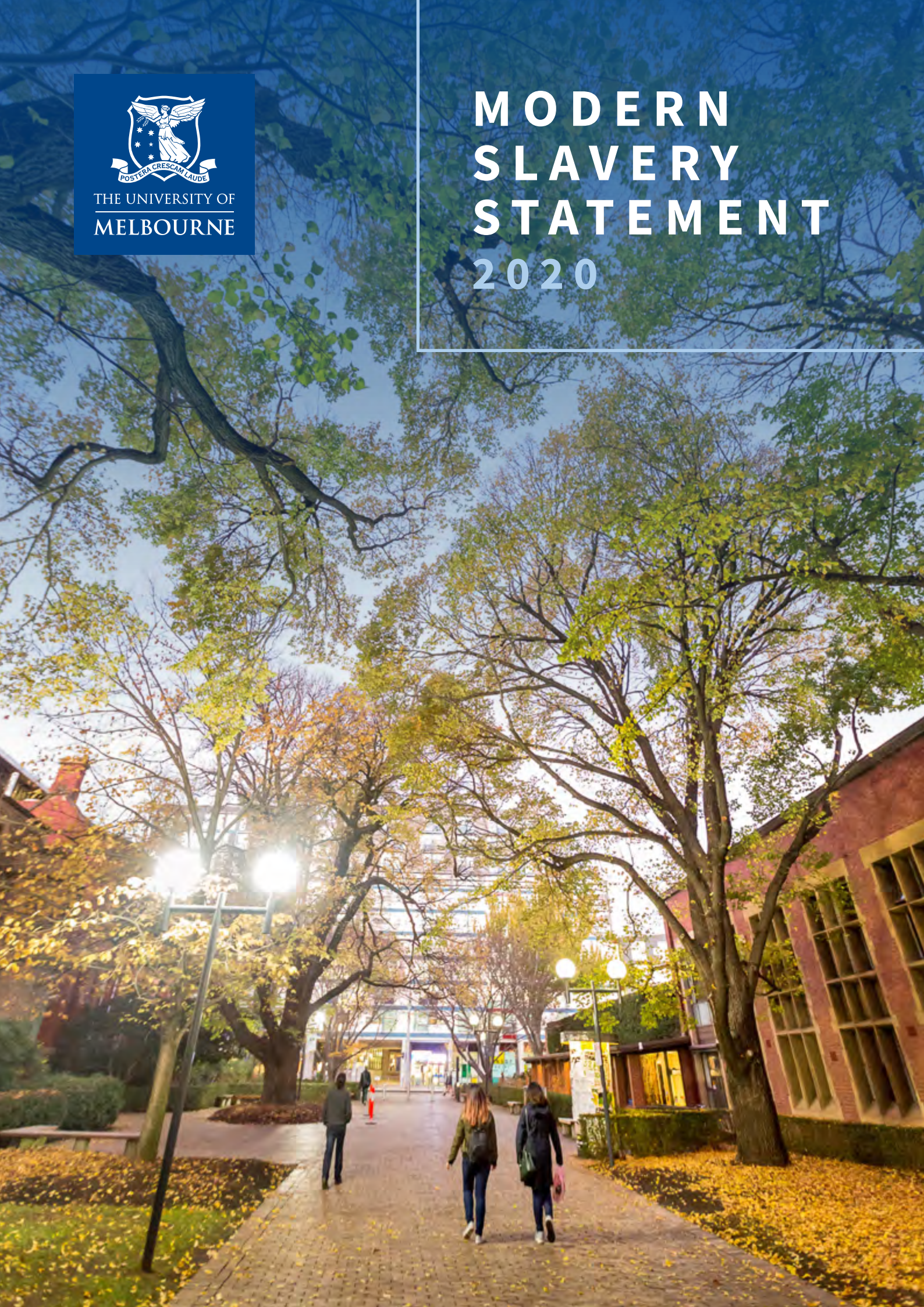




THE UNIVERSITY OF
MELBOURNE

MODERN SLAVERY STATEMENT 2020



CONTENTS

VICE-CHANCELLOR'S INTRODUCTION	3
CRITERIA	4
STATEMENT	5
1. Approach	5
2. Our commitment	5
3. University's structure and activities	5
4. Operations and supply chain	6
5. Governance framework and policies	11
6. Risk management	13
7. Identifying risk in our supply chain	13
8. Training and awareness	14

Acknowledgement of Traditional Owners

The University of Melbourne acknowledges and pays respect to the Traditional Owners of the lands on which our campuses are situated

- Wurundjeri and Boon Wurrung peoples (Parkville, Southbank, Werribee and Burnley campuses)
- Yorta Yorta Nation (Shepparton and Dookie campuses)
- Dja Dja Wurrung people (Creswick campus)

VICE-CHANCELLOR'S INTRODUCTION

The University of Melbourne is committed to upholding and protecting human rights across all our endeavours.

We recognise that modern slavery is a significant global human rights issue and are determined to eliminate all its forms from our operations.

We acknowledge our responsibility to raise awareness among our staff, students and external supply base, about the risk modern slavery poses to an ethical and equitable work place.

In Australia, the *Modern Slavery Act 2018* came into effect on 1 January 2019. The University welcomes and supports the introduction of this legislation and is taking action to combat modern slavery, in compliance with the Act.

This statement outlines the actions the University of Melbourne has taken to identify, assess and address modern slavery risks in our operations and supply chains.

As a member of the Australian Universities Procurement Network (AUPN) Modern Slavery working group, we are contributing to building a sector-based approach to ensure that universities drive efficiencies and create opportunities to identify occurrences of modern slavery across the higher education sector.



Duncan Maskell
Vice-Chancellor

CRITERIA

Criteria	Relevant section in Statement	Page
Identify the reporting entity	3. University's structure and activities	5
Describe the structure, operations and supply chains of the reporting entity	3. University's structure and activities	5
	4. Operations and supply chain	6 & 7
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity, and any entities that the reporting entity owns or controls	7. Identifying risk in our operations and supply chain	13
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls, to assess and address those risks, including due diligence and remediation process	4. Operations and supply chain	9
	5. Governance framework and policies	11
Describe how the reporting entity assesses the effectiveness of such actions	4. Operations and supply chain	5
	7. Identifying risk in our operations and supply chain	13
	8. Training and awareness	14
Describe the process of consultation with any entities that the reporting entity owns or controls	3. University's structure and activities: controlled entities	6
Provide any other information that the reporting entity or the entity giving the statement considers relevant	4. Supply chain: impact of COVID-19	10

The University strives for an environment that is inclusive and celebrates diversity.

STATEMENT

1. Approach

This statement has been prepared pursuant to the *Modern Slavery Act 2018* (Cth) and outlines actions taken by the University of Melbourne to identify, assess and address modern slavery risks in our operations and supply chains over the financial year 1 January 2020 to 31 December 2020.

2. Our commitment

We are committed to supporting human rights across all our endeavours and our approach is aligned to the **United Nations Sustainable Development Goals**. We recognise modern slavery is a significant global human rights issue and are committed to becoming alert to and preventing instances of modern slavery in all its forms. We acknowledge that as an educational establishment, we have a responsibility to raise awareness among our staff, students and external supply base, about modern slavery risks.

3. University's structure and activities

The University of Melbourne is a global leader in higher education. Across our campuses we convene brilliant minds from different disciplines and sectors to come together to address important questions and tackle grand challenges. In a disrupted world, that capacity has never been more important.

We serve society by engaging with our communities and ensuring learning, teaching and research are inspired from the outset by need and for the benefit of society, while remaining committed to allowing academic freedom to flourish. In this, we remain true to our purpose and fulfil our mission as a public-spirited organisation, dedicated to the principles of fairness, equality and excellence in everything we do.

We strive for an environment that is inclusive and celebrates diversity.

Founded in 1853, and established by an Act of the Victorian Parliament, the University continues in existence under *The University of Melbourne Act 2009* which establishes the University's governing body, the Council, and its core functions. The Act empowers the University to enact subordinate legislation and act by way of resolution of its governing body, or by the decision of its authorised officers. The University has ten faculties and is led and managed by the Vice-Chancellor and University Executive.

Key facts:

\$2.6 billion
underlying
income

52,121
students

\$1.2 billion
third party
spend

9189
staff

Controlled entities:

The below controlled entities form part of the overall compliance framework of the University and the University will continue to work closely with the aim of ensuring compliance with the Modern Slavery Act, including the development and implementation of risk management plans for addressing modern slavery risks as appropriate.

- Australia India Institute Private Limited
- Australian Music Examinations Board (Victoria) Limited
- Goulburn Valley Equine Hospital Pty Limited
- Melbourne Business School Ltd Group
- Melbourne Teaching Health Clinics Limited
- Melbourne University Publishing Limited
- Nossal Institute Limited
- UM Commercialisation Pty Ltd
- UMelB Pte Limited
- UoM International Holdings Limited

4. Operations and supply chain

Operations

Our operations are located in Victoria, Australia. The University of Melbourne operates nine campus across Victoria, with the majority of operations occurring in metropolitan Melbourne. Campus locations are:

1. Parkville (our main campus)
2. Southbank (music, visual and performing arts)
3. Burnley (horticulture and agricultural science)
4. Hawthorn (a commercial operation leasing space to tenants)
5. Fishermans Bend (heavy engineering and infrastructure, under development)
6. Werribee (veterinary medicine immersion)
7. Creswick (environmental and forest science)
8. Shepparton (rural health)
9. Dookie (agricultural science)



Our distinctive structure – the Melbourne Operating Model – streamlines the way staff work at the University. The two interdependent operational units of Chancellery and Academic Divisions work to harness expertise and maximise efficiency for the ultimate benefit of improved teaching and learning, research outcomes, and engagement.

Chancellery develops the overall strategy for the University, setting policy directions, allocating capital, building capability and acting as custodian of the University's brand.

Made up of our faculties, graduate schools, research institutes and industry partners, the Academic Divisions lead the delivery of our teaching and learning, research and engagement activities.

The University's initial assessment of modern slavery risks in its operations focused on the Human Resources, Research Support and Major Projects departments within Chancellery. After consultation with key stakeholders, the University determined that modern slavery risks in these areas were generally low, considering the current context and existing controls. Other areas such as Student Recruitment and Admissions, Research and Teaching, and other general operations of the University are being progressively evaluated, and assessments will form part of future Modern Slavery Statements.

In general, University operations have well-established controls and procedures in place, and as such, the risk and prevalence of modern slavery in those areas is considerably lower than in our supply chain. Initial efforts have therefore focused on examining risk across the supply chain. As part of our continuous improvement activities, the University will continue to engage all stakeholders to review operations to ensure the risk of modern slavery is addressed, and that mitigating measures are continually being implemented and enhanced over the coming years.

Over 96 per cent of the University's spend is with Australian based companies, or companies operating in low-risk countries, as determined by the OECD.

Supply chain

Controls and systems already in place limit the risk of modern slavery on University of Melbourne campuses. However, we recognise there are modern slavery risks associated with our supply chains, which may often be hidden, and in response have focussed our efforts on trying to address those risks.

We have taken a collaborative approach to work with others, including the [Australian Universities Procurement Network \(AUPN\)](#), and have played a leading role in establishing a working group to share approaches designed to deliver a collective and enhanced sector-based response to identifying and addressing modern slavery risks.

Our supply chain is broad and diverse, sourcing products and services from our top categories, such as Construction and Professional Services, to Lab Consumables, and Research and Teaching Equipment. In the financial year 2020, we spent AU\$1.06 billion with 10,476 suppliers across 79 countries, with approximately 80 per cent of our spend being with 300 suppliers.

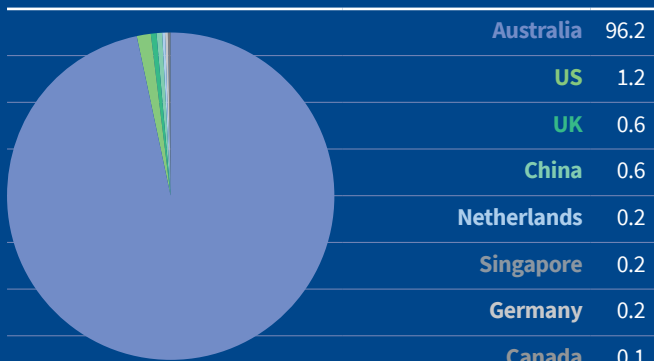
More than 96.2 per cent of the University's spend is with Australian based companies, or companies operating in low-risk countries, as determined by the OECD. We acknowledge that we have direct relationships with thousands of suppliers, and thousands more in our extended supply chain. The majority of our high risk spend is with large Australian-based companies who supply us with an end product (for example. construction, IT hardware etc). Therefore, our approach to managing the risk associated with these products is through supplier management of the first tier, ensuring appropriate questions around fair and transparent supply chains are asked through all stages of the sourcing and contracting processes.

2020 Facts and figures

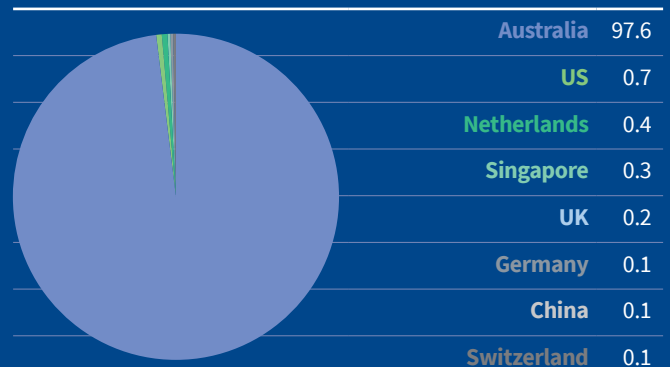


AUPN Modern Slavery Discovery Tool mapping the University's spend against modern slavery prevalence by country

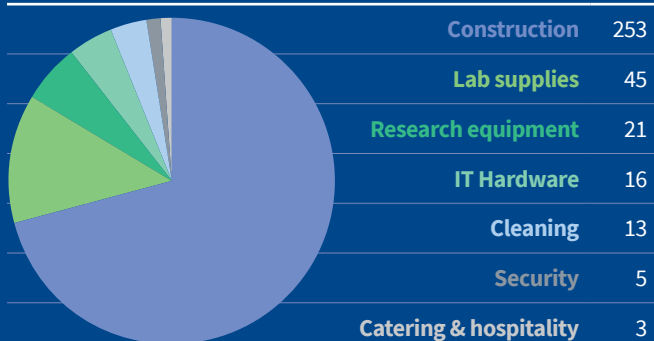
Total spend by country as a %



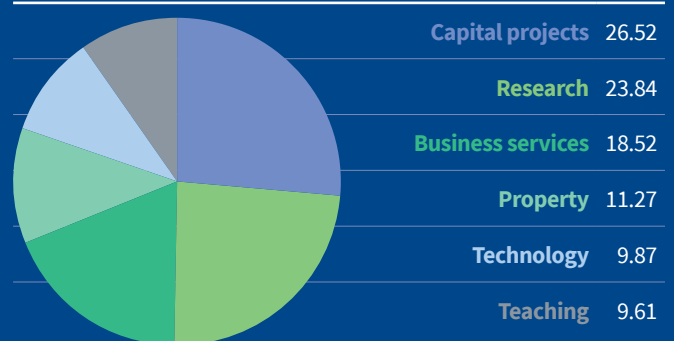
High risk category spend as a %



High risk category spend



Taxonomy category spend as a %



The University has developed a modern slavery contract clause to assist in managing modern slavery risks in our supply chains. This has already been inserted into certain University contracts.

The University seeks value for money in procurement through balanced judgement of a range of financial and non-financial factors. Procurement considers the mix of quality, cost and resources, fitness for purpose, total cost of ownership and risk.

Procurement decisions must consider economic, social and environmental impacts and how they affect the University's financial position, reputation, and progress towards sustainable development. In 2018, we updated our sourcing documentation to ask specific questions about Modern Slavery to our supply base. Since then, we have worked on refining our questions and our due diligence with respect to the suppliers we work with.

Actions undertaken to date

Our aim is to provide positive impacts in the communities within which we operate. In 2019, a cross-functional working group was established to set clear expectations around the University's approach to Modern Slavery. This was a foundational year for the University to establish a baseline, and begin to plan around gaining greater transparency across our supply chains. We are aware that committing to mitigating instances of modern slavery requires tangible actions. Activities undertaken to date include:

- Creation of a new Supplier Code of Conduct. This Code is available publicly on the University's website and is accessible to all our suppliers. It is referenced in our sourcing documentation and outlines clear expectations and minimum standards for any supplier engaging with us. The Code of Conduct complements our Procurement Policy.
- Completion of a supply chain risk assessment to identify high-risk areas, conducted in a manner consistent with OECD risk assessment guidelines.
- Development of a modern slavery supplier assessment questionnaire that can be included in sourcing activities and can be sent to survey existing suppliers.
- Deployment of a new supplier assessment questionnaire to all high-risk suppliers. The questionnaire contains detailed questions to reveal steps they are taking to mitigate risk in their supply chains. Actions and follow ups will be managed in FY2021.
- Inclusion of a modern slavery clause in standard procurement agreements.
- Creation of a new supplier onboarding process that captures additional information to help identify potential modern slavery risks.

- Leaderships of the AUPN Modern Slavery Working Group focused on a sector-based approach to modern slavery.
- Arranged ongoing training for the procurement team and information sessions for the wider University on its modern slavery approach to date, and 2021 action plan.

In 2021, we will continue to develop and progress our supplier risk analysis and due diligence approach with the intention of creating more resilient supply chains. Both activities will assist in measuring the effectiveness to address and assess supply chain risks.

Strengthening supplier standard agreements

The University has developed a modern slavery contract clause to assist in managing modern slavery risks in our supply chains. The clause has already been inserted into certain University contracts. During the reporting year, the clause has been refined, including to take into consideration the modern slavery resources developed by the Australian Government, such as the suite of model clauses.

The finalised clause will be embedded into relevant template agreements during the next reporting period, and the University will consider developing optional clauses based on the risk profile of specific procurements. It will also continue to provide briefings and develop guidance on modern slavery risks for relevant areas, including procurement and legal.

Collaboration with the Australian Universities Procurement Network (AUPN)

The AUPN is a network of 38 member institutions working together to improve excellence in procurement practice within the higher education sector. The AUPN has particularly focused efforts on leading a sector-wide collaboration to support all member universities to meet the challenge of human rights transparency and risk management in their supply chains. In 2019, a Modern Slavery Working Group was established to develop and implement a sector-wide Modern Slavery Program. Across the sector there is a large number of common suppliers making collaboration even more important for each university and our supply chain partners. The University has adopted a leading role in project management, coordination, and development of the program. This sector-based approach allows the University greater visibility to identify and address any actions required and implement recommendations where required. See a summary of the Program and 2020 deliverables [here](#).

The University established an overarching Pandemic Response Group, and a Pandemic Reset Program to support its response to the COVID-19 pandemic.

COVID-19 response

The COVID-19 pandemic presented a series of new challenges for the University and its supply chain. We understand the pandemic will have increased the vulnerability of many groups to human trafficking and instances of modern slavery. The University was significantly impacted by a reduction in student numbers, while needing to ensure we continued our work in research, teaching, and learning, and supporting staff and student health and wellbeing. This included, but was not limited to:

- Establishing an overarching Pandemic Response Group, and a Pandemic Reset Program to support the University's response to the COVID-19 pandemic
- Sourcing additional personal protective equipment for affected staff and students, and implementing social distancing measures in business-critical buildings
- Bulk sourcing hand sanitiser and signage for business-critical buildings
- Ensuring business continuity for critical assets, building and research activities
- Developing resources, tools and information to help staff and students working remotely including IT advice, digital workplace tools, workstation setup, and health and wellbeing services and information
- Managing a return-to-campus roadmap and process in continued alignment with Victorian Department of Health regulations
- Providing guidance, information, and advice to those delivering our teaching and learning programs
- Supporting our students with emergency support funding, course delivery advice, and transition to a virtual learning environment
- Providing access to travel advice and government resources to keep staff and students updated

The magnificent glass sculpture of COVID-19 by UK artist Luke Jerram sits in the foyer of the Peter Doherty Institute for Infection and Immunity. *Image: Guy Cleeve*



5. Governance framework and policies

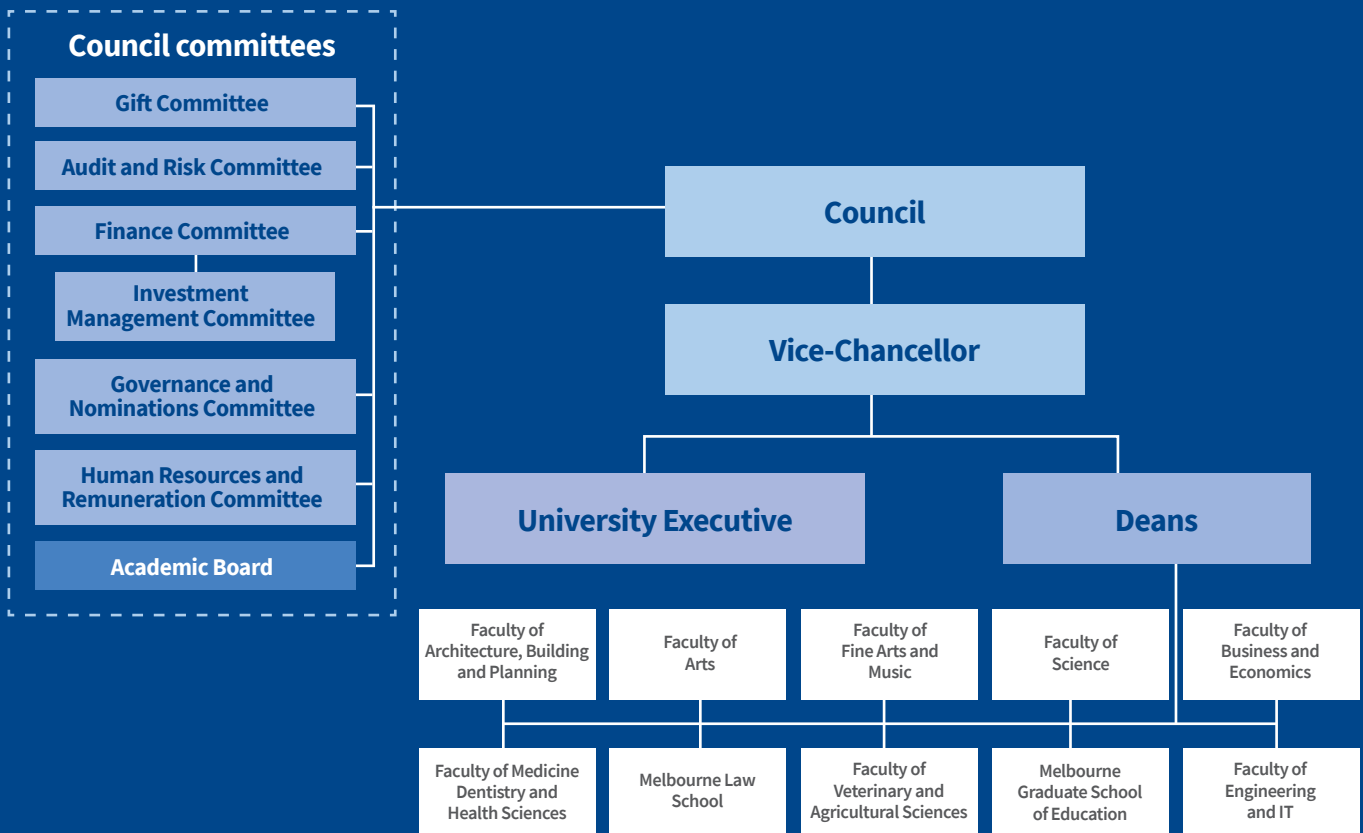
Modern slavery risks are managed by the University across its governance structures.

University governance

The University Council is the governing body of the University and oversees its entire direction and superintendence, hence has the appropriate authority to approve the University's Modern Slavery Statement.

The University Council is supported by seven Council Committees:

- Gift
- Audit and Risk
- Finance
- Investment Management
- Governance and Nominations
- Human Resources and Remuneration
- Academic Board



Audit and Risk Committee

Audit and Risk Committee (ARC) supports Council in overseeing and monitoring assessment and management of risk across the University, including the University’s commercial activities. As part of compliance with the Modern Slavery Act, the ARC has considered the modern slavery risks and mitigation actions described in this statement and endorsed the statement for Council’s approval. This endorsed statement was subsequently approved by the University Council.

Regulatory framework

The University governs its operations through a hierarchy of instruments, referred to as the Regulatory Framework. Among the University’s regulatory framework instruments are University policies and processes. In conjunction with these, the University has in place a Risk Management Framework and Compliance Management Framework to support mitigation of modern slavery risks in its operations and supply chain.

The following University policies and processes that are in existence or under development will further underpin the University’s commitment to preventing and dealing with modern slavery risks. University staff and students are required to understand their responsibilities and comply with University policies when carrying out their duties or studies.

The University has in place a Risk Management Framework and Compliance Management Framework to support mitigation of modern slavery risks in its operations and supply chain.

Policy/Procedure – Operations	Principle
Appropriate Workplace Behaviour	Setting out the standards, values and expectations for appropriate behaviour in the workplace
Research Ethics and Bio risk Management	Outlining the University’s obligations to conduct research that meets relevant ethics requirements
Research Integrity and Misconduct Policy	Prescribing the University’s expected standards of responsible and ethical research conduct
Contracts Policy	Governing the negotiation, execution and management of contracts
Child Safety Policy	Outlining appropriate standards of behaviour towards children
Fraud and Corruption Management Policy	Providing guidance on behaviour that constitutes fraud and corruption and outlines the responsibilities of staff and management to report and deal appropriately with this conduct
Whistleblower Protection Policy	Providing guidance on the University’s commitment to protecting whistleblowers and how the University deals with whistleblower disclosures
Risk Management Policy	Outlining the University’s risk management approach and establishes staff responsibilities in managing risks

Policy/Procedure – Supply Chain	Principle
Procurement Policy	Setting out ethical and appropriate decision making around sourcing
Supplier Code of Conduct	Outlining standards and appropriate behaviour expected from our supply base
Supplier onboarding process	Currently under development

Compliance with our policies and procedures is addressed in our Supplier Code of Conduct and standard agreements, and we expect our supply base to apply similar expectations to their supply base.

6. Risk management

The University recognises risk management as a key aspect of University governance and a vital approach to support the attainment of its strategic objectives, commitments, and aspirations. The University has a Risk Management Framework (the 'Framework') that is consistent with the Australian and New Zealand Standard (AS/NZS ISO 31000:2018). Under the Risk Management Policy, frameworks and processes for different areas particularly risk management, compliance and critical incident management exist to strengthen and support the management of risks across the University, including modern slavery.

7. Identifying risk in our supply chain

The University acknowledges that there are many forms of modern slavery, and that instances of modern slavery may exist in our domestic and overseas supply chains.

Supply chain

96.2 per cent the University's supply chain is within Australia for goods and/or services delivered to our campuses either in metropolitan Melbourne or Victoria. This, and the fact the University has no overseas campuses, means direct exposure in the supply chain is low. Through its governance channels the University closely monitors and manages that small element of its supply chain where risk may exist. A review of the supplier onboarding process, and continued analysis of the entire procurement lifecycle will further strengthen the University's protection from risk, and will be documented in the next reporting period.

In 2019, the University implemented a secure online platform to run sourcing activities. Response schedules created on the platform incorporated standard social procurement, ethical supply and modern slavery questions. To date, 50 out of the 332 suppliers registered on the platform have responded to modern slavery questions, mostly from corporate professional and IT service companies, noting that is not a mandatory criteria for tenderers, as some suppliers are not eligible to report under the Act. Of those who responded, 58 per cent have a slavery or human trafficking policy, with 30 per cent indicating they are required to report against the Act. The University aims to include the newly developed detailed modern slavery Supplier Assessment Questionnaire into the response schedules to continue to build awareness and transparency of our supply chain in the next reporting period.

Supplier questionnaire

During the reporting period, the University issued the modern slavery Supplier Assessment Questionnaire to assess all suppliers classified as high risk. This assessment used information on country, sector and commodity to analyse risk across construction, facilities management, recruitment, research laboratory consumables and equipment, and technology. Twenty-four suppliers, accounting for 50% of the overall high risk spend responded with analysis, actions and follow up to be managed in 2021.

In summary, supplier responses have been mixed. AUPN will continue to work with high-risk suppliers to assess risk, as many of these suppliers provide products or services across the Australian higher education sector. This will remove duplication of effort and build consistency of approach.

Category deep dive – awareness and first steps

According to the Bureau of International Labour Affairs, rubber glove manufacturing in Malaysia is listed as a high-risk for goods produced under forced labour.¹ Since the higher education sector spends on average \$3.8 million dollars on rubber gloves and the likelihood of our key suppliers being associated with this risk is high, the AUPN Modern Slavery Working Group made initial steps to take a deep dive into this category on behalf of the sector, and the University.

The following is a summary of steps taken:

- An external human rights and modern slavery consultant was engaged and provided a high-level review on the status of Malaysian gloves manufacturing and further guidance on remediation steps and engagement with our suppliers.
- Ten key suppliers who sell rubber gloves to multiple member universities were identified. All ten are used by the University.
- Suppliers were contacted and requested to complete the modern slavery SAQ and attend any future AUPN-led awareness sessions on modern slavery, with 9 out of 10 suppliers completing the SAQ.

The AUPN and the University will continue to develop a supplier engagement approach and amelioration processes including adopting modern slavery specific Key Performance Indicators (KPIs) to track effectiveness of our approach, increase visibility of the supply chain and leverage the sector's buying power to influence better purchasing practices.

8. Training and awareness

We continue to set clear expectations that our employees and suppliers will be alert to possible involvement in modern slavery and reject it emphatically. We also know these expectations need to be supported by knowledge and action to stay relevant and effective, which is why training and awareness sessions will be a focus in 2021.

¹ List of Goods Produced by Child Labor or Forced Labor:

https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods?tid=5530&field_exp_good_target_id=All&field_exp_exploitation_type_target_id_1=All&items_per_page=10





THE UNIVERSITY OF
MELBOURNE

unimelb.edu.au