Look out for yours and other people's feelings



Open Communication

Be honest and share information



Cultural Humility

We practice compassionate self-reflection and self-critique in order to cultivate safety for all



Social Learning

We all learn from, and teach each other



Social Responsibility

We all help each other...
It takes a village to raise a child

Strategic Goals

1. Grow high quality, inclusive services to prevent harm, to support healing and to respond where the need is great.
2. Be an innovative and responsive leader by developing best practices and advocating for social justice.
3. Deepen our commitment to Aboriginal self-determination, reconciliation and cultural safety.
4. Ensure accountable and integrated systems that prioritise the safety and wellbeing of children, families, volunteers and staff.
5. Strengthen organisational and financial sustainability.



Sustainability at MacKillop Family Services

MacKillop is committed to sustainability and views itself as a custodian of the future of the children, young people, and families it works with. We aim to operate in a way that meets the current needs of our stakeholders while also securing a future where they can thrive.

Our vision is to promote equity and justice within and between generations by embracing and seeking to embed five elements of sustainability in our organisation:

<p>Social sustainability</p> <p>Ensuring the processes, systems and institutions of our society support today's and future communities to be equitable, diverse, connected and democratic where people have a good quality of life.</p>
<p>Cultural sustainability</p> <p>Recognising the importance of identity and heritage and a sense of place to support the co-existence of different ways of life and values and equal participation.</p>
<p>Environmental sustainability</p> <p>Recognising and living within ecological limits to protect natural resources for future generations.</p>
<p>Economic sustainability</p> <p>Using resources (human and material) in a way that supports long-term economic growth without negatively impacting people and the planet.</p>
<p>Financial sustainability</p> <p>Ensuring the organisation can grow its services in a way that is resilient and viable.</p>

Table One: MacKillop Five Elements of Sustainability

To develop our strategy, MacKillop consulted with various stakeholders, including staff, foster carers, young people living in residential homes, and philanthropic trusts. The insights gathered from these stakeholders informed a materiality assessment, which informed our first Sustainability Strategy.

In 2023, we launched our Sustainability Strategy 2023-2027 ("Sustainability Strategy"), which outlines our commitment to making a positive impact.

Our sustainability efforts align with external strategies, UN Sustainability Goals, and the principles outlined in Pope Francis' encyclical *Laudato Si*. The UN Sustainability Goals have been adopted by United Nations Member States to guide global development efforts until 2030.

In the global Catholic context, *Laudato Si*, an encyclical letter written by Pope Francis in 2015, is a call for action on the environment and recognises the interconnectedness of social, environmental and economic sustainability. *Laudate Deum*, an addendum to *Laudato Si* released in 2023, is an appeal for more urgent action to address climate change noting the disproportionate impact of the failure to act on the most disadvantaged and vulnerable.

By incorporating these frameworks into our Sustainability Strategy, we aim to ensure our actions are globally recognised and contribute to a sustainable future.

Our Sustainability Strategy outlines the blueprint for implementing actions in four focus areas. A copy of our Sustainability Strategy can be found at www.mackillop.org.au/sustainability.

<p>Our four focus areas are:</p>
<p>Focus area 1:</p> <p>Deepening our commitment to Aboriginal self determination, reconciliation and cultural safety.</p>
<p>Focus area 2:</p> <p>Nurturing a diverse, inclusive and culturally safe organisation.</p>
<p>Focus area 3:</p> <p>Acting on climate change and reducing our footprint.</p>
<p>Focus area 4:</p> <p>Building sustainability into our procurement and financial management.</p>

Table Two: MacKillop Four Focus Areas in its Sustainability Strategy 2023-2027

Criteria 2: MacKillop Family Services Structure, Operations and Supply Chains

Organisational Structure

MacKillop Family Services Limited is a registered company limited by guarantee, incorporated and domiciled in Australia under the Corporations Act 2001 (Cth). It is also a registered charity regulated by the Australian Charities and Not-for-profits Commission. It operates under the name MacKillop Family Services.

For the Financial Year ended June 2023, MacKillop had an annual revenue of over \$252 million.

Prior to 3 December 2021, our members were representatives from our founding congregations, being the Christian Brothers Oceania, the Institute of the Sisters of Mercy of Australia and Papua New Guinea, and the Sisters of Saint Joseph of the Sacred Heart.

On 3 December 2021, MacKillop's members transitioned from its founding congregations to a Ministerial Public Juridic Person (PJP) called Mercy Ministry Companions which is also incorporated as a public company limited by guarantee and is the sole member of Mercy Community Services Australia Ltd ("MCSAL"). MCSAL is the sole member of MacKillop. The change in governance does not affect our status as a separate legal entity.

The current Board of MacKillop will continue to govern the organisation until 1 July 2024. Our Board of Directors is comprised of thirteen Directors, who volunteer their time and experience. From 1 July 2024 MacKillop will retain five of its current Directors and have several more join as new Directors.

Mercy Community Services Group

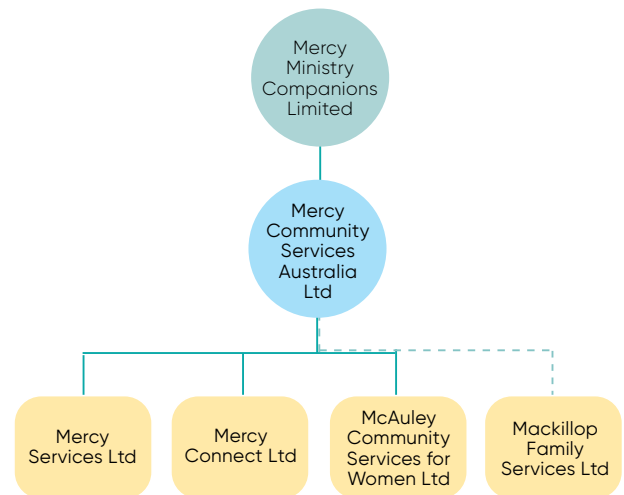


Figure One: MacKillop Group Organisational Structure



Governance Structure

MacKillop has established the following governance framework to manage Modern Slavery.

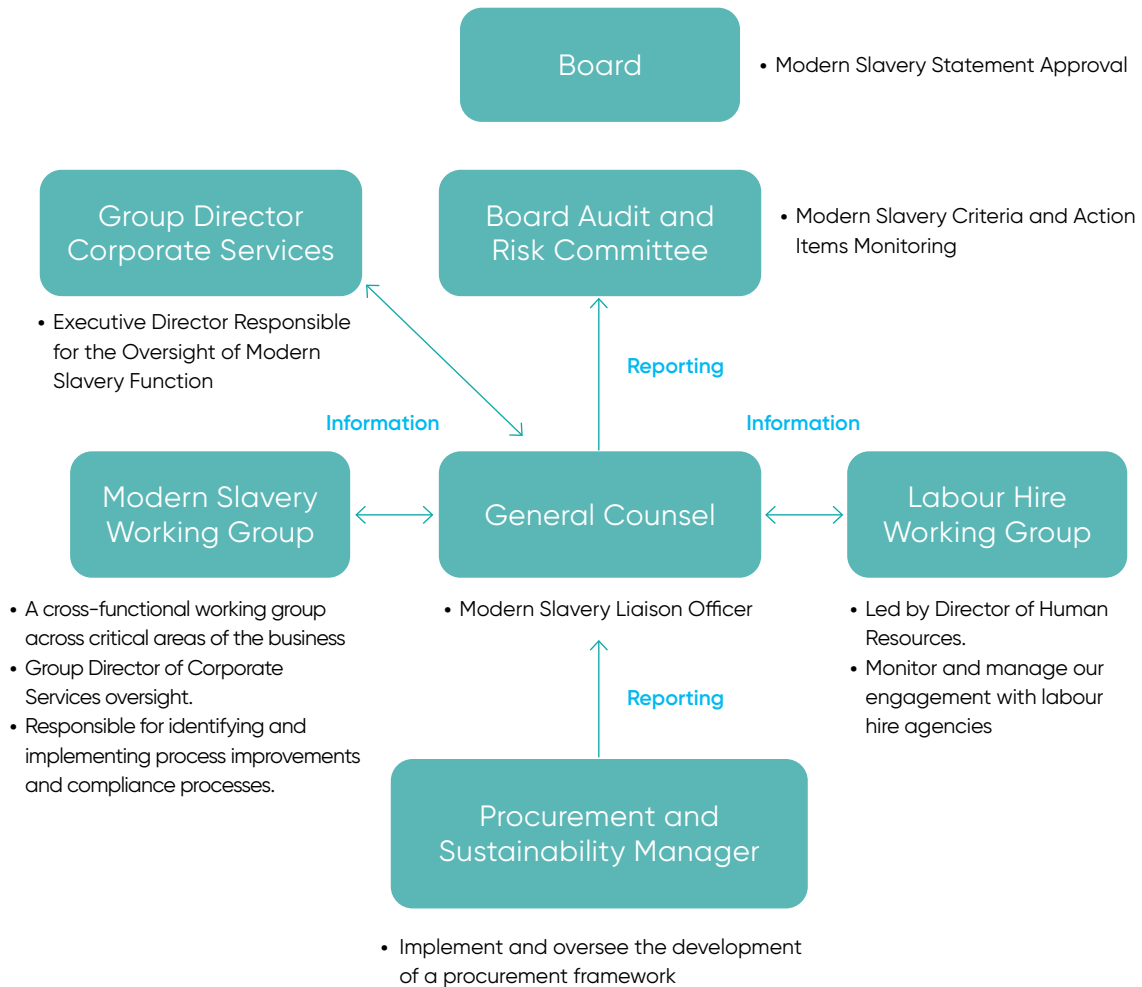


Figure Two: Internal Governance Structure

Modern Slavery Working Group ("MSWG"): A cross-functional working group has been established and meets quarterly. The working group is responsible for identifying and implementing process improvements and compliance processes. The Group Director of Corporate Services has Executive Responsibility for the working group, which is chaired by our General Counsel and comprised of the following people/roles: General Manager of Finance, Manager of Risk and Compliance, Chief Information Officer, Manager of Fleet, Procurement and Sustainability Manager, General Manager of Property and Fleet, Director of Human Resources, Director of Community Engagement, Director Aboriginal Service Development and the Operational Directors for each of our States and Territories.

Labour Hire Working Group: A working group led by the Director of Human Resources and comprised of the following people/roles: Group Director Operational Performance, HR Manager - Engagement, HR Manager - Business Change Enablement, General Counsel. Operational Directors are also asked to participate when their input is required. This group monitors and manages our engagement with labour hire agencies and recruitment agencies. It ensures we are regularly monitoring and responding to our compliance obligations in relation to labour hire agencies, their staff and work health and safety issues.

Operational Structure

MacKillop's head office is located in South Melbourne, Victoria, with state-based administrative offices in Sydney, New South Wales, Perth, Western Australia, Darwin, Northern Territory and Australian Capital Territory. We also have many other offices and service locations in all of these states and territories. In total, during the Reporting Period, we operated from around 218 properties, including 46 administration sites.

Our places



New South Wales

Blacktown	Dubbo	Nyngan
Balranald	Goulburn	Quambone
Bateman's Bay	Grafton	Queanbeyan
Bega	Gulgambone	Tweed Heads
Brewarrina	Lightning Ridge	Walgett
Condobolin	Lismore	Wollongong
Coonabarabran	North Sydney	
Coonamble	Nowra	

Western Australia

West Perth
Bunbury
Karratha
South Hedland
Onslow
Newman

Australian Capital Territory

Belconnen

Northern Territory

Darwin

Our national and international footprint

We deliver training programs such as Sanctuary, ReLATE and Seasons for Growth across Australia. We also partner with organisations and trainers to deliver Seasons for Growth internationally in Scotland, England, Wales, New Zealand, Singapore and Ireland.

Victoria

South Melbourne	Footscray	Preston
Ballarat	Forest Hill	Sunshine
Bendigo	Geelong	Swan Hill
Broadmeadows	Hamilton	Wangaratta
Caulfield	Maidstone	Warrnambool
Cobblebank	Melton	Wodonga
Dandenong	Mildura	

Supply Chains

MacKillop sources significant quantities of goods and services, including stationery, IT equipment and mobile devices, cleaning, gardening and maintenance products and services, labour hire services, food, clothing, furniture and motor vehicles. During the Reporting Period, MacKillop continued to undertake significant refurbishment and fit-out works, which resulted in high spend in construction services and materials.

The majority of our annual procurement occurs with our first-tier suppliers located in Australia. However, we know our extended supply chains may be located overseas. For example, motor vehicles and IT equipment are mostly manufactured overseas. Our aim is to progressively develop a supply chain map to better demonstrate the geographic location and nature of products and services sourced.

Criteria 3: Risks of Modern Slavery

MacKillop works to promote human rights - particularly the rights of children - and is committed to protecting the rights of all people including our employees, the communities in which we operate, those who may be impacted by our activities, our clients, and those within our supply chains.

Our framework for the management of Modern Slavery risks incorporates the potential risks of Modern Slavery practices across our operations and supply chains, taking into account the risks outlined in the Australian Government's Department of Home Affairs Guidance for Reporting Entities ("Guidance Report"). The Guidance Report identifies three categories of risk, being risks that may cause, contribute to, and/or be directly linked to Modern Slavery practices. These risks can arise due to the sector/industry, types of products and services, geographic locations, and business models that businesses operate within.

In considering the services we deliver, and the goods and services we procure, we believe that while our operations do not either cause or contribute to Modern Slavery practices, we may be directly linked to Modern Slavery risks through our supply chains.

Operational Risks

We employ approximately 2,000 staff, operating out of around 218 properties, including 46 administration sites. Our employees are engaged either by contract or under an award and/or industrial agreement. Several collective industrial agreements are in place and employees have a number of unions they can join.

Within our workforce, we have approximately 115 migrant workers (workers on a Temporary Visa in Australia). Our Human Resources Team is responsible to ensure that they have the appropriate visa with rights to work. Of those, only a small number are sponsored to work with us. Visa applications related to those sponsored positions are managed by our Human Resources Unit and an external immigration lawyer in accordance with immigration requirements and Australian law.

In addition to our staff, we also have around 60 contractors that work for us across Australia. Contractors are managed centrally by the Legal and Governance Team who are responsible, in collaboration with the MacKillop Hiring Managers to issue Agreements and monitor relevant compliance requirements.

We also have a significant labour hire agency workforce. Labour hire agency and recruitment costs are our largest spend category, with spend of approximately \$39,000,000 and approximately 24 suppliers, during the Reporting Period. The labour hire workers to which this relates are predominantly contracted to work within our residential care homes. This category of suppliers is the focus of the Labour Hire Working Group, which is responsible for ensuring the labour hire agencies meet compliance requirements, have appropriate contracts in place and where state or territory laws require, hold a labour hire licence. The Labour Hire Working Group has established an approved labour hire agency supplier list and a very robust business case approval process for any new labour hire agencies not on that list. During the Reporting Period, the Labour Hire Group has made a number of improvements, as outlined in Table Five.

In addition to our staff, we have almost 1,000 volunteer foster carers across Australia.

We have a range of systems in place to identify and action changes to employment entitlements, immigration requirements, equal opportunity requirements and health and safety legislation.

We have a significant number of Policies and Procedures which govern how we relate to our staff and volunteers as well as our expectations about how our employees conduct themselves in our operations. We also have a Code of Conduct which sets minimum expectations about how our staff, volunteers and contractors conduct themselves.

Our Policies and Procedures are based on our organisational Purpose, Vision and Values and are reviewed and updated on a regular basis. During the Reporting Period our Policies and Procedures Framework underwent a major upgrade and extensive training was provided to staff.

We are committed to protecting and supporting whistleblowers who disclose improper conduct, in accordance with our Whistleblowers Procedure.

We also have a Strategic Internal Audit Plan which is reviewed by the Board Audit and Risk Committee annually and articulates the internal audits to be carried out each year, based on the needs of the business and identification of high-risk areas.

Supply Chain Risks

MacKillop is committed to developing systems and processes with the goal of improving how it manages Modern Slavery risks within its supply chains.

Potential risks to MacKillop - including Modern Slavery risks - can arise due to the range of goods and services we source, the large number of geographic locations we operate in and the lack of controls or regulatory systems in the countries in which extended supply chains operate. Our aim is to progressively develop a robust approach to all procurement processes, practices and dealings with suppliers, which will assist in the mitigation of Modern Slavery.

During the Reporting Period, our Procurement and Sustainability Manager has implemented a new Category Management Strategy, which focuses MacKillop's efforts on suppliers with a higher Modern Slavery risk in their supply chains.

We purchase a large volume of goods and services to provide our programs and services to the community.

A majority of these purchases are processed through our spend management platform and this captured spend is used in our procurement category management processes.

Total Spend

For the Financial Year ended June 2022, MacKillop had annual revenue of over \$252 million.

During the Reporting Period, MacKillop's total spend was \$112,573,070 with over 3,166 suppliers. Table Three provides a breakdown of the number of suppliers and spend amount in each of MacKillop's spend brackets.

Spend Bucket	Number of Suppliers	Total Spend
Under \$1,000	1241	\$561,397
Between \$1,000 and \$4,999	1063	\$2,523,397
Between \$5,000 and \$9,999	265	\$1,888,231
Between \$10,000 and \$49,999	367	\$7,731,349
Between \$50,000 and \$99,999	82	\$5,816,579
\$100,000 plus	148	\$94,052,116

Table Three: Break-down of Suppliers by Spend Bracket

Managed Spend

MacKillop's Managed Spend consists of spend relating to nine main Procurement Categories and forty-five Sub-Procurement Categories.

For the purposes of our procurement function and assessing the risks in our supply chain, we used data extracted from our spend management platform. During the Reporting Period, the total spend analysed via our spend management platform was \$84,167,227 spread over 2,088 suppliers. This analysis enables us to identify more accurately our significant procurement categories and conduct effective procurement category management processes. MacKillop spent \$100,000 or more with 122 Suppliers within Managed Spend Procurement Categories

By using procurement categories, we identified spend allocated as follows (Graph One):

Graph One: Main Procurement Categories (Managed Spend)



Underneath our main Procurement Categories, MacKillop has forty-five Sub-Procurement Categories. Table Four shows a sample of MacKillop's Procurement Sub-Categories, with the greatest percentage of Managed Spend.

Category Main	Category Sub	Risk Rating	%
Human Resources Services	Agency Costs	High	45.99%
Insurances and Investments	Insurance Workcover	Low	11.36%
Mobility	Vehicles Purchased	Medium	6.71%
Buildings and Maintenance	Buildings at Cost	High	5.38%
Professional Services	Consultancy Costs	Low	3.85%
Buildings and Maintenance	Buildings Maintenance	High	3.57%
Human Resources Services	Temporary Labour / Contractors	High	2.31%
Information Technology and Telecommunications	Computer Repairs / Maintenance	Medium	2.15%
Information Technology and Telecommunications	Hardware	High	1.82%
Plant and Equipment	Plant and Equipment Purchases	High	1.44%
Human Resources Services	Training Courses	Low	1.42%
Buildings and Maintenance	Cleaning Services and Materials	High	1.42%
Buildings and Maintenance	Utilities	Medium	1.28%
Information Technology and Telecommunications	Software	Medium	1.20%
Mobility	Motor Vehicle Repairs/Tyres/Fuel	Medium	1.04%

Table Four: Procurement Category Sub-Categories as a percentage of Managed Spend (Top 15)

For the purpose of our category management, client costs are excluded from our analysis. Client costs relate to MacKillop's day-to-day operational spend on clients. The decentralised and ad-hoc nature of these transactions are often low spend amounts and from suppliers who are used irregularly. Spend in these categories is for general household and personal expenditure. However, for the purpose of our supplier analysis, they are included in the overall supplier spend.

Risks within MacKillop's Main Procurement Categories and Supply Chains

The analysis of this spend data identified a number of categories where there may be a high risk of Modern Slavery. The high-risk categories where MacKillop has a significant portion of spend are:

- a. Agency Costs (Labour Hire)
- b. Buildings Maintenance
- c. ITC Hardware
- d. Cleaning Services and Materials

Agency Costs (Labour Hire)

MacKillop spent over \$39 million with twenty-four suppliers for Agency (Labour Hire) services. We understand labour hire services can pose a high risk for worker exploitation and Modern Slavery. These factors include:

- focus on low-skilled, low-paid, seasonal, temporary and or intermittent labour;
- recruitment of potentially vulnerable people such as new migrants, temporary visa holders, international students and undocumented workers;
- deceptive and opaque practices trapping workers into exploitative situations or Modern Slavery;
- demanding excessive fees for visas, documentation, travel arrangements, etc creating a debt trap and situations of bonded labour; and
- coercive control, threats, withholding workers' identity documents to limit their freedom of movement and social isolation from community or other supports is common practice.

During the Reporting Period, the Labour Hire Group has made a number of improvements, as outlined in Table Five.

Buildings Construction and Maintenance

In providing our services, MacKillop manages a large number of both commercial and residential properties. During the Reporting Period, we spent over \$7.5 million in maintenance and refurbishment costs with over 350 suppliers. A significant part of the labour force used in the property maintenance and construction sector consists of low skilled, low paid workers often contracted through labour hire companies. Workers are often temporary migrants who face language barriers and a lack of understanding of Australian workplace law and rights. In addition, numerous examples of forced labour associated with the production of building and construction materials commonly used in Australia and internationally have been documented.



ICT Hardware

ICT hardware including computers, phones and computer peripherals are purchased through our Corporate Services IT team. During the Reporting Period we purchased over \$5.9 million in ITC related goods and services including \$1.5 million on hardware. According to the 2018 Global Slavery Index, electronics are the highest risk product for Modern Slavery in supply chains. Forms of Modern Slavery identified by the Global Slavery Index and other reports as being present in the electronics sector include passport retention or doctoring of identity documents, restriction of freedom of movement, poor living conditions, underpayment, fines and illegal salary deductions, excessive working hours and unpaid overtime.

Cleaning Services and Materials

Cleaning services and materials comprises a significant part of our facilities maintenance costs. During the Reporting Period MacKillop spent a total \$1.2 million for cleaning service providers and cleaning materials. The cleaning sector typically employ low skilled (often migrant) workers who face significant language barriers and a lack of understanding of their rights. Opaque sub-contracting arrangements are also common. Jobs in this sector are low paid (often cash in hand), have high rates of staff turnover with staff often moved between multiple worksites. Equipment and consumables used in these sectors are largely manufactured overseas, predominantly in high-risk countries such as China and Vietnam.

Criteria 4: Actions to Assess and Address Modern Slavery Risks

MacKillop undertakes a number of processes and actions to assess and address Modern Slavery risks in our supply chains. Through our new procurement Strategic Plan for 2024-2027, we have set new key priorities as detailed below.

Procurement Strategic Plan 2020-2023 and Procurement Strategic Plan 2024-2027

During the Reporting Period, we finalised implementation of our Procurement Strategic Plan 2020-2023 to implement the initiatives mentioned in this Statement.

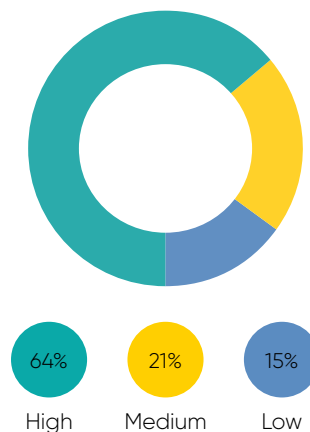
We developed our new Procurement Strategic Plan for 2024-2027, the key priorities are: category management, supplier relationship management, sourcing processes, and due diligence processes. A Work Plan for 2024 has also been developed to meet the goals and initiatives set for this year.



Category Management Processes

MacKillop's Procurement Team undertakes regular spend analytics and category management reporting. The reporting is used to identify areas of spend and the related suppliers that may pose a high risk of Modern Slavery and therefore requiring us to undertake a due diligence process. Through collaboration with the responsible stakeholder, we conduct an assessment of the supplier and the goods and services provided. This then determines the extent of the due diligence process required. Where we identify that the supplier does not meet our expectations, we terminate the relationship and seek an alternative supplier.

Managed Spend - Risk Rating



Graph Two: Spend risk rating as a percentage of total managed spend.

Sourcing Processes

MacKillop operates under a centrally led procurement structure where the Procurement Team provides the procurement framework and supports the organisation in its sourcing requirements. The Procurement and Legal and Governance Teams have a thorough understanding of Modern Slavery risks and the obligations of the organisation. In developing sourcing processes and supplier contractual terms, Modern Slavery considerations have been incorporated.

MacKillop has established tendering processes that include a supplier due diligence process. The due diligence process includes the request for information relating to Modern Slavery risks. In addition, tendering evaluation processes also include mandatory criteria for satisfying Modern Slavery requirements where applicable.

Supplier Relationship Management and MacKillop's Materiality Threshold

MacKillop continues to focus on a supplier relationship management approach as part of its procurement strategic objectives. MacKillop has built its Modern Slavery risk management strategy around its materiality threshold of suppliers with spend greater than \$100,000 during the Reporting Period ("Materiality Threshold"). An important part of this process is to identify key suppliers that may have inherent risks or a strategic benefit for MacKillop. As part of this targeted approach, we identify those suppliers in high-risk categories for Modern Slavery and undertake a due diligence process.

During the Reporting Period, we spent \$100,000 or more with 122 Suppliers in our Managed Spend Procurement Categories.

A high-level risk identification of the 123 suppliers was completed using the Australian Catholic Anti-Slavery Network (ACAN) Risk Taxonomy, the results of which are in Graphs Three and Four below.

Key Supplier Spend



Graph Three: Spend Risk Rating – Suppliers Over Materiality Threshold (123 Suppliers)

Key Supplier



Graph Four: Risk Rating – Suppliers Over Materiality Threshold as a percentage of total Suppliers over Materiality Threshold

Where these suppliers meet the compliance and onboarding requirements of MacKillop, they are classified as 'Preferred Suppliers' and added to our 'Preferred Supplier Register'. One of the requirements of a Preferred Supplier is that they meet our Modern Slavery risk mitigation requirements that includes acceptance of any Modern Slavery clauses in our supplier agreements and/or supplier code of conduct.

ACAN Due Diligence Process

MacKillop is a participant of the Australian Catholic Anti-Slavery Network (ACAN) Modern Slavery risk management program. ACAN has set a mission to eliminate Modern Slavery in all its forms from the operations and supply chains of Catholic entities in Australia. As a participant in this network, we have access to a number of resources including support in supplier due diligence processes.

As an extension to our own internal due diligence processes, we also participate in ACAN's supplier engagement and due diligence processes that are shown below. The aim of this further due diligence process is to assess as many of our suppliers as possible and to identify common suppliers throughout the ACAN network.

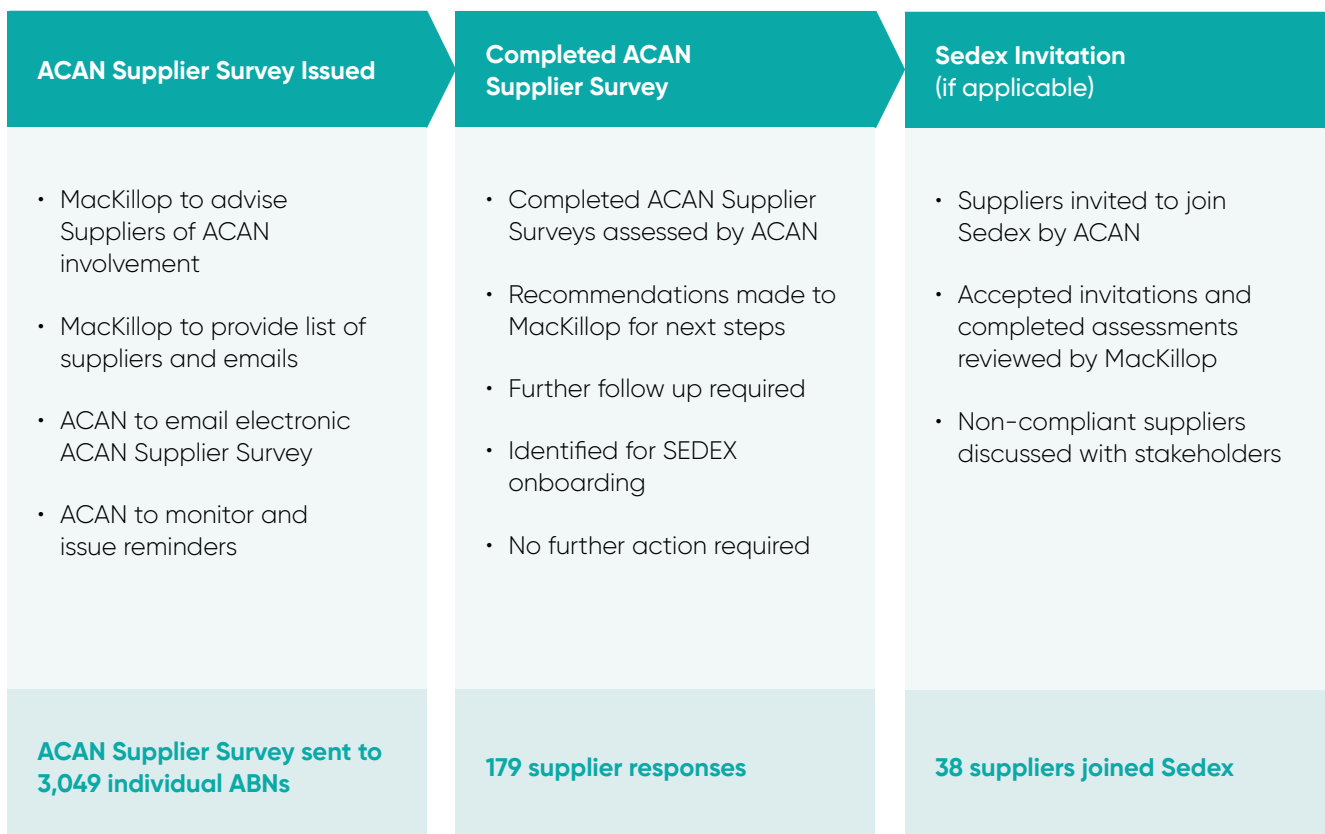


Figure Three: MacKillop and ACAN Due Diligence Process

Policies and Procedures

Our Policies and Procedures provide the foundation for our commitment to human rights. We have Policies, Procedures and a Code of Conduct that are intended to promote child safe, ethical and legally compliant personal and organisational conduct across all facets of the business, including directors, employees, contractors, suppliers and business partners.

MacKillop has adopted a continuous improvement approach to reviewing our Policies and Procedures during the Reporting Period.

Achievements During the Reporting Period

During the Reporting Period we have continued to implement our Procurement Strategy initiatives. The below table outlines our actions and achievements taken during the reporting period, and how we monitored, reported and evaluated the effectiveness of those actions:

Action/ Achievement	Measuring Effectiveness
We have incorporated Modern Slavery Risks into our Risk Management Framework that is reviewed by our Board Audit and Risk Committee.	Updated Risk Register and Risk Appetite Statement.
In addition to implementing mandatory training requirements, we made our Modern Slavery modules available to all staff. We maintained a consistent communications approach aligned to World Day events and informing the organisation of Modern Slavery risks and our approach in working towards eliminating all forms of Modern Slavery.	Number of staff trained. Number of communications issued.
We have reviewed the status of our Labour Hire Agencies and issued them with our Due Diligence Questionnaire and Checklist and a MacKillop standard Labour Hire Agreement.	Number of Labour Hire Agencies reviewed. Number of compliant Labour Hire Agencies
We have completed an analysis of our Labour Hire category spend and suppliers. An assessment of a Managed Services Provider (MSP) model was also evaluated as a potential alternative.	Completion of Category management reporting. Evaluation and recommendations of MSP model completed.
We have commenced issuing the updated Labour Hire Standard Service Agreement, which addresses Modern Slavery risks, to Labour Hire Agencies in Victoria.	Number of Labour Hire Agencies who have signed the new Service Agreement (which addresses Modern Slavery)
We have developed new Standard Service Agreements for our Labour Hire Agencies in New South Wales and Australian Capital Territory and onboarded agencies through our standard process.	Number of Labour Hire Agencies who have signed the new Service Agreement (which addresses Modern Slavery)

<p>Our Procurement Manager, in collaboration with the Legal and Governance Team and Human Resources Team has worked to negotiate the commercial terms of Service Agreements, and in particular, require transparency around fees and rates being paid to labour hire workers.</p>	<p>Number of Labour Hire Agencies who have provided a breakdown of fees and review in comparison to award rates.</p>
<p>Review of Contractors managed centrally by the Legal and Governance Team, in collaboration with the Hiring Managers to issue Agreements and monitor relevant compliance requirements.</p>	<p>Number of Contractors with signed Agreements in place. Number of Contractors with all compliance requirements met. Quarterly Audit of Contractors against spend.</p>
<p>We continued to investigate options for improving visibility into our supply chains and enhancing the effectiveness of our risk assessment activities. In collaboration with ACAN, we participated in an extended Due Diligence process to increase the volume of suppliers assessed.</p>	<p>Number of suppliers undertaking our Due Diligence process and ACAN Due Diligence process. Number of Suppliers registered with SEDEX.</p>
<p>We further developed our Supplier Relationship Management processes to better manage our key suppliers and incorporate Modern Slavery risk assessment requirements for 'Preferred Suppliers'.</p>	<p>Number of 'Preferred Suppliers'.</p>
<p>We established a MacKillop Family Services Preferred Supplier Database listing details of suppliers that have met the requirements of a Preferred Supplier.</p>	<p>Database maintained and up to date.</p>
<p>The purpose of our Preferred Supplier strategy is to build strong relationships with key suppliers and work towards better understanding the risks in their operations and supply chains. Through better understanding of their operations and supply chains we can make a better assessment of risks and the need for formal grievance processes.</p>	<p>Number of High Risk Suppliers. Number of Suppliers assessed.</p>

Table Five: Achievements in 2023

Future Goals

We are committed to ensuring we provide appropriate and timely remedy to people impacted by Modern Slavery as a result of our operations, or by the conduct and/or supply chain of our suppliers, in accordance with the United Nations Guiding Principles on Business and Human Rights, Commonwealth Modern Slavery Act 2018 – Guidance for Reporting Entities and relevant Australian laws.

Moving forward, the key initiatives we aim to undertake include the following, using ACAN's Maturity Assessment Pillars as a framework (refer to section 5):

Pillar	Action for 2024
Business Process and Governance	<p>Review relevant policies and procedures including (but not limited to): Recruitment Policies and Procedures, Whistleblower Procedure, Grievance and Complaints procedure, Code of Conduct, Labour Hire Procedure.</p> <p>Further enhancing our supplier engagement processes and embedding due diligence in supplier management processes.</p> <p>Developing Procurement Reporting Dashboards for the Executive Team, Board Committees and Board and include key Modern Slavery metrics into procurement reporting schedule and dashboard.</p>
Operations	<p>Review our training plan to ensure we identify key personnel involved in selection of suppliers and supplier relationship management where Modern Slavery training is required and compulsory.</p> <p>Working with key personnel involved in selection of suppliers to consider tender opportunities and consolidation of spend across a category.</p>
Supply Chain	<p>Continuing to mature our procurement function through implementing initiatives in our Procurement Strategic Plan 2023–2027.</p>
Worker Engagement	<p>Continue to raise the awareness of Modern Slavery through internal communications and reflection articles.</p> <p>Communicate our grievance mechanism channels to staff within our supply chains.</p>
Entity's Program and Activities	<p>Work with ACAN to explore opportunities for optimising our impact through a group approach and consolidating our efforts.</p>
Grievance Mechanisms and Remediation	<p>Establish a defined policy and strategy for responding to any identified Modern Slavery risks.</p> <p>Review our grievance channels and establish grievance mechanisms for employees and suppliers within our supply chains.</p>

Table Six: Future Goals for 2024

Grievance Mechanism

Our mission and values underline our commitment to ensure all employees and those working with MacKillop feel safe and supported and know that MacKillop is working to maintain the highest standards of governance, compliance and ethical behaviour.

MacKillop has a robust Complaints and Whistleblower Procedure which provide a way for employees, volunteers, suppliers, contractors or other eligible people to report their concerns confidentially.

In addition, MacKillop's Sanctuary Commitment to **Democracy** provides a good framework for staff to participate and influence decisions that affect them.

“ Behaving democratically starts by recognising that all voices are important in decision making, both those who are central and perceived to hold the power, but also people who are on the margins. And we need to bring those voices together because all of us are smarter than any one of us. ”

Cameron Burgess, National Program Director, Sanctuary

Practical applications of Democracy at MacKillop

Some of the ways we can participate at MacKillop include, Community Meetings, Team meetings, Care Planning, Flag meetings and Safety Planning. Below are some self reflection prompt to consider our culture of Democracy.

Community Meetings	Team Meetings	Care Planning with YP and Families	Red and Green Flag Meetings	Safety Plans
<ul style="list-style-type: none"> • Are we genuinely listening? • Is it culturally safe to allow for freedom of speech. • Do we retain or follow up on what's said? • Don't just assume it works. 	<ul style="list-style-type: none"> • Is there a culture of trust? • Are we generating a range of insights and ideas? • Do we have a culture of consultation? • Are people listening and talking? 	<ul style="list-style-type: none"> • Are we actively giving opportunities to be heard? • Are we inviting cultural voice – from community or elders? • Do we support through prompts, visual aids for those with challenges voicing their opinion? 	<ul style="list-style-type: none"> • Do we look for richness within conflict or problem solving? • Do we seek for creative collaboration around tricky problems? • Do we celebrate diversity of people and achievements? 	<ul style="list-style-type: none"> • Do we remain curious and open to learning about others safety and triggers? • Do we review through consultation of the YP?

Figure Four: Sanctuary Commitment of Democracy in Action at MacKillop

Remediation

As a participant in ACAN, we have access to Domus 8.7 - an independent program to provide remedy to people impacted by Modern Slavery. We will develop response procedures and engagement with Domus 8.7 and other civil society stakeholders. By partnering with Domus 8.7 we can help people impacted by Modern Slavery achieve meaningful, reportable outcomes and continuously improve risk management and our response.

Where we identify direct links to Modern Slavery through our suppliers, we are committed to working with the suppliers to ensure remediation and mitigation of the risk of recurrence. We intend to implement remediation obligations and expectations in contracts with high-risk suppliers who must notify and consult with us to ensure victim-centred remediation processes are implemented to our satisfaction.

Criteria 5: Measuring Effectiveness

MacKillop recognises and values the importance of reviewing its practices, with the objective of improving the effectiveness of processes and systems implemented to address Modern Slavery risks.

Our Procurement and Sustainability Manager has responsibility to implement the Procurement Strategic Plan 2024-2027. This includes the key initiatives and actions outlined in Table Six and the measurement of their effectiveness.

Risk Management Framework

The Procurement Team, in collaboration with the Risk and Compliance Manager, is continuing to embed Modern Slavery Risks into MacKillop's Risk Management Framework. During 2024, MacKillop aims to establish a defined policy and strategy for responding to any identified Modern Slavery risks.

Awareness and Training

One of the very important parts of our work is awareness and training.

We have introduced a number of Modern Slavery training modules into our Learning and Development system. So far our Board, the Executive Team and Managers have been trained. All MacKillop staff have also been invited to participate in the training as well. During 2024, the next step is a focus on hiring managers to undertake the training and be upskilled in the procurement processes. The training schedule provides us with key metrics to monitor completion of training.

We have developed a Modern Slavery Communications Plan as part of our overall Procurement Communications Plan. This is aimed at increasing awareness of National and International events related to Modern Slavery and providing important information to staff about our actions. We have committed to a minimum number of annual communications to ensure that Modern Slavery awareness and understanding continues to be enhanced throughout the organisation.

Maturity Assessment

In 2023, ACAN shifted from a 'Gap Analysis' presented in our last Statement to a Maturity Assessment. The shift to a Maturity Assessment marks a strategic evolution in ACAN's approach and reflects a continuous improvement journey.

The Maturity Assessment is a self-reported assessment scorecard designed to provide a comprehensive view of efforts across different key areas of operation, presented as pillars:

- 1. Business Process and Governance:** Establishes the overarching structure and policies guiding our efforts, emphasising the importance of oversight and clear responsibilities.
- 2. Operations:** Focuses on internal practices and how effectively we manage risks within our day-to-day activities.
- 3. Supply Chain:** Examines our external partnerships and the mechanisms in place to assess and mitigate risks beyond our immediate operations.
- 4. Worker Engagement:** Addresses how we manage worker engagement and the standards upheld to prevent exploitation.
- 5. Entity's Program and Activities:** Looks at the broader initiatives and engagements we undertake to combat modern slavery.
- 6. Grievance Mechanisms and Remediation:** Evaluates the channels available for reporting concerns and the processes for addressing them.

In line with best practice and reporting requirements, maturity is measured across governance, risk assessment, risk management, and effectiveness measures, which are presented as sub-pillars.

The responses provided a representation of the current status of MacKillop's maturity in each category and MacKillop is working with ACAN to develop a list of actions for consideration.

Other Measures

Other key metrics used to measure effectiveness include a minimum number of Executive Team members on our Modern Slavery Working Group (MSWG), minimum number of meetings held by our MSWG per year, continuous review of our Policies and Procedures, completion of the Procurement Work Plan each year, meeting goals in the Procurement Strategic Plans and ensuring MacKillop meets the reporting requirements within the Act.

Raising Awareness at MacKillop Family Services

MacKillop is committed to raising awareness on the risks of Modern Slavery and our broader Sustainability commitments. We endeavour educate our staff through ongoing communications within the organisation. Examples of communications throughout the year include:

- a. **8 February 2023 - International Day of Prayer and Awareness against Human Trafficking:** In each encounter with our children, young people, families, communities, and each other we are called to promote and defend human dignity. The theme for 2023 is "Journeying in Dignity". The theme was chosen by an international group of young people involved in the fight against Trafficking.
- b. **20 February 2023 - World Day of Social Justice:** Staff were invited to consider their role as a global citizen, be alert to the conflict arising across the world and to understand their responsibility in combatting issues.
- c. **18 - 24 June 2023 - Refugee Week:** The theme for Refugee Week in 2023 was "Finding Freedom". The focus of this was to raise awareness of the challenges that refugees face, including risks of Modern Slavery. Staff were sent information on the day.
- d. **30 July 2023 - World Day Against Trafficking in Humans:** We highlighted the significance of this issue in Australia and efforts to combat this problem.
- e. **7 - 13 August 2023 - Homelessness Week:** We highlighted the work we do to respond to family and youth homelessness and accompany children and young people to hopeful futures.
- f. **11 October 2023 - United Nations International Day of the Girl Child (IDG):** An annual and internationally recognised observance that empowers girls and amplifies their voices. The theme for 2023 is "Invest in Girls' Rights: Our Leadership, Our Well-being". Staff were sent information and resources on the awareness day.
- g. **25 November 2023 - International Day for the Elimination of Violence Against Women:** Staff were sent information and resources, which were collated on the intranet, and linked to the intranet homepage throughout the 16-day campaign.
- h. **10 December 2023 - Human Rights Day 2023:** The theme for 2023 is "Freedom, Equality and Justice for All Human Rights Day 2023." Staff were sent a reflection and resources.



Criteria 6: Consultation

Criteria 6 requires that MacKillop describe the process of consultation with certain entities. Given that MacKillop does not own or control any other entities, this criterion is not applicable.

This Statement was prepared in consultation with our Board, Board Committees, internal Committees, Executives and Senior Leaders, Procurement and Legal teams. Our governance structure, described in section 2, demonstrates the oversight of the MacKillop Modern Slavery Framework.

Criteria 7: Other Relevant Information

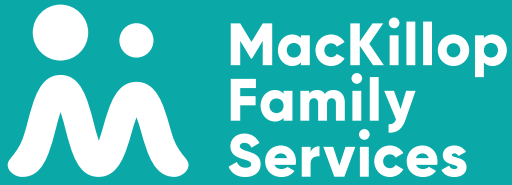
Attendance at External Forums

MacKillop's General Counsel has joined the Quarterly Modern Slavery Charity and Not-for-Profit Forum. This Forum includes legal and procurement specialists in the Charity and Not-for-Profit sector, who come together to share resources and gain insights and learn from each other.

The Australian Catholic Anti-Slavery Network

In June 2021, we joined ACAN. ACAN brings together Catholic entities to share resources and coordinate action to manage and mitigate modern slavery risks across their industry sectors. During the Reporting Period, MacKillop participated in the ACAN Forum's, completed an annual Entity Profile Survey, which forms the basis of the Compendium of Modern Slavery Statements aggregated data and contributes to a Maturity Assessment






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MacKillop Family Services acknowledges the Traditional Custodians and their Elders in each of the communities where we work.



As a Rainbow Tick organisation, MacKillop values an inclusive culture where lesbian, gay, bisexual, trans, queer, gender diverse, intersex and sexual people (LGBTIQ+) have the right to be safe.

mackillop.org.au