

Modern Slavery Statement

Reporting Year 2021



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Introduction

Murdoch University (ABN 61 616 369 313) is a leading Australian university, established in 1973 to meet the growing higher education needs of the community. Our main campus is located at 90 South Street in Murdoch, Western Australia.

Internationally recognised as a research-led institution, Murdoch University is focused on addressing the major challenges of the 21st Century. Our purpose is to be a creative force for current and future generations.

We are clear about our two core goals: to educate free thinkers who thrive in society and are sought after by employers; and to provide life changing solutions for the world's big challenges through our outstanding translational research and innovative practice.

Murdoch University has applied the founding principles upon which the university was established to manage its ethical engagement and sustainability of relationships with both domestic and international suppliers.

- Equity and Social Justice
- Opportunity
- Sustainability
- Global responsibility

Pursuant to the *Australian Modern Slavery Act 2018* (Cth), this statement sets out the actions taken by the University to address modern slavery and human trafficking risks in our business and supply chain for the financial year ending 30 June 2022. This is Murdoch University's second Modern Slavery Statement and outlines our actions and approach, developed in collaboration with the Australian University Procurement Network (AUPN).



Structure, operations and supply chain

Operations

As a prominent public university in Perth, Western Australia, Murdoch University operates three (3) Australian campuses: South Street Campus, Rockingham Campus, and Mandurah Campus and two (2) offshore operations located in Singapore and Dubai.

The University teaches more than 23,000 students from both international and domestic origins across its campuses. The main campus, spanning 227 hectares, is located at 90 South Street, Murdoch. There are approximately 1,900 staff consisting of academic, research, and professional services supporting university operations.

The University also delivers teaching to students attending its offshore operations through service delivery partners.

Governance

Murdoch University was established under the provisions of the *Murdoch University Act 1973* ("the Act"). The Act makes provision for a body corporate in perpetual succession and defines the functions and constitution of the University. The Act also makes provision for Murdoch University By-Laws, Statutes, and regulations.

The Senate is the governing body of the University, also established by the *Murdoch University Act 1973*. Our Senate Charter sets out the guiding governance principles and practices that should always be upheld, as well as bringing together the policies and procedures that the Senate approves and which form part of best practice governance.

The Senate oversees the University undertaking commercial and consulting activities, including through the University's controlled entities. Controlled entities (including the structure of their boards) comply with the University's policies on the establishment, governance, and operations of controlled entities.

The Senate has established an Audit and Risk Committee (ARC) to assist Senate in meeting its governance risk and compliance oversight responsibilities.

Senate has also established a Resources Committee to assist Senate in maintaining oversight of the University finances, property and commercial activities. Resources Committee also has oversight of the University's Controlled Entities.

ARC supports Senate in setting risk management policy and critically monitoring the management of risk across the University, including commercial undertakings.

Governance offers a framework for approving the Strategic Plan of the institution, the oversight of its resources, the approval of its policies and procedures, the appointment, review and support of its Vice Chancellor, and an informed understanding of its programs and activities.

The University is led by the Vice Chancellor supported by a team of senior executives, who are responsible for the strategic management and development of all aspects of university business.

Procurement

Each year Murdoch University purchases a wide range of goods and services to support teaching, research, and professional support functions. A decentralised procurement model operates and is governed by the University's *Procurement Policy* and the *Procurement Procedure*. The Procurement team manages and supports the strategic sourcing of high value and high-risk goods and services and provides support to the wider university on procurement matters.

Supply Chain

The annual expenditure of Murdoch University was approximately \$214m in 2021, spread across approximately 2600 vendors and 200 active contracts.

The regional spend profile detailed that over 95.2% of expenditure was focused on Australian suppliers. The remaining 4.8% was predominantly from Southeast Asia and the United States of America.

Murdoch University has aligned the annual spend categorisation with the Australian University Procurement Network (AUPN) hierarchy across 4 main areas. These are:

Category	Supply Chains	% of total expenditure
Business Services	<ul style="list-style-type: none"> Corporate professional services Human resources Logistics & storage Marketing & media Office related supplies & services Travel & entertainment 	30%
Property and Facilities	<ul style="list-style-type: none"> Buildings & grounds Construction, refurbishment & works Plant & equipment Property management Utilities & renewables 	47%
Research and Teaching	<ul style="list-style-type: none"> Laboratories & research Lecturer & teaching expenses Library services Student services 	12%
Technology	<ul style="list-style-type: none"> Audio visual IT hardware IT professional services IT software Telecommunications 	11%

The largest areas of expenditure are property and maintenance, technology, marketing, and Murdoch University's sector leading teaching animal hospital.

The University undertook a robust rationalisation of vendors and exposure to industry during 2021. The revision of the 2021 spend profile based on the AUPN supplier and spend categorisation, has indicated reduced risk and highlighted that only 10 % of suppliers are from high risk industry types.

High risk industries identified from the spend analysis particular to Murdoch University include but are not limited to:

- Finance and banking
- IT
- Facilities management
- HR services
- Labs and research
- Library
- Office supplies

Risks of modern slavery

The approach that the University has undertaken in identifying and addressing modern slavery has been risk-based and developed in consideration to industry type and geographic location. Murdoch University recognises that modern slavery may occur within our supply chains, but main factors tending to increase these risks are industries that employ vulnerable populations.

Certain sectors and products are at high risk for modern slavery, regardless of region.

Typically, these sectors are:

- informal and unregulated, with poor visibility over lower tier suppliers
- reliant on a workforce to carry out jobs that are considered undesirable
- hazardous or low-skilled
- seasonal and low paying

The University has aligned with the AUPN which has led the Australian university sectors approach to develop a program of activity and a common supplier data base to address risks associated with modern slavery. As such, using the industry categorisation framework, the University has been able to identify individual suppliers and expenditure categories that present either a high, medium, or low risk to modern slavery practices.

The importance of this program of work has been recognised by Murdoch University. Oversight is provided by Senate through Audit and Risk Committee and Resources Committee

With the adoption of a university sector-wide approach to assessing and monitoring expenditure, we can provide transparency across our supply chain. This approach enables us to consider the possibility of risk when purchasing from higher risk industries, enabling us to identify, consider and mitigate risk. A common example is the purchase of IT equipment which is traditionally produced and sourced from offshore locations where there may be an increased risk of modern slavery practices.

Actions taken to assess and address the risk

Murdoch University has worked closely with the AUPN and collaboratively with the university sector to implement a common approach with key actions to address the issues and impacts of modern slavery.

These actions have focused on three key areas being education and communication, procurement process development and supplier management principles.

Code of Conduct

A supplier code of conduct has been developed and published detailing the acceptable standards and behaviors expected from our suppliers.

Contract documentation

Contract documentation has been refreshed with modern slavery contracts clauses when renewing supplier engagements.

Vendor onboarding

Continued focused approach on the issuance and receipt of modern slavery questionnaires or statements for all new vendors and high-risk vendors.

Communications and Education

Murdoch will continue to deliver training and education to the University community, both locally and internationally, on the risks of modern slavery risks across our supply chains. This includes a Modern Slavery training module contained within the Learning and Management System available for access by staff and students.

Assessment of effectiveness of controls

Murdoch University will monitor and report, on an annual basis, the effectiveness of the prescribed actions to assess the controls implemented to address Modern Slavery. Implementation of the sector wide AUPN approach and the localised university initiatives will be detailed in future modern slavery statements.

This will align to the Commonwealth Modern Slavery framework to ensure a consistent and sustainable approach to satisfy modern slavery obligations.

Areas for improvement targeted by the University will continue to focus on supplier monitoring and assessment programs. Initiatives will be directed at communication and awareness, staff training, and industry specific risk assessments.

Consultation

This statement has been submitted with the inclusion of controlled entities' information and consolidated with the University's expenditure profile. As these entities are controlled by Murdoch University, they are guided by the same principles of ethical supplier engagement defined in our approach to modern slavery.

The following subsidiaries are included in the Murdoch University Modern Slavery Statement:

- Murdoch Investments Pty Ltd – Owner of Murdoch Retirement Service
- **Murdoch Retirement Services Pty Ltd – St Ives Retirement village operations
- **Innovative Chiropractic Learning Pty Ltd – Chiropractic Clinic
- Murdoch Ventures Pty Ltd – Investment entity
- **Murdoch Singapore Pte Ltd - Murdoch Singapore operating entity
- The Alan and Iris Peacocke Research Foundation - Philanthropic entity for research and grant distribution

**The focus of our modern slavery statement is contained to Murdoch University and only three (3) *entities who actively engage vendors.



Next steps

The focus of Murdoch University in 2022 is on several key activities to further develop our stance on modern slavery and formalise our expectations of our suppliers.

Procurement Initiatives for 2022

Trade vendor categorisation and rationalisation

- Assessment of the quantity and type of existing vendors utilising the AUPN categories for inclusion in category management strategies

Vendor onboarding

- Development of electronic onboarding process with associated controls for Vendor Prequalification

Data Improvement

- AUPN classifications review to ensure accurate classification to industry type

Modern Slavery Advisory Group (MSAG) University Initiatives for 2022

Audit of Commercial Lease Management framework

Develop a framework to support overseas students who may be exposed to Modern Slavery

Statement approval

Approved by Senate Resolution: S/15/2022

Professor Andrew Deeks
Vice Chancellor
Murdoch University

