



C&K Modern Slavery

STATEMENT 2021



Contents

1. Introduction	2
1.1 About	2
1.2 Chief Executive Officer’s message	2
2. Our structure, operations and supply chain	3
2.1 Our organisation structure	3
2.2 Our operations	4
2.3 Our supply chain	6
3. Identifying risks in modern slavery practices	7
3.1 Operations risks	7
3.2 Supply chain risks	7
4. Actions taken to assess and address the risk of modern slavery	8
5. Assessing the effectiveness of our actions	9
6. Process of consultation with entities owned or controlled by us	10
7. Other relevant information	10

This Modern Slavery Statement is approved by The Creche and Kindergarten Association Limited Board of Directors on 30 June 2022.

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Therese Mulherin
Chair – Board of Directors

Disclosure Note

This statement has been made on behalf of The Creche and Kindergarten Association Limited. ACN – 150737849 ABN – 59150737849



1. Introduction

1.1 About

With 115 years in early childhood education and care, The Creche and Kindergarten Association (C&K) is regarded as one of Queensland’s leading providers of childcare and kindergarten services.

This document is C&K’s Modern Slavery Statement for the 2021 reporting year issued under the Modern Slavery Act 2018. It outlines the steps we have taken to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chain.

C&K is committed to respecting human rights, including the right to be free from slavery, forced labour, domestic servitude, and, most specifically – the exploitation of children. C&K operates over 180 early childhood education and care centres throughout Queensland, and children come first in everything we do.

We work with integrity and strive for excellence - every day. Our purpose is to nurture and inspire children to succeed in an ever-changing world. Modern slavery is completely unacceptable to us, and we are committed to continuous improvement so that our processes remain effective in preventing and remediating modern slavery.

1.2 Chief Executive Officer’s message

Forms of modern slavery, such as forced labour, child labour, debt bondage, servitude, human trafficking, and deceptive recruiting for labour or services, violate human rights, are against the law, and are entirely at odds with C&K’s core values.

We are committed to continuous improvement by raising awareness within our centres and by identifying, assessing, and mitigating modern slavery risks in our supply chains. We believe that C&K has an overall low risk profile. However, we have prioritised the areas of highest risk to ensure we put appropriate and effective processes and frameworks in place.

Achievements in 2021

Demonstrated commitment to identifying and mitigating the risk of Modern Slavery from the top by reviewing relevant existing policies and procedures, including our recruitment procedure, to include Modern Slavery provisions

Identified and engaged with high-risk vendors to better understand their operations and supply chains

Modern Slavery Awareness Presentation at C&K Central Office Staff Event

Rolled out an interactive online Modern Slavery training module to 26 senior managers and relevant central office employees



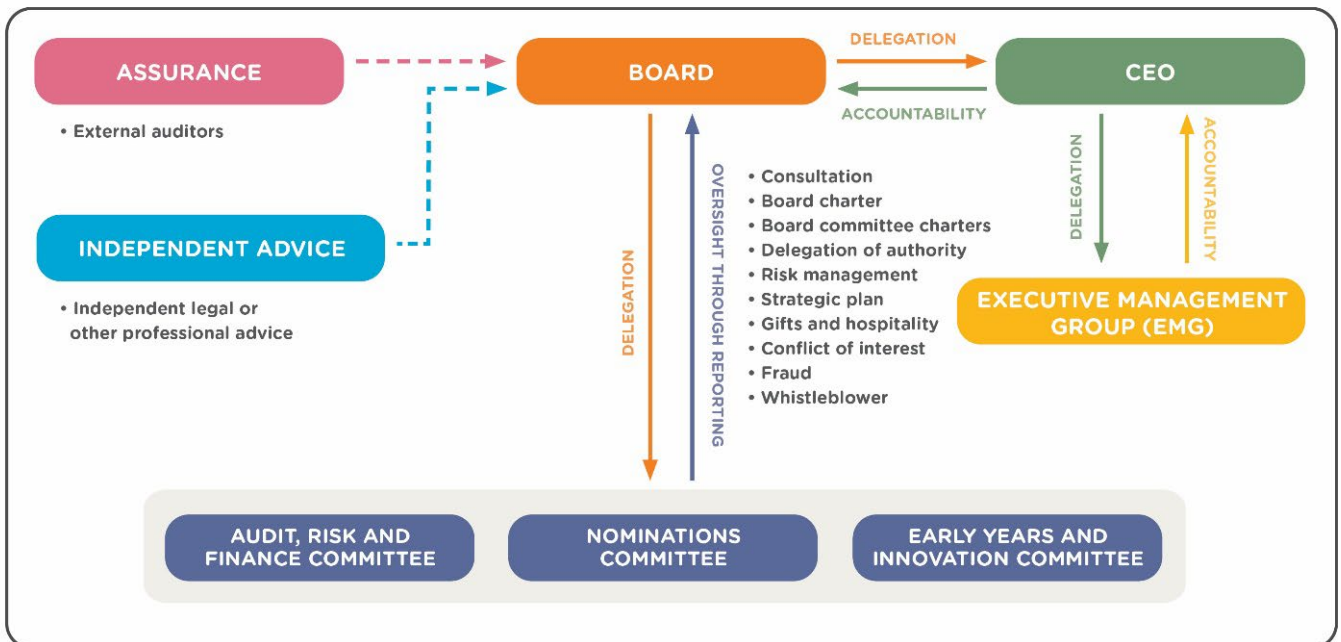
2. Our structure, operations and supply chain

2.1 Our organisation structure

C&K is a public company limited by guarantee and a registered charity. We are headquartered in Brisbane, Queensland, and all our workforce and operations are located within Australia.

Effective Corporate Governance is critical to our ongoing success. Our Governance Structure for the 2021 reporting year is set out below and highlights the interaction between the Board, external advisors and the Executive Management Group.

2021 C&K Governance Structure





2.2 Our operations

C&K was formed in 1907 to support disadvantaged families whose children had nowhere safe to play and learn. Throughout C&K's 115-year history, our organisation has met the needs of the families and communities we support. Our business operates in three key areas:

Early Childhood Education and Care Service

C&K operates 181 early childhood education and care centres throughout Queensland, including kindergartens, childcare centres, limited hours care and outside of school hours care.

Central Governing Body

C&K are authorised by the Queensland Government to distribute funding and provide support to 157 affiliated early childhood education and care centres.

Registered Training Organisation

Our C&K College of Early Childhood offers formal courses in Early Childhood Education (certificate III and diploma). The college caters for 200-250 students per year and is open to employees and the public.



Children of C&K

18,940

children attended C&K centres (total)

6,212

children attended branch kindergarten

7,007

children attended affiliated kindergarten

847

children attended extended hours kindergarten

155

children attended Outside School Hours Care

4,719

children attended childcare

Our People

TOTAL NUMBER OF EMPLOYEES

2,241

FULL-TIME & PART-TIME EMPLOYEES

1,227

TOTAL NUMBER OF CASUAL/RELIEF EMPLOYEES

1,014

EMPLOYEE TURNOVER: OVERALL

17.5%





2.3 Our supply chain

C&K works with more than 1,100 direct suppliers of both goods and services, who are critical to our business. Our supply chains are diverse – ranging from small family businesses through to national and international conglomerates. C&K is committed to respecting the fundamental human rights of all people and we will be working with our key suppliers to communicate our expectations of them. This means treating their employees with fairness, respect, and dignity and following practices that protect health and safety for the employees in their facility. The diagram below shows the categories of expenditure in C&K’s supply chain and the assessed risk for each category:

C&K Supplier Risk Assessment



C&K assessment based on Department of Home Affairs Modern Slavery Guidance Notes and the Global Slavery Index



3. Identifying risks in modern slavery practices

C&K acknowledges that modern slavery risks may be present in the products and services we purchase, and that primarily engaging Australian suppliers does not necessarily offset this risk.

3.1 Operations risks

There were no material changes to our operations during 2021 that would impact our modern slavery risk profile, and no issues or concerns were raised as part of our control mechanisms, therefore, we continue to assess our modern slavery profile as low risk. The largest contributors to our low-risk profile relate to staff employment conditions, the geography of our business, and our governance.

The following elements contribute to C&K's low-risk profile:

- permanent and casual centre staff are employed directly and paid under enterprise agreements
- C&K pays higher than award rates
- C&K has higher staff retention than the sector average
- C&K operations are subject to regular internal and external audits, as part of a highly regulated sector
- centres are all located in Australia

3.2 Supply chain risks

Over 93% of C&K's annual expenditure falls into low-risk categories, such as employee costs, depreciation finance costs and occupancy costs. This significantly reduces the risk that C&K inadvertently contributes to modern slavery through our purchasing decisions.

The remaining amount of C&K's expenditure falls into categories we consider higher risk based on the Department of Home Affairs Modern Slavery Guidance Notes and the Global Slavery Index. These include building and construction services, cleaning and security services, food and catering services, furniture and office supplies and ICT hardware. In these areas, C&K prioritises the use of major suppliers who demonstrate their own due diligence, such as through their own modern slavery statements, and provide information on their own supply chains.



4. Actions taken to assess and address the risk of modern slavery

Governance

C&K took the following actions in 2021:

- We reviewed our Modern Slavery risks as recorded in the Risk Register to incorporate progress or learnings, and report to the Audit, Risk and Finance committee.

Supply Chains

C&K took the following actions in 2021:

- We conducted a closer analysis of tier one suppliers which were considered high risk due to spend and the type of services and products provided.
- We issued a Modern Slavery Supplier Risk Assessment Questionnaire to five tier one suppliers to gain an understanding of their knowledge and approach to Modern Slavery within their businesses and supply chain. These suppliers represent higher risk categories for C&K due to the level of annual expenditure and/or their industry sector and supply chain structure. The selected suppliers covered IT, food and catering services, furniture and office supplies and building and construction. Suppliers were asked to identify policies and practices in their business that address the risks of modern slavery, and how they were administered and enforced. Suppliers were also asked to provide details of their current supplier base composition, and policies and practices that address the risks of modern slavery in their supply chain. The surveys revealed that all five suppliers have a range of business practices and/or policies and procedures in place which help reduce their Modern Slavery risk. However, we also identified areas where these businesses could strengthen their responses which are being raised with our suppliers.
- We prepared a Supplier Risk Self-Assessment Tool to share with key suppliers to support them to assess and address modern slavery practices in their operations and supply chain.
- We drafted a Supplier Code of Conduct.
- We incorporated the requirement for tenderers to demonstrate their commitment to mitigating the risk of modern slavery within their organisation and supply chain.

Operations

C&K took the following actions in 2021:

- We drafted a communications plan to provide information and education materials about the risk of Modern Slavery in Australia.
- We reviewed sixteen internal policies and procedures to make modern slavery an explicit consideration in our operations and to strengthen our response in the event of encountering a potential modern slavery issue.
- We continue to maintain low usage of labour hire agencies in the event of staff absenteeism within our centres.



Human Resources and Recruitment

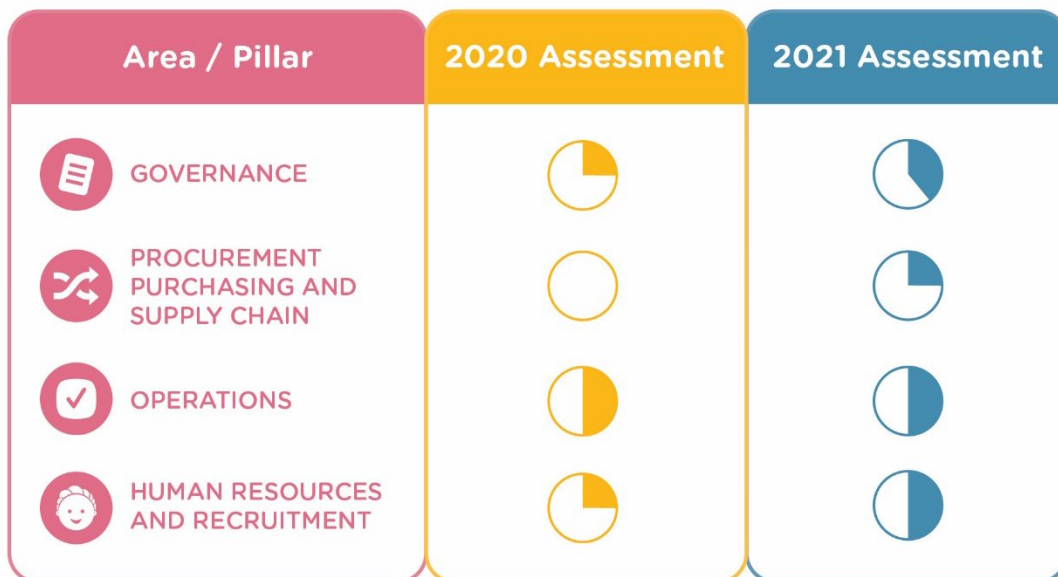
C&K took the following actions in 2021:

- A Modern Slavery Awareness session was held at a staff event, on 20 October 2021 to 128 head office employees.
- A modern slavery training module was undertaken by senior managers and employees whose responsibilities enable them to have a direct impact on C&K's modern slavery risk profile. The training provided these staff members with a more in depth understanding of what modern slavery is, how it can manifest through an organisation's operations and supply chains and the types of actions that can be implemented to reduce modern slavery risk.

5. Assessing the effectiveness of our actions

C&K is in the foundation stage of mitigating the risk of modern slavery and we understand the importance of assessing the effectiveness of our actions. Our 2021 actions have resulted in a significant increase in awareness of modern slavery amongst C&K employees and explicit consideration of modern slavery risk in C&K's operational and governance practices. From a supply chain perspective, we have observed a shift in the narrative between C&K and our suppliers with an increased emphasis on ethical sourcing and effective supply chain governance.

C&K's Assessment of Progress on our Actions





6. Process of consultation with entities owned or controlled by us

Not applicable.

7. Other relevant information

We commit to recognised human rights frameworks, standards, and goals, including:

- International Bill of Human Rights (United Nations Human Rights, Office of the High Commissioner)
- International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work (1998)
- United Nations Guiding Principles on Business and Human Rights. Implementing the United Nations 'Protect, Respect and Remedy' Framework (United Nations Human Rights, Office of the High Commissioner)
- United Nations Sustainable Development Goals - including Target 8.7 to eradicate modern slavery.
- Human Rights Act 2019 (Qld)