

University of Sydney Response to Assessing a Supplier's Sustainability Credentials

There are a number of frameworks, policies and procedures which are designed to provide guidance on how a customer (the University of Sydney) might assess the level of commitment and performance of a supplier in relation to sustainability (environmental, economic and social (including modern slavery)) through a tender or similar process.

This is made up of 3 overarching sustainability and human rights strategies, namely (key documents linked or attached):

The University's Sustainability Strategy:

The Sustainability Strategy, launched in 2020 during the COVID-19 pandemic, sets aspirational targets concerning responsible procurement, including the following, for which processes will be developed once normal commercial activities and operations resume:

- *Require responsible procurement practices to enable ethically and sustainably sourced products at all stages of our supply chains, with the aim to:*
 - *Ensure 100% of UniBuy catalogue content sourced or negotiated after 1 January 2021 adheres to ethical buying guidelines by 2025, informed by academic expertise within the University, and*
 - *By 2025 include appropriate consideration of sustainability during the sourcing process or in contract delivery for 100% of contracts with a total contract value over \$250,000 (excluding GST), where sourcing was commenced after 1 January 2021.*
- *Provide affordable, healthy and culturally acceptable food and beverages that are accessible to all and aligned with recognised sustainable procurement practices, by aiming to:*
 - *Have 100% of food and beverage items sold in University owned or leased outlets to be ethically and sustainably sourced by 2025, including promoting purchasing relationships with, and support for, local food producers, and expanding the availability of vegan and vegetarian options -*
 - *Reassign 100% of safe, unsold food from non-composting and landfill sources by 2025.*

The University's Indigenous Strategy, One Sydney, Many People, launched in March 2021:

The Indigenous Strategy includes the following aim:

- *Establish procurement processes to facilitate engagement with Aboriginal and Torres Strait Islander organisations and businesses, by*
 - *Develop an Indigenous procurement policy with associated KPIs and procedures.*
 - *Develop an implementation guide and annualised reporting.*

Following the implementation of the One Sydney, Many People Strategy changes have been made to the University's tender process for high value procurement, with the inclusion of the following supplier assessment questions:

Introduction: The University of Sydney's One Sydney Many People Strategy was designed and developed to support greater participation by Aboriginal and Torres Strait Islander people for continued engagement with communities, celebrate culture on and off campus and ensure we have an environment where conversations about our identity and who we are can occur easily.

A critical aspect to this will be the University's ability to connect and engage with Aboriginal and Torres Strait Islander businesses locally and regionally, in authentic and mutually beneficial ways to encourage participation in University procurement which will enhance prosperity and encourage Aboriginal employment and training through the supply chain.

1. Is your organization more than 50% Indigenous owned and operated? If so, please provide details.

2. Do you have policies and practices in place to promote diversity and social inclusion? Please provide details.

3. Provide an overview of the Indigenous programs or strategies you have in place, or are developing in the following form:

3.1 a copy of any existing reconciliation action or diversity plan, and an overview of this/these plan(s);

3.2 details of any businesses operated by organisations that are 50% or more Indigenous owned from which you currently purchase products and/or services;

3.3 details of any Indigenous owned subcontractors you propose to engage as part of delivery of an Agreement entered into between you and the University in relation to this tender.

3.4 current numbers of Indigenous employees engaged by you including identifying how many will be engaged as part of delivery of an Agreement entered into between you and the University in relation to this tender; and

3.5 details of other Indigenous programs or strategies you will commit to initiate over the term of an Agreement entered into between you and the University in relation to this tender, including progress reporting you will provide.

The University has a comprehensive Modern Slavery Strategy, including objectives and requirements around procurement. The University's first Modern Slavery Statement under the Australian *Modern Slavery Act 2018* (Cth) will be published by June 2021, covering key issues including the actions taken to assess and respond to the risks of modern slavery in our operations and supply chains.

The University's Modern Slavery Policy:

The University is well-advanced in the implementation of practices to address its commitment to respecting human rights and taking meaningful action to identify and address risks within its direct control which have the potential to cause, contribute to, or directly link the University to modern slavery in its supply chains. The University has assessed its supply chain risk and has taken steps to addressing those risks through the assessment of suppliers and their practices during the procurement process.

The University has developed a detailed Risk Register for the assessment of modern slavery risk in our supply chains. The assessment of procurement exercises is required against that register and in accordance with a procurement project Risk Evaluation Tool, which results in the recommendation for specific tender questions to be asked of potential suppliers, in accordance with a risk and priority rating of Low, Medium, High or Extreme.

Particular questions may not be applicable to some goods or services, nor to some suppliers or contract types. The intention is that staff select only those questions most appropriate for their procurement requirements. Questions have been grouped into the following categories of sustainability commitment and performance.

1. Labour & Human Rights, Modern Slavery

Does your organisation have reporting obligations under the Modern Slavery Act 2018 (Cth) or similar legislation within Australia or overseas?

If so, please provide a copy of your report.

If not, please outline what steps your organisation has taken to reduce the risk of modern slavery in its operations and supply chains.

Is your business a member of, or certified by, an organisation that conducts social or workforce compliance audits? If yes, please identify the type of membership and audits conducted.

2. Work Health & Safety

What does your organisation see as its key WHS risks?

How does your organisation manage WHS risks? Please provide a high level overview.

Has an Australian court ever found that your organisation has breached the Work Health and Safety Act 2011 (NSW) or equivalent legislation in other Australian jurisdictions? If so, please describe the nature of the incident and measures taken to reduce the likelihood of further WHS incidents.

3. Environmental Performance

The University is committed to achieving sustainable outcomes in procurement. Please attach an outline of your organisation's commitment to sustainability in supplying these goods and services.

Is either your organization or the products/services offered to the University certified under a recognized third-party ecolabel, rating, standard or certification (e.g. FSC, GECA, Fairtrade, GreenStar, ISCA, Green Globe, Energy Star, Carbon Neutral, Cleaning Accountability Framework, Electronics Watch)?

Please state the nature of the scheme and what product(s) or service(s) this applies to.

Does your organization have policies or practices in place to minimize its environmental impact or be sustainable in its operations? Please provide details.

Do you have measures in place to reduce your material environmental impacts, reduce resource consumption and carbon emissions? Please provide details.

4. Supplier Diversity

Is your organization indigenous owned and operated? If so, please provide details.

Is your organization a charity, non-profit, certified B corporation or social enterprise? If so, please provide details.

Do you have policies and practices in place to promote diversity and social inclusion? Please provide details.

How we assess Suppliers

The University has partnered with EcoVadis, an international provider of supply chain sustainability assessments who work with over 400 multinational companies and have rated over 60,000 suppliers worldwide. We are undertaking due diligence of our supply chains to identify potential modern slavery risks, and opportunities to improve our broader sustainability performance.

EcoVadis is helping us to develop a better understanding of how our suppliers are identifying and addressing modern slavery risks, as well as their current practices on environmental, governance and supply chain management. This engagement will be undertaken as part of our supplier pre-qualification and contract management process. In 2021 we plan to integrate this into business as usual activities which will provide valuable insights on responsible and sustainable procurement in addition to Modern Slavery risk enabling positive impacts on sourcing outcomes.

EcoVadis assesses organisations against four pillars, being environment, Labour & Human Rights, Ethics and Sustainable Procurement, based on well-established and recognised international standards, including the UN Global Compact and ISO 26000. Each supplier completed a verified self-assessment which is scored out of 100, with individual theme scores provided on each pillar. The University monitors certain indicators in relation to forced labour and child labour, with a view to driving continuous improvement in the supply chain by direct supplier engagement.