

Modern Slavery Statement

1. Introduction

This statement is published by the Australian Nuclear Science and Technology Organisation's (ANSTO) (ABN 47 956 969 590) under the Modern Slavery Act 2018 (**Modern Slavery Act**), for the period from 1 July 2020 and 30 June 2021.

Three core values underpin the ANSTO organisation: safe, secure and sustainable. At ANSTO, we understand that ethical conduct and protecting human rights is critical to upholding these values. We are committed to contributing to the eradication of modern slavery through compliant, responsible and ethical business practices. This statement outlines how we assess and address modern slavery risks in our business and supply chain, and our plans for continuous improvement in the future.

2. About Us

ANSTO is Australia's national nuclear research and development organisation and is the centre of Australian nuclear expertise. This unique expertise is applied to radiopharmaceutical production, research into areas of national priority – including health, materials engineering, and water resource management – and to helping Australian industries solve complex problems. ANSTO also provides expert advice to Government on all matters relating to nuclear science, technology, and engineering. ANSTO operates landmark national scientific facilities, including the Australia's only nuclear research reactor - Open Pool Australian Light-water multipurpose reactor (OPAL), and the Australian Synchrotron, for the benefit of industry, the Australian research community, and all Australians.

ANSTO provides goods and services in relation to the production and use of radioisotopes, in connection with radioactive waste and the application of nuclear science and technology.

3. Our Organisation

ANSTO is a corporate Commonwealth entity, established by the Australian Nuclear Science and Technology Organisation Act 1987 and governed by the Public Governance Performance and Accountability Act 2013.

ANSTO is made up of a Board appointed by the Minister for Industry, Science and Resources, an executive team and the following six operational and service areas:

1. Nuclear Science and Technology
2. Commercial Products & Services
3. Chief Operating Officer Group
4. Maintenance & Engineering
5. Nuclear Operations and Nuclear Medicine
6. Information Technology

ANSTO employees approximately 1,370 staff across three locations in Australia. For the reporting period, ANSTO had a consolidated revenue in excess of \$100 million.

ANSTO owns or has an interest in the following entities:

- ANSTO Nuclear Medicine Pty Ltd, a subsidiary of ANSTO which owns and operates a Mo-99 production.
- ANSTO Inc, a United States of America based subsidiary established to commercialise ANSTO's Syncro technology in the USA.
- Applied Molecular Therapies Pty Ltd, Australian joint venture company between ANSTO and Cyclotek NSW Pty Ltd to produce radionuclide therapies. This company is in the establishment phase.
- Southern Radioisotopes Alliance Inc, a United States of America joint venture company between ANSTO and NTP Radioisotopes SOC Ltd for the marketing and sale of Mo-99. This company has not yet commenced trading.
- shares in Clarity Pharmaceuticals Ltd an Australian Stock Exchange listed company established to commercialise technology developed by ANSTO.

4. Procurement - ANSTO's Supply Chain

ANSTO's supply chains are controlled with contracting arrangements as defined by the Commonwealth Procurement Rules. The supply chain for ANSTO consists of over 4,000 suppliers, with our suppliers providing a diverse range of goods and services, predominantly scientific and engineering plant and equipment, nuclear materials, IT hardware and software, security and laboratory consumables. ANSTO supports and engages in research partnerships and knowledge sharing activities with a number of international partners through both formal institutional partnerships and approved collaborations. ANSTO participates in whole-of-government procurement through shared Commonwealth contracts, as well as engaging in direct procurement from suppliers. ANSTO records procurement activities on Austender as required by the applicable Commonwealth Procurement Rules, and it also discloses contracts entered into in accordance with the requirements of a Commonwealth entity.

5. Risks of Modern Slavery Practices in ANSTO's Supply Chain

ANSTO's operations and supply chains cross many industries and sectors - from researchers to technical experts, stationery to construction. These industries and sectors have complex multi-tiered downstream supply chains that span various industries and countries.

Consistent with the risk-based approach of the Commonwealth Government and the United Nations Guiding Principles on Business and Human Rights, ANSTO's risk of engaging in practices that utilise modern slavery is primarily through its supply chain.

In assessing ANSTO's modern slavery risk, ANSTO relies on Commonwealth and other relevant guidance which identifies products and services, sectors and locations in which modern slavery has been found to take place, including high risk communities, countries and industries.

ANSTO has reviewed the spend profile and, consistent with the previous year, has identified the following products as being the highest risk:

- Garments (uniforms, gloves and other protective equipment).
- Electronics
- Chemical suppliers (Elements and Mining)

To minimise the risk of modern slavery practices, ANSTO:

- does not procure the above products directly from producers linked to geographical locations identified to be at a higher risk of modern slavery.
- Procures its electronics from a whole-of-government contract, leveraging the benefit of the Commonwealth's due diligence process.
- Procures garments through an Australian distributor which has provided ANSTO with a statement confirming that it has zero tolerance to all forms of Modern Slavery and is constantly evaluating the compliance of its supply chain.
- Procures its chemicals from suppliers who meet the threshold requirements of the Australian Government Procurement Rules.

ANSTO uses the Department of Home Affairs' Cause, Contribute and Linked model to limit the risk of modern slavery in our supply chains. Using the model helps ANSTO understand and focus on those items we directly control or contribute to, as opposed to those items where we have less control. ANSTO acknowledges that:

- visibility of the risks of modern slavery practices in our full downstream supply chains is limited.
- modern slavery risks to ANSTO will change over time as operational requirements change and our understanding of our supply chains improves.
- there is a risk that identified contracts/supply chains may have links to modern slavery further down the supply chain that are outside of ANSTO's visibility and control.

6. Actions Taken by ANSTO to Assess and Address Modern Slavery Risks, including Due Diligence and Remediation Processes

ANSTO primarily addresses the risks of modern slavery practices occurring in its operations and supply chains through strict procurement and operational procedures, in line with standard overarching Commonwealth policy.

ANSTO has a range of controls to mitigate the risk of modern slavery practices. These controls include:

- Aligning our procurement guidelines and policy to ANSTO's Code of Conduct, with an emphasis on transparency, ethics and risk management.
- Ensuring that all procurement activity complies with the Commonwealth Procurement Rules, including that the lowest price is not the sole determinant in achieving value for money.
- Inclusion of specific modern slavery legislative compliance requirements in procurement contracts.
- Ensuring staff involved in sourcing and procurement activities have received modern slavery awareness training and the risk associated in dealing with high-risk categories, communities and countries.
- Updated the Approach to Market template to require compliance with modern slavery laws.
- Use of whole of government purchasing agreements including stationary, travel, and IT equipment and services.
- Updated the vendor creation/maintenance template forms to include checklists to screen vendors as part of the supplier enablement process to provide modern slavery statements.
- Enhanced the functionality of the procurement technology database to record and store Modern Slavery Statements under the vendor records.
- An independently monitored reporting service 'FairCall' to encourage staff to report any instances of illegal or unethical conduct.

7. Assessing the Effectiveness of ANSTO's Actions

The incorporation of specific processes and checklists to assess and address risks of modern slavery is a relatively new undertaking for ANSTO. To assess the effectiveness of these processes, applied to the entire procurement lifecycle, ANSTO has:

- Approached its suppliers of high-volume items, including the garment distributor, to review their policies and processes with respect to modern slavery compliance.
- Implemented a formal 'performance review', which is based on risk and contract value and is conducted on a regular basis. This includes a review of the Modern Slavery Statements for suppliers of high-risk categories. The reviews are documented and stored in the Procurement database.
- Tracked and monitored staff training with respect to modern slavery.

ANSTO is also developing a process to identify whether any high-risk products may be sourced indirectly from high-risk communities or geographic locations and to verify the steps taken to ensure compliance with the Modern Slavery Act. There have been no claims or reported instances of modern slavery in our supply chain, however ANSTO recognises that modern slavery is a very real risk and there is more work to do.

8. ANSTO's Next Steps

ANSTO took a multi-faceted approach which established a strong baseline from which to build and measure its ongoing treatment and reporting of modern slavery risk. ANSTO will continue to embed the strategies outlined in this Statement, with an additional focus on the following areas over the next 12-month reporting period.

- Expand the level of training on the awareness and application of modern slavery risk treatment by ANSTO staff in their procurement and contract management activities;
- Further segmenting suppliers into different risk categories based on the type or manufacturing location of what they supply to the ANSTO;
- Risk based vendor checks on what measures/audits are conducted under an active surveillance of compliance to their policies and Modern Slavery risk management plan;
- Continue to update our policies to reflect our position with respect to modern slavery; and
- Leverage from the established communication protocols to introduce an anonymous means for external parties to report instances of modern slavery.

9. Consultation with Entities ANSTO Owns or Controls

ANSTO owns and controls entities in Australia and in the United States of America. These entities share resources, including, but not limited to, procurement and other shared services such as legal and company secretariat. The risk assessments and controls applied to each of the risks identified are applied to all entities ANSTO owns and controls.



The Hon Dr Annabelle Bennett, AC SC Board Chair
10 December 2021