



Modern Slavery Statement

April 2024

swinburne.edu.au

From our Vice-Chancellor

At Swinburne University of Technology, we believe freedom from slavery is a fundamental human right. We deplore all forms of slavery and enforced labour, and we know that universities have an important role to play in contributing to the elimination of modern slavery across the world.



Swinburne's vision is that people and technology should work together to build a better world. To build that better world we must work together with stakeholders to take the necessary steps to identify and abolish the risk of any form of modern slavery across operations, suppliers and partner organisations. Swinburne is committed to eliminating and influencing the elimination of modern slavery and we are leveraging our relationships and investments to achieve a collective approach to reducing modern slavery risk.

In 2023, Swinburne continued to focus on addressing the risk of modern slavery across the supply chain of our controlled entities by working collaboratively with stakeholders. We contributed significantly to the Australian Universities Procurement Network (AUPN) Anti-Slavery Program's sector response, working collaboratively with other universities to take an active approach to addressing this critical human rights issue.

A highlight of the year was our support of the Cleaning Accountability Framework's university program, which aims to end labour exploitation and improve work standards through education and advocacy. Swinburne was pleased to be one of three universities to participate in the framework's pilot phase, testing their tools and templates in our tender for cleaning services across our Melbourne campuses.

As an educational institution, Swinburne recognises the importance of raising awareness and educating our students and staff on the issue of modern slavery. During the year we continued to educate stakeholders, staff and students on what Swinburne is doing to address modern slavery and, importantly, what actions they can take as individuals.

We also acknowledge the opportunity to influence companies to create positive change through our collaborations and investments. Addressing human rights issues and modern slavery, in addition to climate change and sustainable development, are areas of focus with regards to Swinburne's investments.

At Swinburne, we have fostered an inclusive and supportive culture and we drive positive social outcomes through our teaching, research, partnerships and university operations.

I am proud to present this Modern Slavery Statement and I look forward to Swinburne continuing to play an important role in addressing this significant global issue.

A handwritten signature in black ink, appearing to read 'Pascale G Quester'.

Professor Pascale G Quester
Vice-Chancellor and President

This statement covers the period
1 January 2023 to 31 December 2023

This statement was approved by the University Council of Swinburne University of Technology on 28 May 2024.

Professor Pascale G Quester
Vice Chancellor & President



Acknowledgment of Country

We respectfully acknowledge the Wurundjeri People of the Kulin Nation, who are the Traditional Owners of the land on which Swinburne’s Australian campuses are located in Melbourne’s east and outer-east, and pay our respect to their Elders past, present and emerging.

We are honoured to recognise our connection to Wurundjeri Country, history, culture, and spirituality through these locations, and strive to ensure that we operate in a manner that respects and honours the Elders and Ancestors of these lands.

We also respectfully acknowledge Swinburne’s Aboriginal and Torres Strait Islander staff, students, alumni, partners and visitors.

We also acknowledge and respect the Traditional Owners of lands across Australia, their Elders, Ancestors, cultures, and heritage, and recognise the continuing sovereignties of all Aboriginal and Torres Strait Islander Nations.



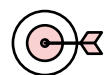
Reporting entity

The parent entity is Swinburne University of Technology (ABN 13 628 586 699), which is registered as an incorporated charitable institution with the Australian Charities and Not-for-profits Commission (ACNC). No other entity owns a share of Swinburne University of Technology.

Swinburne has the following controlled entities:

- Capsular Technologies Pty Ltd
- National Institute of Circus Arts Ltd (NICA)
- Swinburne Commercial Consulting (Nanjing) Co. Ltd
- Swinburne Intellectual Property Trust
- Swinburne International (Holdings) Pty Ltd
- Swinburne Student Amenities Association Ltd (trading as Swinburne Student Life)
- Swinburne Ventures Limited

Consolidated revenue for Swinburne and its controlled entities for the period **1 January 2022 to 31 December 2023** is



\$860 million

About Swinburne

Swinburne University of Technology is a dual-sector institution, defined and inspired by technology and innovation and renowned for our strong industry and community engagement.

Swinburne aspires to be the prototype of a new and different university – one that is truly of technology, innovation and entrepreneurship, and proud of it.

With a vision to bring people and technology together to build a better world, our people are driven by a shared purpose: to create tomorrow's technology and the human capital and talent required for a digital, tech-rich future.

Central to achieving our vision are four moon shots, which are our bold and ambitious objectives designed to embolden and energise our staff and partners to make a real difference in the world. Our moon shots are:

1. Every Swinburne learner gets a work experience
2. Every Swinburne graduate gets a job
3. Every Swinburne partner gets a tech solution
4. Swinburne is the prototype of global best practice.

Swinburne has an international reputation for quality research that connects science and technology with industry and the community, reflected in prestigious rankings which place Swinburne in the top 1 per cent of universities worldwide and the top 50 young universities under 50 years old.

Our researchers are collaborating with industry, communities, and government to co-create the technology solutions our world needs. As part of our strategic plan, we are injecting significant research investment into flagship areas where Swinburne is a world leader: Space and Aerospace Technology; Innovative Planet: smart solutions for sustainability; Medical Technology and Health Innovation; Innovative Society; Manufacturing Futures; and Digital Capability.



As a dual-sector university, Swinburne provides higher education and vocational education. We offer courses in a broad range of disciplines including arts and humanities, aviation, built environment and architecture, business, design, education, engineering, English language and study skills, film and television, games and animation, health sciences, occupational therapy, nursing, biomedical sports science, psychology, information technology, law, media and communications, and science.

Our close ties with industry provide students with opportunities for valuable workplace experiences during their studies. Industry representatives inform and shape our curriculum and Swinburne continues to lead the sector in our approach to ensuring students are job-ready by offering guaranteed work integrated learning experiences for all students.

Swinburne has three campuses located in the eastern suburbs of Melbourne at Hawthorn, Croydon and Wantirna. We

have a fourth campus in Sarawak, Malaysia, as well as locations in Sydney, Sri Lanka and Vietnam, each offering a small suite of sought-after Swinburne courses. We also have an office in Nanjing, China – further connecting us to some of the fastest-growing regions in the world.

Swinburne is also a leader in online learning through Swinburne Online and Open Universities Australia.

Swinburne holds an investment portfolio that is managed by a third-party specialist investment adviser under the direction of the Council and relevant sub-committees, and in line with the university's Responsible Investment Charter.

Swinburne's total student headcount in 2023 was 45,799 across higher education and 20,180 across vocational education. At the end of 2023, Swinburne had more than 2,700 employees (2,374 full-time equivalent), comprising full-time, part-time and fixed term and casual staff.

Our commitment to sustainability and reconciliation

Swinburne recognises the importance of preparing tomorrow's leaders and decision makers to contribute to a sustainable future. Our commitment to sustainability remains one of our core values. We are committed to fostering positive social, educational and environmentally sustainable change. We take a universal approach to sustainability, considering the physical and virtual environment we operate in, as well as our people, practices, and research.

Swinburne has made several commitments and taken action to support a sustainable future. In 2018, Swinburne committed to the United Nation's Sustainable Development Goals (SDGs). Joining organisations from around the globe, Swinburne committed to the 17 SDGs that aim to transform our world through ending poverty, protecting the planet, and ensuring prosperity for all on the road to 2030. SDG 8.7 calls for an end to modern slavery by 2030.

Swinburne was the first Australian university to achieve 'Elevate' status for our second Reconciliation Action Plan (RAP), the highest level of endorsement by Reconciliation Australia. Our third Reconciliation Action Plan 2020–2023 has also been endorsed as an Elevate RAP, signifying Swinburne's strong commitment to reconciliation. Swinburne's next RAP will be developed across 2024.

Swinburne was one of the first universities in Australia to implement a responsible investment charter. Implemented in 2015 and updated and approved annually, the Charter ensures environmental and social impacts are prioritised in our university's investment choices. Regular reporting on performance to the Charter is delivered by our investment manager to our governing bodies, who provide oversight and governance on Swinburne's investments.

In December 2019, Swinburne committed to becoming carbon neutral by 2025. In January 2020, we became the first

university in Victoria to sign the Global Climate Emergency Letter in recognition of the need for a drastic societal shift to combat the growing threat of climate change. Since then, Swinburne has developed a Net Zero Pathway Plan that sets out a roadmap of key projects to reduce our carbon footprint. Several initiatives have already been delivered, including 100% renewable electricity supply across all Australian campuses, LED lighting upgrades, a green travel program embedded into travel procedures with offsetting to be carbon neutral, and a sustainable procurement framework. In combination, initiatives deployed to date have reduced the university's carbon footprint by over 60%, with planning and initiatives underway to reduce this further as well as increasing our maturity in carbon reporting.

www.swinburne.edu.au/about/strategy-initiatives/sustainability-environment/

Our risk and governance frameworks

Under the *Swinburne University of Technology Act 2010*, Council maintains responsibility and oversight of the university's Risk Management Policy and Framework through its Audit and Risk Committee. The Vice-Chancellor, Professor Pascale Quester, is the President and Chief Executive Officer of the university and is responsible for the conduct of the university's affairs in all matters. The Council, Audit and Risk Committee, Executive and senior leaders support the desired risk culture by demonstrating consistent mindsets and behaviours.

Swinburne's approach to managing risk is aligned to the international risk management standard ISO 31000:2018 Risk Management Guidelines and the Victorian Government Risk Management Framework. It promotes an open and proactive approach to managing risk that considers both threat and opportunity, and is one where risk is appropriately

identified, assessed, communicated, and managed across all levels of the University. Such commitment is further articulated in the Risk Management Commitment Statement by the Vice-Chancellor.

The Executive Group, senior management and designated Risk Partners are responsible for driving the risk culture through initiatives and processes. The enterprise key risks, which include the risk of 'Not meeting environmental, social and governance (ESG) responsibilities', are reviewed every year to ensure they appropriately reflect the current landscape and the risks and challenges impacting the execution of the university's strategy. Management must provide mitigating strategies against the identified key risks with quarterly reporting to the Audit and Risk Committee.

The university's risk appetites articulate the amount of risk that the university

is willing to accept or retain, to achieve its strategy. Swinburne has a low-risk appetite for any activity or action which may contravene its environmental and social responsibility and moral and ethical values. Furthermore, and regardless of local customs in other jurisdictions, Swinburne has zero tolerance for deliberate ethical breaches perpetrated in the pursuit of its objectives.

Corporate governance at the university is the set of values, principles, and processes by which the university is directed and controlled. The university's corporate governance underpins the behaviours and practices expected of Council, each member of Council, all staff, and the university in carrying out their responsibilities. The aim of the university's corporate governance is to ensure that good, ethical decisions are made by the right person.

Our supply chain

Swinburne procures goods and services from a broad range of industries that support the running of our physical campuses (such as cleaning, security, maintenance), enable the effective delivery of teaching and research (such as IT software, library subscriptions, laboratory consumables) and generally supports the running of the university (such as advertising, recruitment, office supplies).

In 2023, the university engaged 7,233 suppliers (of which 3,472 were transacted with via corporate card) to supply 48,767 transactions of goods or services (of which 15,625 of these transactions were purchased via corporate card). Table 1 highlights the proportion of spend across the different categories of spend by the university.

In 2023, 87.5% of Swinburne's supply chain spend was with Australian-based suppliers, including a considerable proportion located in the local areas surrounding the university's Melbourne campuses. Internationally, Swinburne has supply arrangements with businesses located across Europe, North America, and Asia. Table 2 outlines the location of the university's most common suppliers outside Australia.

Typically, Swinburne establishes and maintains long-term relationships with high value and/or strategic suppliers. Swinburne aims to cultivate partnerships with suppliers where we may collaborate on strategically aligned areas including research or educational outcomes. Suppliers of low-value and low-risk goods or services are engaged on an ongoing or ad hoc transactional relationship.

Understanding our modern slavery risks

Swinburne recognises and supports that freedom from slavery is a fundamental human right. Swinburne relies on the *Australian Modern Slavery Act's* definition of modern slavery which includes eight types of serious exploitation: trafficking in persons; slavery; servitude; forced marriage; forced labour; debt bondage; deceptive recruiting for labour or services; and the worst forms of child labour. The worst forms of child labour mean situations where children are subjected to slavery or similar practices or engaged in hazardous work.

Table 1: Proportion of total spend by spend categories

| Spend area | Proportion of total spend (%) |
|--------------------------------------|-------------------------------|
| Corporate Professional Services | 21% |
| Marketing and Media | 13% |
| Buildings and Grounds | 10% |
| Human Resources Services | 9% |
| Lecturer and Teaching Expenses | 7% |
| IT Software | 6% |
| Laboratories and Research | 6% |
| IT Hardware | 3% |
| Utilities and Renewables | 3% |
| IT Professional Services | 3% |
| Library Services | 2% |
| Office Related Supplies and Services | 2% |
| Student Services | 2% |
| Property Management | 2% |
| Other | 11% |

Table 2: Most common locations of international suppliers

| Supplier country/region | Number of suppliers | Predominant spend areas |
|--------------------------|---------------------|---|
| United States of America | 143 | Library materials, IT software, laboratory supplies, research and other expenses |
| United Kingdom | 86 | IT software, library materials, IT professional services, subscriptions and memberships, research equipment |
| India | 84 | Student recruitment (international), professional services, travel expenses |
| China | 65 | Student recruitment (international), research equipment, research equipment parts and servicing, lecturer and teaching expenses |
| Malaysia | 42 | Student recruitment (international), lecturer and teaching expenses, real estate |
| Germany | 38 | Library materials, research equipment, research expenses, Student recruitment (international), IT software |
| Vietnam | 36 | Student recruitment (international), travel expenses |
| Hong Kong | 31 | Student recruitment (international), events, research equipment parts and servicing, library materials |
| Indonesia | 30 | Student recruitment (international) |
| New Zealand | 30 | Research expenses, lecturer and teaching expenses |
| Singapore | 29 | Student recruitment (international), advertising and media, research expenses |
| Canada | 29 | Lecturer and teaching expenses, IT software, research equipment |
| Sri Lanka | 18 | Student recruitment (international) |

We support the UN Guiding Principles on Business and Human Rights (UN Principles), which are the recognised global standard for preventing and addressing business-related human rights harm. We recognise our moral

obligation to respect human rights and as per the UN Principles we will take action to prevent, mitigate and, where appropriate, remedy modern slavery across our operations, supply chains and in our investments.

Operational risks

Most Swinburne employees have terms and conditions of employment in one of the university's enterprise agreements. Staff are represented in the enterprise bargaining process by the National Tertiary Education Union and Australian Education Union or can self-represent. Not all employees of the university choose to be a member of a union and membership is not compulsory. Australian-based employees who are not covered by an enterprise agreement are covered by modern awards. Swinburne supports freedom of association and employee representation and continues to have positive and regular interactions and communications.

Swinburne is compliant with local labour laws and regulations. We do not impose any penalties or other negative consequences on employees wishing to cease their employment. Employees leave their jobs without barriers or fear of consequences. On the rare occasions that we need to source labour from outside Australia (particularly to provide services within those geographies), we do so in a way that is compliant with the local labour laws and regulations and, to the extent appropriate, provide comparable terms and conditions to Swinburne's Australian employees.

We have policies and procedures in place to ensure a safe, equitable and supportive working environment for our staff and students. The university's People, Culture and Integrity Policy sets out the university's commitment to building a positive culture, promoting integrity, and supporting university members, community and industry partners. Ethical conduct is expected, encouraged, and supported with no tolerance for corrupt conduct, fraudulent activities, and maladministration. The policy requires that responsible persons must be free from a conflict of interest, bias and inappropriate influence when making decisions and dealing with other persons or organisations on behalf of the university. These policies are supported by the Complaints, Reviews, Appeals and Misconduct Framework for students and staff.

The university is committed to providing an environment for work and study that is free from bullying, violence, sexual harassment and assault, discrimination, and harassment and vilification. The university is also committed to the safety of children and has zero tolerance for child abuse.

The university's position on improper conduct (including fraud and corruption, criminal offences, substantial risk to health and safety of a person) is guided by the principles of:

- upholding the highest standards of legal, ethical, and moral behaviour;
- ensuring the organisational culture and embedded risk controls effectively deter improper conduct;
- building willingness to report wrongdoing;
- ensuring compliance with public interest disclosure or whistle-blower legislation (including the *Public Interest Disclosure Act* and the *Corporations Act*);
- protections for individuals who disclose improper conduct; and
- natural justice.

Swinburne researchers are committed to the highest ethical, professional, and scholarly standards. Our research adheres to the Australian Code for the Responsible Conduct of Research. We are committed to ensuring that all research is conducted responsibly with honesty, integrity and respect for human research participants, animals, and the environment. Research may be undertaken in partnership with a variety of Australian and international external parties that may include start-ups, small to medium enterprises, not-for-profit enterprises, multinationals, and government bodies. Due diligence is carried out on potential research partners to assess ethical and sustainable business practices that align with Swinburne's own integrity standards. Foreign interference requirements are adhered to, supported by assessment and reporting processes.

Swinburne has an independent disclosure service (called Stipline) for employees and third parties to report suspected or actual illegal or improper activity. Information outlining how to access this service and the process for managing claims is found within Swinburne's Improper Conduct and Whistleblowing Guidelines. Disclosers may disclose anonymously if they wish.

Investment portfolio risk

Through investments in public and private companies, we can have an impact on the environment and communities worldwide. We believe we have an opportunity to influence those companies to create positive

change. Our areas of focus within our Responsible Investment Charter are:

- climate change
- human rights and modern slavery
- sustainable development.

Swinburne requires our investment fund manager (currently Mercer) to undertake an annual review of Swinburne's portfolio performance against the Responsible Investment Charter and best practice. 2023's review confirmed that Swinburne's investments comply with all commitments within the Charter and the portfolio continues to perform well across all key ESG metrics monitored. The weighted average carbon intensity (WACI) for the total portfolio has decreased by 30% from Mercer's net zero baseline (June 2020) and is currently 38% below the benchmark.

Importantly, the assessment confirmed the portfolio has no exposure to companies with high severity red flag incidents in relation to modern slavery (aligned to UN Global Compact principles on forced labour and child labour). Swinburne's investment manager reports at least annually to the Swinburne Audit and Risk Committee, and Council, on regular assessments undertaken to confirm this position.

Supply chain risks

Every year analysis is conducted periodically on Swinburne's procurement spend to assess the risks of modern slavery across our supply chain. The risk assessment for 2023 spend is based on outputs from the Arc Blue (part of Bain & Company) modern slavery tool that determines risk from different sources (e.g. 2023 Global Slavery Index, RESPECT Responsible and Ethical Private Sector Coalition Against Trafficking, NSW Anti-Slavery Commissioner Guidance on Reasonable Steps etc.) and applies at a country, spend category (i.e. broadly aligned to industries), and supplier level.

Insights from the tool highlight that in 2023 Swinburne procured from 92 spend categories (950 suppliers) that are determined to be of an inherent high risk of modern slavery influenced by factors such as complex global goods supply chains and low skill labour workforces (see Graph 1). The level of risk assigned to the category presents a view on the level of risk for that industry's supply chain, rather than the risk of the direct supplier alone.

Key categories of the university's spend identified as an inherent high risk of modern slavery are listed in Table 3.

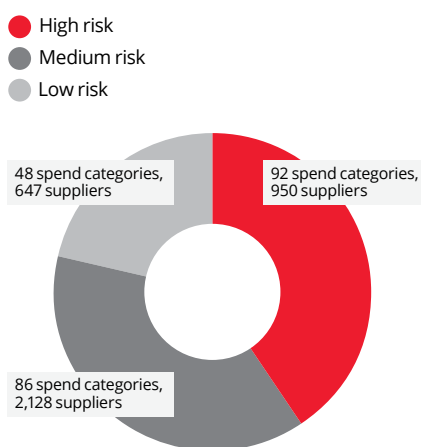
Swinburne procures goods directly from overseas countries, albeit the proportion of these overseas suppliers is small relative to the number of total suppliers (12.5%). Of these, 138 suppliers based across the Asian, South American, and African regions are presenting with higher inherent risks of modern slavery (3.7% of total suppliers) as demonstrated in Graph 4 and Table 4 due to the higher rates of modern slavery and human trafficking prevalent in those countries. With a focus on local procurement, Swinburne's spend with suppliers based in high-risk locations outside of Australia is predominantly isolated to student (international) recruitment services and educational support services (e.g. thesis examination and marking services).

Bringing together the two inherent risk assessments of spend category and country into one overall risk score, Swinburne's modern slavery tool identifies 11 unique suppliers (0.3% of total suppliers) who are identified as being of a very high risk and 1,088 unique suppliers (29% of total suppliers) who are identified as being of a high risk of modern slavery (see Graph 2).

The spend categories and countries identified as high risk are the subject of Swinburne's detailed analysis that is conducted during strategic procurement tenders and specific category reviews. Many of the spend areas require an analysis of suppliers deeper within complex global supply chains instead of only the supplier who Swinburne transacts directly with. Strategic procurement projects delivered across Swinburne in 2023 considered and addressed inherent modern slavery risks for the category and/or country.

While we continue to understand and address risk across our operations, investments and research activities, our supply chain continued to be the primary focus in this reporting period given this is where the risks of Swinburne's activities being linked to modern slavery are most prevalent.

Graph 1: Spend category inherent risk level



Graph 2: Overall Supplier risk level

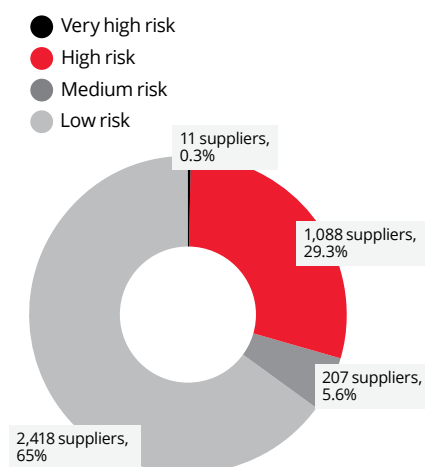


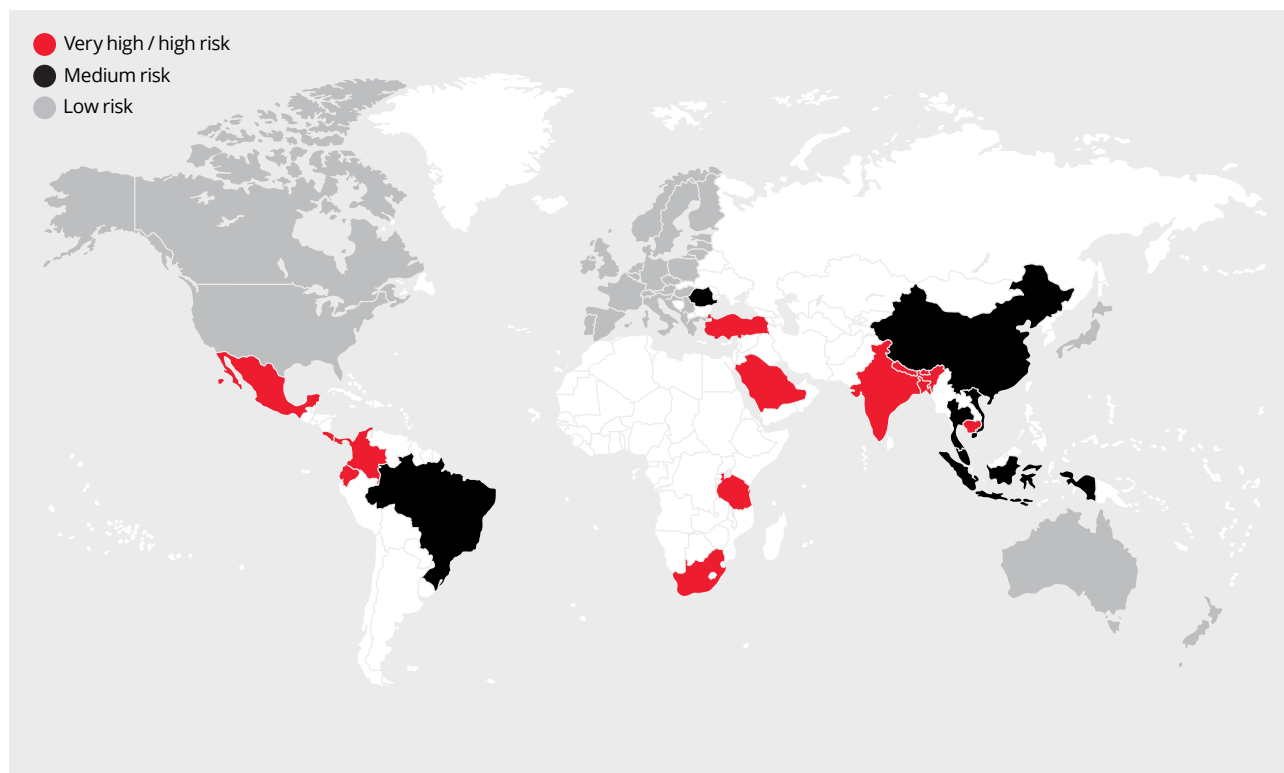
Table 3: Inherent high-risk spend areas

| Goods | Services |
|--|--|
| <ul style="list-style-type: none"> Computers and computer peripheral equipment Equipment (scientific, engineering, telecommunications, AV, medical, electronics) IT network infrastructure Stationery and kitchen supplies Laboratory supplies Merchandise and apparel, including uniforms and PPE Mobile devices and accessories | <ul style="list-style-type: none"> Commercial cleaning and hygiene services Security Construction Catering Hotels and motels International student recruitment |

Table 4: Suppliers from inherent high-risk countries

| High-risk country | Number of suppliers | % of total suppliers |
|-------------------|---------------------|----------------------|
| India | 85 | 2.3% |
| Sri Lanka | 18 | 0.5% |
| Pakistan | 10 | 0.3% |
| Bangladesh | 6 | 0.2% |
| Thailand | 2 | 0.1% |
| Cambodia | 4 | 0.1% |
| Philippines | 3 | 0.1% |
| South Africa | 3 | 0.1% |
| Others | 7 | 0.2% |
| Total | 138 | 3.7% |

Graph 4: Geographical spread of suppliers and inherent risk levels



Our actions to assess and address risks of modern slavery

Swinburne recognises its responsibility to act to prevent, mitigate and, where appropriate, remedy modern slavery in our operations. We also accept our obligation to work collaboratively with our direct and indirect suppliers to address the risks or occurrence of modern slavery across our supply chain. In 2023, we undertook several actions and contributed significantly to the Australian Universities Procurement Network (AUPN) Anti-Slavery Program’s sector response.

Raising the awareness and understanding of modern slavery

As an educational institution, Swinburne recognises the importance of raising awareness and educating our students and staff on the critical human rights issue of modern slavery.

Throughout 2023, we continued to deliver presentations to senior stakeholders, staff, and students on modern slavery as part of regular Procurement training.

These sessions provided information on the issue of modern slavery and its prevalence, the actions being undertaken by Swinburne, and, importantly, what actions individuals should take to assess and address risks. All members of the Procurement team undertook detailed modern slavery training in 2023 that elevated capability in identifying and acting on risks across Swinburne’s supply chain.

Representatives across Procurement, Legal, Risk and Governance, Research and other operational teams have been engaged on this issue to mobilise cross-university collaboration.

Swinburne’s procurement policy and framework

Swinburne’s procurement framework is structured around a strong focus on sustainability and improving social outcomes, particularly reducing risks and occurrence of modern slavery. We take a wholistic view of value for money

in our strategic procurement of goods and services. This means that we balance our decisions across a wide variety of criteria, including environmental and social factors, as well as more common criteria of quality, timeliness, and cost. We avoid setting unrealistic delivery timeframes and do not drive for the lowest prices, understanding the risks that this can present to labour exploitation (including modern slavery) and other negative impacts.

The framework consists of policy, procedure, guidance materials, templates, and tools that strive to deliver a balance of commercial and social value through any procurement that the university undertakes. In 2023 we focused on continuing to embed the framework through university-wide communications, presentations, and training. The procurement framework embeds due diligence measures in procurement processes to understand the risk of modern slavery across new engagements and our existing supply base. Any procurement determined to

be a high risk of modern slavery is referred to the Procurement team. Project planning, evaluation and decision-making stages of strategic and tactical procurement projects include a focus on modern slavery. A modern slavery risk questionnaire is included in procurement (tendering) projects where the risk of modern slavery exists.

Swinburne's contract terms

As a key control, Swinburne's standard contract templates include clauses addressing modern slavery risk. The terms and conditions outline the supplier's obligation to investigate modern slavery in its operations and supply chains, assess and address risks, take meaningful actions including due diligence and remediation, and have necessary processes and systems in place. They also include an obligation for suppliers to include similar clauses in their contracts with suppliers, supporting our intent to create positive impact through the end-to-end supply chain beyond our direct suppliers. These clauses are embedded in all new supply arrangements and in existing supplier contracts as they are renewed.

Cleaning Accountability Framework program support

Swinburne continues to support the Cleaning Accountability Framework's (CAF) university program. The objective of the CAF is to end labour exploitation and improve work standards through education and advocacy. CAF was successful in obtaining a grant to develop and roll out a program across universities focused on outsourced cleaning and security services. The program will include a compliance framework and assessment methodology, procurement tools (e.g. pricing schedule), and guidance information and resources.

In 2023, Swinburne was one of three universities to participate in the program's pilot phase. Swinburne's involvement included testing the CAF tools and templates in the university's tender for cleaning services (all Melbourne campuses). Refer to a Case Study below. Swinburne's pilot experience will contribute to CAF's data collation process that will lead to important benchmarking of productivity rates, labour costs, discretionary and non-discretionary costs across the tertiary sector.

Swinburne's supplier due diligence

To mitigate the risk of modern slavery in key service contracts, the procurement team undertakes the following activities:

- periodic issuing of questionnaires to selected suppliers requesting information to understand risks and actions taken;
- tender evaluation requiring suppliers to demonstrate policies, processes, and/or systems to reduce the risk of modern slavery and actions to mitigate or address modern slavery risks;
- periodic assessment of wages paid at market rates, including auditing of employee payslips; and
- executing contracts with obligations specific to reducing labour exploitation and modern slavery.

Swinburne utilised two supply chain transparency and modern slavery risk tools in 2023, solutions from FRDM and Arc Blue (part of Bain & Company), in collaboration with the university sector. These tools support improved supply chain visibility, undertaking of due diligence actions and providing indicators to measure effectiveness. The results of due diligence during tender processes indicate a wide range of maturity in the modern slavery efforts of the suppliers assessed, and most responses required further information to better understand risks.

In 2023 the FRDM tool continued to identify media alerts relating to suppliers, countries, and industries relevant to Swinburne's supply chain. These alerts are key for capability uplift. During 2023, recognising where risks might be high across Swinburne's supply chain, deeper modern slavery reviews were undertaken across key categories.

Case Study

Cleaning Services Tender

Procurement led a project with extensive stakeholder inputs and consultation to select a sustainable and commercially competitive supplier to deliver quality cleaning services under an outcomes-based contract. Recognising that the

cleaning industry comes with a higher risk of modern slavery, ensuring appropriate labour practices and working conditions for staff of the chosen supply partner for the university was a priority for the project.

The Cleaning Accountability Framework (CAF) tools (e.g. pricing schedule), guidance information, and resources were integrated into the procurement compliance and assessment process. These were used to develop a detailed breakdown of the cleaning services resource structure (including type of cleaners, time of day and number of hours to be worked) that was overlaid with Award rates ratified by the Fair Work Ombudsman to provide a clear understanding of appropriate minimum labour-related costs. Non-labour and other statutory costs were included in the model, giving a thorough understanding of total costs to enable comparative analysis and benchmarking across the suppliers that tendered.

The use of the CAF pricing tool ensured transparency of any supplier pricing proposals built off below-Award labour costs, of which there were none. The project avoided using industry-standard commercial models such as \$/square metre or an all-inclusive hourly rate, which are more susceptible to labour exploitation. It instead moved to a detailed breakdown of labour, labour-related expenses, and overheads/profit which supported improved visibility and compliance with cleaning services Award rates. The detailed pricing breakdown will support periodic audits of wages.

Ongoing management of the contract will also be supported with resource model changes entered into the tool to validate appropriate total contract costs. Assessing productivity rates (metres/ hours cleaned) using the tool will assist with tracking appropriate cleaner effort by space over time.

In addition to the pricing tool, CAF clauses were incorporated into the contract that included that CAF accreditation of service provider would take place in the first 12 months of the contract, cleaner rights, and access to information such as Cleaning Services Award rates.

Collaboration as a university sector

The Australasian University Procurement Network (AUPN), the peak body for strategic procurement across the higher education sector in Australia and New Zealand, is taking an active approach to addressing this critical human rights issue. Recognising the opportunity for universities to work together to leverage buying power and resources, a working group was established in August 2019 to drive a sector-wide approach. Renamed in 2023 as the AUPN's Anti-Slavery Program, the vision of the program is to support members to improve supply chain human rights transparency, reduce individual university costs and resources, collaborate on risks and issues for greater impact, and contribute to reporting requirements.

Swinburne's Director of Procurement, Sustainability and Property Services is Chair of this program, performing an important leadership role in driving outcomes. Working group members contribute their time and effort on a voluntary basis, with each AUPN member university contributing towards the program through a portion of membership fees. This funding goes towards program management, engagement of specialised subject matter expertise, and execution of specific programs. It is envisaged that both AUPN members and their suppliers will benefit from the improved operational efficiencies of the collaboration and gain improved effectiveness in mitigating risk and improving social performance in supply chains.

The program delivered several key initiatives in 2023.

Academic Advisory Board

An Academic Advisory Board was established in July 2020 and refreshed in 2022 with ten academic members from seven universities with experience and expertise in modern slavery. With an aim to enrich the sector approach, one meeting was held in 2023 that focused on risks and action to address labour exploitation of international students. Key insights were disseminated to universities through communications and guidance materials.

Risk tool and supplier engagement

FRDM, implemented in early 2022 as the sector's modern slavery risk and supply chain transparency tool, was used by thirty-five Australia and New Zealand universities in 2023 to identify risks and take action. The FRDM solution provided media alerts relevant to the sector's supply chain and gave visibility to modern slavery risks with direct and sub-tier suppliers. Questionnaires were issued from the tool to a selection of suppliers, although a broad rollout of the questionnaire was delayed ahead of key tool functionality improvements.

A selection process was undertaken during 2023 to select Arc Blue's (part of Bain & Company) modern slavery tool. This solution determines risk from different sources (e.g. 2023 Global Slavery Index, RESPECT Responsible and Ethical Private Sector Coalition Against Trafficking, NSW Anti-Slavery Commissioner Guidance on Reasonable Steps etc.) and applies at a country, spend category (i.e. broadly aligned to industries), and supplier level.

The aggregated data in the tools reflect the large breadth and scale of our combined supply chains across the sector and the crossover of suppliers being used by multiple universities.

Cleaning Accountability Framework program support

The objective of the Cleaning Accountability Framework (CAF) is to end labour exploitation in the cleaning service industry and to improve work standards through education and advocacy. CAF engaged the AUPN in early 2021 to assist with the rollout of a program focusing on contract cleaning and security at university campuses which was the subject of a grant awarded to CAF. The program will include a compliance framework and assessment methodology, procurement tools (e.g. pricing schedule), and guidance information and resources.

In 2023 a pilot with three universities, including Swinburne, was undertaken to contribute to CAF's sector certification and pricing framework. In addition, the AUPN supported CAF through

facilitating presentations to the sector, disseminating project information, and facilitating surveys of university teams.

Templates and guidance

Templates and guidance documents are available to all AUPN members by the program, including a risk questionnaire, contract clauses, supplier code of conduct guidelines, guidance on effective grievance mechanisms and remediation, and modern slavery statement guidelines. This guidance material aims to provide member universities with information on grievance mechanisms, remediation, and a university's role in preventing and mitigating modern slavery within their supply chains. It goes beyond procurement/supply chain considerations to provide guidance on grievance mechanisms and remediation more broadly across a university.

Capability uplift and engagement

One of the program's key objectives is to raise awareness, educate and stimulate action across the university sector, external stakeholders, and suppliers.

The monthly University Anti-Slavery Forum continued to build momentum during 2023, showcasing a suite of external speakers sharing insights and learnings on important topics related to modern slavery. More than 50 procurement and other staff, representing 40 Australian and New Zealand universities, attended each forum session. Speakers included Jennifer Burn (Anti-Slavery Australia), Dr James Cockayne (NSW Anti-Slavery Commissioner), and Matt Friedman (Mekong Club). Meetings also discussed progress on key initiatives, updates on action addressing adverse media alerts, and invited suggestions for collaboration. Minutes and key resources were disseminated across teams and made available through the AUPN portal.

The program engaged externally during 2023 to gather insights from other sectors and collaboration programs as well as raise awareness of the AUPN program. Groups engaged include Telco Together, Australian Catholic Anti-Slavery Network (ACAN), the Australian Red Cross, The Mekong Club and Be Slavery Free.

Further information on the AUPN Program

www.hes.edu.au/australasian-universities-procurement-network

Measuring our effectiveness

The influence and purpose of a university in society creates an opportunity for Swinburne to take a leadership role, together with the wider university sector, in addressing this issue. Swinburne recognises that our approach to this critical issue will continue to evolve over time and that measuring our effectiveness is essential to prioritise our efforts for the periods ahead.

We will measure our effectiveness through:

- ongoing contribution into reviews of Swinburne’s risk assessment framework and processes to ensure appropriate and up-to-date consideration of human rights abuses across our operations and supply chains;
- periodic reviews of the risk profile of Swinburne’s existing supplier base with attention to the progress made to reduce supplier risk profiles through action and review (for example, responses to questionnaires); and
- monitoring of progress against Swinburne modern slavery key performance indicators (See **Table 5**).

Priorities for the future

Swinburne recognises that continuous learning and improvement is an important component of any journey to eliminate modern slavery. Priorities for 2024 will include:

- further capability uplift across the Procurement and Sustainability teams to better identify modern slavery risk and assess supplier maturity (alongside other ESG priorities) in strategic procurement processes;
- embedding the use of the new Arc Blue modern slavery tool within Swinburne’s procurement processes, utilising its insights during tenders and deep assessment of higher risk spend areas;
- engaging suppliers to secure participation in the rollout of modern slavery questionnaires across selected high risk spend areas;
- collaborating with the university sector to support key issues or risks that the AUPN Modern Slavery Program acts on;
- engaging with university Governance and Legal teams to review the appropriateness of Swinburne’s complaints procedures and services to support modern slavery grievances;
- delivering presentations, communications, and training sessions to raise awareness and build capacity across the university around modern slavery; and

- implementing Sievo, a new procurement analytics tool, that will support enhanced visibility of Swinburne’s supply chain and associated risks through improved spend data quality.

Consultation with our controlled entities

The activities we have undertaken to date to assess and address the risks in the supply chain of Swinburne covers all controlled entities.

Engagement has included briefing and training sessions to ensure teams within controlled entities are aware of the risks and necessary actions. Strategic Procurement tenders and deep modern slavery assessments have included suppliers servicing all Swinburne controlled entities. Suppliers servicing all controlled entities are included in the data uploaded to the FRDM and Arc Blue modern slavery tools.

Engagement with significant related entities, in particular Swinburne Malaysia (Sarawak), progressed in 2023 including a presentation to their Council.

Table 5

Key Performance Indicators

2023 Outcomes

Swinburne staff and students made aware of the modern slavery issue through communications and training

More than 70 Swinburne staff (key purchasers/procurers) completed training on Swinburne’s procurement framework which includes modern slavery information and guidance

Swinburne supplier engagement reviews (for example, tenders) that have incorporated an assessment of modern slavery risks in the supplier’s operations and supply chain

At least 12 strategic procurement tenders across equipment and service engagements have included a review of supplier modern slavery policies, prevention actions, and labour law compliance. This includes tenders for cleaning services, printing, internal audit, merchandise, lighting upgrade and building refurbishments

Swinburne supplier contracts that include modern slavery clauses

18 new services agreements and four variation agreements including modern slavery clauses were agreed and executed

High-risk suppliers engaged in response to risk alerts or undertaking proactive reviews

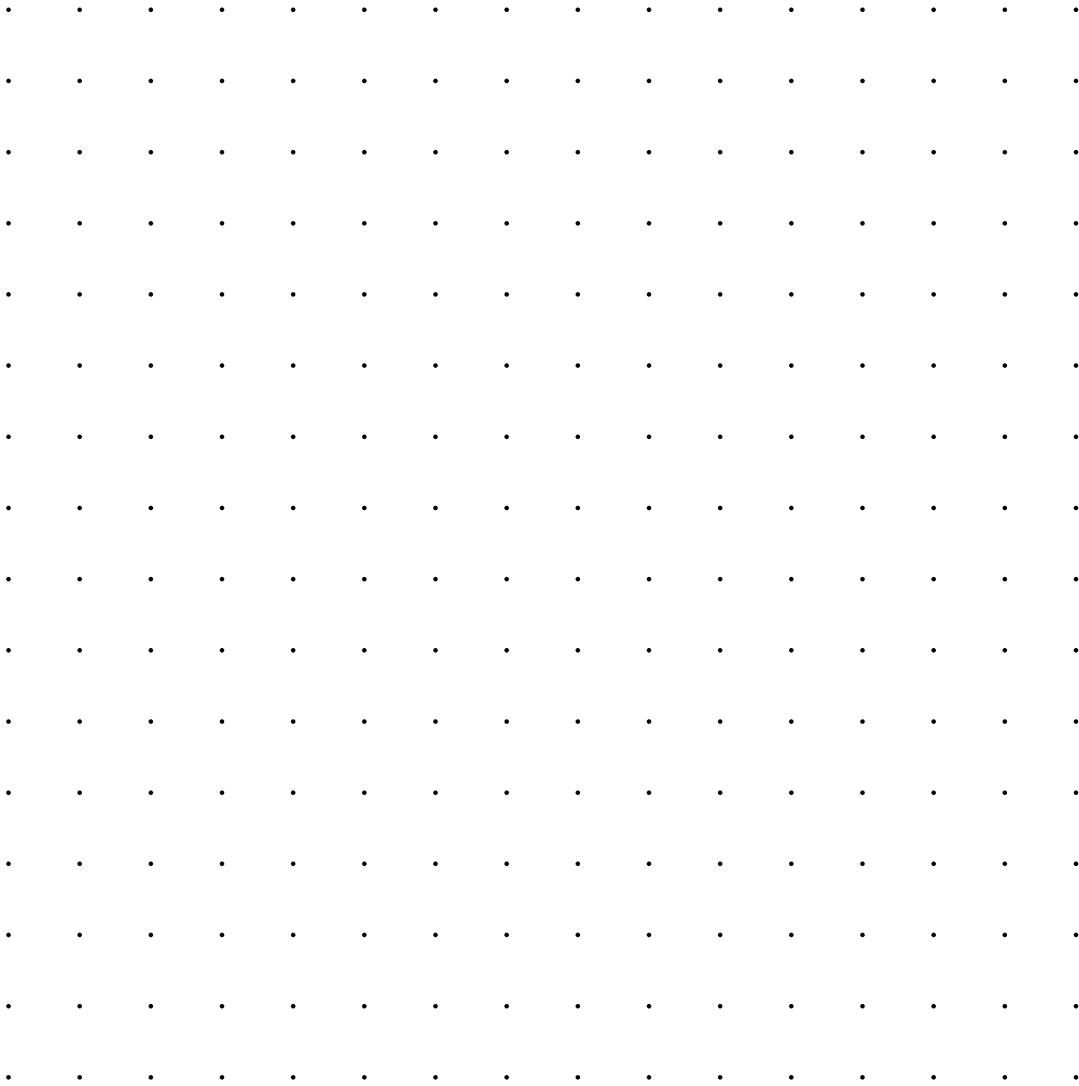
Two deep modern slavery assessments were undertaken across cleaning (utilising CAF tools) and merchandise categories, including executing detailed engagements with suppliers

Year-on-year reduction in the proportion of suppliers indicated as being of a higher risk of modern slavery


Information not available due to a change in risk assessment methodology made by FRDM in 2023, and the introduction of a new modern slavery tool

Completion by suppliers of the FRDM modern slavery risk questionnaire

Six suppliers, with assessment ongoing



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