

Modern Slavery Statement for 6-month transitional reporting period to December 2022

July 2022 – Dec 2022

About us

With over a decade of experience in early childhood education, Only About Children operates around 77 early learning and kindergarten/preschool campuses throughout Sydney, Melbourne and Brisbane. This breadth gives us the opportunity to provide high-quality early years education and care to over 8,000 families and employs over 2,000 people, whose skills, experience and passion help us to deliver on our mission to empower every child to reach their full potential.

It's our unique approach to childcare that gives children the platform they need to thrive. It's an approach that goes beyond education to encompass the health, development and total wellbeing of every child in our care.

Additional background to reporting periods

In July 2022 Only About Children was acquired by Bright Horizons, a leading global provider of high-quality early education and childcare, backup care, and workplace education services.

As a result of the acquisition the financial reporting period was changed to align to the calendar year ending in December. This statement reports on the first reporting period in this transitional accounting process, being 1 July 2022 to 31 December 2022.

The reporting entities, corporate structure and operations detailed here differ slightly from prior reporting periods as a result of the acquisition. We have a new principal reporting entity – BlueTang Holdings Pty Ltd – that has prepared, in collaboration with the other reporting entities, and approved this joint statement.

In our previous FY22 Modern Slavery Statement we addressed the limitations on progress for some areas outlined in our prior year's statement, including:

- the acquisition of the business by Bright Horizons which:
 - o diverted resources of the business and legal team; and
 - o caused the business to reassess some actions to align with Bright Horizons' policies and procedures; and
- the staff shortages that our industry has been experiencing (and continues to experience) since the onset of the COVID-19 pandemic.

While these limitations have continued in this reporting period we can also comment positively on the consequences of the acquisition, particularly regarding improvements in implementing control measures, monitoring processes and fastidious reporting to ensure compliance to Sarbanes Oxley requirements in the US.

1. Identify the reporting entities

1.1 This is a joint statement submitted in accordance with the *Modern Slavery Act 2018* (Cth) for the six-month reporting period 1 July 2022 to 31 December 2022 on behalf of a

group of entities ('OAC Group') that together comprise and operate the business 'Only About Children'.

1.2 As at the end of the 2022 calendar year, BlueTang Holdings Pty Ltd (ACN 659 125 416) ('BlueTang', a holding company) is a reporting entity, the Australian parent company and controlling entity in relation to the other reporting entities included in this statement, and submits this joint modern slavery statement on behalf of OAC Group.

1.3 Other reporting entities within OAC Group and included within this statement are:

1.3.1 Nemo (BC) Holdco Pty Ltd (ACN 614 209 880) ('HoldCo' – a holding company);

1.3.2 Nemo (BC) Midco Pty Ltd (ACN 614 211 219) ('MidCo' – a holding company);

1.3.3 Nemo (BC) Bidco Pty Ltd (ACN 614 212 716) ('BidCo' – a holding company);

1.3.4 OAC Group Pty Ltd (ACN 169 895 229); and

1.3.5 Only About Children Pty Ltd (ACN 107 666 624).

1.4 This statement covers the activities of OAC Group as a corporate consolidated group, controlled by BlueTang Holdings Pty Ltd.

2. Structure, Operations and Supply chain

Our Corporate Structure

2.1 OAC Group is a group of privately owned Australian companies and trusts with the highest controlling and reporting entity being BlueTang Holdings Pty Ltd.

2.2 From 1 July 2022, OAC Group was acquired by the Bright Horizons business and the ultimate owner is now Bright Horizons Family Solutions Inc, a US listed entity.

2.3 In addition to the reporting entities listed, OAC Group includes several non-reporting entities, being subsidiaries or related bodies corporate to the reporting entities within OAC Group.

2.4 Together, these OAC Group entities operate our early years education and childcare business, Only About Children. Despite the multiple legal entities that sit within our structure, the business operates as a single operational brand, with uniform governance structures and policies in place across all entities.

2.5 In light of this structure, the operations and supply chains of the business are considered to be the same for all reporting entities (and non-reporting entities) within OAC Group. This statement considers the risks of modern slavery and responses to those risks for the business as a whole, as these are relevant to and similar for all entities within our corporate group.

Our Operations

2.6 OAC Group operates in Australia, a country which has been assessed by the Global Slavery Index as having a lower prevalence of modern slavery¹, and in an environment with a robust regulatory framework under the *Education and Care Services National Law* and the National Quality Standard. Our operations span around 77 campuses across Sydney, Melbourne and Brisbane, providing early years education and care services to over 8,000 families and employing more than 2,000 people.

¹ Global Slavery Index 2018, see Figure 1: Estimated prevalence of modern slavery by country: [Global Findings | Global Slavery Index](#)

Our Supply Chain

2.7 We note that the International Labour Organisation identified the following areas as high-risk sectors for modern slavery in supply chains²:

- 2.7.1 Domestic work (24%)
- 2.7.2 Construction (18%)
- 2.7.3 Manufacturing (15%)
- 2.7.4 Agriculture, forestry and fishing (11%)
- 2.7.5 Accommodation and food services (10%)
- 2.7.6 Wholesale and trade (9%)
- 2.7.7 Personal services (7%)
- 2.7.8 Mining and quarrying (4%)
- 2.7.9 Begging (1%)

2.8 Furthermore, in Australia, the following list of industries have been found to be associated with modern slavery:

- 2.8.1 Construction;
- 2.8.2 Mining;
- 2.8.3 Forestry;
- 2.8.4 Agriculture; and
- 2.8.5 Fishing.

2.9 OAC Group's supply chain consists of goods and services that support the provision of our early learning, educational and care services. Our greatest expenditure is in remuneration, and thereafter our supply chain is predominantly related to expenditure that provides the infrastructure, facilities and other support required to enable the delivery of our early learning and educational services.

2.10 We have identified the scope of our operations and types of suppliers we engage in considering our risk profile relating to modern slavery and, have identified the main, highest dependency areas as follows:

- 2.10.1 Landlords/leasing costs;
- 2.10.2 Insurance and professional services;
- 2.10.3 Agency staffing;
- 2.10.4 Food supplies;
- 2.10.5 IT equipment and services;
- 2.10.6 Repairs and maintenance;
- 2.10.7 Office supplies, equipment and consumables;
- 2.10.8 Cleaning services;
- 2.10.9 Utilities; and
- 2.10.10 Building services.

2.11 This analysis alerts us to the risks of modern slavery occurring in areas of our supply chain, including in the cleaning and building services, as well as, potentially, within agency staffing contracts. Further, we recognise the risk of modern slavery occurring within the supply chain (particularly where geographical risks are relevant) in areas such as food supplies, IT equipment and services and office supplies, equipment and consumables.

² Global Estimates of Modern Slavery (2017) ILO, page 32, Figure 9
https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf

3. Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.

4. Describe the actions taken by the reporting entity and any entities it owns or controls to assess and address these risks, including due diligence and remediation processes.

Our Operations

Employees

3.1 The early education and childcare sector is generally assessed as being at low risk of modern slavery being present within it. Our employees require a minimum skill level to undertake their roles (in both the operational and support teams) and are likely to be aware of their rights and not vulnerable to exploitation.

4.1 Policies and Employee Assistance Program

4.1.1 The business annually reviews its policies and procedures with a view to growing awareness and strengthening the remediation processes in place to address adverse human rights impacts. All policies explicitly identify the risks of modern slavery practices and include mechanisms for reporting any instance or suspected instance of modern slavery.

4.1.1.1 The annual review includes:

- Our Modern Slavery Policy, adopted in the FY21 reporting period and published on our website for visibility to suppliers, our families and any third parties, and communicated to all employees to ensure their awareness and compliance.
- Internal policies:
 - Code of Ethics and Conduct;
 - Grievance and Dispute Resolution Policy; and
 - Whistle Blower Policy;
 which employees are required to acknowledge acceptance of and adherence to on commencing employment.
- External policies:
 - Dealing with Complaints Policy;

which is made available to the families we provide a service to.

- 4.1.2 All employees have access to an Employee Assistance Program, providing confidential counselling and assistance at no cost.

4.2 Education and Training

- 4.2.1 At the forefront of our messaging to employees when considering Modern Slavery is that we have a zero-tolerance approach. We have a suite of policies, including a bespoke Modern Slavery Policy, which employees are all required to review and acknowledge understanding and acceptance of when commencing employment. We also have a dedicated Modern Slavery Online Module with a compulsory assessment to be passed for successful completion, which all permanent employees are required to complete as part of their induction. The module is contained within an online learning system, OAC Academy, that generates reminders to learners who have not yet or failed to complete their assigned learnings.

- 4.2.2 As of 31 December 2022, there were 2,143 active employees who had been enrolled on the learning module and 65% had completed the module.

4.3 Generally

- 4.3.1 While the consequences of the COVID-19 pandemic have seen a workforce shortage in the childcare industry, we consider the risk of modern slavery occurring to be lessened, as workers are in high demand and able to command better terms for their employment. During the reporting period OAC Group implemented a 'You are Worth More' rewards program that saw wages and benefits improve for all childcare workers employed by OAC Group, with wage rates guaranteed to be a fixed percentage higher than the relevant workplace Award terms.

Agency Staff	
<p>3.2 The nature of our business, and a common and attractive feature of the childcare sector for some people, means that we have many employees employed on casual contracts. This enables us, and our employees, the flexibility to fill shifts in our different campuses as the needs arise. Where we cannot meet our operational needs using our casual employees, however, we use agency staff for this purpose, particularly in the roles of childcare educators and chefs. We understand and recognise that with agency staff there is less control over workers' terms and conditions and therefore an increased potential for these workers to be vulnerable to modern slavery risks.</p>	<p>4.4 Generally</p> <p>4.4.1 We maintain a dedicated casual employee recruitment function in-house and a large pool of employees on casual employment contracts to fill our shifts. Where we are unable to use our own employees, we use agency staff from reputable and sector-specific agencies, who have the required qualifications and training for the role. The relationships between Only About Children and the agencies we use are managed as part of our supply chain, with appropriate due diligence measures in place.</p> <p>4.4.2 With the workforce shortages experienced during this reporting period we are more heavily reliant on agency staffing contracts. As a result, we are reviewing our agency contract terms to ensure the necessary protections for agency workers are in place and any risk of modern slavery occurring is minimised.</p>
Acquisitions	
<p>3.3 Our business continues to expand and grow the number of campuses operating under the 'Only About Children' brand. In doing so, we are acquiring existing businesses and assuming risks in relation to those businesses, including risks relating to modern slavery.</p>	<p>4.5 Generally</p> <p>4.5.1 Our legal and acquisitions teams work together using documentation that ensures modern slavery risks are identified at the commencement of any acquisition process, during the due diligence process, and that obligations relating to anti-slavery laws are included within the transaction contracts.</p> <p>4.5.2 In particular, employee contracts and existing supplier contracts are scrutinised for any modern slavery risks and managed accordingly.</p>
Our Supply Chain	
Suppliers	
<p>3.4 Nearly all our suppliers are based in Australia, (with a small number based in developed countries such as the United Kingdom and New Zealand, being low risk for prevalence of modern slavery, particularly in the</p>	<p>4.6 Supply Chain Due Diligence</p> <p>4.6.1 Our focus is on gaining transparency of our supply chain and the risks of modern slavery that may be present within. By improving our understanding of the supply chain risks we can address these by</p>

<p>industries in which these suppliers operate). However, we are aware that some of our suppliers source goods or services from overseas, and this may include geographical locations or sectors with a higher risk of modern slavery.</p> <p>3.5 Considering indicators from the Global Slavery Index 2018³ and the International Labour Organisation⁴, we have identified the following sectors within our supply chain that may have higher modern slavery risks:</p> <ul style="list-style-type: none"> 3.5.1 Cleaning services: through use of low-skilled or migrant workers; 3.5.2 Electronics suppliers: noting that the manufacture of laptops, computers and mobile phones particularly in China and Malaysia are at high risk of modern slavery; 3.5.3 Resources: the products we purchase to furnish our campuses; and 3.5.4 Construction: through use of migrant workers or temporary labour and subcontractors. <p>3.6 Our current visibility of the supply chain is limited to tier 1. Without a better understanding of the additional tiers within our supply chain it is not possible to ascertain measures or the extent to which we can address the risks of modern slavery occurring.</p> <p>3.7 With many of our current suppliers having long-term relationships with the business, built on years of providing reliable and satisfactory services, our</p>	<p>making appropriate procurement decisions to mitigate the risks, and work with existing suppliers to ensure they have best practices in place to identify and address the risks in their operations and supply chain.</p> <p>4.6.2 We review all suppliers on an annual basis and issue them with a questionnaire relating to modern slavery risks and best practice, including where to obtain further information and educational materials. As the annual review of suppliers was completed within the prior (full year) reporting period and was not due in this reporting period, we focused on considering how improvements to the supplier procurement and due diligence process could be made. We researched various third-party options to manage suppliers and modern slavery risks relating to those suppliers and are working with the wider Bright Horizons group to analyse business need with a view to implementing a relevant online platform in which supplier risks can be assessed, mitigated and monitored going forward.</p> <p>4.7 Contractual Clauses</p> <p>4.7.1 Our building works and contractor template agreements include the requirement for suppliers to comply with anti-slavery laws, with severe consequences for failure to do so. We have successfully engaged multiple suppliers using these template agreements. Our approach during negotiations with suppliers is that these are non-negotiable terms.</p> <p>4.7.2 When presented with another party's agreement for negotiation and signature, if there are no terms to enforce zero tolerance of modern slavery, we insert a mutual clause for compliance to anti-slavery laws.</p>
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³ Global Estimates of Modern Slavery (2017) ILO, page 32, Figure 9 https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf

⁴ Reference taken from the Human Rights and Modern Slavery advanced e-learning module available at the Supply Chain Sustainability School's website: https://learn.supplychainschool.org.au/mod/scorm/player.php?scoId=85&cm=1004¤torg=Modern_Slavery_A4_ORG

procurement practices are not formalised, nor do they include explicit enquiry of modern slavery risks.

4.8 Online Contractor Management Portal

4.8.1 Our online portal in which contractors are required to undergo induction training was enhanced during the reporting period to include modern slavery awareness training.

Continual Improvement

Each reporting period we:

- continue to review our policies, documentation and training materials. This is done on an annual basis (unless required more frequently), with any updates or improvements implemented and communicated as necessary;
- continue to deliver education and training initiatives within our operations, highlighting the risks of modern slavery and how to identify and report these;
- continue to drive awareness and education of modern slavery and our zero-tolerance approach with suppliers, by:
 - performing annual risk assessments on existing suppliers to monitor their modern slavery risks and actions related to these; and
 - requiring all contractors to undergo the modern slavery training on our online induction portal as part of their engagement with OAC Group.

In the next reporting period, we:

- will consider the implementation of an improved supplier due diligence process to assess, monitor and mitigate the modern slavery risks in our supply chain. This would provide the business with internal efficiencies and a transparent view of the aggregated supply chain risk, whilst also providing a platform through which we can work with suppliers to assist them to improve their risk rating.
- will commence improvement to our whistleblowing procedures to implement a third-party solution that will enable communication by employees and third parties without penalty or fear of retaliation; a transparent helpline with anonymity options to create a safe space for whistleblowers to raise concerns.

5. Describe how the reporting entity assesses the effectiveness of these actions.

- 5.1 In each reporting period, we monitor the areas identified as risks in our operations and supply chain, noting the impact of any measures implemented in our previous reporting periods.
- 5.2 Our focus on education, training and reporting mechanisms has enabled us to continue to engage our workforce and suppliers in raising awareness of modern slavery risks and practices. There were no reported instances of non-compliance with our updated policies relevant to modern slavery, nor any reports of modern slavery practices occurring.
- 5.3 In relation to our bespoke modern slavery online learning module, (mandatory training for all permanent employees), our completion rate on 31 December 2022 showed that 65% of all employees enrolled in the course had completed it. This was a slight improvement from the 61% completion rate noted at the end of the prior reporting period. This completion rate is a continuing consequence of the workforce shortage that our sector is experiencing; resources are required to prioritise the delivery of childcare services and ensure regulatory ratios are complied with. While the business is working on alleviating the pressures, we aim to increase this completion rate to 70% by the end of the next reporting period.
- 5.4 Modern slavery risks and actions to address these are reported to our Quality and Compliance Committee ('QCC'). The QCC review all actions and consider the risk framework established for the business. The QCC also reviews the business KPIs and performance in relation to operational matters including grievances, whistle blowing and workplace health and safety. Through this existing mechanism we can monitor the effectiveness of our actions within our operations.
- 5.5 We have implemented a structural framework that promotes continual review and improvement of measures to reduce modern slavery risks, ensuring that our actions can be more effectively assessed. This has, during this reporting period, been updated to reflect changes in the operational side of the business following the acquisition by Bright Horizons. The legal team has ultimate responsibility for managing the modern slavery compliance process and comprises the basis for a working group (that may include relevant departmental representatives as required), to assess and action modern slavery risks. All legal/working group actions are reported to and monitored by the QCC, with ultimate reporting to the Executive Leadership Team ('ELT') who are responsible for ensuring corporate governance and compliance systems are maintained within the OAC Group, to support the wider Bright Horizons compliance and public reporting to the U.S. Securities and Exchange Commission. This framework is represented in the below diagram:



5.6 Following acquisition by Bright Horizons, the reporting framework outlined above has proven to be an effective means of managing risks and monitoring effectiveness of actions within the OAC Group, with support and transparency throughout the business and to management.

6. Describe the process of consultation on the development of the statement with any entities the reporting entity owns or controls

6.1 Members of the QCC (being senior and executive management, representing all entities in OAC Group) are aware of and discuss the reporting requirements under the *Modern Slavery Act 2018* (Cth), the risk framework of the business and actions being taken to ensure that the business is actively working towards identifying and mitigating the risks of modern slavery in its operations and supply chain.

6.2 The QCC reports to the Executive Leadership Team, which includes at least one representative from all OAC Group entities' boards of directors. Through this collaboration the group is instrumental in considering and shaping the governance and controls relating to modern slavery risks as part of the overall risk management framework.

6.3 Together they contribute to developing the content of the Modern Slavery Statement, which is approved by the ELT and recommended for signature by the ultimate parent entity, for submission on behalf of the OAC Group.

6.4 Accordingly, the process of consultation is effectively joint among the OAC Group entities, with knowledge of, and contribution to, the development of the statement across all entities.

7. Any other information that the reporting entity, or the entity giving the statement, considers relevant.

7.1 No further information of relevance.

This modern slavery statement was approved by the principal governing body of BlueTang Holdings Pty Ltd as defined in the *Modern Slavery Act 2018* (Cth) (“the Act”) on 27 June 2023.

This modern slavery statement is signed by a responsible member of BlueTang Holdings Pty Ltd as defined in the Act.



David Mahony
Director