



# Only About Children

## Modern Slavery Statement

July 2021 – June 2022



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## 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 FY22 and future 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.

For the purposes of this statement, the reporting entities, corporate structure and operations detailed here are those relevant to the reporting period 1 July 2021 to 30 June 2022 (FY22). We anticipate that our reporting entities will differ in the next reporting period, which will also be affected as we change our financial reporting period to a calendar year.

Our FY21 Modern Slavery Statement outlined some of the actions we proposed to take during this reporting period. Our progress has been described in this current statement. However, in some areas our progress has been limited by certain factors, 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.

## 1. Identify the reporting entities

1.1 This is a joint statement submitted in accordance with the *Modern Slavery Act 2018* (Cth) for the reporting period 1 July 2021 to 30 June 2022 on behalf of a group of entities ('**Oac Group**') that together comprise and operate the business '**Only About Children**'.

1.2 Nemo (BC) Holdco Pty Ltd (ACN 614 209 880) ('HoldCo', a holding company) is a reporting entity, the ultimate parent company and controlling entity as at the end of the 2022 financial year 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) Midco Pty Ltd (ACN 614 211 219) ('MidCo' – a holding company);
- 1.3.2 Nemo (BC) Bidco Pty Ltd (ACN 614 212 716) ('BidCo' – a holding company);
- 1.3.3 OAC Group Pty Ltd (ACN 169 895 229); and
- 1.3.4 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 Nemo (BC) Holdco Pty Ltd.

## 2. Structure, Operations and Supply chain

### *Our corporate structure*

2.1 As of 30 June 2022, Oac Group was a group of privately owned Australian companies and trusts ultimately owned by Nemo (BC) Holdco Pty Ltd.

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

2.3 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.

2.4 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 by the business as a whole, as these are relevant to and similar for all entities within our corporate group.

2.5 Following the 1 July 2022 acquisition of Only About Children by Bright Horizons, the above corporate structure and OAC Group's financial year will change, which will be reflected in the next reporting period.

### *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 slavery<sup>1</sup>, 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.

### *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 chains<sup>2</sup>:

- 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:

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

<sup>2</sup> 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](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf)

- 2.8.1 Construction
- 2.8.2 Mining
- 2.8.3 Forestry
- 2.8.4 Agriculture
- 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 In considering the scope of our operations and tier 1 suppliers in more depth, having undertaken a comprehensive risk analysis during the reporting period, we 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.

### 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.

Oac Group has assessed the risks of modern slavery occurring within both our operations and supply chains.

#### *Our operations*

3.1 Employees: The early education and childcare sector is generally assessed as being at low risk of modern slavery being present within it. Our staff 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.

3.2 Agency staff: The nature of our business, and a common and attractive feature of the childcare sector for some staff, means that we have a large number of employees employed on casual contracts. This enables us, and our staff, 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.

### Continuing impact of COVID-19 pandemic

- As noted in our 2021 Modern Slavery Statement the pandemic has impacted the staffing of our business and, when considering the risk of modern slavery, it has now increased this risk. Our industry and business rely on a skilled workforce that is heavily supported by people from overseas who are working in Australia on temporary skilled migrant visas or student visas. As there are limited skilled workers joining the industry from this source, and a large number have returned to their country of origin, this has caused a skills and worker shortage in the sector. While there was a reduction in childcare attendance during the initial stages of the pandemic, attendance rates increased after geographical lockdowns were lifted, and we were required to use more agency staff to fill shifts.

3.3 **Acquisitions:** Our business is continually expanding and seeking to grow the number of campuses operating under the 'Only About Children' brand. In doing so, we are acquiring existing businesses and accordingly are assuming risks in relation to those businesses, including risks relating to modern slavery.

### Our supply chain

3.4 Nearly all our tier 1 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 industries in which these suppliers operate). However, we are aware that some of our tier 1 suppliers source goods or services from overseas, and this may include geographical locations or sectors with a higher risk of modern slavery.

3.5 Considering indicators from the Global Slavery Index 2018<sup>3</sup> and the International Labour Organisation<sup>4</sup>, we have identified the following sectors within our supply chain that may have higher modern slavery risks:

- 3.1.1. Cleaning services: through use of low-skilled or migrant workers;
- 3.1.2. Electronics suppliers: noting that the manufacture of laptops, computers and mobile phones particularly in China and Malaysia are at high risk of modern slavery;
- 3.1.3. Resources: the products we purchase to furnish our campuses; and
- 3.1.4. Construction: through use of migrant workers or temporary labour and subcontractors.

3.6 Our current visibility of 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.

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

### Continuing impact of COVID-19 pandemic

- As noted in our 2021 Modern Slavery Statement, we recognise an ongoing increased risk of modern slavery caused by the pandemic:

<sup>3</sup> 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](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575479.pdf)

<sup>4</sup> 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?scoiid=85&cm=1004&currentorg=Modern\\_Slavery\\_A4\\_ORG](https://learn.supplychainschool.org.au/mod/scorm/player.php?scoiid=85&cm=1004&currentorg=Modern_Slavery_A4_ORG)

- Some suppliers have been affected by a decline in business and are seeking more cost-effective means to produce goods/provide services. Such cost-cutting measures may have increased the risks of modern slavery occurring within the supply chain.
- Other suppliers may have experienced an increase in business, e.g., cleaning services, and this may have resulted in increased risks of modern slavery through the use of subcontractors and low-skilled migrant workers, whose vulnerability may be enhanced by the unpredictability and lack of employment stability arising from the pandemic.

#### 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.

To address the risks of modern slavery present in our operations and supply chain, and ensure these are continually monitored, we identified measures under the areas of Governance and Risk Management, Education and Training and Supply Chain Due Diligence.

##### *Governance and Risk Management*

#### 4.1 Employees:

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 staff to ensure their awareness and compliance.
- Internal policies:
  - Code of Ethics and Conduct;
  - Grievance and Dispute Resolution Policy; and
  - Whistle Blower Policy;

which staff 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 Agency Staff:

4.2.1 We maintain a dedicated casual staff recruitment function in-house and a large pool of staff on casual employment contracts to fill our shifts. Where we are unable to use our own staff, 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.

#### 4.3 Acquisitions:

4.3.1 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.

4.3.1.1 During this reporting period we acquired 3 childcare centres in Queensland. During the due diligence process there was a focus on the existence of any anti-slavery policies and provisions within the businesses and contracts. All existing staff contracts were reviewed for any vulnerability or risk of modern slavery. No concerns were identified.

#### **Continual Improvement**

In the next reporting period:

- We will continue to review our policies and documentation on an annual basis (unless required more frequently), implementing and communicating any updates or improvements as necessary.

#### *Education and Training*

#### 4.4 Employees:

4.4.1 At the forefront of our messaging to staff when considering Modern Slavery is that we have a zero-tolerance approach. In conjunction with our suite of policies, including a bespoke Modern Slavery Policy, which staff are all required to review and acknowledge understanding and acceptance of when commencing employment, we now have a dedicated Modern Slavery Online Module with a compulsory assessment to be passed before successful completion.

4.4.2 This was rolled out to all staff in October 2021 and all permanent staff onboarded since its implementation are required to complete this online learning 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. As of 30 June 2022, there were 2,122 staff members who had been enrolled on the learning module and 61% had completed the module.

#### 4.5 Suppliers:

4.5.1 Our Modern Slavery Supplier Questionnaire (detailed further within *Supply Chain Due Diligence*) educates suppliers of our expectations, raises awareness of the issue/risks of modern slavery and includes reference to, and encouragement to view, the educational materials on the Supply Chain Sustainability School website<sup>5</sup>.

4.5.2 Our online contractor management portal will be enhanced to include relevant modern slavery education and training for contractors. During this reporting period the materials for this presentation were drafted for approval and will be published onto the portal in the next reporting period.

#### **Continual Improvement**

In the next reporting period:

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<sup>5</sup> <https://www.supplychainschool.org.au/learn/modern-slavery/>



- We will continue to deliver education and training initiatives within our operations, highlighting the risks of modern slavery and how to identify these within an organisation, ensuring that staff who have not yet completed the Modern Slavery Online Learning Module do so. We will monitor completion rates and set targets going forward.
- We will continue to drive awareness and education of modern slavery and our zero-tolerance approach with suppliers, by:
  - issuing the Modern Slavery Supplier Questionnaire to all new suppliers that we assess as having a higher risk of exposure to modern slavery. Our goal in future reporting periods is to incorporate the Modern Slavery Supplier Questionnaire, or similar education and awareness, into all new supplier tender processes and engagements.
  - publishing modern slavery material on our contractor management portal and requiring all contractors review this as part of their engagement with Oac Group.
- We will continue to review our training materials on an annual basis (or more frequently as required), implementing and communicating any updates or improvements as necessary.
- We will carry forward one of the goals set within our last statement as progress was limited on this front due to our focus on the acquisition by Bright Horizons. This goal was to focus on opportunities for sector engagement through our membership with Early Learning And Care Council of Australia (ELACCA), whose members represent more than 25 per cent of the nation's early learning and care places.

#### *Supply Chain Due Diligence*

4.6 Supply Chain: 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 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.

- 4.6.1 During this reporting period we reviewed the 15% of suppliers that we considered 'Extreme', 'High' or 'Significant' risks who had not responded to our Modern Slavery Supplier Questionnaire to gain further insight of the risks and satisfy our engagement of these suppliers accordingly.
- 4.6.2 We issued our Modern Slavery Supplier Questionnaire to all suppliers in the 'Moderate' risk level category. This questionnaire aims to gain further understanding and visibility into their supply chain, understand their level of awareness of the issue and risks of modern slavery, and promote awareness and identification of the risks and resources available. The response rate was 81%. We reviewed the 19% who did not respond to satisfy our continued engagement of these suppliers.
- 4.6.3 In line with our Modern Slavery Risk Framework and Supplier Risk Assessment we completed an annual review of our supplier list to assess potential risks of modern slavery for all our suppliers. We also undertook a risk assessment with new suppliers. This assessment considers the supplier's annual spend (or anticipated annual spend for new supplier contracts), as well as the risks per industry sector. Whilst reviewing our supplier list, we determined that most Oac Group's suppliers who fell within the higher risk categories and were of greater risk of modern slavery breaches had completed Oac Group's Modern Slavery Supplier Questionnaire during 2021. We did, however, identify a small number of suppliers who either had provided an inadequate response, failing to

properly assess the risk of modern slavery, or were new suppliers to Oac. A questionnaire was sent to these suppliers in May 2022.

- 4.6.4 Following the revision of our building works and contractor template agreements to 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 this is a non-negotiable clause.

### Continual Improvement

In the next reporting period, we will continue our focus on the below areas, some of which were not addressed entirely during this reporting period due to a lack of resourcing, or require review considering our recent acquisition by Bright Horizons and potential to align processes for improved efficacy and compliance:

- We will review the suppliers who did not respond to our Modern Slavery Supplier Questionnaire to ascertain next steps for ensuring modern slavery risks are identified and managed appropriately.
- We will identify suppliers with whom we can engage to enhance their practices around assessing and addressing risks of modern slavery, strengthening their approach to managing modern slavery risks, both within their operations and supply chain. We will gain further visibility into the next tiers of the supply chains to establish any additional risks in this area that should be addressed.
- We will monitor, review and refine our procurement practices to ensure the risks of modern slavery are considered at the outset of any supplier engagement, leveraging, where possible, from the wider group (under Bright Horizons) processes to develop best practice.
- We will continue to review our Modern Slavery Supplier Questionnaire on an annual basis (or more frequently as required), implementing any updates or improvements as necessary.

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

- 5.1 During this reporting period, we continued to monitor the areas identified as risks in our operations and supply chain. The measures implemented in our previous reporting period, particularly around education, training and reporting mechanisms, 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 to our updated policies relevant to modern slavery, nor any reports of modern slavery practices occurring.
- 5.2 During this reporting period we released a bespoke modern slavery online learning module as a mandatory training for all permanent staff. An assessment is included within this training module, requiring a pass rate of 80% for successful completion. We had proposed to set targets for completion of this online learning, however, the workforce shortages that the childcare sector has been experiencing since the onset of the coronavirus pandemic (that are still significantly impacting our business) prevented us from mandating the training or setting stringent targets that would impact the provision of care to children. Our completion rate (on 30 June 2022) showed that 61% of all staff enrolled in the course had completed it. The completion rate reflects the constraints on staff time and resourcing throughout the reporting period. The business is working hard to manage staffing

limitations and resource allocation and will review completion of the online module within the next reporting period, aiming to set realistic targets and improve this completion rate.

- 5.3 We also used this reporting period to gain more visibility over our supply chain by issuing supplier questionnaires to our moderate risk suppliers. While the effectiveness of this action was measured in the 81% response rate initially, we recognise that additional measurements around effectiveness of our actions in supplier due diligence and working with suppliers to promote an understanding of, and response to, modern slavery risks will require development and ongoing monitoring for improvement, as we continue to engage with suppliers for this purpose.
- 5.4 All progress on our modern slavery action plan is reported monthly to our Quality and Compliance Committee ('QCC'), represented by Oac Group's senior management. The QCC review all actions and consider whether they are aligned to our Modern Slavery Statement and 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 In last year's statement we identified and proposed to implement a structural framework that would promote continual review and improvement of measures to reduce modern slavery risks, ensuring that our actions can be more effectively assessed. We proposed a new representative working group to continually consider and action modern slavery risks, reporting to and monitored by the QCC, with ultimate reporting to the Audit and Risk Committee who are chartered to assist the Board in fulfilling its responsibilities for corporate governance and oversight of relevant areas, including risk management systems. This framework is represented in the below diagram:



5.6 During this reporting period the Modern Slavery Working Group Charter was drawn up for approval by the Board, however, this did not receive final approval and the Working Group was not appointed. However, modern slavery risks and actions as outlined within this statement were managed by the legal team with support from the relevant areas within the business. For this reason, progress on some of the actions outlined in last year's statement, particularly in relation to engagement with suppliers and our sector partners, was limited. Additionally, the acquisition of the business by Bright Horizons diverted resources of the business and legal team during the financial year, impacting our progress. However, the reporting framework outlined above otherwise remained effective.

## 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 except holding entities HoldCo, MidCo and BidCo) 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 Audit and Risk Committee, which includes representatives from all Oac Group entities' boards of directors (including holding entities BidCo, MidCo and HoldCo). Through this collaboration the Audit and Risk Committee 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 Audit and Risk Committee and recommended for signature by the ultimate parent entity HoldCo, 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 Nemo (BC) Holdco Pty Ltd as defined in the *Modern Slavery Act 2018* (Cth) ("the Act") on 19<sup>th</sup> December 2022.

This modern slavery statement is signed by a responsible member of Nemo (BC) Holdco Pty Ltd as defined in the Act.



David Mahony  
Director