

Modern Slavery Statement

30 June 2021



THE UNIVERSITY OF
NEWCASTLE
AUSTRALIA



Contents

- Introduction.....3**
- The University of Newcastle.....4**
 - Looking Ahead5
 - Implementing our Strategy5
 - University of Newcastle Values6
 - Code of Conduct and Policy Framework7
 - Supplier Code of Conduct7
 - Probity – Risk Management.....8
- Structure, Operations & Supply Chain9**
 - Structure 10
 - Operations 12
 - Strategy and Implementation 16
 - Reporting and Performance Indicators 18
- Risks of Modern Slavery Practices in the University’s Operations & Supply Chain 20**
 - Risk Assessment of Current Supply Chain 21
 - Origin of Country Risk Across Our Supply Chain 22
 - Risk Profile of Goods and Services Purchased 24
 - Case Study - Gloves Manufacturing 25
- Actions Taken to Assess and Address Risks 27**
 - Ethical Framework 28
 - Contract Clause 28
 - Human Ethics Approval..... 30
 - Australian University Procurement Network - Modern Slavery Working Group 30
- Measuring Effectiveness 32**
 - Responses to Ethical Due Diligence Questionnaire 33
 - University of Newcastle Investments 34
 - Working with our Key Suppliers 34
 - Partnering with the AUPN 34
- Future Commitments 35**

Introduction

This statement sets out the actions to address the University of Newcastle's reporting obligations under the *Modern Slavery Act 2018* (Cth) (the Act). The Act requires entities based, or operating, in Australia, which have an annual consolidated revenue equal to or greater than \$100 million, to report annually on the risks of modern slavery in their operations and supply chains, and actions to manage, lessen, and where possible remove those risks.

The University of Newcastle (the University) recognises that we have a responsibility under the Act to take a robust approach to slavery and human trafficking. The University is absolutely committed to the prevention of slavery and human trafficking in all our activities, as well as ensuring that our supply chains are free from slavery and human trafficking.



The University of Newcastle

The University (ABN 15 736 576 735) 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".

Looking Ahead

Our Vision

To be a world-leading university for our regions.

Our Purpose

To deliver an exceptional student experience, preparing graduates for life in an increasingly interconnected society.

To serve our regions by taking research that matters to the world and bringing our global expertise home.

Our Commitment

We will be a leading advocate and driving force for excellence and equity in higher education.

We will deliver an outstanding and inspiring student experience. We will ensure our students develop life and career skills that will make them competitive in the workforce and are strongly supported in their physical and mental wellbeing.

We will bring the world to our regions and take our regions to the world through relevant research solutions to local, national, and global problems.

Implementing our Strategy

Looking Ahead sets our vision and maps our way forward. It sets out an ambitious program of work that positions our University for the future. Achieving this plan will require focus across the organisation and collaboration with our communities, partners, and civic leaders. The alignment of our strategic priorities, enabling strategies, business systems, and processes will be fundamental to success. We will establish a strategy framework to reflect our Engagement Priorities and realise our Life-Ready Graduates outcomes. We will identify methods to diversify our revenue streams in our strategic plan delivery. We will respond to higher education dynamics, advances in technology and changing markets by being innovative in our business and delivery models.

We will build on our Advancement Strategy to establish a philanthropic mindset within the University. We will take a collaborative, problem-solving approach to identifying process blocks and designing solutions that improve staff and student experience. The phasing of our strategy will be reviewed annually to reflect new developments and the latest prioritisation of our efforts.

University of Newcastle Values

Our values set the standards that we expect, encourage and nurture in our staff and students. They guide our decision making and position us to achieve our purpose.

Excellence

We pursue the exceptional and strive for innovation in our teaching, research, and operating environment.

Equity

Our commitment to equity, diversity and inclusiveness is fundamental to everything we do. We believe that every person has the right to participate and succeed.

Engagement

Our staff, students, alumni, and communities are deeply connected to the challenges and opportunities in each of our regions and beyond.

Sustainability

We are ethically minded and prioritise responsible management of our environment and financial resources.

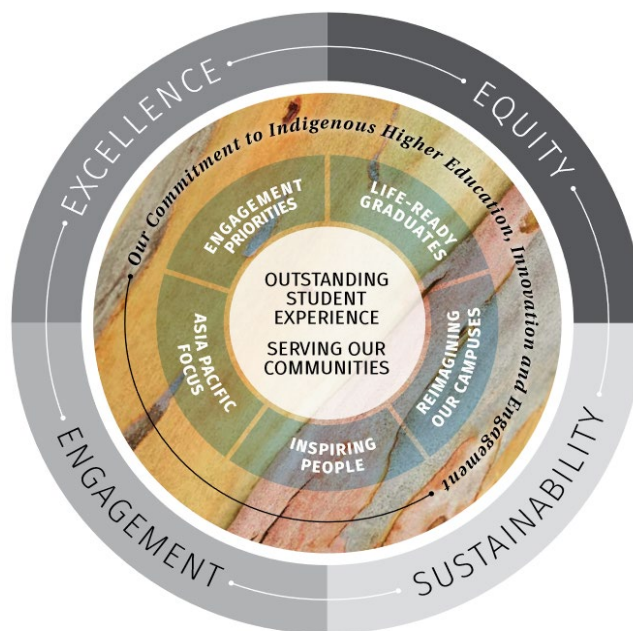


Figure 1 - University of Newcastle Strategic Plan 2020 -2025 – Strategic Priorities

Code of Conduct and Policy Framework

The University's values and our Code of Conduct (Code) set the behavioural standards for everyone who works for, or on behalf of, the University.

Our Code, which links to our values, explains what we stand for as an organisation and how we will conduct ourselves as we work together to deliver our strategy. It helps us take a consistent, global approach to important ethical and compliance issues.

Our Code covers a range of important elements about how we do business, including key elements on behaving ethically and lawfully. It outlines where to go for further help, and how to raise concerns through various channels, including our whistle-blower Policy.

Our Code sets out the standards of behaviour we expect of our people, including our Council Members, our employees, our contractors, and our students. It embodies our commitment to good corporate governance and responsible business practice. Our Code reflects the expectation of our customers, students, investors, regulators, and the community.

Supplier Code of Conduct

To meet the changing expectations of our key stakeholders, the University is committed to understanding and managing social, ethical, and environmental issues throughout its supply chain in a responsible manner.

To assist in meeting this commitment, the University's Supplier Code of Conduct outlines the minimum terms and conditions of doing business with the University and is incorporated into our tendering schedules along with an Ethical Due Diligence Questionnaire as mandatory compliance criteria.

Key features of the University's Supplier Code of Conduct:

- Employment is freely chosen
- Freedom of association and the right to collective bargaining are respected
- Working conditions are safe and hygienic
- Child labour is not used
- Living wages are paid
- Working hours are not excessive
- No discrimination is practiced
- Regular employment is provided
- No harsh or inhumane treatment is used
- Integrity and transparency in dealings between the University of Newcastle and its supply chain partners are ensured
- Environmental outcomes are improved
- Animal welfare is protected

Suppliers must ensure that foreign and migrant workers are engaged in compliance with immigration and labour laws in the country of employment.

The University does not condone the use of child forced labour or human trafficking. All Suppliers are required to ensure that all reasonable efforts are employed to eliminate child labour, forced labour, the exploitation of workers and/or deceptive practices in the recruitment of workers both

in their own operations, in their supplying factories and in their own supply chains, including raw materials producers. Under no circumstances should workers be required to pay fees or leave deposits to gain employment.

Probity – Risk Management

Probity is a risk management approach to ensure procedural integrity. A procurement process which conforms to the expected standards of probity is one in which clear procedures, consistent with the University's policies and guidelines and the legitimate interests of bidders, are established, understood, and observed throughout the procurement process. All bidders are to be treated consistently and equitably in accordance with these procedures. Decisions are to be made in a transparent manner, which allows them to be understood and justified subsequently.

What are the University's Probity Principles?

There are five essential probity principles to achieve procedural fairness. University Officers are required to consider these principles throughout all stages of the procurement process.

They are:

- Open competitive process
- Fairness, consistency, and transparency of process
- Identification and resolution of conflicts of interest
- Accountability in relation to decision making
- Monitoring and evaluating performance



Structure, Operations & Supply Chain

Structure

Council is the University's most senior decision-making body and is chaired by the Chancellor. Council is responsible for the oversight, management and development of strategic plans and key policies according to the [University of Newcastle Act 1989 \(NSW\)](#) and the [University of Newcastle By-law 2017 \(NSW\)](#). Council oversees the long-term success of the University, ensuring all matters are discussed within the context of our risk management framework and ethical standards. Council provides leadership and direction to support corporate governance and the overall financial performance of the University. Council retains control of key decisions through a schedule of reserved matters, with other matters delegated to its committees, the Vice-Chancellor, Academic Senate and additional management teams.

The Council has the following seven standing committees:

- Chancellor's Committee
- Controlled and Associated Entities Committee
- Finance Committee
- Nominations and Governance Committee
- People and Culture Committee
- Risk Committee
- Development Committee

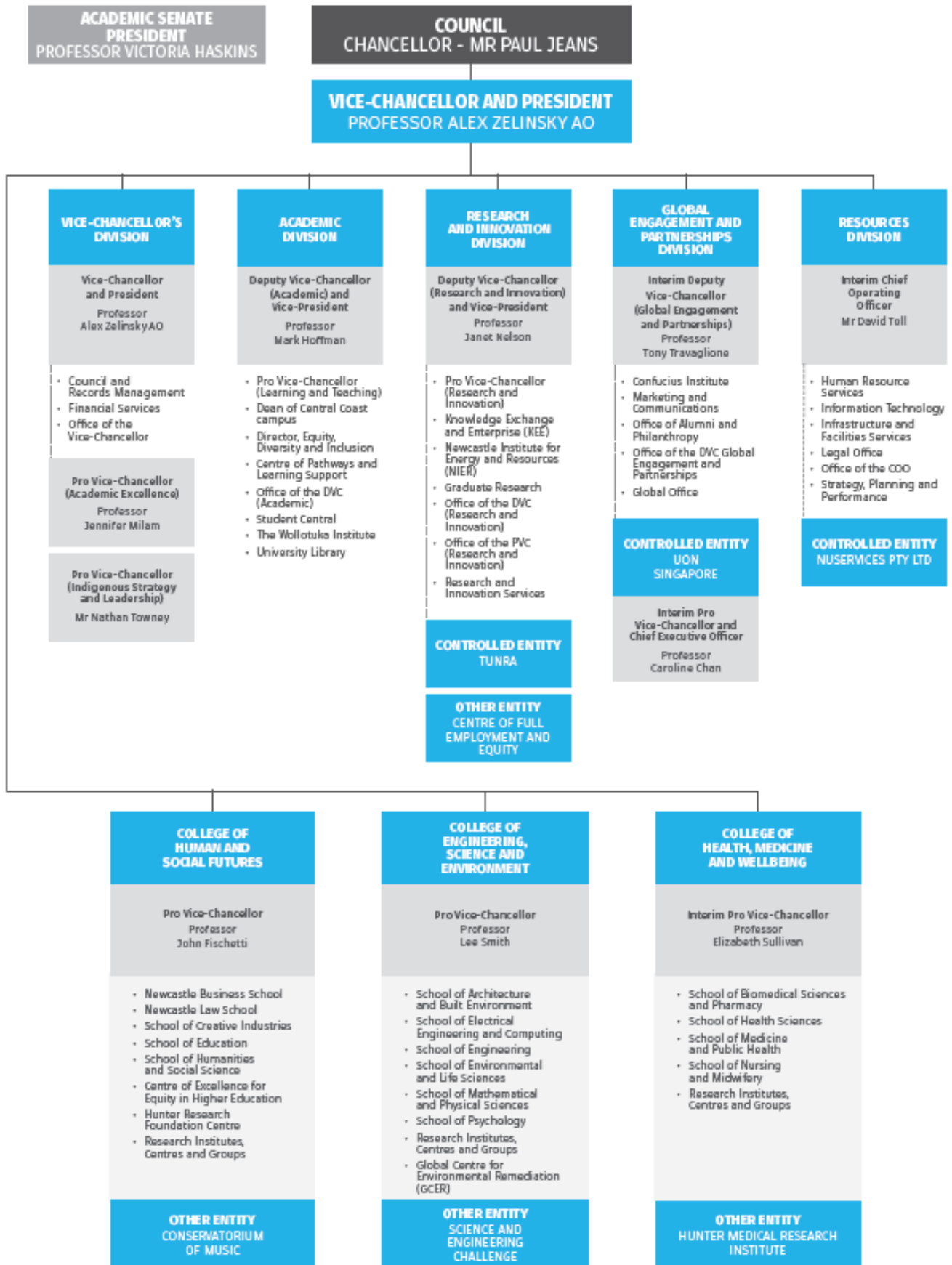
The Chancellor

The Chancellor provides leadership and guidance to the Council and is responsible for ensuring that the Council fulfils its obligations.

The Vice-Chancellor and President

The Vice-Chancellor and President is the principal executive officer of the University and is responsible for the educational and administrative affairs of the University.

Figure 2 outlines the organisational structure of the University.



----- Dashed line denotes senior point of contact between the University and its entities

Figure 2 - University of Newcastle Structure

Operations

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

The University operates three controlled entities:

The University of Newcastle Research Associates (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 2020 TUNRA reported an income of A\$8.4m.

UON Singapore

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 2020 UON Singapore reported an income of A\$8.8m

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 2020 NU Services reported an income of A\$0.1m.

Whilst none of the University's controlled entities are reporting entities under the Modern Slavery Act 2018 (Cth), it should be noted that each entity operates under the University's policies, procedures and systems.

Staff

In 2020, the University had a staff of 2,859¹, comprised of 1,175 academic staff and 1,658 professional staff. Professional and academic/teaching staff are covered by separate enterprise agreements and are eligible to become members of the National Tertiary Education Union (NTEU) or the Community and Public Sector Union (CPSU).

Students

In 2020, the University had a total enrolment of 39,137 students, including 17,480 commencing students. The Equivalent Full-Time Student Load (EFTSL) in 2020 was 26,515 students across seven faculties and areas.

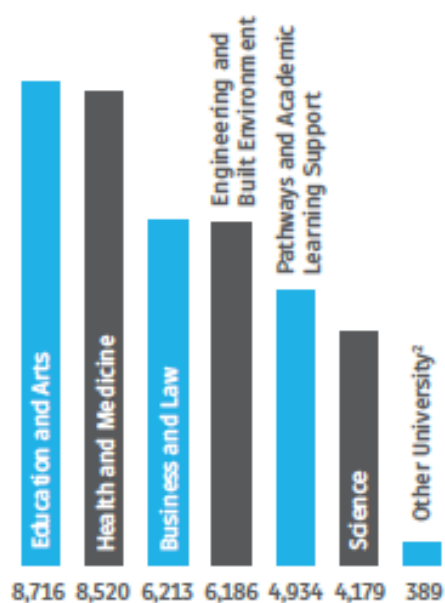
Pages 14 and 15 outline key statistics relating to student enrolments and staffing.



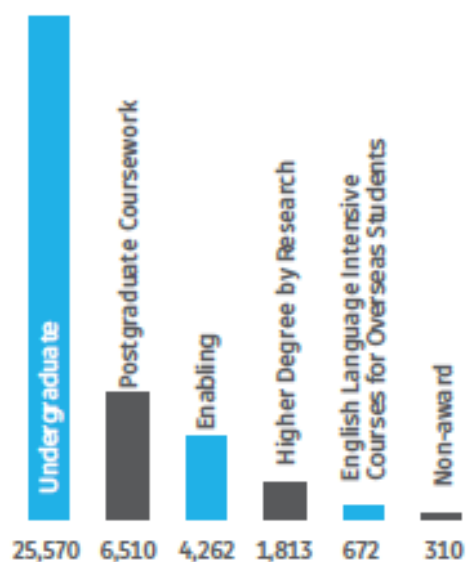
As of 2020, the University had 39,137 students from 121 countries

¹ Total staff FTE excluding casual staff

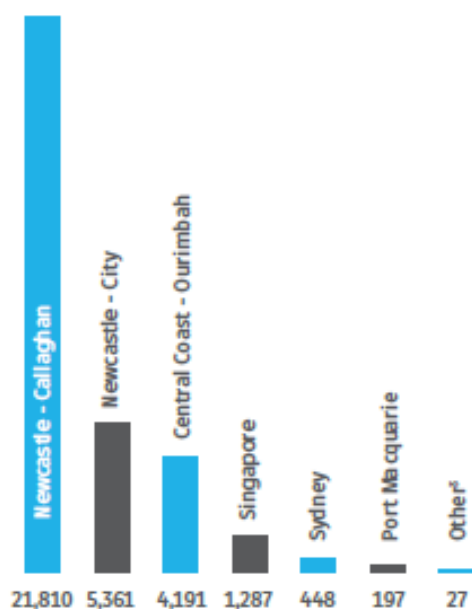
Student Enrolments by Faculty and Area



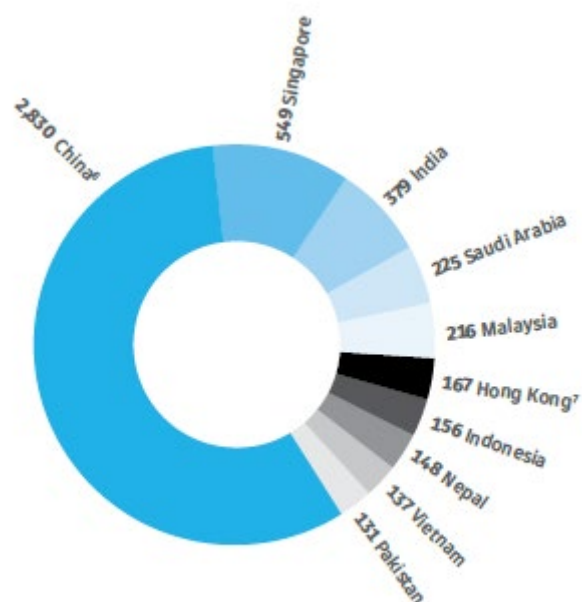
Student Enrolments by Program Level



Student Enrolments by Campus



Top 10 International Enrolments by Country



Source: 2020 Annual Report

	CATEGORY	2016	2017	2018	2019	2020	% CHANGE 2016 - 2020	% CHANGE 2019 - 2020
Number of students¹	Total	37,186	37,043	37,669	37,945	39,137	5.2	3.1
	Commencing	16,098	16,392	17,453	16,813	17,480	8.6	4.0
Student load²	Total	24,595	24,595	25,617	25,973	26,515	7.8	2.1
	Undergraduate	18,202	18,425	19,402	19,863	20,079	10.3	1.1
	Postgraduate CourseWork	2,638	2,460	2,520	2,590	3,039	15.2	17.3
	Higher Degree Research	1,234	1,334	1,427	1,342	1,292	4.7	-3.7
	Other (Enabling, ELICOS, Non Award)	2,435	2,376	2,268	2,178	2,105	-13.5	-3.3
Funding type³	Commonwealth- supported	18,731	18,881	19,468	19,735	20,731	10.7	5.0
	Fee-paying overseas	4,294	4,402	4,905	4,978	4,396	2.4	-11.7
	Fee-paying domestic	1,484	1,311	1,244	1,259	1,388	-6.5	10.2
Award completions⁴	Total	7,108	7,271	6,550	6,729	7,610	7.1	13.1
	Undergraduate	4,519	4,688	4,401	4,575	5,032	11.4	10.0
	Postgraduate CourseWork	2,348	2,333	1,881	1,902	2,280	-2.9	19.9
	Higher Degree Research	241	250	268	252	298	23.7	18.3
Full-time staff (FTE)⁵	Total	2,672	2,754	2,680	2,766	2,859	7.0	3.4
	Academic	1,068	1,096	1,107	1,137	1,173	9.8	3.2
	Professional	1,604	1,658	1,573	1,629	1,686	5.1	3.5
Work function (FTE)	Teaching only	29	24	32	44	54	84.5	20.6
	Research only	436	454	458	485	520	19.2	7.2
	Teaching and research	746	761	748	755	755	1.3	0.0
	Other	1,462	1,516	1,442	1,482	1,530	4.7	3.2
Casual staff⁶	Total	469	462	483	511	436	-7.0	-14.7
	Academic	264	280	295	308	279	5.7	-9.4
	Professional	205	182	188	203	157	-23.4	-22.7

Notes: Rounding errors may occur. Data subject to revision. Student data source: UON Data Warehouse 23 February 2021. Staff data source: Department of Education, Skills and Employment Higher Education Staff Statistics. 1 Number of students represents the number of student enrolments in programs, full year. 2 Student load represents the sum of the load for each term expressed in Equivalent Full-time Student Load (EFTSL), full year. 3 Funding type expressed in Equivalent Full-time Student Load (EFTSL). 4 Award completions represents the number of completed program enrolments for undergraduate and postgraduate award programs. Completion year is based on the official government completion year of April 1 - March 31. Data source: UON Data Warehouse April 7 2021. 5 Staff full-time equivalent positions occupied by full-time and part-time staff members as at March 31 (excluding Independent Operations). 6 Casual staff full-time full year equivalent positions occupied during year (excluding Independent Operations). 2020 casual FTE is preliminary and subject to validation and submission to Department of Education, Skills and Employment at 30 Jun 2021.

Source: 2020 Annual Report

Table 1 - University of Newcastle Key Statistics

Procurement at the University

The University operates a centralised Strategic Procurement function with responsibility for administering procurement activities for all high value requirements (>\$150,000 for operational spend and >\$250,000 for capital and research equipment spend) or high risk requirements (as determined via the University’s risk assessment framework).

The University manages in excess of 200 contracts/agreements with third party providers. These contracts/agreements outline the legal, operational and commercial requirements and obligations of the supplier(s) and buyer.

Currently, 91% of the University’s contracts/agreements are for a period of up to five years. The remaining nine percent are for a period of six or more years.

Period of University Contracts/Agreements

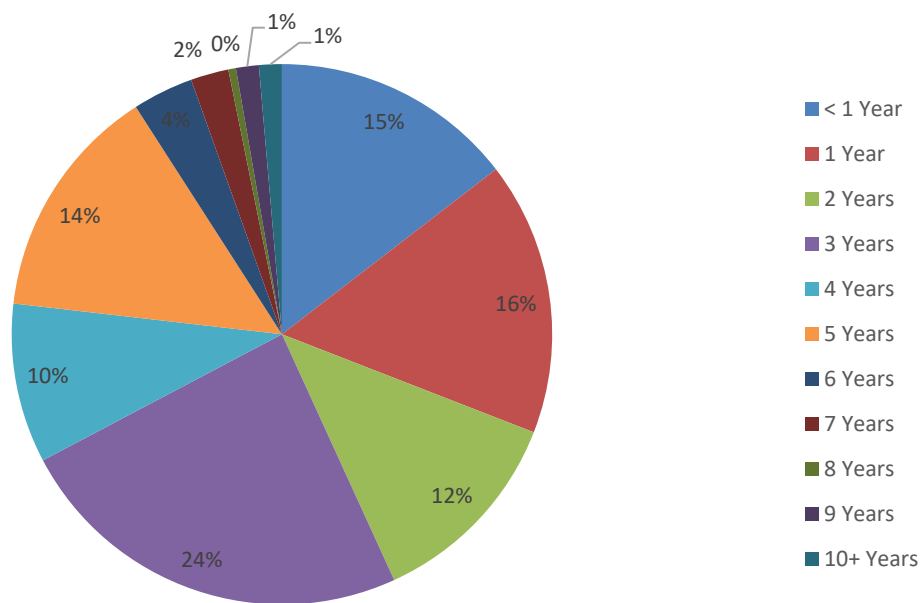


Figure 3 - Period of University Contracts/Agreements

Strategy and Implementation

In July 2019 the University’s Executive Committee noted the requirements and endorsed the implementation of a Supply Chain Strategy to address the University’s *Modern Slavery Act (Cth) 2018* obligations. While the strategy (refer Figure 4 - Modern Slavery Strategy Diagram) is initially designed to ensure the University meets these reporting obligations, it is also expected that this process will enable the University to clearly articulate its approach to social responsibility in respect of its supply chain and investment portfolio.

Corporate Social Responsibility (CSR)

A CSR maturity path for the University aligns the University to the requirements of the *Modern Slavery Act (Cth) 2018* and accepts the importance of a longer-term program that will have a valued impact on all aspects of society including economic, social, and environmental. The strategy recognises the University’s commitment to an ethical supply chain.

Modern Slavery Strategy Diagram

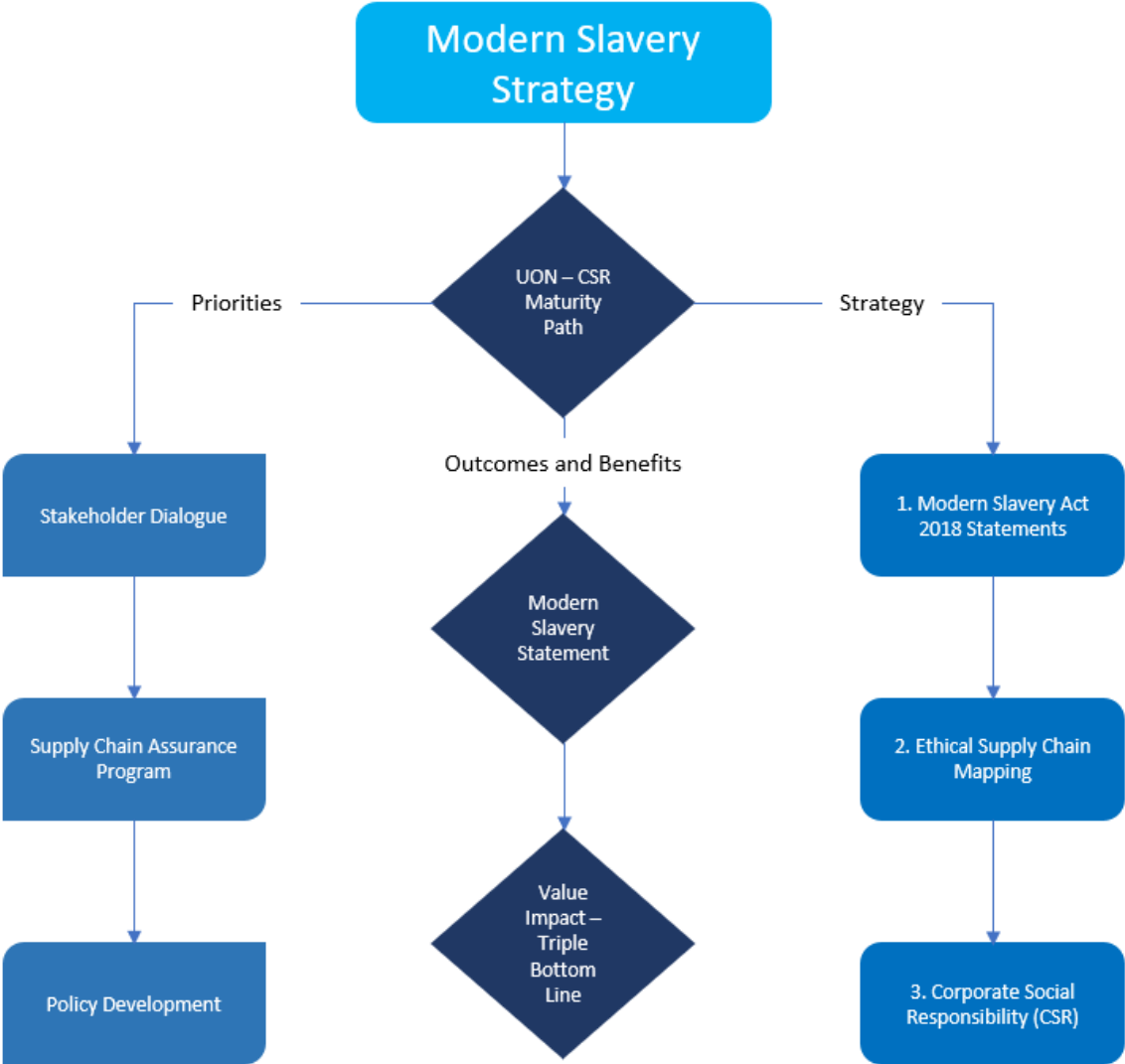


Figure 4 - Modern Slavery Strategy Diagram

Reporting and Performance Indicators

Supply Chain review of compliance

The University undertakes the following activities to monitor and mitigate modern slavery risks across its supply chain:

Supplier Code of Conduct

The Supplier Code of Conduct is embedded in the University's tender schedules and is completed as part of the University's procurement process. Ongoing compliance to be extended to include all Tier One Suppliers across our supply chain.

Ethical Due Diligence Questionnaire

The Ethical Due Diligence Questionnaire measures the ethical conduct of our suppliers and is embedded in the University's tender schedules and completed as part of the University's procurement process. As only approximately 3% of suppliers in our supply chain are included in this process, action will continue to be taken to determine how suppliers outside of this process will be included in the future.

Supplier Sustainability Assessment

The Supplier Sustainability Assessment measures the sustainability practices of our suppliers and is embedded in the University's tender schedules. The assessment has been issued to our entire active supplier base with the results made available to all University officers.

Modern Slavery Training and Education

As part of the University's ongoing procurement awareness training, which is available to all University officers, a section on modern slavery covers the importance of assessing modern slavery risks and the actions required to mitigate and eliminate these risks across the University's supply chain. All central Strategic Procurement staff have completed the Government's "Modern Slavery in Public Procurement" course.

In addition, the University provides ongoing development and communication of tools to educate our commercial teams who respond to corporate questions relating to Modern Slavery risk management.

Standard Contract Clauses

Clauses relating to modern slavery have been embedded in all relevant University contracts. See page 28 for further details.

Risk and Compliance

The Strategic Procurement team conducts ongoing implementation of the Supply Chain Assurance Program across the University.

Adjustment of our supply chain category approach to ensure new regulations and program findings are easily incorporated into how we detect risk, including clear compliance principles that meet the risk level presented by individual suppliers.

Administrative Framework

The University continues ongoing collaboration with Suppliers to ensure compliance with the *Modern Slavery Act (Cth) 2018* and with the broader area of CSR Supplier strategies, ensuring compliance is accurately recorded and responded to across the University's supply chain.



Risks of Modern Slavery Practices in the University's Operations & Supply Chain

Risk Assessment of Current Supply Chain

- In the calendar year 2020 the University engaged directly with 2,814 Trade Creditors (Suppliers). Figure 5 provides detail of the University's key spend categories for this period.
- Over this period, 93% of total non-salary expenditure was made with just 20% (or 558) of our Suppliers. The remaining 80% (or 2,256) Suppliers contributed to the residual 7% of the University's expenditure for this period.
- A risk analysis was completed on the University's Tier One supply chain.
- Analysing the risks of modern slavery was assessed using the Global Slavery Index.²
- First level of risk was based on the point of direct supply (country) of the Supplier and the second level of risk was based on the type of service or goods provided by the Supplier.

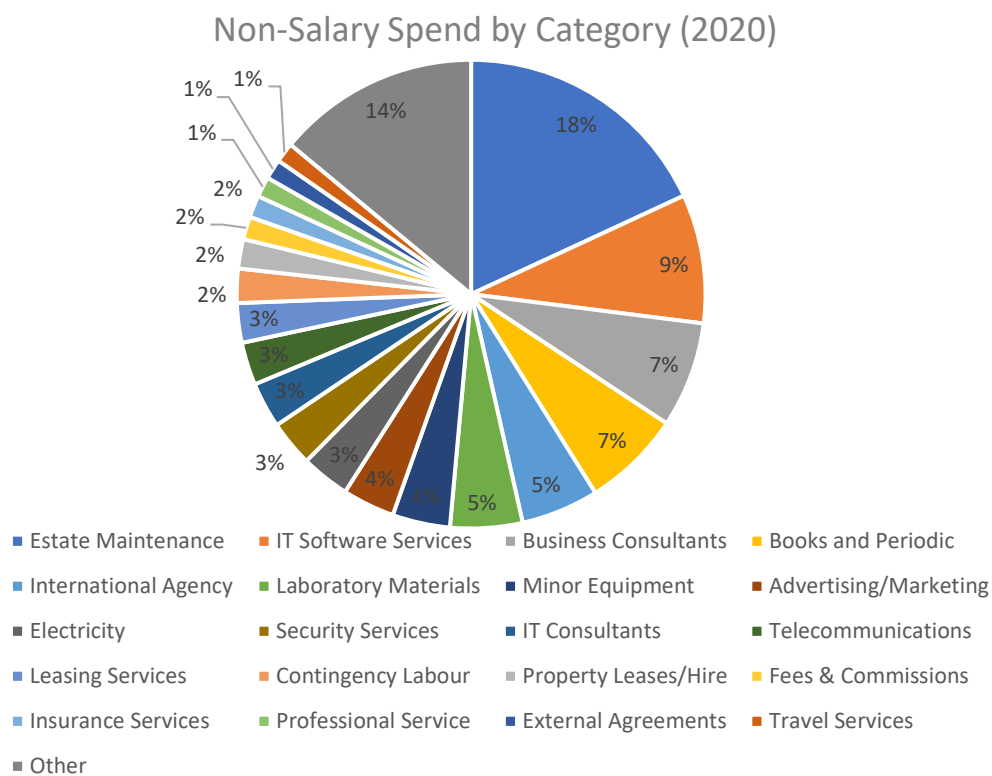


Figure 5 – Non-Salary Spend by Category (2020)

² The Minderoo Foundation - An independent assessment of government progress towards achieving UN Sustainable Development Goal 8.7.

Origin of Country Risk Across Our Supply Chain

A risk analysis conducted on the University’s top 20% Suppliers, based on 2020 spend, found that 93% of the goods and services sourced were provided by Suppliers whose country of origin is Australia. Figure 6 illustrates the country of origin and risk rating of the remaining 7% of Tier One Suppliers located outside of Australia.

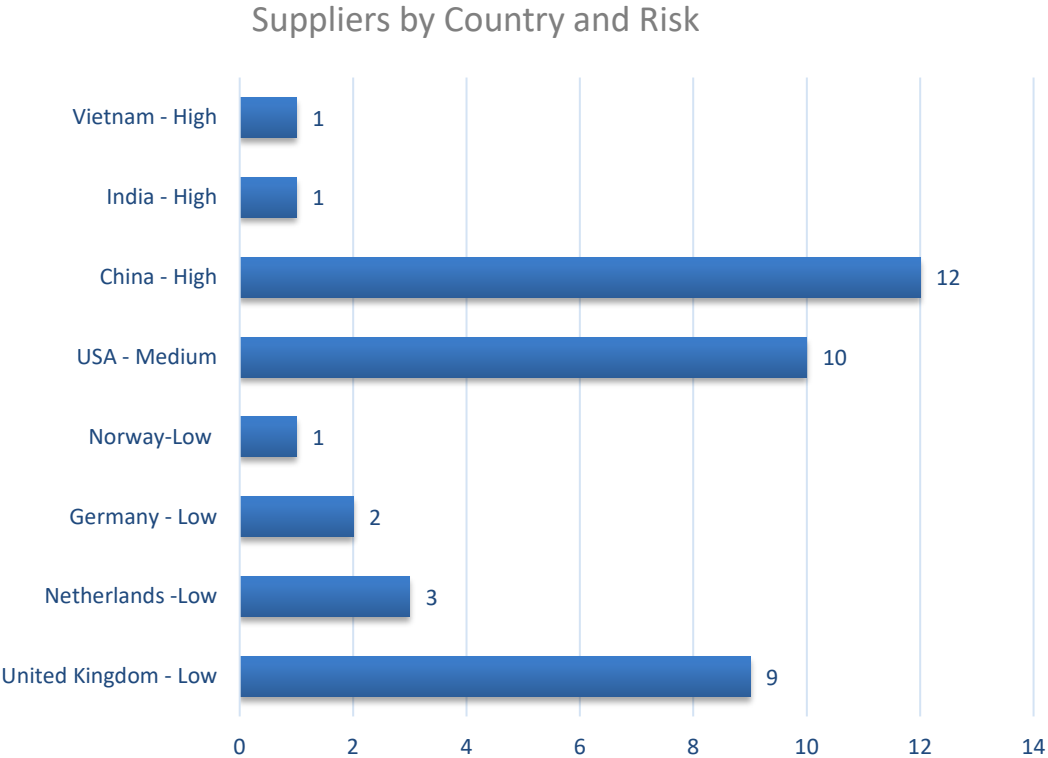


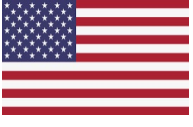




Figure 6 - Supplier Country of Origin and Risk

Based on the above analysis, 96% per cent of University non-salary spend is with Suppliers based in in low-risk countries, as defined by the Global Slavery Index, with ten suppliers based in medium-risk countries and 14 based in high-risk countries. Table 2 provides further detail of purchases made with Suppliers in medium and high-risk countries. All purchases made with high-risk countries were for in-country recruitment and consultancy/professional services.

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

International Purchases by Country and Risk

Risk Rating	Country	Goods / Services	No. Suppliers
High	China 	Consultancy Services Professional Services Recruitment Services	1 1 10
	India 	Recruitment Services	1
	Vietnam 	Consultancy Services	1
Medium	Unites States of America 	Consultancy Services Recruitment Services Technology, Laptops, computers, and Mobile Phones Trade Services	2 1 5 2
Low	Germany 	Health Services	1
	Netherlands 	Technology, Laptops, Computers, and Mobile Phones	3

	United Kingdom Consultancy Services Professional Services Technology, Laptops, computers, and Mobile Phones Trade Services	2 1 3 1
		Norway Technology, Laptops, computers, and Mobile Phones

Table 2 – International Purchases by Country and Risk

Risk Profile of Goods and Services Purchased

An analysis of the type of goods and services purchased by the University in 2020 identifies the highest risk category was *Technology, Laptops, Computers, and Mobile Phones* which have a risk rating of ‘Extreme’ and were sourced from 112 Suppliers. The next highest risk categories were *Construction Services* and *Cleaning Services*, which have a risk rating of ‘High’ and were procured from 28 and two suppliers respectively. See Figure 7 for further details.

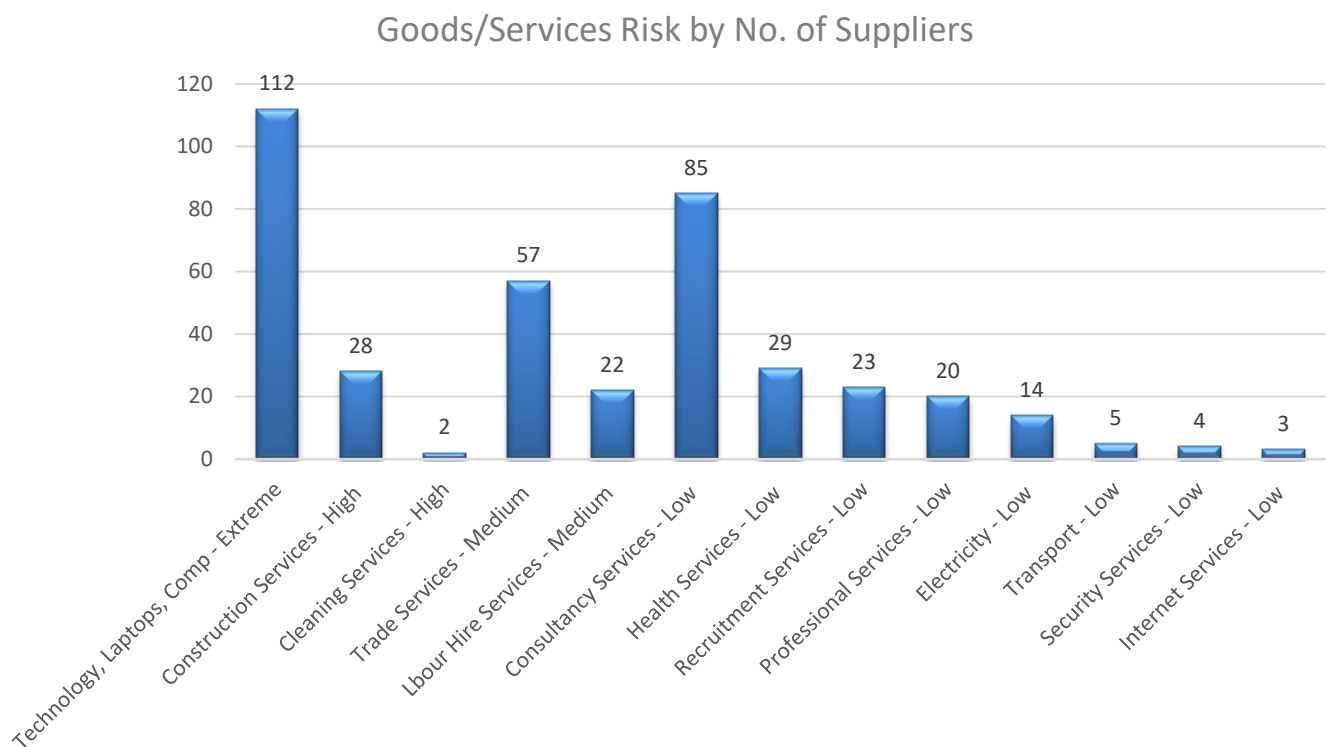


Figure 7 - Product/Services Risk by Suppliers

Further analysis of the *Technology, Laptops, Computers, and Mobile Phones* category reveals that the countries of supply were of a low to medium risk – see Figure 8. Of the 112 Suppliers for this category, five were based in the USA, with the remaining 107 based in low-risk countries, including 100 (89%) from Australia.

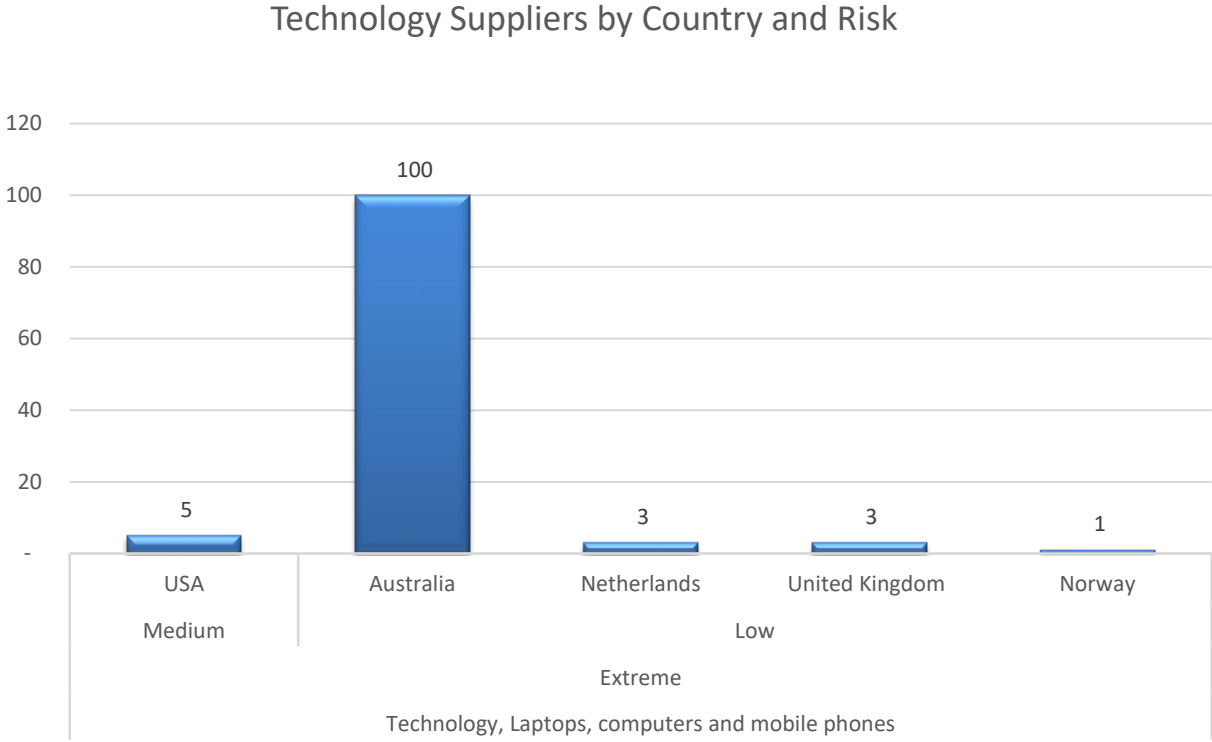


Figure 8 – Technology Suppliers by Country and Risk

All suppliers engaged with for *Construction Services* and *Cleaning Services* (high risk) and *Trade Services* and *Labour Hire Services* (medium risk) are based in Australia.

Case Study - Gloves Manufacturing

In 2020 the Australian University Procurement Network’s (AUPN)³ Modern Slavery Working Group (MSWG) were notified of a potential human rights issue with an overseas manufacturer of rubber gloves. The US Department of Labor’s Bureau of International Labor Affairs lists rubber gloves manufacturing as [high risk for forced labour](#)⁴. Given Australian university sector spend on rubber gloves is ~\$3.8million per annum, and the likelihood of our key suppliers being associated with this risk is high, the AUPN MSWG made initial steps to take a deep dive into this category on behalf of the sector.

The following is a summary of steps taken by the MSWG to investigate and respond to this issue:

³ The University of Newcastle is a member of the AUPN – see Actions Taken to Assess and Address Risks for further details
⁴ 2020 List of Goods Produced by Child Labor or Forced Labor

- A human rights consultant was engaged who provided a high-level review on the current status of glove manufacturing and further guidance on remediation steps and engagement with the suppliers.
- Given the global demand for rubber gloves due to the COVID-19 pandemic, the risks associated with the manufacture of rubber gloves had increased.
- One key supplier engaged by the AUPN MSWG has been identified as purchasing products from the manufacturer:
 - Supplier was contacted and notified of allegations and requested to provide a response (if supplier was aware of the allegations and if actions have been taken).
 - Supplier has responded advising they no longer purchase from the manufacturer in question.
- As at the date of preparation of this report, the AUPN MSWG were in the process of documenting the proposed approach to acting on an issue of modern slavery identified in its supply chain, including data analysis, AUPN positioning statement, and supplier engagement.
- In January 2021, the AUPN identified and contacted 10 key suppliers who provide gloves to multiple member universities. Suppliers were requested to complete a questionnaire and attend any future AUPN led awareness sessions on modern slavery. Eight suppliers responded. Responses demonstrated that:
 - 4 out of 8 suppliers were not reporting entities to the Act
 - All suppliers indicated that they have not identified modern slavery in their supply chain, but 2 suppliers acknowledged gloves manufacturing in some countries was high risk for modern slavery.
 - 4 out of 8 suppliers did not include auditing personnel recruitment sources in their auditing program.
 - 5 out of 8 suppliers were able to describe the countries where their products were manufactured – Malaysia, China, Europe, Pakistan, USA and Japan.

Overall, responses indicate that Australian distributors of gloves have a moderate to limited visibility of their supply chain and are at various levels of developing their policy or policies to deal with modern slavery. The AUPN recognises that there is more to be done and will continue to develop its supplier engagement approach and remediation processes in order to gain more visibility of the supply chain and leverage the sector’s buying power to influence better purchasing practices.



Actions Taken to Assess and Address Risks

Ethical Framework

The University uses an Ethical Decision-Making approach to identify modern slavery risks and the steps it must take to prevent slavery and human trafficking in its operations.

- University Officers are required to draw on evidence and reason in their decision making with a professional responsibility to look beyond self-interest and personal view to realise the University's purpose, values, and principles.
- When making decisions on behalf of the University, the 'standard for judgement' lies in the University's Ethical Framework rather than the personal beliefs of any individual.
- The Framework must be read and applied as no single element has priority over another.
- The Framework will not eliminate ambiguity; values and principles will compete from time to time. Accordingly, decision making requires the need for the exercise of judgement rather than 'mere compliance'.

Contract Clause

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 the 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.

Human Ethics Approval

The University of Newcastle is committed to the highest standard of ethical practice in research involving or impacting on humans.

All human research projects conducted at the University, or by staff and students of the University, require ethical oversight.

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 University uses a risk assessment review model for human research requiring ethics approval. Applications are reviewed for ethics approval using one of three assessment levels based on the risk that the research poses to participants. Two of the levels provide for expedited review of applications. This has streamlined the process for researchers and resulted in a reduction in processing time for the majority of applications.

Research Ethics Advisors (REAs) are located in Colleges to assist researchers to design ethically acceptable human research and assist them through the ethics approval process. REAs are the first 'port-of-call' for researchers requiring assistance or advice on human research ethics matters.

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 all 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 requirement to the *Modern Slavery Act 2018 (Cth)*. The sector approach will assist 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:

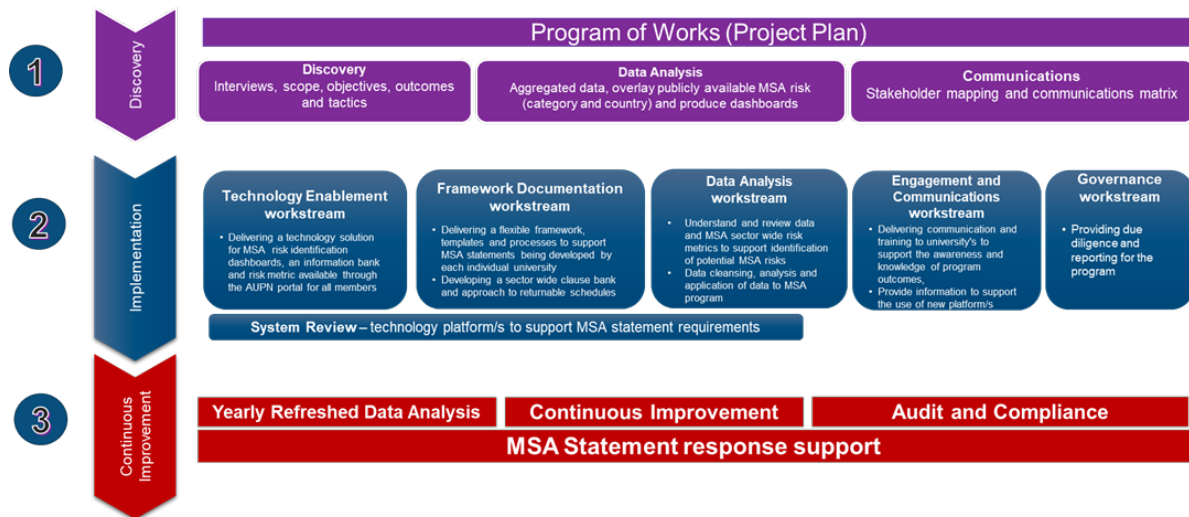


Figure 9 – AUPN MS Program – Developed by MSWG with support from ArcBlue Consulting

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.

The MSWG completed the discovery phase of the MS Program in December 2019 and is currently in the implementation phase.

Communications (Universities and Stakeholders)

The MSWG provide 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 progress of the MS program and provide feedback, discussion, and education to the wider AUPN community.

Further details on the AUPN’s Modern Slavery Program, including the proposed deliverables for 2020, can be found [here](#).



Measuring Effectiveness

Responses to Ethical Due Diligence Questionnaire

An analysis of Supplier responses to key questions from the University’s Ethical Due Diligence Questionnaire administered from 1 January to 31 December 2020 is shown below. The responses demonstrate that the University’s Tier One Supply chain represents minimal risk from a modern slavery compliance perspective. Despite this, the University will continue to measure its risk across its supply chain (Tier One) and will seek to measure through its supply chain (Tier Two, Tier Three, etc).



Does or will your business provide Modern Slavery Statements under the Modern Slavery Act (Cth) 2018 (Australia) and/or the New South Wales Modern Slavery Act 2018?

Yes – 68%
Not Required – 32%



Does your business act in a manner consistent with University of Newcastle’s Ethics Principles?

Yes – 100%
No – 0%



Do you have a written ethical conduct policy?

Yes – 88%
No – 12%



Do you do business in any sanctioned countries?

Yes – 3%
No – 97%



Have you ever conducted business with a sanctioned entity?

Yes – 0%
No – 100%

University of Newcastle Investments

In 2017 the University made the decision to amend its ESG Framework to make it more consistent with its Ethical Framework and its Environmental Sustainability Plan.

A key undertaking of this amended ESG framework was to exclude certain products or services from its investment portfolio that were inconsistent with the University's Principles as outlined in its Ethical Framework, provided there was no significant additional investment risk that might jeopardise the investment objective. Priority areas identified for exclusion were human rights abuses, tobacco, controversial weapons, and corrupt business practices.

During 2020 Mercer (the University's investment manager) established a cross-functional working group to build Mercer's Modern Slavery Program. In 2020, the University met all four of its annual ESG goals. The University improved its weighted ESG rating by reducing it by 35.8% (goal: 20%-30%) versus its 2017 baseline. The University reduced its WACI (Weighted Average Carbon Intensity) footprint in listed equities by 34% (goal: 20%) versus its 2016 baseline. The University did not invest in fossil fuel companies that face acute transition risks. 17.78% of the University's portfolio aligned with United Nation Sustainable Development Goals (goal: 10%). When scored on its public sustainable investment disclosures, the University improved its position relative to peers moving to second out of thirteen peers (2019: third).

In 2020, the University's listed equity portfolio included exposure to seven companies facing severe allegations of irresponsible operations (2019: five companies). Mercer is reviewing these red flags and will engage if they believe the controversial holdings pose material risk to the portfolio or represents a proven, severe, and ongoing abuse of human rights or corrupt practices that requires divestment.

The University's ESG framework and strategic asset allocation of investments are reviewed annually by the Finance Committee.

Working with our Key Suppliers

The University is committed to working with our key suppliers in eliminating modern slavery throughout the full supply chain. The issue of Modern Slavery is included in scheduled review meetings, actions to address risks are discussed and Modern Slavery statements are reviewed and monitored.

Partnering with the AUPN

The University continues to collaborate with the APUN's Modern Slavery Working Group to assess risks across member university supply chains and implement strategies and systems to measure and remediate identified issues.



Future Commitments

Over the next year the University's focus will be on:

Training and Development

The University will:

- Continue to develop the maturity of our supply chain assurance programs.
- Assess our practices against the requirements of the *Modern Slavery Act (Cth) 2018*.
- Continue training and awareness of the *Modern Slavery Act (Cth) 2018* with staff, including our responsibilities and requirements to comply with the Act across the University. Training will include access to the Modern Slavery in Public Procurement eLearning course.
- Continue to form a comprehensive understanding of our indispensable human rights priorities which will be published via the University's website, internal newsletter, and SharePoint site(s).

Supply Chain Risk Assessment

The University will:

- Utilise a third-party technology solution that will enable us to effectively gather and interrogate expenditure supplier data, identify risk, focus resources and inform action across our supply chain.

Internal Modern Slavery Project Group

The University will:

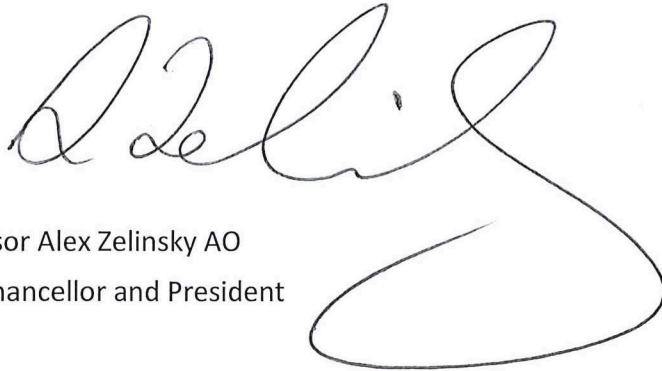
- Consider the formation of an internal project group, bringing together key representatives across the organisation to help assess and respond to key risks, including Human Resources, Finance, Procurement, Legal and Compliance, and Sustainability.

Policy Development

The University will:

- Draft a comprehensive statement of the University's commitment to Human Rights for endorsement by senior management.

This statement is made pursuant to section 13 of the *Modern Slavery Act 2018* (Cth) and constitutes the Modern Slavery Statement of the University of Newcastle for the period ending 31 December 2020 and has been approved by the Council of the University of Newcastle.

A handwritten signature in black ink, appearing to read 'A. Zelinsky', with a large, stylized flourish extending from the end of the signature.

Professor Alex Zelinsky AO
Vice-Chancellor and President

The University of Newcastle acknowledges the traditional custodians of the lands within our footprint areas: Awabakal, Darkinjung, Biripai, Worimi, Wonnarua, and Eora Nations. We also pay respect to the wisdom of our Elders past and present.