

Table A: Revision History and Approval

Policy approval date: 16th October 2020

Policy effective date: 16th October 2020

Revision Date	Revision Number	Nature of Changes	Authorised by
16/10/2020	A	Original Release	Joe Cardamone

1. Purpose

As a procurer of goods and services, Cell Biosciences P/L enters relationships with a variety of businesses, suppliers, service providers, agents, and others. This Responsible Sourcing Policy sets out Cell Biosciences' commitment to protecting and promoting human rights through its procurement practices.

This policy supports Cell Biosciences':

- response to the Modern Slavery Act 2018 (Cth)
- implementation of the 2011 United Nations Guiding Principles on Business and Human Rights (UNGPs) 1 and contributing to the achievement of Targets 8.7 and 12.7 of the Sustainable Development Goals (SDGs) 2
- wider procurement policies, practices procedures.

2. Application and Scope

2.1 Employees

This Policy applies to all Cell Biosciences staff and will receive training on this Policy and any supporting processes applicable to their role. This Policy should be read along with existing procurement policies and procedures.

2.2 Suppliers

Cell Biosciences expects all stakeholders to familiarise themselves with this Policy.

Suppliers will take reasonable steps to respect human rights in their operations and business relationships (including in their supply chains)

Cell Biosciences expects that our Suppliers adhere to all applicable laws and regulations in their countries of operation and, in accordance with the UNGPs, will seek ways to honour the principles of internationally recognised human rights when faced with conflicting requirements' between national laws and human rights.

2.3 Procurement

This Policy applies to all procurement undertaken by Cell Biosciences, including existing supplier contracts and relationships and new procurement activity.

However, Cell Biosciences also acknowledges that adverse human rights impact and apply to its own operations, including in the context of employment. Cell Biosciences is committed to respecting human rights through its own direct operations and employment practices and has a range of policies in place to address human rights risks in this context.

3. Policy Statement

Cell Biosciences is committed to protecting and promoting human rights through its procurement practices. To support this commitment, Cell Biosciences will take action to ensure human rights risks are identified and effectively managed within Cell Biosciences' supply chains, using a human rights due diligence approach in the context of Cell Biosciences procurement, with a priority focus on the severe risks meaning risks of the most negative impact through business activities and relationships of Cell Biosciences' suppliers. Severity measured by scope, scale and whether harm is irreparable.

4. Policy Context

This section sets out the international human rights standards and the Australian law and regulations that inform this Policy.

4.1 2011 United Nations Guiding Principles on Business and Human Rights

The 2011 United Nations Guiding Principles on Business and Human Rights (**UNGPs**) are a set of globally recognised standards for preventing, addressing, and remediating business-related human rights harms. The UNGPs were unanimously endorsed by the United Nations (UN) Human Rights Council in 2011, and the Australian Government agreed to implement the UNGPs. "The Guiding Principles for Business and Human Rights outline how States and businesses should implement the UN "Protect, Respect and Remedy" Framework in order to better manage business and human rights challenges.

The framework is based on three pillars – the State duty to protect against human rights abuses by third parties, including business, through appropriate policies, regulation, and adjudication; the corporate responsibility to respect human rights, which means avoiding infringing on the rights of others and to address adverse impacts that occur; and greater access by victims to effective remedy, both judicial and non-judicial" (UN News 2011).

4.2 UN Sustainable Development Goals

This Policy also aims to support the achievement of the following SDG Goal 8, Target 8.7:

- Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour... and by 2025 end child labour in all its forms.

Sustainable procurement practices should reflect the environmental, social and economic dimensions of sustainable development, including human rights.

4.3 Modern Slavery Act 2018 (Cth)

The Modern Slavery Act draws on principles in the UNGPs.

The purpose of this law is to 'support the Australian business community to identify and address their modern slavery risks and maintain responsible and transparent supply chains (Modern Slavery Act 2018, 2019).

While Cell Biosciences is not required to report under the Modern Slavery Act, we will take steps to identify and manage its modern slavery risks, by taking a human rights approach in its procurement practices, in accordance with this Policy. Cell Biosciences' procurement practices will also be governed by the Commonwealth Resource Management Framework, Procurement Framework, and other regulations where relevant, including in relation to modern slavery. Even though Cell Biosciences' considers the risk of modern slavery arising through its internal operations to be low, we understand the prevalence and complex nature of supply chains in a globalised economy and are aware that such risks may arise through its relationships with supplier businesses who in turn may have their own supply chains both in Australia and overseas. In addition, Cell Biosciences acknowledges that modern slavery is unlikely to thrive in contexts where other human rights are respected.

4.4 Commonwealth Procurement Rules

The Commonwealth Procurement Rules (Australian Government 2019) supports Cell Biosciences' staff in making reasonable enquiries of suppliers to support human rights approach to procurement outlined in this Policy.

5. Expectations of Suppliers

Cell Biosciences' expects that all its suppliers will take reasonable steps to respect human rights in their operations and business relationships (including in their supply chains).

Cell Biosciences expects that our suppliers adhere to all applicable laws and regulations in their countries of operation and, in accordance with the UNGPs, will seek ways to honour the principles of internationally recognised human rights when faced with conflicting requirements between national laws and human rights.

6. Managing human risks in Cell Biosciences procurement

6.1 Risk Management

Under this Policy, Cell Biosciences will identify and manage risks of adverse human rights impacts arising in the context of procurement using the 'human rights due diligence' approach.

Cell Biosciences already has an active risk management (see Procedure Risk & Management 2020) program to identify, assess, monitor, and manage perceived strategic and business risks. There are legal, financial, political, and reputational risks for stakeholders that fail to manage the human rights risks in their supply chains. However, taking a human rights due diligence approach to managing human rights risks means focusing on putting people ahead of businesses. Where necessary, existing Cell Biosciences' procurement policy and procedures will be amended and regularly reviewed to support Cell Biosciences' inclusion of a human

rights due diligence approach in its procurement practices.

6.2 Human rights due diligence

Human rights due diligence is an ongoing risk management process which asks businesses to identify, prevent, mitigate, and account for how an organisation addresses its adverse human rights impacts. The human rights due diligence approach asks organisations to prioritise addressing their most severe risks first, which allows for a targeted deployment of resources.

Human rights due diligence is an ongoing process, which will be embedded into the Cell Biosciences' risk management framework and procurement practices.

6.3 Grievances and responding to allegations of human rights breaches

Cell Biosciences' staff, suppliers, customers, and other stakeholders that have concerns about potential or actual adverse human rights impacts arising in Cell Biosciences' procurement can report these to Cell Biosciences' General Manager who seek advice from The Victorian Equal Opportunity and Human Rights Commission- enquiries@veohrc.vic.gov.au or Fair Work Ombudsman on 13 13 94.

Where adverse human rights impacts are identified within Cell Biosciences procurement, Cell Biosciences will be guided by the UNGPs and the Commonwealth Procurement Rules 20 April 2019. Where allegations relate to modern slavery occurring in Australia, Cell Biosciences will engage where appropriate with relevant civil society experts and government agencies such as the Australian Federal Police or the Fair Work Ombudsman. Appropriate action will follow to eliminate any adverse, unlawful behaviour under state, federal and international human right laws.

7. Roles and responsibilities

This section describes which roles will be accountable and responsible for implementation of this Policy.

- The General Manager will have input into ensuring the policy remains accurate, current, reflects relevant activities within Cell Biosciences, incorporating expertise from UNGPs and other Australian government agencies. The GM has overall responsibility for direction and implementation of human rights approach to procurement outlined in this policy.

8. Review

This Policy was developed with input from representatives within Cell Biosciences. This Policy will be reviewed every five years, with the first review performed 5 years from the effective date of this Policy (see **Table A**).

10. References

UN News 2011, UN News, UN Human Rights Council endorses principles to ensure businesses respect human rights, <https://news.un.org/en/story/2011/06/378662>

Australian Government 2019, Federal Register of Legislation, Commonwealth Procurement Rules 20 April 2019, <https://www.legislation.gov.au/Details/F2019L00536>

Cell Biosciences P/L 2020, Risk Management Procedure, Rev A