



WEHI
brighter together

2023 Modern Slavery Statement



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WEHI's 2023 Modern Slavery Statement

WEHI (Walter and Eliza Hall Institute of Medical Research) is committed to respecting human rights, including the right to be free from slavery, exploitation, forced labour, domestic servitude and illegal forms of child labour.

Our modern slavery commitments enhance our broader ethical and sourcing commitments in relation to global and local supply chains, Indigenous businesses, sustainable supply and building broader ESG awareness.

This Modern Slavery Statement (**Statement**) has been prepared in accordance with the Modern Slavery Act 2018 (**Act**). It sets out the steps we have taken to assess and address modern slavery in our operations and supply chain during the 2023 reporting period and is our fourth statement since the scheme was enacted.

Since the date of the last Statement, there have been no major changes in the way that WEHI operates or the types of goods and services we procure through our supply chain.

In 2023, WEHI continued to develop its modern slavery program as part of an ongoing, wider ethical sourcing programme and compliance review.

About WEHI

WEHI is one of Australia's leading biomedical research organisations, with a strong national and international reputation for performing highly influential basic and translational research.

WEHI's research focuses on improving the understanding, treatment and prevention of important health challenges, with a focus on cancer, immune and infectious diseases, developmental disorders and age-related conditions.

WEHI is an Australian not-for-profit public company limited by guarantee that is established to be, and to continue as, a charity registered with the Australian Charities and Not-for-Profits-Commission (**ACNC**) (ABN 12 004 251 423). Our charitable purpose is 'advancing health'.

WEHI currently employs around 910 staff and is governed by a board of directors appointed under the WEHI constitution. Operational management is delegated to the Director of WEHI.

Our modern slavery risks

1. Our approach

We have taken a risk-based approach to determining whether we are likely to cause, contribute to or be directly linked to modern slavery in our operations and supply chains. Our modern slavery risk matrix is set out in the Annexure as Table 1.

2. Operations

We operate within the health and medical research sector in Melbourne, Australia. Our operations primarily involve the following:

- Health and medical research
- Education
- Provision of medical research products and services
- Commercialisation.

Our main facility is located in the Parkville Biomedical Precinct, a vibrant and collaborative life science research, education and healthcare hub. We also have offices in central Melbourne, and research facilities in Bundoora and Kew.

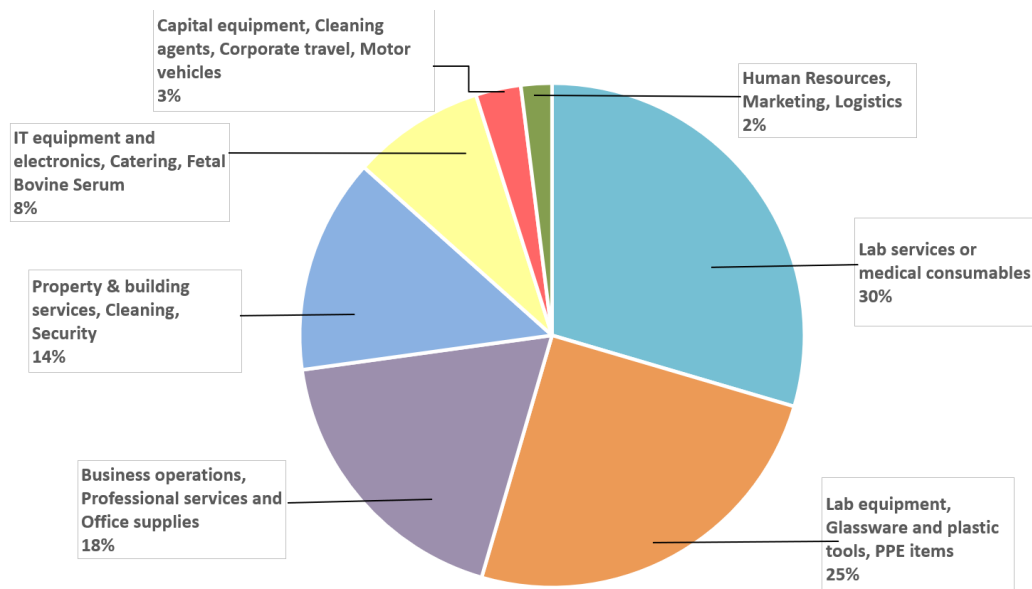
Table 2 in the Annexure sets out the risk level for each WEHI operational category. Overall, our operational activities continue to pose a low risk for modern slavery:

- Our staff, students and domestic collaborators are subject to Australian legal and ethical obligations, including the One WEHI Enterprise Agreement 2022, Fair Work Act 2009, NHMRC National Statement on Ethical Conduct in Human Research (**National Statement**) and the Act.
- WEHI's collaborations are formalised contractually (with embedded compliance obligations).
- Where overseas collaborations occur in countries with high vulnerability scores for modern slavery, in addition to contractual requirements and reporting, these risks are mitigated by due diligence and our Australian legal obligations, including the ACNC External Conduct Standards, the National Statement, and foreign influence and interference legislation and guidelines.
- WEHI's human research projects are subject to human research ethics committee risk assessment and approval processes that consider compliance risks.

3. Supply chain

Supply categories

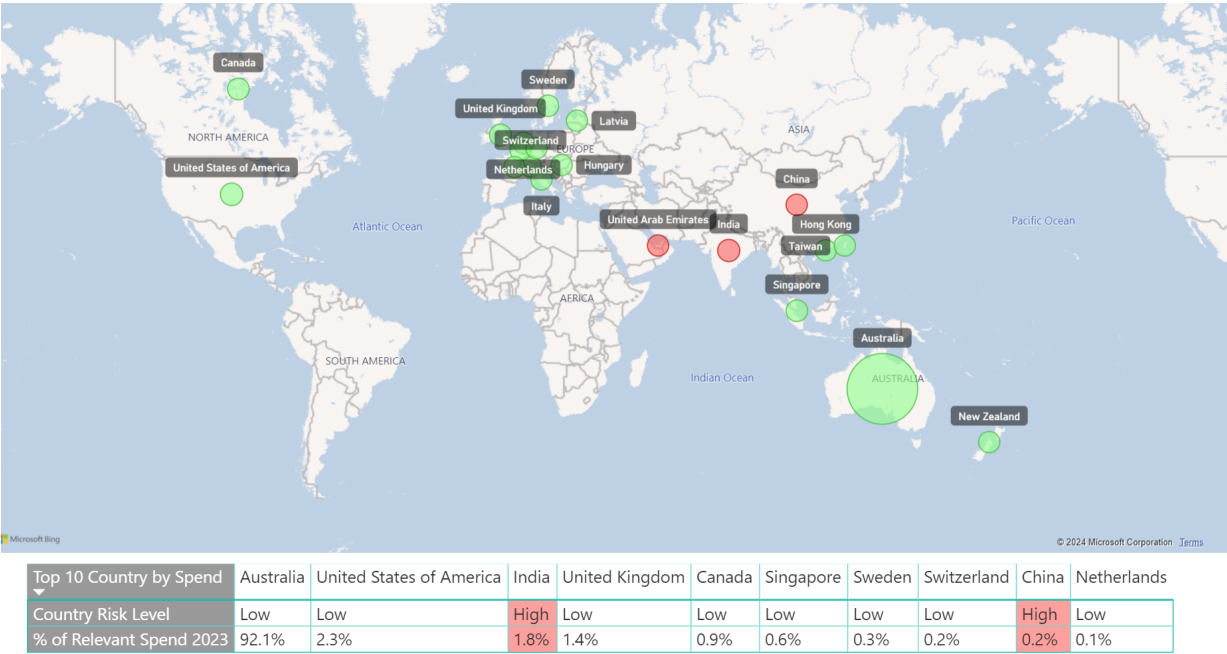
WEHI procures a range of products and services to support our activities. Our 2023 spend by category is summarised below. Currently, our highest risk category is IT Equipment and Electronics.



Geographic location

WEHI draws from domestic and international supply chains to ensure provision of ethically sourced, high-quality components and supplies. Our 2023 spend by location is summarised below. Products and services sourced from India and China continue to pose the highest risks for WEHI in terms of geographic location.

WEHI supplier locations by country and spend



Modern Slavery initiatives

4. Refined risk assessment approach

In 2023, the Procurement team built on the 2022 work. The team have further refined the supplier data, improved the classification of suppliers and updated the information relating to newly onboarded suppliers. Fundamentally, however, the business is stable and so the 2023 updates did not have a material impact on the overall Modern Slavery risk profile.

The Procurement team is looking further into a collaboration with similar organisations and in doing so, they have consulted with key partners within the health and education sector. In preparation of this Statement, the team has reviewed key areas of risk and have not identified any new risks.

5. Supplier due diligence

New suppliers continue to be screened using our modern slavery risk matrix. Our Procurement Policy and ERP system includes modern slavery due diligence processes for selecting, onboarding and managing suppliers.

Answering our modern slavery questionnaire is a mandatory step in the supplier onboarding process. As set out in previous statements, most of our suppliers are not directly subject to the Act or its equivalent (in Australia or otherwise).

6. Supplier monitoring

WEHI continues to work with key suppliers to ensure alignment exists around organisational values, including the elimination of modern slavery.

Under WEHI's Supplier Code of Conduct, suppliers must ensure there is no modern slavery in their supply chains and operations and comply with modern slavery laws, rules and regulations. Suppliers must let us know if any modern slavery issues arise and take steps to address those issues.

In 2022, WEHI identified 581 active suppliers subject to modern slavery monitoring. In 2023, we identified 606 active suppliers relevant to our monitoring criteria.

7. Media monitoring

In 2022, the Procurement team engaged a third party, Meltwater, to provide media monitoring on modern slavery. In 2023, Meltwater identified 77,900 individual modern slavery alerts across all media globally. A select list of these is generated and sent to Procurement, who assess them. Of these, none have been identified as actionable risks at this stage.

8. Template agreements

WEHI's template agreements include compliance clauses as standard, with specific modern slavery clauses in agreements for the acquisition of goods and services.

9. Sector engagement and tools

The Procurement and Governance, Risk and Compliance teams continue to engage with sector-led initiatives to support best practice in modern slavery compliance, such as through professional bodies, including Procurement and Supply Australia (PASA), Procurement Australasia (PA) and HealthShare Victoria (HSV).

10. Governance

WEHI's Modern Slavery Working Group is led by the Procurement and Governance, Risk and Compliance teams and reports to the Professional Services Leadership Team, Audit, Risk and Compliance Committee and the WEHI Board. The Working Group meets monthly to support modern slavery initiatives and the development of this Statement.

11. Risk and Compliance

WEHI's Modern Slavery Policy was finalised in 2022 and is publicly available on our website. The Policy states WEHI's position on modern slavery and its alignment with WEHI's values, WEHI's expectations of staff and suppliers and WEHI's steps for practical compliance.

WEHI is in the final stages of implementing a new enterprise risk and compliance system. Our modern slavery obligations and risks will be tracked and managed through this system. This work will continue into 2024.

12. Training

WEHI personnel with purchasing responsibilities, or who are responsible for high-risk research activities overseas, are provided with training on modern slavery risks, including the Supplier Code of Conduct and preferred contractual terms, where appropriate.

Assessing the effectiveness of our actions

13. Annual review

WEHI is committed to applying a continuous improvement approach to modern slavery. The steps described in this Statement represent an ongoing process. The Modern Slavery Working Group completed an annual review of our modern slavery activities in preparation for drafting this Statement and to set the priorities for the next reporting period.

14. Remediation

In 2023, WEHI was not aware of any instances of modern slavery in its supply chain or operations. On this basis, no remediation steps were required. WEHI is a member of several industry procurement networks and, as far as we are aware, no instances of modern slavery have been disclosed to WEHI in respect of our common suppliers.

Looking forward – to 2024 and beyond

15. ESG criteria

WEHI's Procurement team is involved in various aspects of environmental, social and governance (**ESG**) compliance. WEHI wishes to engage with suppliers who share similar values and with like-minded organisations who can support us in acting on these values.

In 2024, WEHI is looking to leverage the modern slavery learnings to further advance other ESG considerations, including environmental sustainability and the Reconciliation Action Plan.

16. Supplier certification

As set out in section 4, the supplier due diligence process is time-consuming, and we continue to seek out products that would streamline and simplify these risk assessments.

As ESG concerns become more prevalent, we expect to see an increase in supplier certification products on the market. In 2024, we will be looking into some of the available products that have scored/certified our key suppliers.

We are also looking to collaborate with our medical research institute (**MRI**) sector partners to build best practice in these areas. A sector-led approach to supplier certification could provide substantial savings, as well streamline dealings with MRIs for common suppliers

17. Foreign Engagement Policy

WEHI has developed a draft Foreign Engagement Policy and associated tools and resources to support compliance with the Guidelines for Countering Foreign Interference in the University Sector as well as other obligations relating to our operations and activities overseas, such as sanctions and export controls.

Training around foreign engagements is planned for 2024, which will include modern slavery considerations for researchers and key professional services teams.

Consultation with controlled entities

WEHI controls three entities: WEHI Ventures Pty Ltd ACN 668 196 932 as trustee of the 66Ten Unit Trust , Nelcanen Therapeutics Pty Ltd ACN 659 824 147 and Proxima Bio Pty Ltd ACN 666 622 957.

Operational activities are predominantly managed through WEHI via contractual arrangements or otherwise. To the extent that these entities procure goods or services, WEHI's existing processes are utilised as described as above.

WEHI consulted these entities in the development of this Statement.

Statement approval

This Statement was reviewed and approved by the Board of Directors of WEHI on 16 May 2024.



Jane Hemstrich, Chair

Annexure – Risk assessment tables

Table 1: Product and service risk matrix

Risk Matrix			Domestic Region	Overseas Regions <small>Note, numbers in brackets are 'vulnerability of modern slavery risks' per the Global Slavery Index 2018</small>				
			0 Australia (4.3/100)	1 Europe & Central Asia (28/100)	2 Americas (41/100)	3 Asia & The Pacific (46/100)	4 Arab States (57/100)	5 Africa (62/100)
Supply Categories	Minerals	5 Extremely high risk	M (7)	M (11)	H (16)	H (20)	E (23)	E (25)
	IT electronics (computing equipment, software SaaS), Catering (fish, rice, cocoa), Fetal Bovine Serum,	4 High risk	L (5)	M (7)	M (12)	H (17)	H (21)	E (24)
	Laboratory equipment (surgical equipments, freezers, microscopes, garments (textiles)) Glassware and plastic tools (pipettes, dishes) PPE items (gloves, masks)	3 Medium Risk	L (3)	L (4)	M (8)	M (13)	H (18)	H (22)
	Utilities and related property services Laboratory services, Laboratory consumables Human Resources (P&C, Recruitment), Marketing and Communications, Logistics Building, Repairs and maintenance services	2 Low Risk	L (2)	L (2)	L (5)	M (9)	M (14)	H (19)
	Capital equipment, Cleaning Agents	1 Extremely low risk	L (1)	L (2)	L (3)	L (6)	M (10)	M (15)
	Corporate travel, Motor vehicles Business/Admin, Office Supplies Consultants, Legal, Professional fees							

Risk Rating Key

L = Low	M = Medium	H = High	E = Extreme
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Note: The numbers in brackets (1-25) allow for further prioritisation of risks within each Rating category, e.g. E(25) has a higher priority than E(23)

Table 2: Risk level by operational area

Operational area	Description	Risk level domestic	Risk level overseas
Research (excluding human research)	Basic and translational research, on-site in Parkville, Melbourne. Research collaborations with academics, research institutes and commercial organisations.	Low	Low
Human research	Human clinical studies with academic institutions and hospitals.	Low	Low
Education	Supervision and experience for tertiary students through the Department of Medical Biology at the University of Melbourne. Work experience programs for domestic and overseas secondary students. Training opportunities for WEHI personnel.	Low	N/A
Supply of products and services	Supply of specialty mice. Supply of speciality research services (such as sample analysis, cell and tissue sorting and bioinformation analysis). Access to advanced technologies.	Low	Low
Commercialisation	Arrangements with pharmaceutical companies and research institutions to commercialise WEHI discoveries. Routine drug discovery tasks sometimes outsourced to overseas contractors, typically in China or India.	Low	Low

Table 3: Risk level by supply category

Risk level	Supply category
Extremely high risk	Nil
High risk	IT equipment and electronics
Medium risk	Laboratory equipment, glassware and plastic tools, personal protective equipment (PPE) items, laboratory services, medical consumables, foetal bovine serum
	Property and building services, cleaning, security, catering
	Human resources, communications and marketing, logistics
Low risk	Capital equipment, cleaning agents, corporate travel, motor vehicles
Extremely low risk	Business operations, professional services and office supplies

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