



Modern Slavery Statement 2023

ONLINE EDUCATION SERVICES PTY LTD ACN 148 177 959 (OES)

About this statement

This Modern Slavery Statement (Statement) has been prepared in line with the requirements of the Australian *Modern Slavery Act 2018 (Cth) (Act)*. This Statement covers the activities of Online Education Services Pty Ltd (OES) and its owned and controlled entities (the OES Group) during the financial year ended 30 June 2023 (FY2023).

About OES

OES is a company incorporated in Australia with its registered office and principal place of business at Level 1, 60 Cremorne Street, Cremorne, Victoria 3121, Australia.

OES is an online education enabler that provides a market-leading range of tailored solutions for online learning, partnering with universities, training institutes and professional bodies worldwide. OES was established in 2011 by SEEK Limited and Swinburne University of Technology to give people a chance to change their lives through online education. For over a decade, global partnerships have been formed to develop and enable immersive online, on-campus and blended learning experiences and solutions.

Modern slavery is an issue of global significance and OES Management and the OES Board recognises that as a global citizen, OES has a role to play in mitigating its impact. In FY2023, OES has built on its prior year modern slavery due diligence and is committed to further strengthening its initiatives in FY2024.

Structure and operations

Our structure

OES is a private company limited by shares, incorporated under the laws of Australia. SEEK Growth Nominees Pty Ltd, as Trustee for the SEEK Growth Fund, holds an 80% interest in OES.

OES has two more material wholly-owned subsidiaries, Proversity.org Limited (Construct Education) domiciled in the United Kingdom, and Gradability Pty Ltd (Gradability) domiciled in Australia.

OES became a majority owner of Construct Education in November 2020 (58.6%) and acquired the remaining 41.4% in January 2023. Construct Education produces digital content for higher education and directly employs professional office-based employees in South Africa, the United Kingdom and the United States.

OES acquired 100% of Gradability in December 2021. Gradability is Australia's largest dedicated graduate employability specialist. Gradability provides online and in-person skills training for students and recent graduates directly relating to employability.

OES also has two small subsidiaries based in the UK, Online Education Services Limited (OES Ltd) and The Interactive Design Institute Limited (IDI), providing online education design services. Both companies have low inherent modern slavery risk.

Our operations

OES provides online higher education courses and services to students in partnership with universities in Australia and New Zealand. OES's subsidiaries provide services to students and education providers in many countries including the United Kingdom and the United States. OES employs more than 500 people, professional staff for office-based management and administration roles. OES also engages approximately 600 active, part time sessional academic tutors. All employees of OES, including tutors are located in Australia.

Construct Education and Gradability fall within the scope of our review. These entities are much smaller than OES, however management has sought to understand what modern slavery risk mitigation strategies Construct Education and Gradability have in place.

Our supply chain

OES has worked with over 1,500 suppliers in FY23. Inherent risk analysis was undertaken on suppliers with spend of \$25k or more across FY23. 118 suppliers fit into this category and made up 96% of the total OES supplier spend.

Risk analysis methodology

The risk analysis was performed based upon (i) country of supply; (ii) supplier industry; and (iii) type of goods or service provided by the supplier. OES Management and the OES Board believe this methodology is simple and effective.

If any supplier is initially identified as having an elevated risk in any of the three categories, further desktop research/analysis and internal enquiries are undertaken to ascertain whether there was in fact an elevated risk. If an elevated risk remained with a supplier, then a Modern Slavery Assessment (questionnaire) would be sent to the supplier. The questionnaire focuses on operations, particularly employment practices and the suppliers own supply chains. The questionnaire is in a Yes/No format, providing a score out of 12 (0 = no identifiable risk and 12 = maximum risk). There were no suppliers identified with any elevated risks that required the questionnaire being sent to them.

One challenge with risk identification and mitigation is addressing risk in tier 2 (tier 2 is when the company supplying the final product is themselves the recipient of a supply from another organisation; 2 tiers = one 'middleman'). OES has sought to address this risk by introducing a Supplier Code of Conduct.

Country of supply

Of the 118 suppliers, only 17 were located outside Australia. Of the 17, only one supplier was located in a moderate risk country (Singapore). All 17 suppliers provided products/services considered as 'low risk'.

Industry & type of goods/service

For FY23, four OES suppliers were initially identified as having an elevated risk (computer suppliers). Three of the four had current Modern Slavery Statements published on their websites. The fourth, which was not required to prepare a statement, had a publicly accessible Supply Code of Conduct. Given the public disclosures made by these four entities, completion of the questionnaire was not deemed necessary.

Computer supplies purchased in Australia are sourced from an overseas supplier where there is less visibility and therefore a higher risk of modern slavery in the secondary levels of the supply chain. Our Australian based supplier of computer supplies has confirmed in its own Modern Slavery Statement that it has engaged with its suppliers and has built a strong understanding of its suppliers' operations and supply chains. OES is comfortable with this assurance, and considers the supplier's risk of modern slavery to be low, but will continue to monitor the supplier.

Cleaning services have an elevated risk of modern slavery as there is often little transparency of the employment relationships within this industry. This can result in employers taking advantage of workers, including withholding wages and providing dangerous and sub-standard working conditions.

OES co-locates with SEEK Limited at its headquarters in Cremorne, where OES shares SEEK Limited's contracted cleaning services. During FY2023, SEEK Limited commenced an audit of its cleaning services including the Cremorne office. OES will continue to work with the SEEK team to understand the outcomes of any assessment, processes and risk where offices are co-located.

Gradability engages with well-known corporate cleaning companies by location, contracted by its respective landlords. Construct Education engages a cleaner directly for its Cape Town office who is paid in excess of the applicable award wage and conditions. OES is satisfied with the arrangements which are in place and will consider whether deeper investigation is beneficial for FY24.

Construct Education

OES consulted with Construct Education Management to understand its modern slavery risks and mitigation process.

Most of Construct Education's employees are located in South Africa; others are located in the United States and United Kingdom. Given the nature of the business, other than temporary contractors, Construct Education does not have a supply chain of any note. Construct Education has an employee/labour intensive supply. Construct Education is compliant with local legislation that regulates aspects such as minimum wage, employment conditions and employee health and safety, and OES has visibility of Construct Education's remuneration policy. Construct Education made a voluntary 2022 Modern Slavery Statement, setting out its commitments and approach to modern slavery. OES considers the risks and mitigation processes to be effective but is committed to continuous review and improvement.

Gradability

OES Management consulted with Gradability Management to understand its modern slavery risks and mitigation process.

Given the nature of the business, Gradability does not have a supply chain of any note. It has an employee/labour intensive supply. Gradability engages 10 full time professional staff on contract in Fiji. The contractors receive remuneration and benefits in excess of local Fijian award rates. All other employees are located in Australia. OES has visibility of Gradability's remuneration policy. OES considers the risks and mitigation processes to be effective, however is committed to continuous review and improvement.

Governance and accountability framework

OES has in place corporate governance practices which are formally embodied in corporate governance policies and codes adopted by OES's Board of Directors. The aim of the policies is to ensure that OES is effectively directed and managed, that risks are identified, monitored and assessed, and appropriate disclosures are made.

OES's Audit and Risk Committee (ARC) assists the Board in fulfilling its corporate governance and oversight responsibilities in relation to OES's financial and non-financial risk management systems.

The Board of OES monitors OES's modern slavery risk and approves this Statement.

The Chief Executive Officer at OES is accountable for the modern slavery risk analysis, management and reporting.

Policies and procedures

OES has a number of policies and procedures in place to ensure strong governance frameworks that enable OES to assess and address modern slavery risks. These include:

- **Code of Conduct** that sets out expectations for honest, ethical and accountable conduct standards by which all directors, employees and contractors of OES are required to abide;
- **Whistleblower Protection Policy** that supports and encourages employees, contractors and suppliers to raise concerns anonymously regarding improper behaviour at OES, including conduct relating to modern slavery; and
- **Anti-Bribery and Corruption Policy** that reinforces our commitment to high ethical and socially responsible standards in our procurement practices.
- **Training** on these core policies is mandatory for all employees both at induction and every two years.

Assessing our effectiveness

As OES continues its journey to understand and mitigate the risks of modern slavery in our operations, including our supply chain, we are committed to reviewing the effectiveness of our actions by:

- annually reviewing OES's modern slavery risks and the process to address risks; and
- keeping up with initiatives and practices undertaken by other reporting entities and considering whether adoption would increase the effectiveness of OES's modern slavery prevention practices.

Commitment to continuous improvement

In FY2023, OES performed a modern slavery risk analysis of its top suppliers and reviewed that risk analysis. OES Management and the OES Board hold the view that the methodology in place is adequate for its inherently low risk profile, but are committed to continuing to review the risk management methodology.

Management made improvements to the Purchase Order process during FY23, and as part of this is requesting that suppliers attest to the OES Supplier Code of Conduct. These process improvements were made operational in early FY24. In FY24 OES Management will perform further work with its material subsidiaries and consider whether similar process changes are implemented to their purchase order processes.

	FY2022	FY2023
1. Risk analysis of top suppliers		
a. Risk analysis of Top c.100 contractors for OES	✓	✓
b. Review what risk analysis/or equivalent steps the OES Subsidiaries are currently taking	✓	✓
c. Review risk management methodology for the OES Group to assess its effectiveness		✓
2. Assessment (Questionnaires) for Higher Risk Companies		
a. OES - Includes cleaners/Top 100 Suppliers identified as High Risk	✓	✓
b. OES Subsidiaries - Includes cleaners/Top Suppliers identified as High Risk		✓
3. Introduce Supplier Code of Conduct		
a. OES - Suppliers		✓

OES plans to perform the following in FY2024:

- Consider the benefits of outsourcing modern slavery risk management assessment for OES and for its material subsidiaries to a specialist in the field;
- Consider the benefits of conducting a deeper audit of all cleaning suppliers including OES's material subsidiaries; and

- Consider whether a similar inclusion of a Supplier Code of Conduct can be implemented into the purchase order processes of OES's material subsidiaries.

Consultation

Modern slavery mitigation is a key part of the 'Social' component of OES's Environment, Social & Governance (ESG). The Chief Financial Officer, the Executive Director Human Resources and the Chief Growth Officer form part of a working group which is actively involved in reviewing and enhancing the OES Group's policies, procedures, governance and reporting on modern slavery.

The working group briefed key members of its Executive Team in preparation for this Statement, and the Chief Financial Officer provided oversight of the modern slavery risk assessment.

The working group:

- Identified key suppliers and the level of modern slavery risk applicable to those suppliers;
- Progressed modern slavery mitigation practices, such as incorporating a Supplier Code of Conduct as part of a revamped purchase order process.

Outlook / Roadmap

OES Management will build upon the procedures adopted in FY23, including assessing the process improvements that can be made to the approaches adopted by our material subsidiaries.

Approval of the Modern Slavery Statement

This Statement was approved by the Board of OES on 23rd December 2023.