MODERN SLAVERY STATEMENT

THE UNIVERSITY OF NEWCASTLE AUSTRALIA

2021

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ABOUT THIS STATEMENT: This Modern Slavery Statement (Statement) is made in accordance with the Australian Modern Slavery Act 2018 (Cth). It applies to and describes the steps taken by the University of Newcastle (the University - ABN 15 736 576 735) in its entirety during the financial year ending 31st December 2021 to mitigate modern slavery within the University supply chains. It available to view on our website at www.newcastle.edu.au

A MESSAGE FROM THE VICE CHANCELLOR

The University is guided by the values of excellence, equity, engagement, and sustainability. The University has a reputation as a world-class institution making an impact within regions throughout Australia and across the globe. Through strategic leadership and a commitment to quality in everything we do, we are securing a sustainable future among the best universities in the world. This commitment is outlined in the University's 2020-2025 Strategic Plan entitled "Looking Ahead" available at https://www.newcastle.edu.au/our-uni/strategic-plan.

The University recognises modern slavery rarely occurs in isolation. It forms part of other complex challenges and systems, including gender and racial discrimination, weak rule of law and low wages.

The University is committed to working with stakeholders to reduce the impact of Modern Slavery within its sphere of influence. It welcomes students and staff from a diverse cultural background and as such, ensures we meet all the required obligations of our Human Rights Framework. In 2021, the University hosted 37085 students from 113 countries covering six continents.

Where possible, the University works with the wider Australian University Procurement Network (AUPN) to ensure a coordinated approach to tackling complex Modern Slavery issues.

Alex Zelinsky

Vice Chancellor
University of Newcastle

April 2022

THE UNIVERSITY OF NEWCASTLE

TOP 10
Newcastle listed as top 10 city in the world[1]

NATIONAL GEOGRAPHIC
Smart City[2]

RANKED 192
in the world[3]

TOP 50
university in the Asia-Pacific Region[4]

RANKED 45
in the world for impact[5]

TOP 200
14 subjects ranked in the top 200 in the world[6]

TOP 200
university in the world[7]

TOP REGIONAL UNIVERSITY
One of the top regional universities in Australia[8]

$95 MILLION
NUspace facility

1 Lonely Planet's Top 10 Cities, 2011 2 National Geographic Smart Cities 2017 3 QS World University Rankings 2023 4 Times Higher Education Asia-Pacfic University Rankings 2019 5 Times Higher Education Impact Rankings, 2020 6 QS World University Rankings by Subject 2021 7 QS World University Rankings 2023 8 QS World University Rankings 2021

INTRODUCTION

COMPANY OVERVIEW

OPERATIONS

Where possible, the University works with the wider Australian University Procurement Network (AUPN) to ensure a coordinated approach to tackling complex modern slavery issues.

The University of Newcastle is a public university based in the city of Newcastle, NSW. The University's main campuses are operated across the following locations:

- Callaghan, NSW
- Newcastle City campus, known as NUspace, NSW
- Ourimbah, NSW
- Sydney, NSW
- Port Macquarie, NSW
- Singapore

The University also operates across the following regional locations:

- Orange, NSW
- Tamworth, NSW
- Taree, NSW
- Armidale, NSW
- Moree, NSW
- Coffs Harbour, NSW
- Upper Hunter, NSW

CONTROLLED ENTITIES

The University operates three controlled entities:

The University of Newcastle Research Associates Limited (TUNRA)

In 1969, the University formed The University of Newcastle Research Associates (TUNRA) as a vehicle to build and promote applied research opportunities for the University and industry. As a controlled entity of the University, TUNRA plays an important role in the University's strategy by further leveraging research capabilities and assets to create additional value for the institution.

In 2021 TUNRA reported an income of A$9.5m

Newcastle Australia Institute of Higher Education Pte Ltd

Established as a controlled entity of the University in 2006, UON Singapore has continued to deliver and expand both its full-time and part-time programs. Our strong partnerships with leading local institutions provide our diverse range of local and international students access to a broad variety of professional networks when they graduate. Our researchers work with world-class organisations and institutions in the Singapore region and across the globe on research projects, research seminars, and faculty-specific collaborations.

In 2021 Newcastle Australia Institute of Higher Education Pte Ltd reported an income of A$9m

NU services Pty Ltd

NU Services Pty Ltd is a controlled entity of the University responsible for managing Student Services. The entity operates several cafés and a retail shop at the Ourimbah campus as well as a restaurant at the Callaghan campus.

In 2021 NU Services Pty Ltd reported an income of A$2.3m.

Newcastle University Sport

NUsport, through its programs, facilities and network of affiliated clubs, is uniquely positioned to enhance the physical and mental wellbeing of its students, staff and wider community.

In 2021 Newcastle University Sport reported an income of A$4.3m

Whilst none of the University's controlled entities are reporting entities under the Modern Slavery Act 2018 (Cth), it should be noted that the activities of the controlled entities are consistent with the University's governance practices.

IN 2021 THE UNIVERSITY HOSTED 37,085 STUDENTS FROM 113 COUNTRIES.

HUMAN RIGHTS AT THE UNIVERSITY

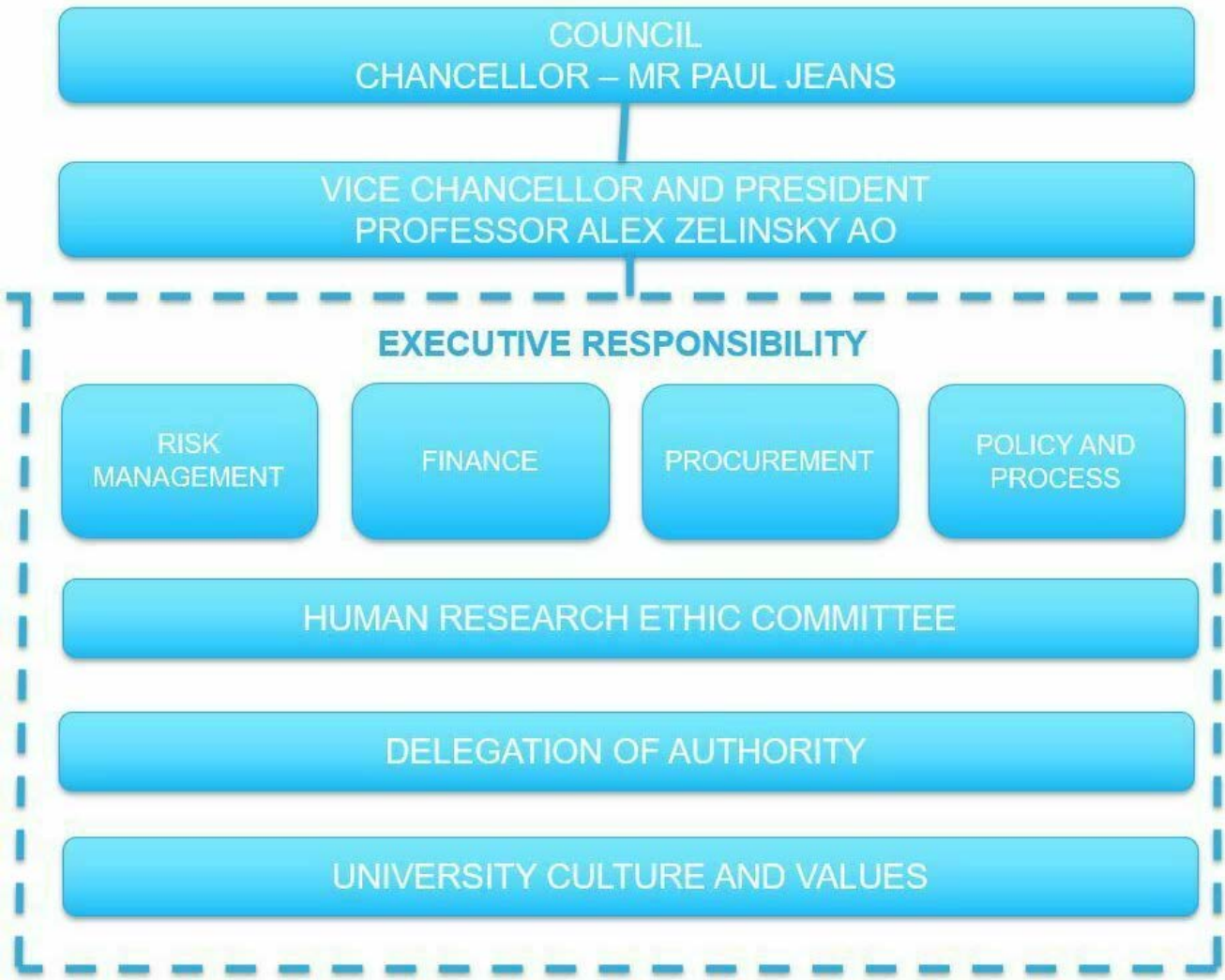
The University is committed to the highest standard of ethical practice involving or impacting on humans. As outlined above, the University has many of the required components of a Human Rights Framework. The next phase of work in this area is to bring all these pieces together in a cohesive way.

At the highest level, the University's Council is responsible and accountable to ensure compliance with its policies and processes, which are then formally delegated down through the Executive structure.

The University of Newcastle's Human Research Ethics Committee (HREC) has responsibility for reviewing the ethical acceptability of human research and ensuring compliance with regulatory and legislative requirements, as well as University policies relating to human research.

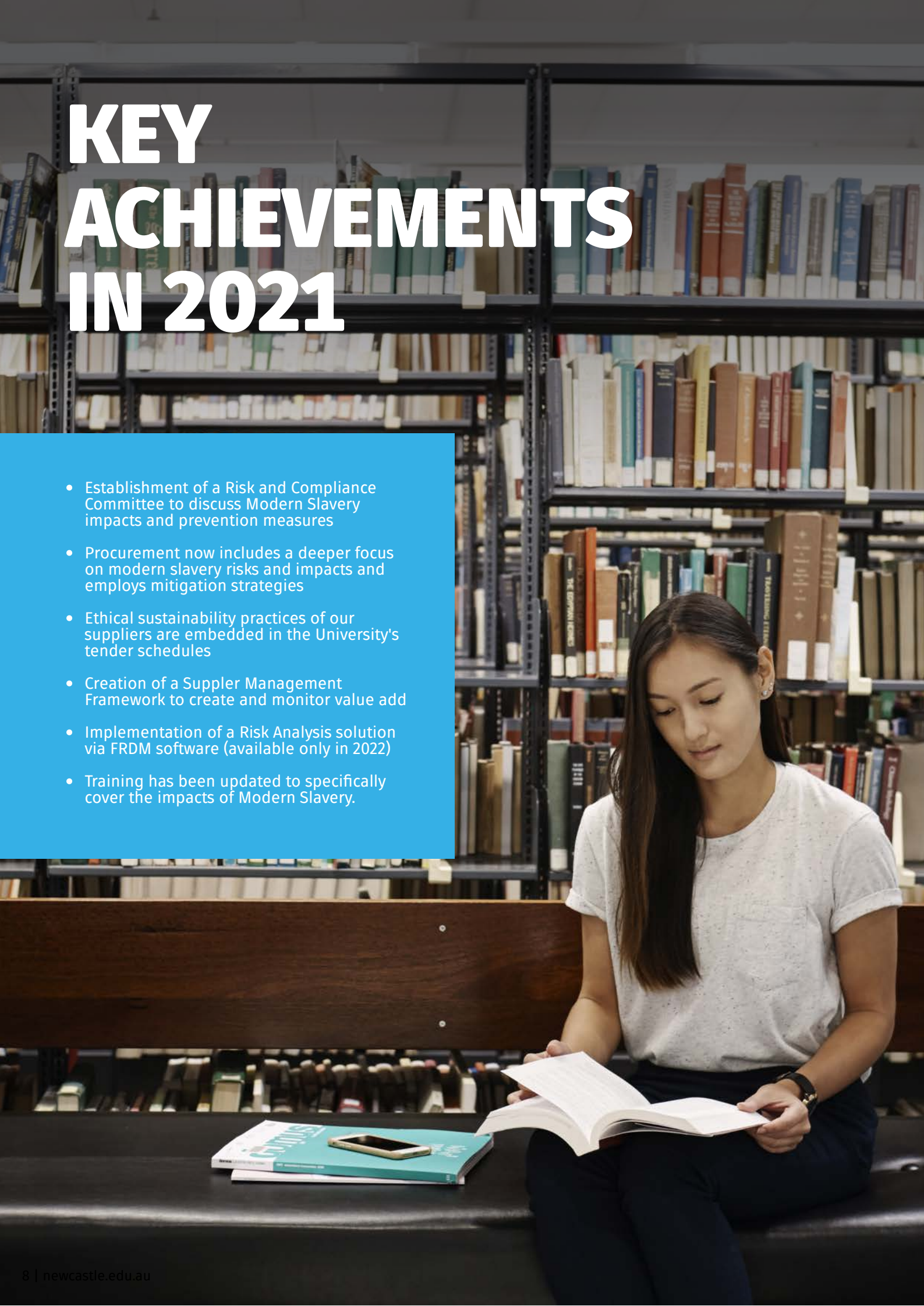
The risk mitigation is led by the Delegation of Authority which ensures that only those with appropriate delegation, can make changes to any processes.

The University's culture and values safeguard against unethical and inappropriate behaviour in relation to maintaining Human Rights standards.



KEY ACHIEVEMENTS IN 2021

- Establishment of a Risk and Compliance Committee to discuss Modern Slavery impacts and prevention measures
- Procurement now includes a deeper focus on modern slavery risks and impacts and employs mitigation strategies
- Ethical sustainability practices of our suppliers are embedded in the University's tender schedules
- Creation of a Suppler Management Framework to create and monitor value add
- Implementation of a Risk Analysis solution via FRDM software (available only in 2022)
- Training has been updated to specifically cover the impacts of Modern Slavery.



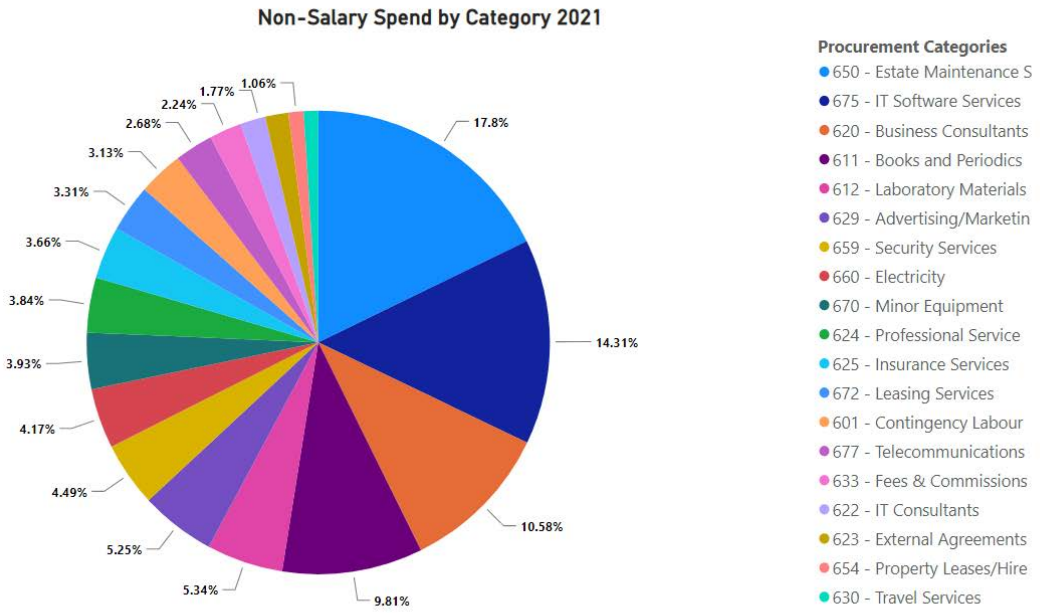
SUPPLY CHAIN

OVERVIEW

The University of Newcastle, and its controlled entities, engaged directly with 3,207 Trade Creditors (suppliers) in 2021 of which 31 were based outside Australia. Suppliers were assessed for risk of modern slavery utilising the Global Slavery Index. Total non-salary spending for 2021 was $288m.

Our 2021 spend data highlights that 230 suppliers make up 80% of total University spend on third party goods and services.

The University focuses its attention on the high volume, high-risk suppliers to ensure compliance with Modern Slavery legislation and to align with the University's values, frameworks and policies.

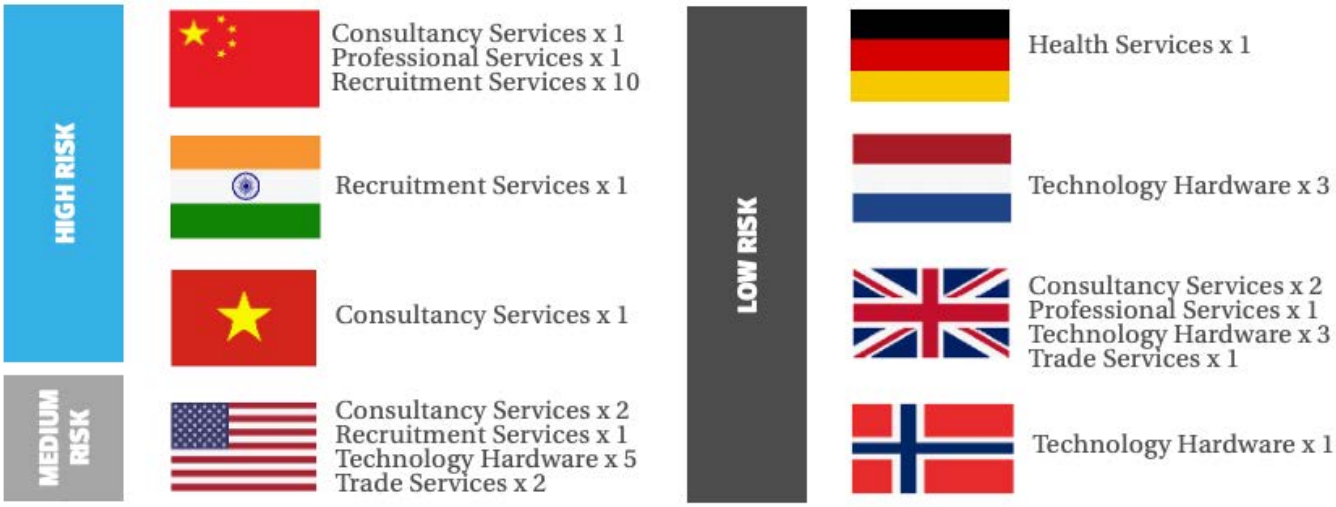


RISKS AND IMPACTS

ORIGIN OF COUNTRY RISK TO OUR SUPPLY CHAIN

A risk analysis conducted on the University's top 20% uppliers, based on 2021 spend, found that 93% of the goods and services sourced were provided by Suppliers whose country of origin is Australia.

The image below illustrates the country of origin and risk rating of the remaining 7% of Tier One Suppliers located outside of Australia.



Based on our analysis, 96% per cent of University spend on third party goods and services is with suppliers based in in low-risk countries, as defined by the Global Slavery Index.

The majority of the University's suppliers have Australian-based subsidiaries with whom we deal directly. As a result, a high percentage of our direct sourcing is conducted within Australia.

Moving into 2022, the University will further investigate and analyse its higher risk procurement activities and implement strategies to mitigate and real breaches of the Modern Slavery Act. To assist the University in the identification phase, the University have implemented the FRDM software under a broader Australian University Procurement Network (AUPN) initiative to leverage learnings, gain greater insight into our supply chain risks from our peers.

MITIGATION

APPROACH TO MANAGING RISKS

The University employs a range of controls to manage any potential or actual risks of Modern Slavery within both its operations and supply chain.

POLICY/ PROCEDURE	PURPOSE
Code of Conduct	Sets behavioural expectations including ethical and moral obligations.
Enterprise Agreements (EA's)	The University has two EA's to ensure lawful workplace obligations are met (Professional Staff and Academic Staff).
Procurement Policy	Contains ethical and moral obligations that must be met when procuring goods and services on behalf of the University.
Complaint and Grievance Policy	The policy establishes how the University will manage and assess formal complaints and grivances.
Ethical Framework	To guide and supprt decision-making at all levels. It is intended to be a 'compass' for navigating the University's complex ethical landscape.
Engagement of Contractors and Consultants Procedure	The procedure sets out risk mitigation strategies when engaging contractors and consultants.
Risk Management Policy	The policy sets out the University's commitment to risk management and outlines key roles and responsibilities.
Public Interest Disclosure Policy	Provides a framework for receiving, assessing and reporting breaches of Modern Slavery (amongst others).

The policies and procedures are available to all staff and relevant training is provided where responsible parties are directly involved and accountable.

Other controls include:

Contract Clauses

The University has embedded Modern Slavery compliance into its standard contracts.

Following is an excerpt of a modern slavery clause we use in our contracts for the procurement of goods and/or services.

Compliance

The Supplier must ensure that:

(a) in performing its obligations in connection with this document, the Supplier and its Representatives:

(i) do not engage in any conduct or omission which may contravene any Modern Slavery Laws; and

(ii) comply with any University Policies relating to modern slavery;

(b) it does all things required or necessary to mitigate or reduce modern slavery risks in its operations and supply chains and stay in compliance with all applicable Modern Slavery Laws; and

(c) the terms of the contractual commitment entered into with any personnel engaged by the Supplier to provide goods or services in connection with this Agreement, permit termination of commitments where the Supplier has reasonable grounds to believe there has been or is likely to be a breach of any applicable Modern Slavery Laws.

Obligations

The Supplier must:

(a) promptly notify the University if it becomes aware of a possible, potential, suspected or actual breach by it or its Representatives of any Modern Slavery Laws;

(b) cooperate in good faith with the University in investigating the circumstances relevant to any possible, potential, suspected or actual breach of any Modern Slavery Laws, whether or not notification has been given under clause (a);

(c) give assistance and access to the agreements and the Supplier Representative as the University may reasonably require under clause 43.3 and must provide (at the Supplier's cost) all reasonable assistance (including the provision of information) to the University to allow the University to comply with its obligations under the Modern Slavery Laws;

(d) establish and maintain policies and procedures to ensure that the Supplier and the Supplier Representative comply with the obligations set out in this clause 43.

The Supplier must ensure that its policies and procedures as contemplated in this clause (d) contain requirements that training will be provided to the Supplier Representative, as the case may be, in relation to the matters addressed by those policies and procedures; and

(e) require its suppliers to implement their own binding guidelines for ethical behaviour and compliance with Modern Slavery Laws.

Suspected breach

If the University has reasonable grounds to suspect a past, present or potential breach by a Supplier or its Representatives of any applicable Modern Slavery Laws or any University policies relating to modern slavery, in connection with this Agreement, the University may give notice to the Supplier requiring an explanation, copies of agreements, and access (for the purposes of interview by internal or external lawyers) to the Supplier's Representatives.

Australian University Procurement Network - Modern Slavery Working Group

Consultation and collaboration as a sector and establishment of the Modern Slavery Working Group (MSWG).

The Australian Universities Procurement Network (AUPN) represent the Australian and New Zealand higher education sector, who work together to improve excellence in procurement practice and in the skills of procurement professionals.

The AUPN is leading a sector collaboration to support 35 member universities to meet the challenge of human rights transparency and risk management in their supply chains and contribute to the fulfillment of members' reporting requirements to the Modern Slavery Act 2018 (Cth).

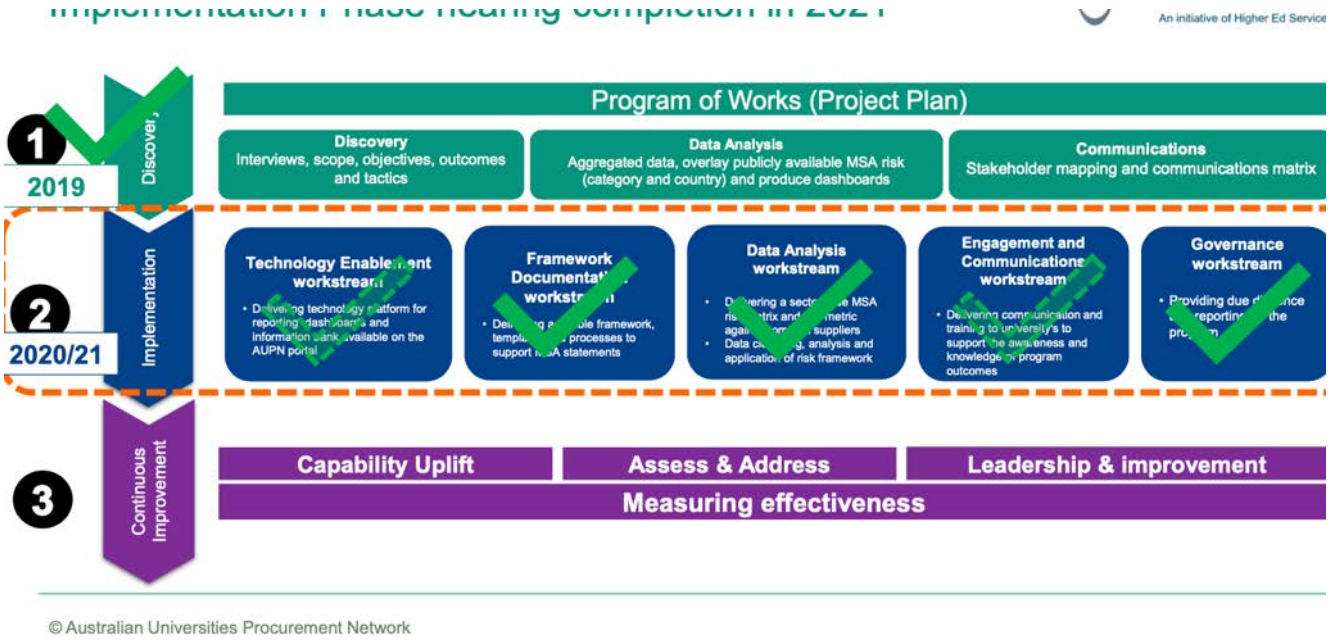
The sector approach assists in providing member universities with an efficient and effective means of identifying and actioning modern slavery risks through their supply chains. In the beginning of 2019, the AUPN established a Modern Slavery Working Group (MSWG) who underwent a Discovery Phase and developed the following sector wide Modern Slavery (MS) Program.

This Program aims to deliver the following:

- a collection and aggregation of sector procurement data;
- a solution that allows members to identify risk, focus resources and inform action – supported by a third-party technology enablement solution;
- a sector approach/action plan for addressing, mitigating and/or remediating identified risks; flexible templates and guidance; and
- continuous improvement.

Communications (Universities and Stakeholders)

The MSWG provides progress updates on the MS program on a monthly basis via email correspondence and regular project status uploads into the AUPN portal. Monthly virtual sessions have also been used to update the AUPN community on the progress of the MS program and provide feedback, discussion, and education to the wider AUPN community.



Source – AUPN MS Program Developed by MSWG with support from ArcBlue Consulting

DUE DILIGENCE

Due Diligence is a cornerstone of the University's Risk Framework and is incorporated into all we do across the business.

Systems / Policy

- FRDM – offers end-to-end risk optics at all levels of the University supply chain: primary inputs, products, countries, industries, and suppliers. It allows the University to stay on top of risk through intuitive data visualizations, reports, and alerts
- Policy / Process – continuous reviews to ensure alignment with required outcomes
- Enterprise Agreement – ensuring our own staff are not affected by Modern Slavery
- Code of Conduct – ensuring compliance to all ethical and moral requirements

Suppliers

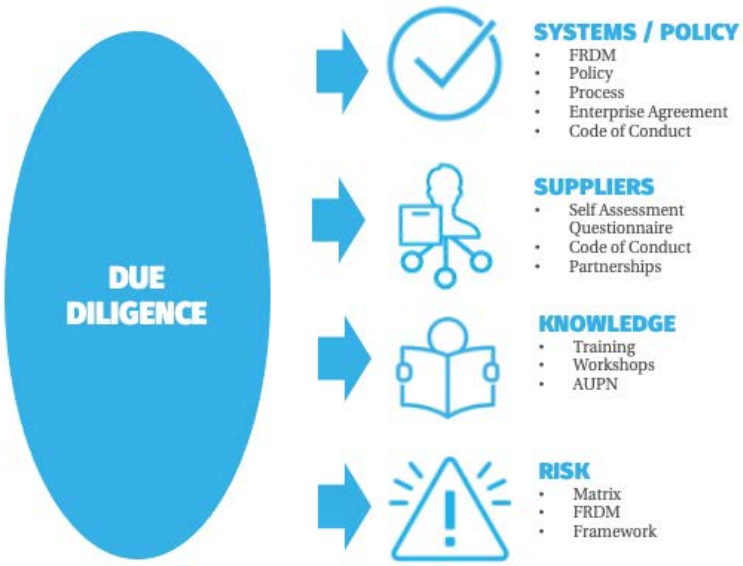
- Self-Assessment Questionnaires – allowing supplier to identify any real or potential breaches of Modern Slavery Act
- Code of Conduct – Suppliers are required to abide by the University code of conduct which encompasses Modern Slavery requirements
- Partnerships – the University works with its suppliers to identify any breaches and continues to work with them to mitigate any risks collaboratively

Knowledge

- Training – Modern Slavery training is scheduled for the 2022 and available to all staff who procure goods on behalf of the University
- Workshops – to discuss and improve on our compliance
- AUPN – collaborative engagement to address any potential or real risks

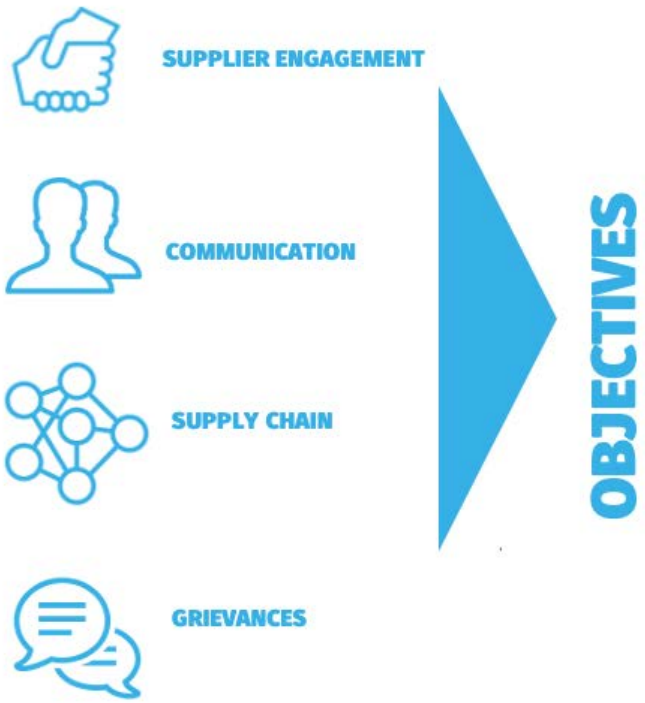
Risk

- Matrix – the University has now included Modern Slavery risks within its overall risk matrix
- FRDM – allowing greater visibility of end-to-end supply chains to identify possible risks
- Framework – policies and procedures reflect Modern Slavery



PREVENTION AND MITIGATION

The University takes a multilayered approach to prevent any breaches of the Modern Slavery Act to ensure we contribute positively to the eradication globally.



- Building Collaborative Partnerships
- Risk based engagement
- Recognising the power to influence
- Supplier Onboarding
- Collaboration and Stakeholder Engagement

- Open and direct communication
- Respect

- Mapping Supply Chain Risks
- Monitoring Supplier Chain via audits
- Implementation of software - FRDM

- Policy and Process
- Timely response
- Mitigation strategies as required

CASE STUDY

PROCURING CLEANING SERVICES

The University of Newcastle has identified within its Supply Chain that cleaning services represent a significant risk to its Modern Slavery commitments.

To mitigate any potential risks, the University has included a clause within its cleaning contracts that requires the successful proponent become a certified member of the Cleaning Accountability Framework - https://www.cleaningaccountability.org.au/ before it can commence any cleaning activities on site.The Cleaning Accountability Framework (CAF) is a world first, game changing organisation whose mission is to improve labour practises in the cleaning industry works with cleaners, tenants, contractors, property owners, facility managers, and investors across the cleaning industry supply chain to ensure ethical labour practices through their promotion of:

Decent work

Cleaners have the right to work that is fairly paid, safe, secure, freely chosen, and undertaken with dignity

Sustainable Procurement

We help bring transparency and accountability to cleaning supply chains

Best practice

We are setting a national standard for the cleaning industry and reward best practice through our CAF Certification Scheme

Source: https://www.cleaningaccountability.org.au/ [accessed 21st February 2022]

The University of Newcastle engages 3 cleaning contractors in varying degrees,

- Spotless Facility Services – 90% of services
- Dexus CPA Pty Ltd – 9.5% of services
- Western NSW Local Health District – 0.5% of services

The University addresses the risk profile of all suppliers and have recently re-engaged the services of Spotless (a division of Downer Group) for the bulk of its cleaning services. Spotless are currently working with the University to meet the requirements of the CAF framework.

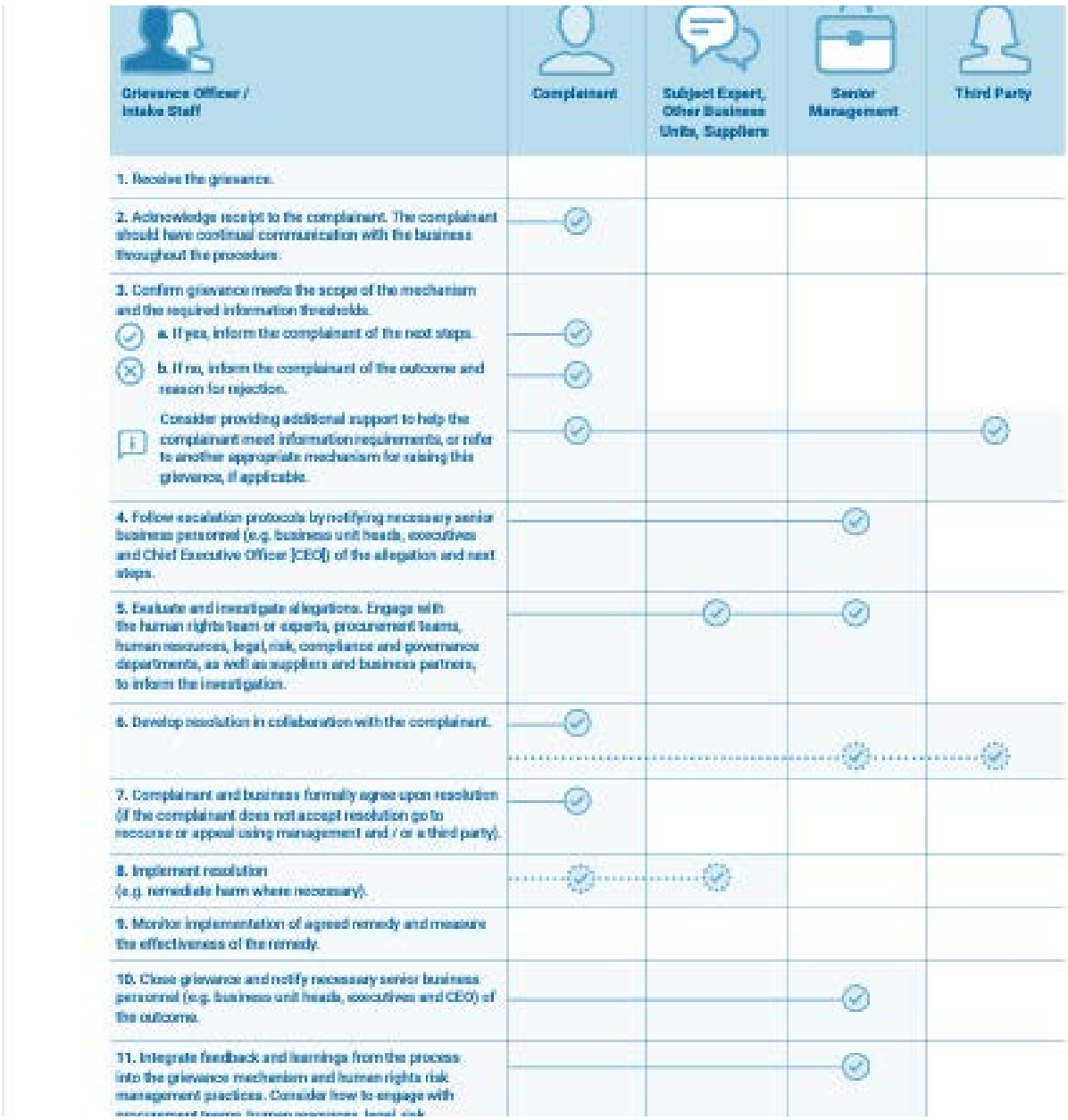
Downer also submit a Modern Slavery Statement outlining their commitment to the legislative requirements of the Modern Slavery Act 2018 (Cth).

GRIEVANCE MECHANISM AND REMEDIATION

GRIEVANCE

The University has a strong grievance framework for the reporting of any suspected breaches relating to Modern Slavery incorporating,

- Complaint and Grievance Policy
- Complaint and Grievance Resolution Policy
- Formal Complaint and Grievance Resolution Processes
- Support mechanisms
- Whistle-blowers process – can be anonymous
- Public Interest Disclosure Form – as per Public Interest Disclosures Act 1994



REMEDIATION

The University remains committed to providing remediation to any identified potential or actual breaches of the Modern Slavery Act 2018 (Cth) in an open and transparent manner to ensure that appropriate action has been taken to eliminate future breaches.

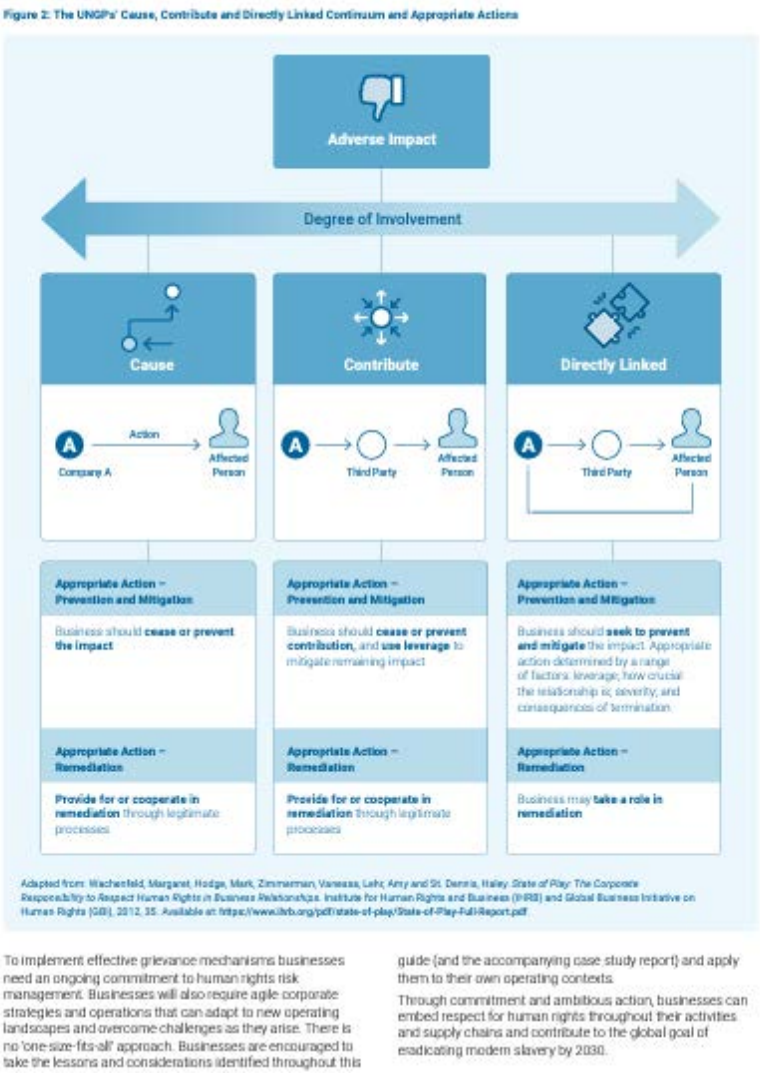
The University will treat the risk of causing and contributing to adverse impacts as a legal compliance issue. The University is responsible for providing for, or cooperating in, remediation where the University has caused or contributed to an adverse impact. It is expected that internal teams responsible for the University complaints/grievance frameworks (e.g., Legal, Compliance, Governance) will lead complex remediation.

If the University is directly linked to the adverse impact, it does not have to provide for remediation, though it may take a role in preventing and mitigating the impact. This degree of involvement will generally be the case for most modern slavery grievances within the supply chain.

Where the University is directly linked, determining next actions will depend on factors such as:

- leverage;
- how crucial the relationship is;
- severity of the impact (victim focused);
- the risk appetite of the University; and/or
- whether termination of the relationship will create adverse human rights impacts.

It should be noted that the University received no grievances and identified no risks in the 2021 Financial Year.



Source: UNGP's Degree of Involvement and Appropriate Actions (UNGCN, 2021)

COLLABORATION AND STAKEHOLDER AGREEMENT

Internal

The University ensures compliance with our Human Rights obligations through,

- Risk Committee – to identify any potential threats
- Consultation with our Risk Services team
- Training of all staff that engage with external services on obligations
- Mandatory training in University Code of Conduct
- Procurement team lead sourcing strategies
- Good and Services based risk assessments

External

The University regularly meets with its external stakeholders to discuss all performance issues and Modern Slavery requirements are being phased into these discussions.

As a member of the AUPN we participate in a Modern Slavery sub committee to share and develop better strategies to control our supply chains in relation to Modern Slavery. This includes,

- Cross University Collaboration
- Collaboration on specific issues pertinent to Universities

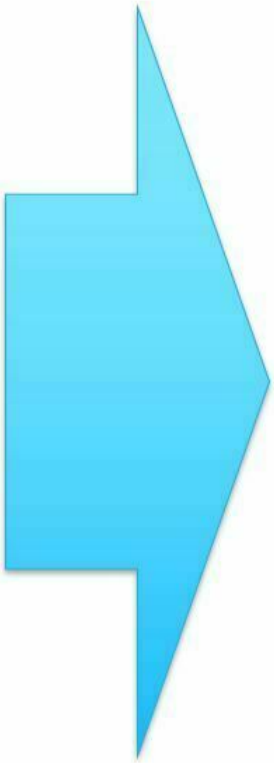
We partner with our providers to develop greater value and to mitigate any future risks across our operations and supply chain.

ASSESSING EFFECTIVENESS

The University is focused on continuous improvement and an integral component of this cycle is assessing the effectiveness of our actions.

WORKSTREAM	ACTIVITY	MEASUREMENT
Accountability/Governance	* Board oversight * Training and workshops * Policy reviews * Contract clauses * Risk Review Panel	* Policy currency * Attendance at training * Compliance to policy and process * Outcomes of panel meetings
Risk Management	* Risk matrix * FRDM * Supplier onboarding	* Uttilisation of matrix to identify risk * Utilisation of FRDM * Onboarding compliance
Suppliers	* Code of Conduct * Self Assessment Questionnaires * Building relationships	* Compliance *Measure of outstanding actions and issues to be resolved
Training	* Programs training session * Workshops	* Participation rates
Grievance Mechanisms	*Online anonymous reporting * Training	* Number of closed actions with high satisfaction levels
Remediation	* Build relationships to assist non-compliance	* Willingness to assist in remediation actions
Stakeholder Engagement	* Inclusion in policy development * Consultation * Framework	*Participation * RASCI
Monitor and Review	* Regular review of policies, processes and actions	* Currency of review

LOOKING AHEAD 2022



Continued specific Modern Slavery awareness training scheduled throughout 2022

Subscription commenced with FRDM for profiling of risks specific to University supply chain – Now embedding processes

Supplier Self Assessment Questionnaires (SAQ)to identify potential risks

Perform a review of the University's supplier Code of Conduct for Suppliers to ensure closer alignment to Modern Slavery risk mitigation strategies

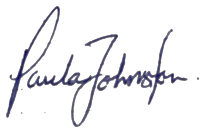
INDEX FOR CRITERION

CRITERION	LOCATION
1. Identify the reporting entity	Page 5
2. Describe the reporting entities structure	Page 6
3. Describe the risks of modern slavery practices in the operations and supply chans of the reporting entity and any entities the reporting entity own or controls	Page 10
4. Describe the actions taken by the reporting entity and any entities the reporting entity owns or controls to assess and address these risks, including due diligence and remediation practices	Pages 11 - 14
5. Describe how the reporting entity assesses the effectiveness of actions being taken to assess and address modern slavery risks	Page 19
6. Describe the process of consultation with any entities the reporting entity controls or owns	Page 18

VERSION HISTORY

VERSION	EDIT	DATE	APPROVED BY
1	Document Creation	18th August 2022	Executive Council
2	Edit to page 15 - Case Study. Removed reference to Spotless being a member of CAF. Edit to now read Spotless are working with the University to meet the requirements of CAF Certification	17th November 2022	Paula Johnston - CFO

This statement was approved by the Executive Council and signed by the Chief Financial Officer.



Paula Johnston
Chief Financial Officer
17th November 2022

We value all feedback. Please forward any comments on this statement or requests for additional information to strategicprocurement@newcastle.edu.au

This statement has been approved by the University of Newcastle's Council on 22nd May 2022.

THE UNIVERSITY OF
NEWCASTLE
AUSTRALIA

newcastle.edu.au