



Modern Slavery Statement

June 2023

From our Vice-Chancellor



At Swinburne University of Technology, we believe that people and technology should work together to build a better world. Building a better world requires us to take the necessary steps to identify and abolish any form of modern slavery within the university's operations, our suppliers, and our partner organisations. Our staff and students want us to be personalised, engaged, innovative, tech-biased, global, inclusive, and diverse, as well as sustainable. Our commitment to the elimination of modern slavery is a shared value and priority across our community.

Swinburne is committed to contributing to the elimination of modern slavery across the world. We leverage our relationships, influence, and investments to achieve a collective approach to reducing modern slavery risk from our operations. In 2022, our focus remained on addressing the risk of modern

slavery across our supply chain by working collaboratively with our suppliers, partners, and education sector peers. We continued to embed procurement policies and procedures that include a focus on modern slavery risk, kept rolling out our new modern slavery risk tool (FRDM Inc) along with 34 other universities which brings greater transparency across our supply chains, and undertook wage reviews for service providers identified as high risk. This year, we also made amendments to our international recruitment agency agreements to embed modern slavery clauses and prioritised engaging our suppliers to participate in the roll out of modern slavery questionnaires.

Swinburne also relishes the opportunity to influence companies to create positive change through our investments. Addressing human rights issues and modern slavery, in addition to climate

change and sustainable development, are areas of focus with regards to our university's investments.

We are proud of our inclusive and supportive culture. Our approach is to get things done in a bold, imaginative, and distinctive manner, consistent with the unique model of university we aspire to be. Continued innovation and progression of sustainability initiatives that contribute to the elimination of modern slavery are example manifestations of this ambition.

I am proud and pleased to present this Modern Slavery Statement.

Professor Pascale Quester
Vice-Chancellor and President

This statement covers the period 1 January 2022 to 31 December 2022

This statement was approved by the University Council of Swinburne University of Technology on 23 May 2023.



Professor Pascale G Quester
Vice Chancellor & President
24th June 2023

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 2022

\$721 million

About Swinburne University of Technology

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 the National Institute of Circus Arts located in Prahran, Melbourne. Swinburne has 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 2022 was 41,702 across higher education and 17,559 across vocational education. At the end of 2022, Swinburne had more than 2,700 employees (2,283 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. In 2022, Swinburne appointed the university's inaugural Pro Vice-Chancellor Indigenous Engagement, Professor John Evans, who is leading the strategic direction of Aboriginal and Torres Strait Islander matters and strategies at Swinburne.

Swinburne was one of the first universities in Australia to implement a responsible investment charter. Implemented in 2015 and updated in 2022, 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 & Risk Committee, Executive and senior leaders support the desired risk culture by demonstrating consistent mindsets and behaviours.

Swinburne's approach to managing risk is based upon the international risk management standard ISO 31000:2018 Risk Management Guidelines and the Victorian Government Risk Management

Framework. The Enterprise Risk Management Framework defines the university's risk operating model, responsibilities, methodology, and monitoring and reporting obligations. Enterprise and operational risk assessments are undertaken on an annual basis as part of the strategic planning process. Swinburne has a zero tolerance for deliberate breaches of our moral and ethical values.

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 2022, the university engaged 7,463 suppliers (of which 3,940 were transacted with via corporate card) to supply 34,027 transactions of goods or services (of which 10,889 of these transactions were purchased via corporate card). **Table 1** highlights the proportion of spend across the different areas of spend by the university (i.e., spend categories).

In 2022, 88.5% 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 may be based on either an ongoing or ad hoc yet transactional relationship.

Understanding our modern slavery risks

Swinburne recognises and supports that freedom from slavery is a fundamental human right. We recognise our moral obligation to respect human rights in our operations, across our supply chain and in our investments. We support the UN Guiding Principles on Business and Human Rights (UN Guiding Principles), which are the recognised global standard for preventing and addressing business-related human rights harm.

Operational risks

Most Swinburne employees have terms and conditions of employment in one of

Table 1: Proportion of total spend by spend area

Spend area	Proportion of total spend (%)
Marketing & Media	16%
Corporate Professional Services	12%
IT Software	10%
Buildings & Grounds	9%
Human Resources	8%
Lecturer & Teaching Expenses	7%
Construction, Refurbishment & Works	5%
IT Hardware	5%
Laboratories & Research	4%
Library Services	4%
Utilities & Renewables	4%
IT Professional Services	3%
Property Management	2%
Student Services	2%
Telecommunications	2%
Travel & Entertainment	1%
Office Related Supplies & Services	1%
Audio Visual	1%
Other	4%

Table 2: Most common locations of International suppliers

Supplier country/region	Number of suppliers	Predominant spend areas
United States of America	139	Library materials, IT software, laboratory supplies, research & other expenses
United Kingdom	67	IT software, library materials, IT professional services, subscriptions & memberships, research equipment
India	66	Student recruitment (international), professional services, travel expenses
China	49	Student recruitment (international), research equipment, research equipment parts & servicing, lecturer & teaching expenses
Vietnam	34	Student recruitment (international), travel expenses
Germany	28	Library materials, research equipment, research expenses, Student recruitment (international), IT software
New Zealand	27	Research expenses, lecturer & teaching expenses
Singapore	25	Student recruitment (international), advertising & media, research expenses
Malaysia	22	Student recruitment (international), lecturer & teaching expenses, real estate
Hong Kong	17	Student recruitment (international), events, research equipment parts & servicing, library materials
Canada	16	Lecturer & teaching expenses, IT software, research equipment
Netherlands	15	IT software, laboratory supplies, lecturer & teaching expenses
Sri Lanka	14	Student recruitment (international)
Indonesia	11	Student recruitment (international)
Ireland	11	IT software, advertising & media, AV hardware
Switzerland	11	Library materials, research equipment

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 wrong doing
- 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
- 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 Stopline) 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. 2022's review confirmed that Swinburne's investments are compliant with all commitments within the Charter. The portfolio scored better than relevant benchmarks across all monitored ESG metrics, and for most metrics demonstrated year-on-year improvement. This includes Swinburne's listed portfolio being more strongly aligned to the SDG's than its aggregate benchmark, and the portfolio decarbonising by 14% on a weighted average carbon intensity (WACI) basis from the June 2020 baseline.

Importantly, the assessment confirmed the portfolio has no exposure to companies with 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 Finance and Operations Committee, and Council, on regular assessments undertaken to confirm this position.

Supply chain risks

Analysis was conducted on Swinburne's procurement spend to determine where the risks of modern slavery may be higher across our supply chain. This risk assessment is based on outputs from Swinburne's new modern slavery supply chain solution, FRDM. FRDM is a supply chain mapping technology delivering a predictive bill of materials (BOM) based on a library of product genomes which trace human rights abuse deep across supply chains. It provides the university with visibility to end-to-end risks of modern slavery across primary inputs, products, countries, industries and suppliers.

The tool works by breaking down each of the university's purchases to its component and material inputs,

pulling from international trade databases to build product genomes. FRDM's algorithm uses this database to derive a probabilistic point of origin for raw materials and intermediary components that compose the finished products purchased. The risk database, composed from multiple different sources (e.g. United States Department of State, Trafficking in Persons Report, Global Slavery Index, ILO, country unemployment rates etc.), informs severity of risk across the production points for different purchases.

The insights from FRDM highlight that in 2022 Swinburne procured from 149 unique suppliers representing 6% of total suppliers) who are identified as being of a high risk of modern slavery due to the type of industry, product and its components, and the global nature of their supply chains (see **Graph 2**). The insights also suggest Swinburne procures from 82 industries that are determined to be high risk (see **Graph 3**).

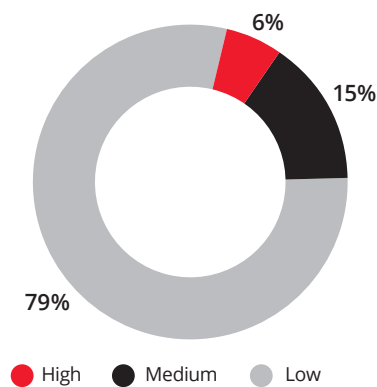
Key areas of the university's spend identified as a higher risk of modern slavery are listed in **Table 3**.

Swinburne procures goods directly from overseas countries, albeit the proportion of these overseas suppliers is small relative to the number of total suppliers (11.5%). Of these, suppliers based across the Asian region are presenting with higher risks of modern slavery as demonstrated in **Graph 3** and **Table 4**. With a focus on local procurement, Swinburne's spend with suppliers based in high-risk locations outside of Australia are predominantly for student (international) recruitment services and educational support services (e.g. thesis examination and marking services).

The industries and countries identified as high risk continue to be 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 level 2 and beyond suppliers within complex global supply chains. Strategic procurement projects delivered across Swinburne in 2022 considered and addressed inherent modern slavery risks for the spend area 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 risks of Swinburne's activities being linked to modern slavery are more prevalent.

Graph 2: Supplier risk level



Graph 3: Industry risk level

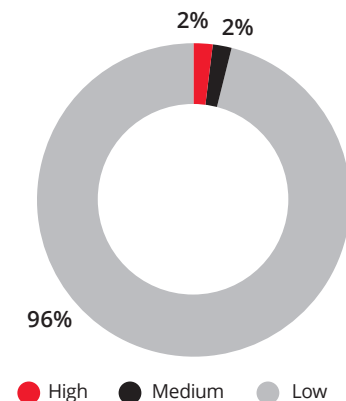


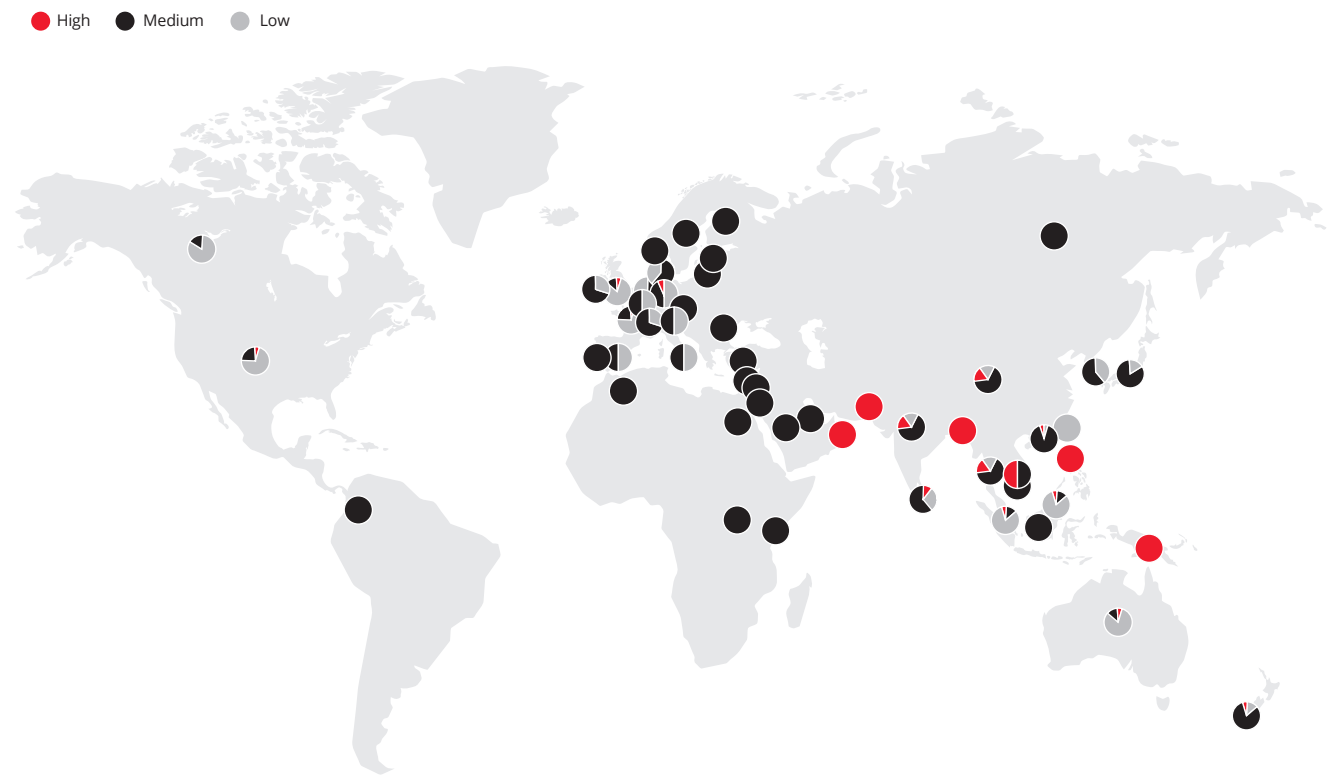
Table 3: High-risk spend areas

Goods	Services
Computers & computer peripheral equipment	Commercial cleaning
Equipment (scientific, engineering, telecommunications, AV, medical, electronics)	Security
IT network infrastructure	Construction
Stationery and kitchen supplies	Catering
Laboratory supplies	Hotels and motels
Merchandise and apparel	International student recruitment
Mobile devices and accessories	Catering

Table 4: High-risk suppliers by country

Supplier country	Number of high-risk suppliers	% of total suppliers
Australia	59	2.26%
India	11	0.42%
China	7	0.27%
Sri Lanka	7	0.27%
United States of America	7	0.27%
Pakistan	3	0.11%
Bangladesh	3	0.11%
United Kingdom	2	0.08%
Thailand	2	0.08%

Graph 4: Geographical spread of suppliers and 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 2022, we undertook several actions and contributed significantly to the Australian Universities Procurement Network (AUPN) Modern 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 2022, we continued to deliver presentations to senior stakeholders, staff and students on modern slavery. These provided information on the issue of modern slavery and its prevalence, the actions being undertaken by Swinburne to assess and address the risks, and,

importantly, what individuals can do in both their personal and work life to help. This includes starting to embed modern slavery into some academic teaching courses.

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

At Swinburne 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 we do not drive for lowest prices, understanding the risks that this can present to labour exploitation (including modern slavery) and other negative impacts.

In 2021 Swinburne launched a new procurement framework with a strong

focus on sustainability and improving social outcomes, including modern slavery. 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. 2022 focused on continuing to embed the framework through university-wide communications, presentations, and training. The training, attended by over 100 Swinburne staff in 2022, includes an overview of modern slavery, where risks might exist across Swinburne's operations and supply chain, and how to address or mitigate risks.

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. 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 new clauses are being embedded in new supply arrangements and in existing supplier contracts as they are renewed.

Cleaning Accountability Framework program support

Swinburne is a participating university in 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. Swinburne together with two other universities will be participating in the program's pilot during 2023,

In 2022, Swinburne continued to support the CAF through input into pricing schedule development, certification framework development, facilitating presentations to the sector, and generating interest with universities to participate in the program.

Swinburne's supplier due diligence

To mitigate the risk of modern slavery in key service contracts, the following is undertaken by the procurement team:

- 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

- executing contracts with obligations specific to reducing labour exploitation and modern slavery.

In early 2022, Swinburne launched a new supply chain transparency and modern slavery risk solution, FRDM, in collaboration with the university sector. This tool enables improved supply chain visibility, supports due diligence actions, and provides additional indicators to measure effectiveness. In 2022, the FRDM supplier assessment questionnaire was issued, and results analysed, from 6 of Swinburne suppliers identified from higher risk spend categories. The results indicated a wide range of maturity across the modern slavery efforts of the suppliers assessed, and most responses requiring further information to better understand risks. Reviews of these and other suppliers will continue during 2023.

In 2022 the FRDM tool identified 99 media alerts relating to suppliers, countries, and industries relevant to Swinburne's supply chain. These alerts are key for capability uplift. During 2022, recognising where risks might be high across Swinburne's supply chain, deeper modern slavery reviews were undertaken across key categories, examples of which are outlined below.

Case Studies

International Recruitment Agencies

Actions were undertaken in 2022 to better understand the risks and identify actions to be taken in collaboration with Swinburne's international recruitment agencies. Used broadly across the university sector, these agencies are commissioned to recruit and undertake preliminary assessment of potential international students interested in studying at Swinburne.

The team engaged with Swinburne's largest international recruitment agency to understand what methods it has implemented to mitigate the risk of modern slavery within its supply chain. As a result, the following factors contributing to risks were identified:

- Majority of operations occurring in high-risk geographies
- Reliance on third-party English language testing delivery partners who engage directly with students, with limited due diligence

- Use of other third-party recruitment agencies, through subcontracting, also with variable amounts of due diligence
- Use of third-party immigration lawyers and visa processing service providers, where Swinburne does not have visibility over the contracts upheld with our recruitment agency. These business types have been identified as higher risk of modern slavery given their geographies and implications in human trafficking. Immigration lawyers and visa processing services are expensive and often recommend other businesses (or offer this service themselves) for financial loans which increases the chances of debt bondage.

English Language Test Centres are third parties used by international recruitment agencies, where Swinburne has no control. Although larger agencies like IDP (who are ASX listed) have contracts in place with partnering Testing Centres to outline their expectations in terms of modern slavery and appropriate behaviour towards students, most of the smaller agencies may not have this covered. The Test Centres are considered higher risk because they are often licensed by agencies with limited due diligence. During 2023, Swinburne will be seeking to obtain a deeper understanding of how agencies validate license holders and what guidelines or codes of conduct are in place.

A modern slavery questionnaire was drafted and is being issued to all current and future international recruitment agencies engaged by Swinburne with assessment of responses to be undertaken thereafter. The questionnaire will identify any gaps or risks to gain an understanding of current practices and associated risks. Further actions will be identified and deployed throughout 2023.

Amendments were also made to the international recruitment agency agreement template to now include modern slavery clauses. The intention is to move all current agencies onto the new agreement as contracts expire across 2023, as well as ensuring all new suppliers sign the new agreement.

Cleaning wage review

Commencing in early 2022, Swinburne undertook a review of the wages and entitlements paid to workers of Swinburne's cleaning service provider

to ensure compliance with the relevant Award(s). The review process involved a pay generation audit, as well as a review of pay-slips and timesheets by an external auditor to confirm that the pay-slips accurately interpret the Award.

The external auditor identified 5 potential errors from a sample of 15 pay-slips and made several recommendations for further action. The errors identified related to overtime payments, leading hand allowances for part time employees, and timesheet formatting. Swinburne's cleaning service provider was supportive in responding with assurance that the errors were minor and that they would be corrected and adjusted. These matters were administrative in nature and there was no evidence of the occurrence of modern slavery as part of the review.

Swinburne will incorporate Cleaning Accountability Framework tools developed into the market review process being conducted in 2023.

Collaboration as a university sector

The Australian 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 address this critical human rights issue. Recognising the opportunity for universities to work together to leverage buying power and resources, a modern slavery working group was established in August 2019 to drive a sector-wide approach. The vision is to enable coordinated effort in identifying risks and the occurrence of modern slavery across the sector's supply chains and to collaborate with our suppliers on remediation and mitigation. The program aims to improve human rights transparency across the sector's supply chains and reduce the inefficiency of individual universities taking similar actions across the same suppliers.

Swinburne's Director Procurement, Sustainability & 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 engagement of specialised

subject matter expertise, as well as execution of specific programs. It is envisaged that both the 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 2022.

Academic Advisory Board

An Academic Advisory Board was established in July 2020 and refreshed in 2022 with thirteen academic members from eleven universities with experience and expertise in modern slavery. With an aim to enrich the sector approach, meetings were held across 2022 and key insights disseminated through communications and guidance materials to universities.

Risk tool & supplier engagement

Following a detailed procurement process across 2020 and 2021, FRDM was implemented in early 2022 as the sector's modern slavery risk and supply chain transparency tool. FRDM is a supply chain solution that algorithmically identifies modern slavery risks throughout a company's supply chain, enabling informed decisions and actions to address modern slavery risk. Thirty-four Australian and New Zealand universities, including Swinburne, are using FRDM to view potential risks of modern slavery beyond tier 1 (direct) suppliers, get notified of any media alerts relevant to their supply chain, manage and score supplier responses to the FRDM modern slavery risk questionnaire, and assist in the preparation of annual modern slavery statements.

For the sector, the tool will enable coordinated action on supplier questionnaires and deeper dives into industries presenting a higher risk of modern slavery. In 2022, the program coordinated a pilot project to issue FRDM supplier questionnaires to a small group of suppliers from industries identified as high risk. The project engaged 9 suppliers through an invitation and briefing session, assessed responses through a panel review process, and provided feedback to suppliers. Key learnings were taken from the pilot which will inform a broader rollout of the questionnaires in 2023.

The aggregated data in the tool reflects the large breadth and scale of our combined supply chains across the sector and the crossover of suppliers being used by multiple universities. 2022 was heavily focused on implementation and issue resolution, with training delivered to more than 200 university staff. In 2023, the program will leverage the insights and collaboration functionality of FRDM to support key program initiatives.

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 February 2021 to assist with the rollout of a program to cover contract cleaning & 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. A pilot with three universities is currently underway.

In 2022 the AUPN supported CAF through facilitating presentations to the sector, disseminating project information, facilitating an awareness survey of university procurement teams, and generating interest with universities to participate.

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. In particular, the guide on effective grievance mechanisms and remediation recommends AUPN members engage with other relevant teams within their university who may have responsibility for university grievance or complaints mechanisms.

Capability Uplift & engagement

One of the program's key objectives is to raise awareness, educate and stimulate action across the university sector, external stakeholders, and suppliers. A new University Modern Slavery Forum was established in 2022 to focus on the prioritisation and leading of actions enabled by the visibility offered through FRDM. All participating universities have representatives attend the Forum meetings, with attendance from university staff outside of procurement teams highly encouraged. The Forums support capability uplift through presentations from external speakers and universities sharing key insights and learnings. Meetings also invite feedback on key elements of the program and identifying opportunities for collaboration. Minutes and key resources are disseminated across teams and made available through the AUPN portal.

The program engaged externally during 2022 to gather insights from other sectors and collaboration programs as well as raise awareness of the AUPN program. Groups engaged include Anti-Slavery Australia, London Universities Procurement Consortium (LPUC), the Properties Council of Australia (PCA), the Belgium University Network, Red Cross Anti-Trafficking Network, and the Australian Catholic Anti-Slavery Network. The program also contributed into the Australian Government's Modern Slavery Act review. The program was successful in winning The Faculty's 2022 Sustainability Project of the Year award.

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 2023 will include:

- Continuing to embed the use of the FRDM 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,
- Collaboration 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,
- Delivery of presentations, communications, and training sessions to raise awareness and build capacity across the university around modern slavery, and
- Continuing to improve the maturity of Swinburne's spend data to enrich the risk insights gained through the FRDM tool.

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 FRDM, Swinburne's modern slavery risk tool.

Engagement with significant related entities, in particular Swinburne Malaysia (Sarawak) have commenced.

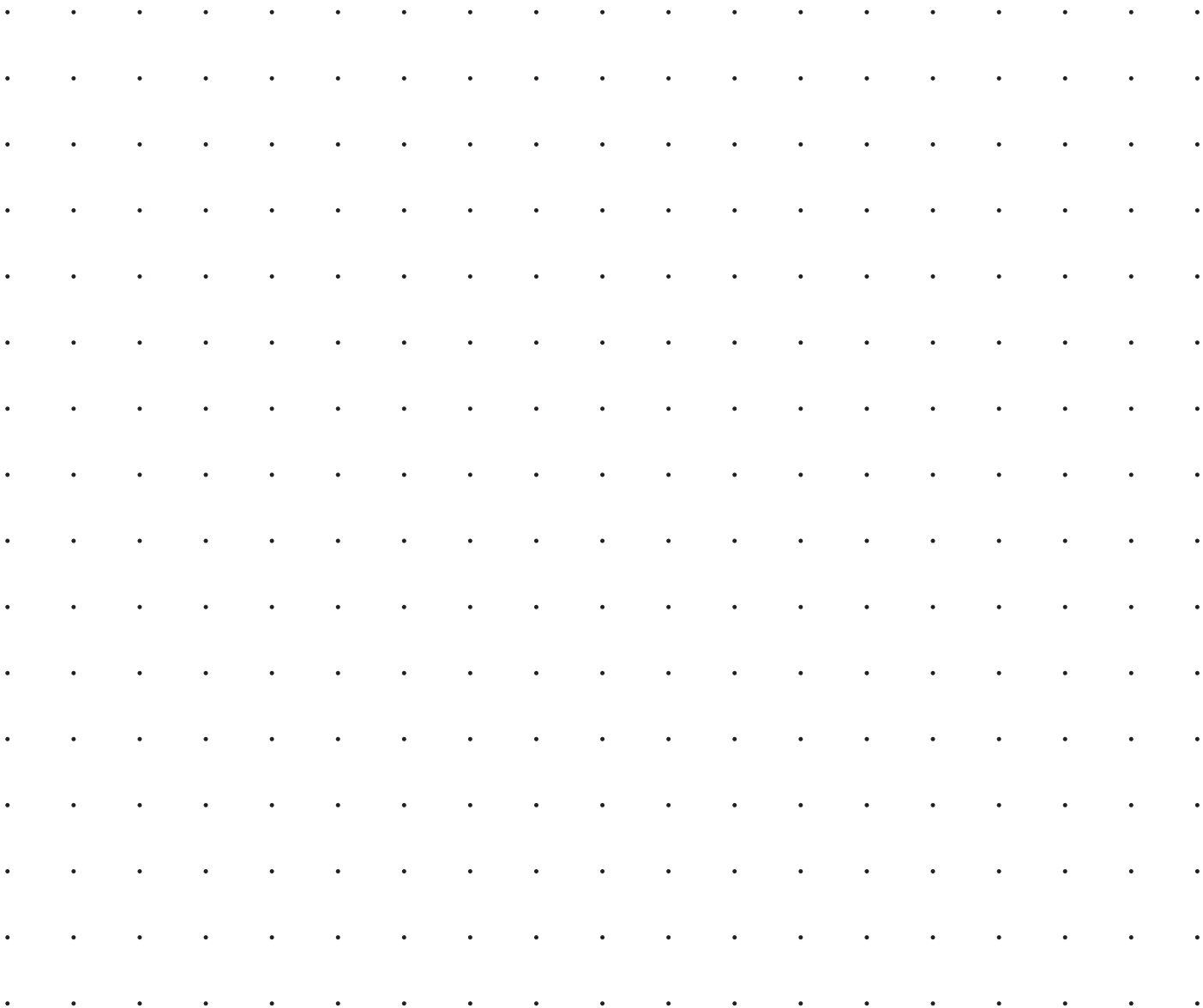
Table 5

Key Performance Indicators	2022 Outcomes
Swinburne staff and students made aware of the modern slavery issue through communications and training	More than 100 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 15 strategic procurement tenders across equipment and service engagements have included a review of supplier modern slavery policies, prevention actions, and labour law compliance
Swinburne supplier contracts that include modern slavery clauses	44 new services agreements including modern slavery clauses were agreed and executed
High-risk suppliers engaged in response to risk alerts or undertaking proactive reviews.	2 deep modern slavery assessments were undertaken across cleaning and international recruitment categories, including detailed engagement with suppliers
Year on Year reduction in the proportion of suppliers indicated as being of a higher risk of modern slavery (as measured using FRDM)	From 13% in 2021 to 6% in 2022
Completion by suppliers of the FRDM modern slavery risk questionnaire	6 suppliers, with assessment ongoing

Further information on the AUPN Program

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






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