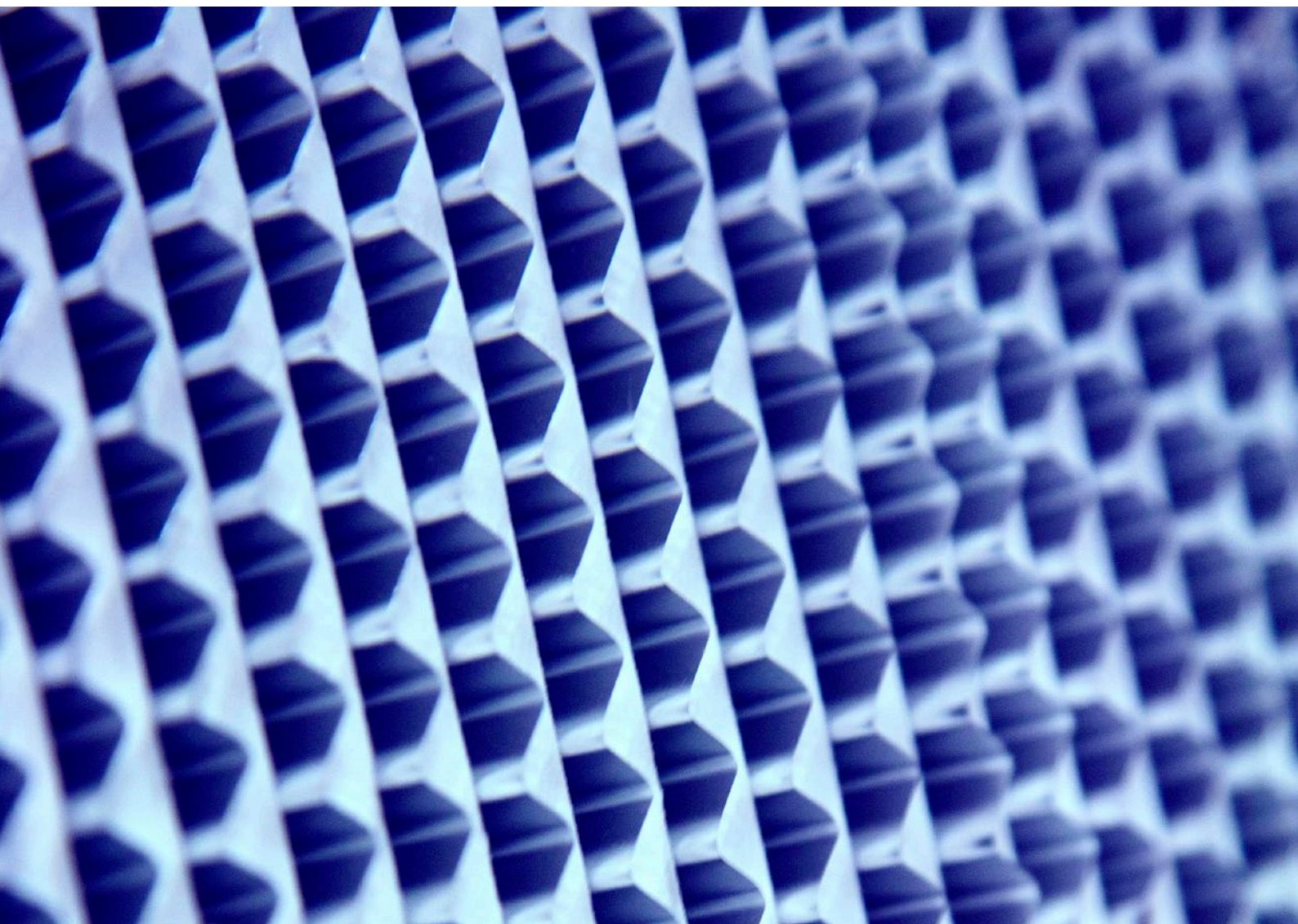




Australia's National  
Science Agency

# Modern Slavery Statement

30 June 2020



# Contents

- 1 Introduction ..... 3
- 2 Our organisation..... 4
  - 2.1 Structure.....4
  - 2.2 Values ..... 5
  - 2.3 Code of conduct ..... 5
- 3 Procurement..... 6
  - 3.1 Risk management in procurement ..... 6
  - 3.2 Collaboration and engagement ..... 7
  - 3.3 Risk assessment of current supply chain ..... 7
- 4 Future commitments..... 8

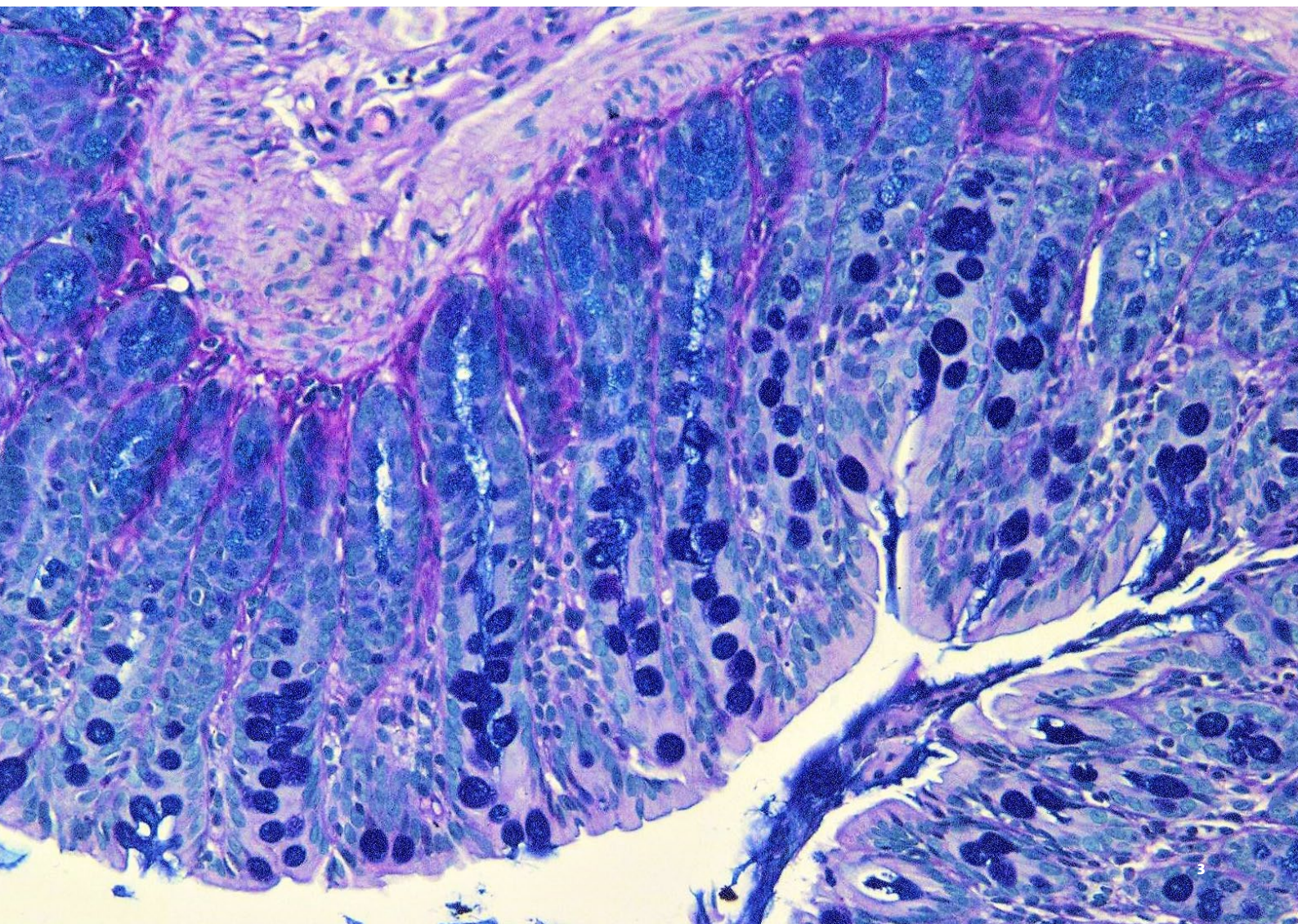
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# 1 Introduction

This statement sets out the Commonwealth Scientific and Industrial Research Organisation's (CSIRO)'s actions to meet its 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.

CSIRO acknowledges that it has a responsibility under the Act to take a comprehensive approach to reducing the level of slavery and human trafficking. As part of this statement, CSIRO is absolutely committed to the prevention of slavery and human trafficking in all of our activities, and to ensuring that our supply chains are free from slavery and human trafficking.



# 2 Our organisation

CSIRO is Australia's national science research agency. At CSIRO, we solve the greatest challenges using innovative science and technology. We do this by using science to solve real issues to unlock a better future for our community, our economy, our planet.

## Our purpose

Solving the greatest challenges through innovative science and technology.

## Our vision

Australia's innovation catalyst, collaborating to boost Australia's innovation performance.

## Objectives

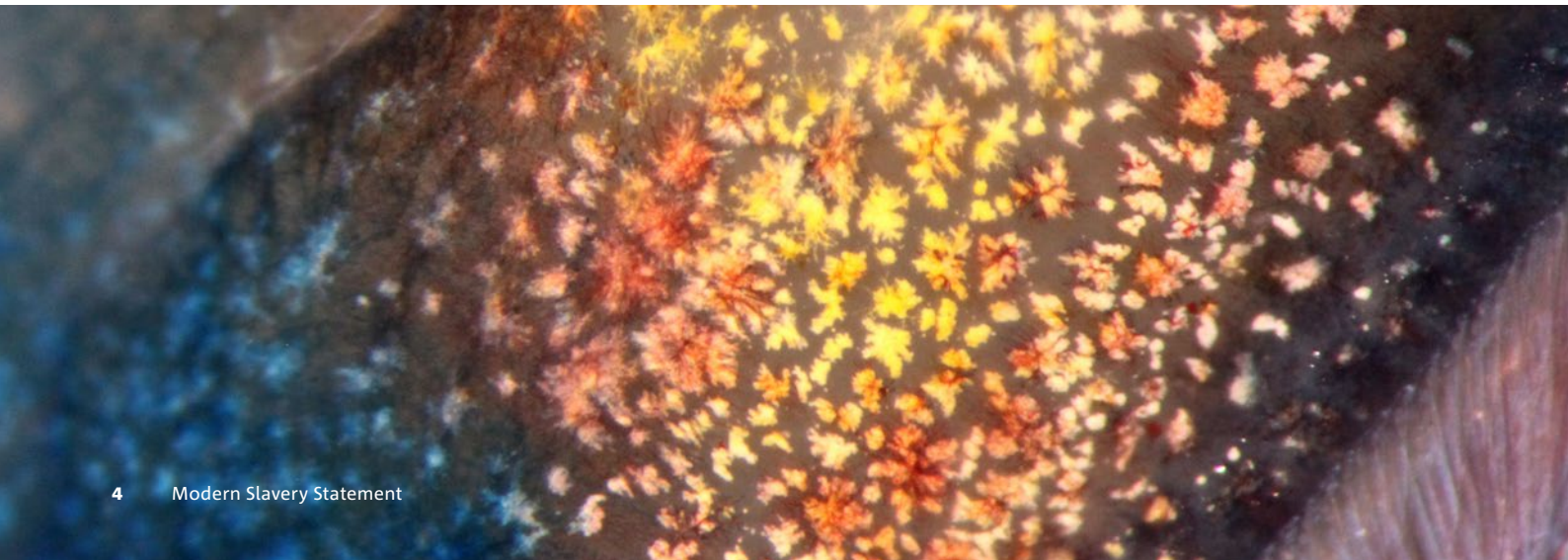
For over 100 years, CSIRO has been the mission-led national science agency, collaborating across the innovation system. These primary objectives from our Corporate Plan help us to deliver on our purpose:

- Conduct and encourage the uptake of world-class scientific research.
- Mobilise and develop the best talent, for the benefit of Australia.
- Manage national research infrastructure for the nation.
- Ensure the sustainability of CSIRO.

## 2.1 Structure

CSIRO is a Corporate Commonwealth Entity which has a number of subsidiary entities that contribute to the delivery of CSIRO's purpose, vision and objectives. The subsidiaries of CSIRO are the Science and Industry Endowment Fund (SIEF), the CSIRO Chile Research Fundación (Fundación), National ICT Australia (NICTA), the Innovation Fund and the US Office. All subsidiary entities are assessed for the purposes of this statement.

Subsidiary entities of CSIRO follow CSIRO Policies, Procedures and Standards, where applicable. CSIRO business units and subsidiary entities are consulted in collating information for the preparation of the CSIRO Modern Slavery Statement where required.



## 2.2 Values

### People first

Our first priority is the safety and wellbeing of our people. We believe in, and respect, the power of diverse perspectives. We seek out and learn from our differences. We do our very best to get all this right.

### Further together

We achieve more together than we ever could alone. We listen and collaborate, in teams, across disciplines, across boundaries. We embrace ambiguity and use discussion and persistence to generate unique solutions to complex problems.

### Making it real

We do science with real impact. We thrive when taking on the big challenges facing the world. We take educated risks and defy convention. We celebrate successes and failures and leverage them to learn as we strive to be the force for positive change.

### Trusted

We're driven by purpose but remain objective. We fight misinformation with facts. We earn trust everywhere through everything we do. We trust each other and we hold each other accountable. Together our actions drive Australia's trust in CSIRO.

## 2.3 Code of conduct

Australia expects CSIRO to conduct its activities ethically and with integrity.

This expectation demands that we:

- comply with all applicable laws, regulations and Australian Government policies;
- maintain high standards of scientific, professional and business practice;
- be an impartial, authoritative and respected source of independent information and advice on science for the community and government, a trusted advisor; and
- conduct our affairs in a way which enhances the reputation of CSIRO and Australia.

Our conduct as an organisation is guided by our commitment to always act in the national interest.

Specifically, we will:

- provide leadership in Australia's innovation system and be consultative in determining our priorities;
- ensure our scientific, commercial and management decisions are well informed, transparent and able to withstand public scrutiny;
- subject our science to robust peer review and be open about areas of uncertainty and gaps in our knowledge;
- manage and use the resources entrusted to us responsibly and in a manner that is efficient, effective, economical and ethical and promotes the financial sustainability of CSIRO;
- be open about our scientific, commercial, financial and general performance, whilst recognising confidentiality requirements; and
- be accountable for our actions.

The CSIRO Code of conduct sets out the standard of behaviour expected of CSIRO and everyone working in CSIRO. The CSIRO Code of conduct reflects our legal obligations and supports CSIRO's policies. CSIRO is an Australian Government corporate entity and must comply with all relevant laws, regulations, Ministerial directions and Australian Government policy. The Code of conduct is consistent with the functions of CSIRO as set out in the Science and Industry Research Act 1949 and the general duties of officials as set out in the Public Governance, Performance and Accountability Act 2013 (PGPA).

# 3 Procurement

The PGPA requires CSIRO as a Corporate Commonwealth Entity to have regard to the Commonwealth Procurement Rules (CPRs) when engaged in duties related to the Procurement of goods or services and Construction Services. The CPRs are the keystone of the Government’s procurement policy framework and reflect the Australian Government’s commitment to sustainable procurement practices as well as emphasising the importance of paying suppliers on time, particularly small businesses.

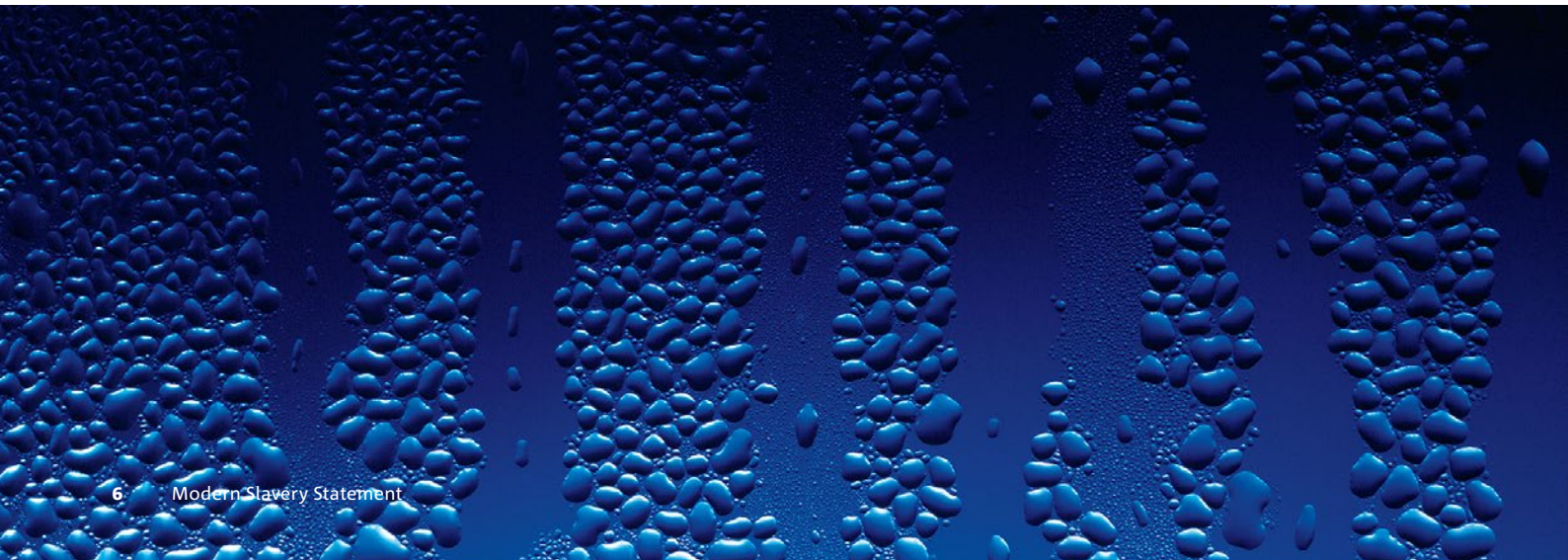
## 3.1 Risk management in procurement

Risk is inherent in all procurement activities. A risk assessment is necessary to identify and reduce potential risks that could damage the interests of CSIRO or the success of the procurement.

Potential risks to the proposed procurements which are identified and considered throughout the procurement process include:

- a. Potential for Modern Slavery in the market/ industry, such as human trafficking, servitude, forced labour, debt bondage and child labour.
- b. risks that may impact the process timeframes or, risks that the timeframes may impact on the business/project outcomes.
- c. risks associated with COVID-19, such as vulnerability of workers and supply chains to modern slavery and potential exploitation.
- d. Risks that have dependencies with business processes and/or project requirements that may impact on the procurement activity.
- e. Risks that there is insufficient market maturity and/or competitiveness.
- f. Risks associated with potential collusive bidding.
- g. Risks imposed by source constraints, where no local market exists.

The CSIRO Risk Standard, Risk Procedure and Risk Guidelines (Risk Management Framework) provide further details regarding the identification and management of risks. It is a mandatory requirement to apply CSIRO’s Risk Management Framework for the identification, assessment and treatment of risks for all procurements. Modern Slavery risks form a critical part of the assessment of risks in relation to all procurement activities, and through the evaluation process CSIRO is able to assess the effectiveness of our procurement controls on this issue.



## 3.2 Collaboration and engagement

CSIRO Strategic Procurement work with the Department of Finance Senior Procurement Officer Reference Group (SPORG) and various other Commonwealth Government agencies to ensure we are kept up to date on matters relating to the combat of Modern Slavery and undertake procurement activities in accordance with best practise.

## 3.3 Risk assessment of current supply chain

Analysis of current contracts awarded via an approach to market (486 as at 1 January 2020), shows the point of direct supply of CSIRO's supply chain for goods and services provided consisted of 92 per cent of Australian supply origins. The remaining 8 per cent of international suppliers is sourced from low-risk countries, as defined by the Global Slavery index.

### 3.3.1 Improvements to procurement procedures

While CSIRO have assessed the Modern Slavery risk within their supply chains as low, CSIRO has implemented a number of improvements to its procurement procedures to minimise this risk. This includes the following:

- CSIRO Tendering Terms and Conditions have been updated in our templates to include in Tender Documentation:
  - Definition of Modern Slavery terms
  - Links to the Commonwealth Modern Slavery Act 2018 and compliance requirements
  - Mandatory Criteria to ensure compliance with the Act and the Commonwealth Procurement Rules, for example requirement for suppliers to provide a Statement of Tax Record where applicable.
  - Additional clauses related to Supply Chain integrity

- CSIRO Statement of Requirements have been updated to include sustainable procurement and supply chain integrity criteria related to the specific procurement category and potential risks.
- CSIRO Tender Response Schedules include provisions for suppliers to explain their supply chains and provide details of any policies or procedures they have in place to manage compliance with the Act. Suppliers are required to provide specific information in relation to high risk modern slavery categories and locations, which includes:
  - details of location of manufacture of principal components of goods or services if purchased outside Australia
  - providing the organisations purchasing codes of practice and human rights policies, if any
  - providing details of what actions their organisation undertakes to combat modern slavery
  - confirmation that the Supplier is not aware of any exploitation in their supply chain.
- CSIRO Contracts have been amended to include legislative requirements and additional clauses related to combatting risks related to Modern Slavery.
- CSIRO Evaluations include specific risks associated with Modern Slavery.

CSIRO's policy is to only engage with suppliers who promote the highest standards of ethical behaviour which align to CSIRO's core values. The evaluation and selection of suppliers takes into consideration potential risks associated with Modern Slavery.

# 4 Future commitments

Over the next year, our focus will be on:

- Embedding changes to procurement procedures, processes and standards and amend as required to promote continuous improvements.
- Develop measures to assess the effectiveness of actions and update as required
- Assessment of our third party arrangements contained within revenue contracts.
- Training and awareness of Modern Slavery Act 2018 (Cth) including our responsibilities and requirements to comply with the Act across all of our activities within CSIRO.
- Develop a CSIRO Corporate Social Responsibility Statement.

This statement is made pursuant to section 13 of the Modern Slavery Act 2018 (Cth) and constitutes the Modern Slavery Statement of the CSIRO and its subsidiary entities for the financial year ended 30 June 2020.

This statement was approved by the CSIRO Board on 11 February 2021.

Mr David Thodey AO  
Board Chairman  
11 February 2021





**As Australia's national science agency and innovation catalyst, CSIRO is solving the greatest challenges through innovative science and technology.**

CSIRO. Unlocking a better future for everyone.

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