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Director and Board Member
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AFFINITY EDUCATION
GROUP

Modern Slavery Statement

What is Modern Slavery?

The Commonwealth's Modern Slavery Act 2018 (the Act) came into effect on 1 January 2019. The Act requires organisations based or operating in Australia, with an annual consolidated revenue of \$100 million or more, to report annually on the actions they are taking to avoid or eliminate modern slavery in their operations and supply chains.

The Australian Government describes Modern Slavery as circumstances where offenders use coercion, threats or deception to exploit victims and undermine their freedom. Modern Slavery can occur in every industry and presents itself in many ways including human trafficking, slavery and forced labour.

Modern Slavery distorts global markets, promotes cost cutting techniques and poses significant legal and reputational risks to entities. Affinity Education Group are dedicated to ensuring, we are limiting our impact as much as possible and working with our Suppliers to ensure that our Supply Chain is ethically and responsibly sourced.

What does this mean to us?

Being aware of Modern Slavery means ensuring that we are utilising the best quality and ethically sourced resources and services to ensure that we are not contributing to an issue of global harm. Our Modern Slavery Statement outlines the steps we have taken to identify, manage and mitigate the specific risks of modern slavery in our operations and supply chain.

Affinity Education Group Limited is a proprietary company based in Queensland which is a subsidiary of a broader group. Affinity Education Group Limited owns and controls 2 subsidiaries.

This statement applies to all subsidiaries of Affinity Education Group Limited and was completed in conjunction with any senior management relating to those subsidiary and related entities. Affinity Education Group Limited provides childcare services to over 15,000 children across 150 centres Australia wide and has 3183 employees nationwide.

Operations

Affinity Education Group promotes the following operational activities in support of our business objectives:

- Delivering quality care and education to children within our centres
- Directly sourcing our employees,
- Providing educational pathways for development to our educators
- Acquiring childcare centres that are ethically built and compliant with legislation

Supply Chain

Affinity Education Group's supply chains include various services which assist with the delivery of childcare services to our centres as well as suppliers who work with us operationally to ensure that the centres themselves are compliant and managed appropriately. Affinity Education Group seeks to engage with suppliers who prefer and prioritise products sourced ethically and from Australia.

These include:

- Food Suppliers
- Professional Service Providers – Auditors, Brokers, Debt Collectors and Lawyers
- Contractors – Building works, Cleaners, IT, marketing services and HR services.
- Resources – play equipment, educational resources and furniture.

- Educational Program Suppliers – excursions, incursion providers e.g. language lessons, music classes, Maths and English programs.

Affinity Education Group will:

- report on its actions to assess and address modern slavery risks associated with its operations, including its employment practices and providing training for workers
- discuss steps it has taken to assess and address modern slavery risks associated with the activities of Affinity Education Group
- provide information on how it is assessing and addressing modern slavery risks in its supply chains.

Risk of Modern Slavery Statements

Affinity Education Group recognises that there may be risks attributable to its current supply chain that it may be contributing to including the risk that contractors and their sub-contractors may not be using material that is ethically sourced, adequate training or conducting sufficient enquiries into the labour being utilised to ensure that modern slavery does not take place and risks relating to expedited time frames for completing various projects.

Action and Due Diligence

Affinity Education Group recognises the risks it may be contributing to and has been working to combat these risks by undertaking due diligence into its current Suppliers and any new Suppliers over the next 12 months so we can develop new and improved practices to support the principles of Modern Slavery in the coming years.

This has been done by introducing Supplier onboarding procedures (including dispute mechanism processes) to ensure they meet the legislative requirements to be working within our Centres and ensuring that parties we contract with are operating in accordance with our values.

Affinity Education Group recognises that without sufficient due diligence into contractors and suppliers, our contribution to modern slavery will increase. Affinity Education Group have undertaken significant upgrades to its internal policies including the Whistleblower policy to enable our employees and contractors to speak up and notify us of any issues that may be occurring or contributing to modern slavery.

To further remediate and mitigate the risks identified, Affinity Education Group, intend to implement the following into their Supplier onboarding procedures:

- Requesting any information from direct suppliers about sub-suppliers
- Having clear and honest conversations with our larger Suppliers to ensure that they are addressing their own modern slavery risks
- Completing annual reviews on our policies relating to Suppliers
- Using existing traceability processes to improve information about the source of products.

Assessing Effectiveness

Affinity Education Group strive to ensure that we are managing risks to the organization. In order to assess the effectiveness of strategies to reduce and eliminate any risks relating to modern slavery, Affinity Education Group:

- Include Modern Slavery Issues within our Safety Committee Meeting. This meeting is attended by senior management and looks at emerging or existing risks within the organization and how to best combat these risks. This includes tracking and providing updates on any projects undertaken by the broader business to prevent identified risks
- Complete annual reviews of all policies and procedures with the relevant departments to ensure that the policies and procedures accurately reflect the business's objectives. This includes reviews of the risk assessment procedures within the Centres and provided by Contractors.
- Promote training and education among staff to ensure they are aware of their obligations to uphold laws, regulations, codes or standards this has been included in our critical policies module so all employees are made aware.
- Commence review of key Suppliers assessed as having an elevated risk of human rights violations.



Brands and Trading Names

This Modern Slavery Statement applies to all childcare centres owned and operated by Affinity Education Group under the following brands:

