

MODERN SLAVERY STATEMENT



Goodstart Early Learning Ltd ACN 139 967 794
Reporting Period ending 30 June 2023
Approved by the Goodstart Board 30/11/2023



Acknowledgement of Country

Goodstart Early Learning acknowledges all Traditional Custodians across Australia and recognises First Nations peoples' continued cultural and spiritual connection to the land, sky and waterways that surround us. We pay our respects to Elders past, present and emerging.



Message from the CEO

As an organisation Goodstart respects human rights and is committed to ensuring there is no modern slavery or human trafficking in our supply chains or in any part of our business.

Our commitment is on behalf of our 15,800-strong team, as well as the thousands of children and families we support in our centres across Australia.

In line with our core values and social purpose, we strive to always act ethically and with integrity across all aspects of our business. As part of this we take an ongoing and collaborative approach to identifying risk areas and we have embedded a culture of awareness within our teams and throughout our operations.

We acknowledge that responding effectively to Modern Slavery requires collaboration and communication with our stakeholders and we are committed to operating honestly and transparently.

We will continue to advocate to government and to the wider Australian community, especially where we believe changes should be made to support children experiencing disadvantage and vulnerability, which includes the abolition of modern slavery.

This statement outlines the risks we have identified, actions we have taken and how we will continue to strengthen the effectiveness of our commitment to meeting Modern Slavery requirements.

Dr Ros Baxter
CEO

Safety starts with each of us - but at Goodstart it is more than that. Empowering all children and Goodstarters to feel safe and be safe is who we are and what we do.

It's part of being a Goodstarter.



1. About Goodstart

Established in 2010, Goodstart, as a not-for-profit social enterprise, has been creating positive social change by giving Australia's children, especially our most vulnerable, the best possible start in life through access to high quality early learning.

Goodstart was founded by a partnership of four of Australia's leading charities who recognised a child's early years experiences had a huge influence on the rest of their lives – The Benevolent Society, The Brotherhood of St Laurence, Mission Australia, and Social Ventures Australia.

Today, we are Australia's largest provider of early learning and care and Australia's largest non-government provider of preschool and kindergarten programs. Around one third of our centres are in rural and regional areas and around one quarter are in low socio-economic areas.

We understand the power of early learning – it's why Goodstart makes every moment count for the children attending our centres. We advocate for greater access and participation, and we make it our business to be the best at getting better.

2. Our Structure

Goodstart Early Learning Limited ACN 139 967 794 ('Goodstart') is an unlisted public company, limited by guarantee, incorporated in Australia with its registered office in Brisbane, Queensland. The company is registered as a charity with the Australian Charities and Not for Profit Commission.

Goodstart's wholly owned and/or wholly controlled subsidiaries ("Subsidiaries") during the reporting period 1 July 2022 to 30 June 2023 ("the reporting period") were GS Admin Services No 1 Pty Ltd ACN 169 578 796, Goodstart Early Years Ltd ACN 133 530 364 and Big Fat Smile Group Limited ACN 002 796 232 (BFS), (together referred to as "the Goodstart Group" or "us" or "we" or "our"). Goodstart Early Learning Limited is the primary operating entity in the Goodstart Group and is the chief acquirer of goods and services. There are common appointee directors across all Subsidiary companies.

Goodstart is submitting this statement as a joint statement in accordance with the Modern Slavery Act 2018 (Cth) on behalf of the Goodstart Group.

The Goodstart Group's modern slavery compliance program and this Statement have been developed in consultation with all Subsidiaries in the Group. Goodstart's procurement team have liaised with senior management of the Subsidiaries (where this differs to Goodstart's management) to ensure a consistent approach to the mapping of supply chains and carrying out of due diligence, remediation, and training programs. Consultation regarding modern slavery requirements and the content of this Statement has also occurred at board level between Goodstart executives and company officers and the respective boards of directors of the Subsidiary companies.

All Boards of Directors in the Group have been updated on the reporting and compliance requirements for the Goodstart Group under the Modern Slavery Act 2018 (Cth).

3. Our Operations

Our principal services include the provision of long day care, preschool and kindergarten programs. Goodstart is the largest early learning and care provider in Australia and the nation's largest non-government provider of preschool and kindergarten programs.

At 30 June 2023, Goodstart:

- > Operates 654 Goodstart branded centres, with centres in each State and Territory;
- > Employs 15,800 employees;
- > Cares for 61,400 children at our centres; and
- > Engages with 51,500 families.

At 30 June 2023, Big Fat Smile (BFS):

- > Operates 41 Big Fat Smile Group branded centres including long day care community preschools, term-only preschools, and fun clubs;
- > Employs 690 employees;
- > Cares for 3,700 children at BFS centres; and
- > Engages with 2,900 families.

Further information about Goodstart and BFS client facing operations can be found in the most recent Goodstart Annual Report at www.goodstart.org.au, and BFS Annual Report at www.bigfatmile.com.au.

4. Our Supply Chain

Goodstart manages approximately 95 suppliers with a combined total spend more than \$362M in the financial year completed 30 June 2023. All Goodstart key supply arrangements are governed by negotiated written agreements that are reviewed by Goodstart's legal advisers and executed in accordance with a well-defined governance and delegations' framework.

The following categories have been generally identified as potential for modern slavery risk in supply chains.

Category	Regions Sourced / Manufactured
Cleaning	Australia
Educational Resources and Furniture	Asia, Europe, North America
Facilities Management - Property Repairs and Maintenance	Various
Groceries	Various
ICT Hardware	Asia
ICT Software / Services	Africa, Asia, Australia, Europe, North America
Marketing	Australia, Asia
Motor Vehicles	Asia
Pre-prepared Food	Australia
Property - Construction, Landscaping	Various
Recruitment	Australia
Safety / Quality	Australia
Stationery, Nappies, Hygiene and Chemical	Asia, Australia, North America
Telecommunications	Australia
Uniforms	Asia
Utilities	Australia

5. Modern Slavery Risks

The following modern slavery risks have been identified within our operations and supply chain:

5.1 In our Operations

Goodstart deems the risk of modern slavery practices in our directly employed workforce to be very low. This is due to the highly regulated nature of the labour market in Australia, the strict regulation of early learning and child to staff ratios, the presence of unions to represent employees, and our employees undertaking work in environments where there are established industrial policies and processes. There has been no change to Goodstart's assessment of the risk of modern slavery practices in our workforce for the present period.

5.2 In our Supply Chain

The risk of modern slavery practices in our supply chain is influenced by country of origin and product category.

The 2023 Global Slavery Index measures the extent of modern slavery country by country, and by product category. The top two products at risk of modern slavery imported into Australia continue to be electronics (such as laptops, computers, and mobile phones) and garments with most of these products imported from Asia. The prevalence of modern slavery throughout Asia varied between countries but was generally high.

The areas where Goodstart is most likely to be linked to modern slavery are the purchase of educational resources, furniture, marketing merchandise, uniforms and ICT hardware originating in Asia.

6. 2022-2023 Assessment of Supply Chain Risks

During this reporting period to June 2023, Goodstart surveyed suppliers with whom Goodstart spends more than \$300,000. Out of 54 supplier self-assessment due diligence questionnaires prepared:

- > Approximately 96% of suppliers (52 out of 54) responded with a completed questionnaire;
- > Approximately 4% (2 out of 54) did not respond, or responded with other than a completed questionnaire – see below;
- > Approximately 54% (29 out of 54) traded goods and services with Goodstart of more than \$1 million, with each of these 34 suppliers providing a response to the questionnaire.

6.1 Results of Questionnaire

Of the 54 questionnaires shared, and after two rounds of review (one automated, one manual) by the members of the Modern Slavery Working Group, 46 suppliers provided sufficient information to address modern slavery risks in their supply chain.

8 suppliers were identified as requiring further information, review and discussion to identify any potential for increased modern slavery risk. Most of these suppliers are small enterprises who provided limited information during the assessment, and while this risk is deemed low, the contract managers for these suppliers have begun discussion on ways either ensure more information on their modern slavery policies is provided or to improve their approach to modern slavery, along with the intention to provide additional training tools and materials to educate them further.

7. Ongoing Due Diligence and Remediation

Goodstart used the 2022-23 reporting period to further collaborate and manage suppliers to ensure they were able to meet our Modern Slavery requirements. The Modern Slavery working group (with representatives from large departments including Procurement, Legal, Property, IT, Marketing and Big Fat Smile) continues to meet monthly to identify and discuss Modern Slavery risks as well as ensure both internal stakeholders and suppliers have a better understanding of modern slavery and reinforce Goodstart's focus and priority on mitigating modern slavery through our supply chains.

7.1 Operational due diligence

Goodstart continues to adopt a risk-based approach to modern slavery focused on large suppliers and the primary site of manufacturing in their supply chain. Those suppliers identified within these categories are monitored closely.

During the reporting period Goodstart took further steps to assess and mitigate modern slavery risks within its operations.

7.1.1 Developed an online modern slavery questionnaire

During this reporting period we moved from a previously paper based modern slavery questionnaire to an online version, in a condensed format. This has allowed us to capture relevant data, where analytics can be applied, allowing contract managers to focus their attention on suppliers with increased risk. This change saw an increase in supplier response rate from 60% last reporting period to 96% this reporting period.

This due diligence questionnaire enables Goodstart to obtain comprehensive information from suppliers regarding specific modern slavery labour risks and related policies and procedures they have in place to prevent modern slavery. An internal review is then completed with suppliers then monitored and/or restricted if concerns are identified based on the supplier's responses.

7.1.2 Education, awareness and communications

We continue to provide opportunities to increase Goodstart employee awareness about the prevalence and nature of modern slavery risks within our supply chains as an important component of our strategy. During this reporting period, we again shared our online modern slavery eLearning module for all Goodstart employees.

The eLearning module provides an overview of modern slavery, the role our business has in eliminating this practice, and how individual Goodstarters can respond to concerns around modern slavery. It provides an introductory awareness to Goodstart's modern slavery focus in our policy framework, responsibilities of staff, and practical daily life examples of how suspicions of modern slavery experienced in our workplaces can be reported for follow up action by Goodstart.

This reporting period this eLearning module was also provided to all suppliers.

7.1.3 Modern slavery working group

The previously established Modern Slavery Working Group continues to manage our response to the requirements of the Act. The composition of the working group broadly represents our business activities, with a focus on areas that are most relevant to modern slavery risk issues. The group meet on a monthly basis to monitor, plan and action as required.

7.1.4 Policy framework development

The key policies remain in place to support the management of Goodstart's modern slavery requirements:

- > Modern Slavery Requirement
- > Credit Cards Requirement
- > Whistleblower Policy.

7.1.5 Risk Monitoring and Board Reporting

Modern Slavery Risks in Goodstart's supply chain were incorporated into Goodstart's corporate risk register under the category of Third Party Enterprise Risk and these risks and risk ratings are reported against each quarter in Goodstart's Quarterly Risk Report to Goodstart's executive management team and Board.

7.2 Supply chain due diligence

Goodstart continued to assess and mitigate modern slavery risks in our supply chain during the reporting period by:

- > engaging with key suppliers to understand 'country of origin' issues and how they are addressing their modern slavery risks, including obtaining copies of supplier's modern slavery statements and supply chain mapping/audits.
- > referencing Modern Slavery and the need for ongoing reporting requirements included in all Request For Proposal documents issued by Procurement and/or activity overseen by Procurement. This is included as part of the supplier pre-qualification to which suppliers must note conformance to within submissions.
- > the review of all new contracts for supplies and suppliers of goods and services to Goodstart by our in-house lawyers to ensure that legal provisions are included to ensure adherence to modern slavery laws and access to information regarding supply chains.

7.2.1 Mapping of Supply Chain of Subsidiaries

In the 2020-21 reporting period Goodstart added BFS to the Goodstart Group. In the Annual Statement arising from that reporting period Goodstart advised that Goodstart's procurement team had engaged with the BFS management team to gather information about their supply chain. That joint work will continue through 2022-23 so that the BFS supply chain is comparable and integrated into Goodstart's supply chains and procurement processes.

7.2.2 Modern Slavery Terms in all new General and ICT Goods and Services Supply Contracts

Goodstart's standard goods and services supply agreement templates used for general and ICT procurement contain comprehensive modern slavery provisions. Additionally, Goodstart has established standard legal procurement requirements for new supplies and suppliers of goods and services to Goodstart which require minimum contractual provisions confirming compliance with modern slavery laws and ensuring access to information regarding supply chains in third party contracts. During the reporting period Goodstart entered into four major legal agreements for the supply of goods or services, which included the negotiation for inclusion of acceptable terms with respect to Modern Slavery laws, reporting and risks, in all such contracts.

7.2.4 Expansion of Scope

Goodstart intends to continue to develop our due diligence and investigation activity to undertake a wider review of our supply chains to include further low risk suppliers in the next two years of Supplier Due Diligence Questionnaires. By June 2025 completion of a form of Supplier Due Diligence Self Assessment Questionnaire will be required of all Goodstart Group suppliers.

7.3 Grievances and remediation processes

Goodstart is committed to the protection and respect of human rights across our operations and supply chain. Where we identify that Goodstart has caused or contributed to adverse impacts such as modern slavery, we will seek to address human rights grievances in line with relevant policies and procedures.

Goodstart has numerous mechanisms for employees and third parties to report suspected or actual wrongdoing or breaches of Goodstart policy, including Goodstart's Code of Conduct, Employee Grievance Framework, GoodCall Hotline, and Goodstart's Whistleblower Policy.

Goodstart's Whistleblower Policy provides a mechanism for employees, suppliers, and contractors (including employees of suppliers and contractors), to anonymously report suspected wrongdoing without fear of retaliatory action. If a report is received it will be managed by Goodstart's designated Whistleblower Protection Officers and investigated at their direction by our dedicated internal investigators, or external investigators, where appropriate.

Where risks are identified in our operations or supply chain, Goodstart will take the following steps to remediate the risk:

- > We will engage with the identified supplier to develop a solution that eradicates and remediates modern slavery where it has been found, including through the enforcement of contractual rights, where relevant; and,
- > Seek to further educate and develop understanding with suppliers through engagement and where possible support the development of new products or services that continue to build on the supplier's capabilities and capacities to continue to supply goods and or services ethically.

8. Effectiveness

The Goodstart Group continues to assess the effectiveness of actions being taken to identify and address modern slavery risks by:

- > Regularly reviewing its supply chains against modern slavery risks and tracking changes in risk profiles for individual suppliers and sectors over time;
- > Applying due diligence of existing and new suppliers including review of suppliers' responses to Goodstart's Supplier Due Diligence Self-Assessment Questionnaire;
- > Engaging regularly with suppliers to ensure their understanding of the risk associated with modern slavery, and eradication of such risk;
- > Engaging regularly with Goodstart Group staff and management to measure their understanding of modern slavery risks in Goodstart's supply chain and Goodstart's procurement practices and internal mechanisms designed to prevent or mitigate such risks;
- > Regularly reviewing and reporting on identified KRI's (key risk indicators) for Modern Slavery under Goodstart's Enterprise Risk Management Framework each quarter in Goodstart's Quarterly Risk Report to Goodstart's executive management and Board.

These actions have shown that the awareness and understanding of modern slavery continues to increase across both Goodstart Group staff and suppliers.

9. Consultation – with Controlled Entities

All work about modern slavery also applies to our subsidiaries under our group structure. All operational subsidiaries and their supply chains have been incorporated in the risk assessment process. Our group policies and procurement framework apply to all our subsidiaries which we own and control and are covered as part of our internal consultation process.

As part of that internal consultation process, our controlled entities have been provided with information and resources about modern slavery and the legislative requirements under the Modern Slavery Act 2018 (Cth).

10. Priority Areas for the Next Reporting Period

In the next reporting period of 2023-2024, our areas of continuous improvement and focus in the Modern Slavery risk space include:

- > Further develop the Modern Slavery Questionnaire and follow on action plans
- > Enhance the online questionnaire and analytics to include year on year analysis
- > Develop contract management processes to ensure onboarding of all vendors or Request for Proposal respondents complete a modern slavery questionnaire
- > Continue to provide all suppliers with Goodstart Modern Slavery eLearning training materials
- > Provide a refresh to all Goodstart and BFS employees by sharing the Modern Slavery eLearning training materials.

11. Attestation

This Statement has been approved by the Board of Directors (the principle governing body) for Goodstart Early Learning Limited ACN 139 967 794 ('Goodstart'), as the parent company and controlling body of the Goodstart Group as defined above, comprising GS Admin Services No 1 Pty Ltd ACN 169 578 796, Goodstart Early Years Ltd ACN 133 530 364 and Big Fat Smile Group Limited ACN 002 796 232.

The Goodstart Board of Directors approved this statement for and on behalf of the Goodstart Group, pursuant to s.14(2)(d)(ii) of the Modern Slavery Act, by resolution dated date



Dr Ros Baxter
Director, Goodstart Early Learning Limited

30/11/2023