Modern Slavery Act Statement

For the year ended 31 December 2022

Contents

INTRODUCTION

The Southern Cross University Modern Slavery Statement 2022 has been prepared to comply with its obligations under section 13 of the Australian *Modern Slavery Act 2018* (Cth) (the Act).

The University recognises its responsibility under the Act to take a robust approach to modern slavery and have a positive impact on the 49.6 million people that were living in modern slavery on any given day in 2022 (*source: www.walkfree.org*).

The University is committed to the prevention of slavery and human trafficking in all its activities and to ensuring that its operations and supply chain are free from slavery and human trafficking wherever they operate.

This statement is made on behalf of Southern Cross University and its controlled entities and was approved by the Southern Cross University Council on 16 June 2023.

Sandra McPhee AM
Chancellor
Southern Cross University

Professor Tyrone Carlin
Vice Chancellor and President
Southern Cross University

ORGANISATIONAL STRUCTURE

The University was established under the Southern Cross University Act 1993 (NSW).

The object of the University is the promotion, within the limits of the University's resources, of scholarship, research, free inquiry, the interaction of research and teaching, and academic excellence.

The University is governed by a Council to which the University's Chief Executive Officer, the Vice Chancellor, reports.

The Council is chaired by the Chancellor and has 13 members: The Chancellor, the Vice Chancellor, the Chair of the Academic Board, two members appointed by the Minister, four members appointed by Council, three elected staff members, and one elected student member.

The Academic Board is the University's principal academic body. It is responsible for establishing and maintaining the highest standards in teaching and learning, and research in the University. It is also the primary advisory committee of the Council on academic matters.

The University Council has adopted the Voluntary Code of Best Practice for the Governance of Australian Public Universities. In November 2020, the University Council reviewed the University's standing against the revised Voluntary Code. The University is substantially compliant with the Voluntary Code.

Reporting Entity

The financial statements include Southern Cross University as the parent entity and the consolidated entity comprising Southern Cross University and its controlled entity Southern Cross Campus Services Limited.

SOUTHERN CROSS UNIVERSITY OPERATIONS

Structure	Operations
Southern Cross University (ABN 41 995 651 524) is a not-for-profit statutory body incorporated by the *Southern Cross University Act 1993 with its registered office at Military Road, EAST LISMORE NSW 2480.*	Southern Cross University is a registered Higher Education Provider in accordance with the *Tertiary Education Quality and Standards Act 2011* and carries out teaching and research activities.
Southern Cross University has a wholly-owned subsidiary being Southern Cross Campus Services Limited. This subsidiary is a limited by guarantee company, and the principal activity of Southern Cross Campus Services Limited ("the Company") during the year was to provide on-campus amenities and services to students and staff of Southern Cross University ("the University").	Through its wholly-owned subsidiary, the University carries out additional activities, including operating food and beverage facilities, catering services, pool, gymnasium, and fitness facilities.
Southern Cross University, as a consolidated group, trades under the following additional key business names: - Southern Cross University Health Clinic - The Hotel School (Sydney, Melbourne) - Southern Cross Environmental Analysis Laboratory - Southern Cross Analysis Research Laboratory - Regenerative Agriculture Alliance - SCU Fitness For You - Southern Cross Catering Lismore - The Uni Bar	The University's arrangements with suppliers are structured in many different ways depending on the nature of the spend category. Some arrangements are short-term, and others are extended for multiple years.
	In addition to traditional supplier relationships, the University has established long-term relationships with partners to operate key strategic functions, including teaching services at its metro-based branch campuses, online courses, and management of its facilities at the Coffs Harbour campus.

17,350

1,092 staff

Seven faculties and colleges

The annual Higher Education Research Data Collection revenue for 2022 was $28.3m

Eight campuses in Lismore, Gold Coast, Coffs Harbour and National Marine Science Centre, the Hotel Schools, SCU online, branch campuses in metropolitan areas as well as offshore.

SOUTHERN CROSS UNIVERSITY SUPPLY CHAIN

The University's supply chain is diverse and its spend falls under 4 (level 1) categories: Technology, Property and Facilities, Business Services and Research & Teaching.
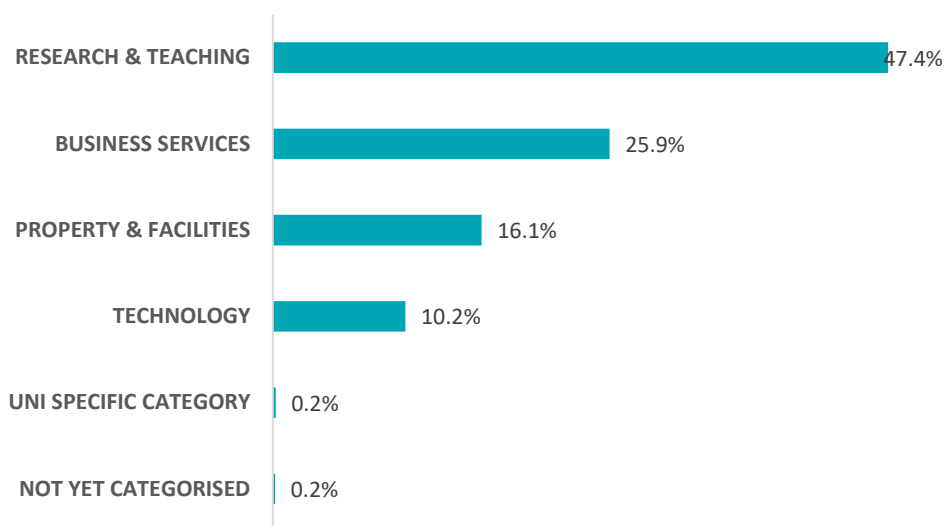
Category	Percentage
RESEARCH & TEACHING	47.4%
BUSINESS SERVICES	25.9%
PROPERTY & FACILITIES	16.1%
TECHNOLOGY	10.2%
UNI SPECIFIC CATEGORY	0.2%
NOT YET CATEGORISED	0.2%

Figure 1: Spend distribution per category

In 2022, the University had over 6,700 tier-1 suppliers. 90% of dollar amount was spent with suppliers headquartered in Australia, close to 6% with 216 tier 1 overseas suppliers, and 4% were unknown.

Figure 2: World map showing that 90% of Southern Cross University business activities with tier 1 suppliers occurs in Australia

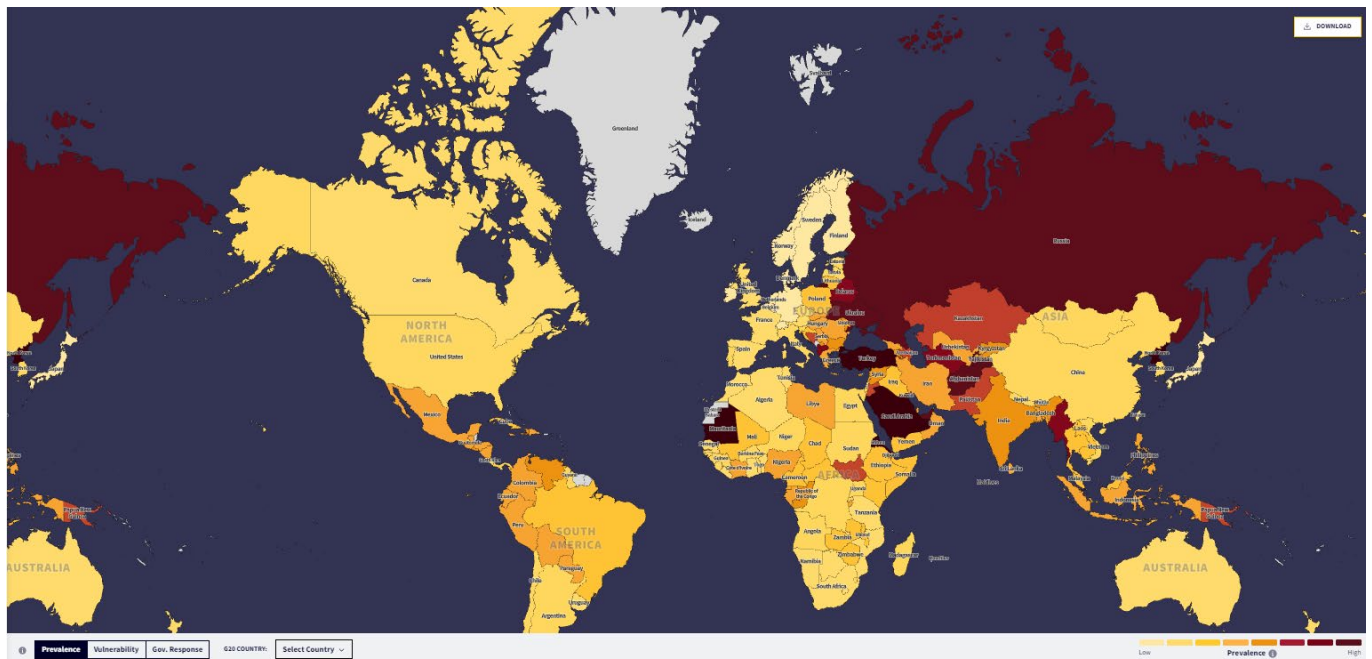## RISKS OF MODERN SLAVERY PRACTICES IN THE UNIVERSITY'S OPERATIONS AND SUPPLY CHAINS

Figure 3: World map showing the prevalence of modern slavery per country (source: source: www.walkfree.org)

2022 Assessment

Spend analytics developed by Southern Cross University shows that circa 11% of its total spending is sourced from countries and regions identified as at a high risk of involving modern slavery to deliver goods and services to the university.
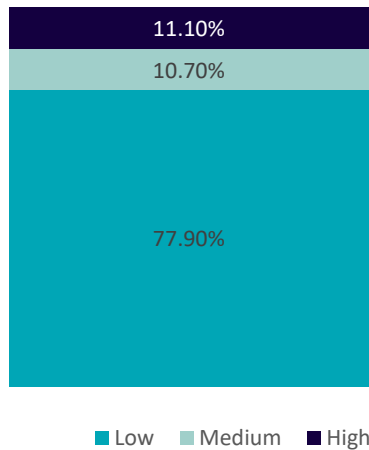

Low ■ **Medium** ■ **High**

11.10%	
10.70%	
77.90%	

Figure 4: Modern slavery risk in SCU total spends

The method used to assess modern slavery risks is based on the country and category of goods and/or services' overall risk rating, as described in Figure 5. In 2022, the University updated its spend dashboards to reflect this and continues to refine its methodology to identify and assess the risk of modern slavery in its supply chain.
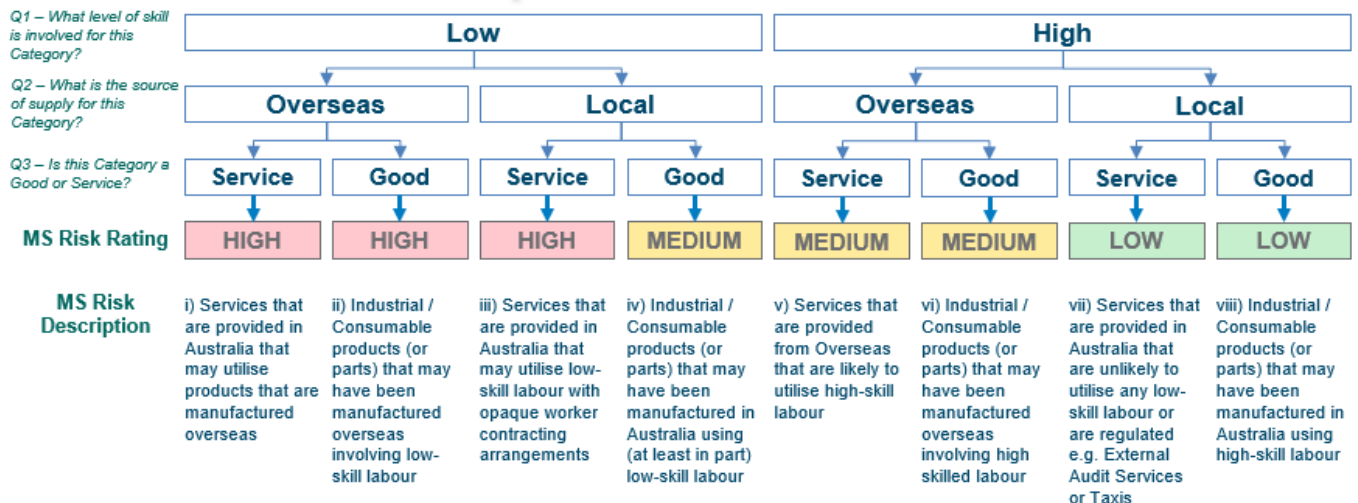

Figure 5: Method to assess modern slavery risks

Figure 6 shows a higher risk in the Research and Teaching category, mainly driven by lab equipment and supplies. Lab Equipment contains electronics for which risks reside in mined minerals and factories in countries at risk of modern slavery. Lab supplies covers products such as gloves that are also known to

be a higher-risk commodity due to working conditions in factories in certain regions of the world. SCU mainly deals with Australian distributors and aims to take a deeper dive into the product categories that are at risk of modern slavery as it starts using FRDM technology (a firm assisting the University with its procurement data analysis) and issue more detailed Supplier Assessment Questionnaires to gain a better understanding of where these products are manufactured.

Business Services' modern slavery risk mainly resides in goods such as promotional items that can be manufactured in opaque and complex supply chains that can be difficult to trace back to the origins of the supply. Certain countries and regions pose a higher risk due to their poor human rights practices, lack of appropriate governance and controls, and poor reporting requirements. The University is guided by such publications as the Global Slavery Index 2023, which for example, recognised that technology is an area of heightened risk of modern slavery that manifest in devices such as audiovisual, network hardware, phones, and other individual IT equipment.
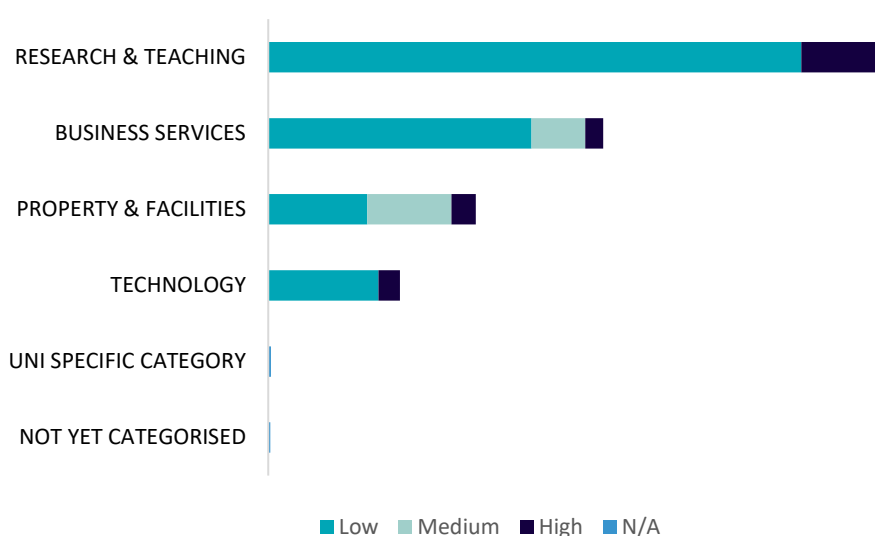

Figure 6: Modern Slavery risk profile per category

RISK MANAGEMENT

The University's approach to risk management aligns with the risk management standard ISO 31000:2018 Risk Management – Guidelines. Oversight of the University's Risk Management framework is provided by Council and the Audit and Risk Management Committee.

RISK MANAGEMENT AT SOUTHERN CROSS UNIVERSITY

Southern Cross University has specific risk management processes, such as audits, OH&S, equity, and access provisions. Risk, however, occurs in broader contexts, including environment, governance, security, quality, entrepreneurial activities, reputation, etc.

One of the overriding philosophies of Risk Management for Southern Cross University is that risk will be identified, assessed, and managed by all employees, through supervisors and managers, appropriate to the level and impact of the risk.

Responsibility for managing risk rests with everyone. An effective risk management structure is one that assigns the responsibility to the appropriate operational area within which the risk is found and establishes a timeframe for action to treat the risk.

Risk management will increase every manager's capacity to identify and deal with risk and provide the University with useful strategic information for planning, budgeting, and reducing exposure to risk at all levels.

Used by individuals in the workplace, it will also be a most useful tool to assign priority order to competing tasks, enabling employees at all levels to meet their personal objectives.

ACTIONS TAKEN BY THE UNIVERSITY TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

Due Diligence and Screening

Spend Analytics and technology

The University continues to refine its methodology, primarily through the use of upgraded spend analytics and dashboards and FRDM Technology that Southern Cross University has subscribed to through the *Australian Universities Procurement Network* (*AUPN).*

FRDM (https://www.frdm.co/) offers a Software as a Service (SaaS) solution that maps, monitors, and mitigates ESG risks in companies' supply chains (see Figure 7).
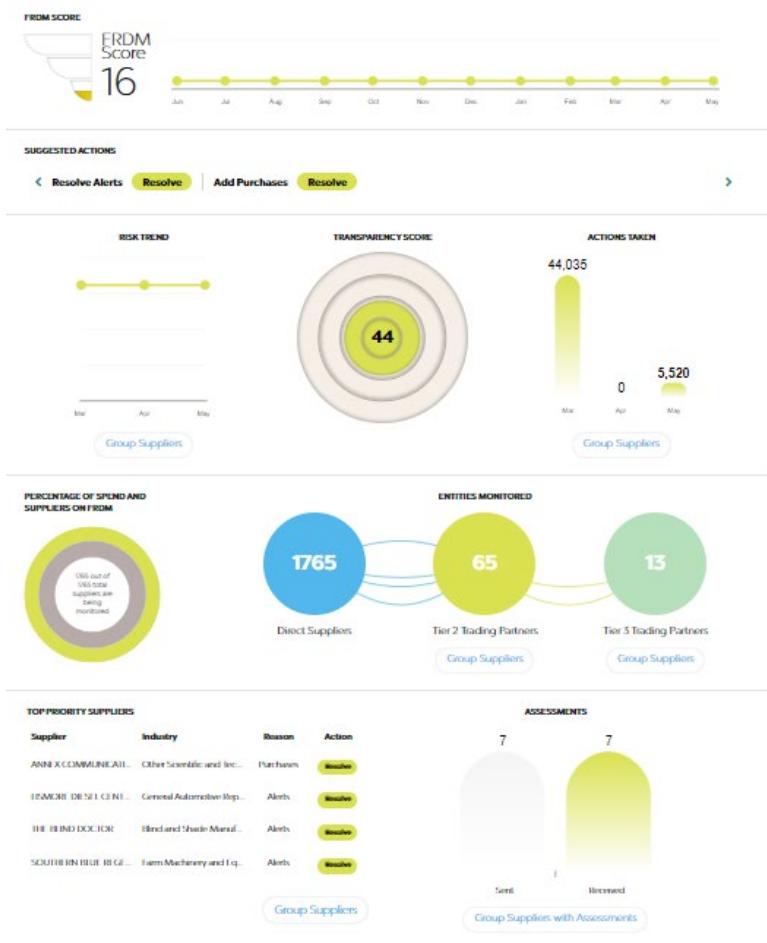
Figure 7: Screenshot of FRDM dashboard for Southern Cross University

Southern Cross University has just started trying out this technology, and much work remains to be able to have a positive impact.

Modern Slavery Supplier Surveys

Southern Cross University continues to issue all high-risk suppliers with a questionnaire that provides due diligence over the suppliers' supply chain, international operations, labor recruitment practices, and other factors. Additionally, each supplier is required to provide a copy of their Modern Slavery Act Statement, where applicable. However, the University is slowly transitioning to issuing Modern Supplier Assessment questionnaires (SAQ) through the FRDM platform and AUPN to have a more collaborative approach and decrease the administrative burden on its suppliers.

Industry Benchmarking and Collaboration

Southern Cross University is a member of the *AUPN,* which represents the Australian higher education sector, which works together to uplift Australian universities' procurement capabilities.

The AUPN Modern Slavery Act working group was renamed the Anti-slavery group in 2023 and has been established to support the development and implementation of a program of works. It aims at

supporting AUPN members to improve supply chain human rights transparency, collaborate on risks, and contribute to the fulfillment of MSA reporting requirements. The University will actively monitor the outcomes from the AUPN and work closely with the network.

Agreements, Policies, and Procedures

Southern Cross University has a suite of policies and procedures that embeds respect for Human Rights, including alignment with the Modern Slavery Act 2018 (Cth).

Policy	Relevant references
Code of Conduct	Integrity demonstrated through advancing human rights and our commitment to provide opportunities for students and staff in an inclusive, culturally safe environment – clause (5) b Respect for Law and University Governance – clauses (7) – (8) Ethical decision making – clause (31)
Harassment, Bullying, and Discrimination Prevention Policy	The policy sets out the University's commitment to ensuring all staff and students are treated fairly and with dignity and respect and providing an environment free from harassment, bullying, and unlawful discrimination.
Sexual Misconduct (Prevention and Response) Policy	The University aims to provide an environment where all members of the University are treated fairly and with dignity and respect, free from Sexual Misconduct.
Work Health and Safety Policy and associated procedures	The policy promotes the health, safety, and welfare of all University employees, students, contractors, and visitors to the University.
Whistleblower Policy	University is committed to undertaking its activities to the highest standards of honest and ethical behaviour. The policy sets out the support and protection for those who report wrongdoing.
Fraud and Corruption Prevention Policy	The policy outlines how the University detects, reports, assesses, and deals with possible Fraud and Corruption and supports the University's Code of Conduct in promoting a fair and honest working and learning environment.
Procurement Policy	The policy articulates a key procurement principle, Social Procurement – that University funds are expended efficiently, economically, and ethically, including respect for stakeholders' interests, the rule of law, and human rights – and the University's commitment to identifying and mitigating the risk of Modern Slavery.

Southern Cross University Agreements templates – including Purchase Order Terms and Conditions - incorporate modern slavery clauses that detail the University's requirements related to modern slavery and compliance with the Modern Slavery Act 2018 (Cth).

The University has also developed a specific procurement template suite for high-value/high-risk goods and services in its sourcing activities.

Training

The University is working on developing a Modern Slavery Training Pack to roll it out across all work units and staff.

Reporting incidents or concerns of modern slavery

Any concerns about modern slavery should be reported to the nominated disclosure coordinator in accordance with the Southern Cross University's Whistleblower Policy.

HOW THE UNIVERSITY ASSESSES THE EFFECTIVENESS OF ACTIONS BEING TAKEN TO ASSESS AND ADDRESS MODERN SLAVERY RISKS

During the 2022 Calendar Year, the University continued the development of its framework for identifying, mitigating, and remediating risks of modern slavery as well as collaborating and communicating with its stakeholders. The University is following the AUPN Anti-slavery initiative, a sector collaboration to tackle modern slavery in the Higher Education Sector. The *AUPN* currently has 39 member institutions working together to improve excellence in procurement practice and in the skills of procurement professionals in the higher education sector.
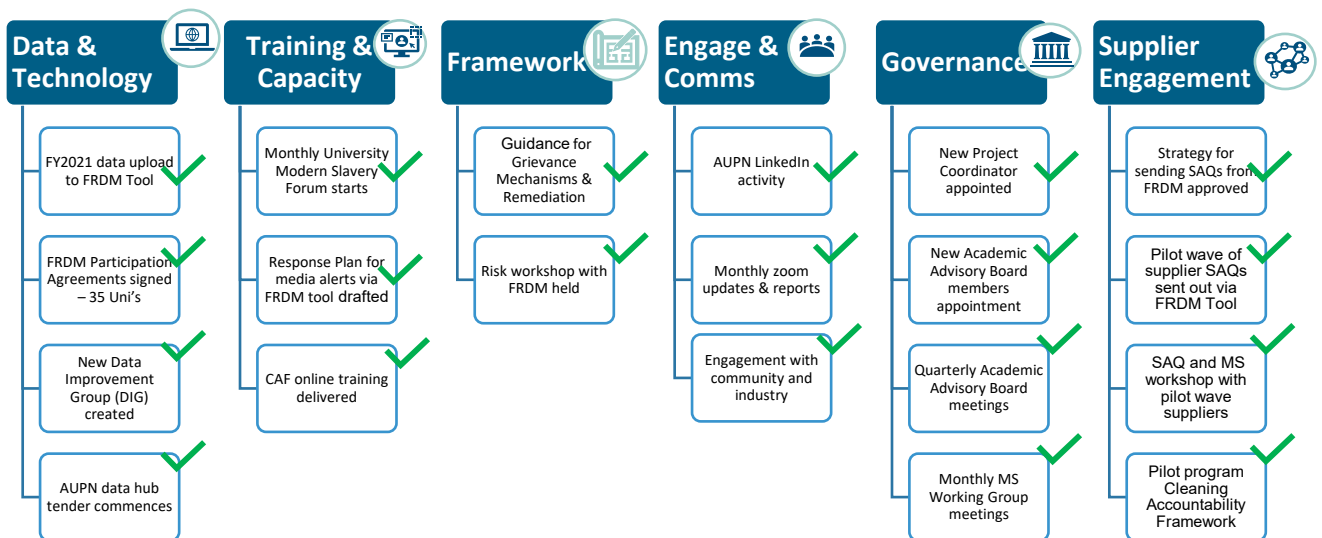

Figure 8: AUPN Key achievements in 2022

Working together minimises the duplication of activities and associated costs across individual universities, including risk assessment, systems implementation, and remediation. Leveraging the sector's aggregated buying power should improve our capacity to identify and action any modern slavery risks and drive more effective changes through our operations and supply chain.