



MODERN SLAVERY STATEMENT

Goodstart Early Learning Ltd ACN 139 967 794

Reporting Period ending 30 June 2022

TABLE OF CONTENTS

Table of Contents	2
1 About Goodstart.....	3
2 Our Structure.....	3
3 Our Operations.....	3
4 Our Supply Chain.....	4
5 Modern Slavery Risks.....	5
5.1 In our Operations.....	6
5.2 In our Supply Chain	6
6 Due Diligence and Remediation.....	6
6.1 Operational due diligence.....	6
6.1.1 <i>Internal education, awareness training, and communications</i>	6
6.1.2 <i>Modern slavery working group</i>	7
6.1.3 <i>Policy framework development</i>	7
6.1.4 <i>Risk Monitoring and Board Reporting</i>	7
6.2 Supply chain due diligence.....	7
6.2.1 <i>Mapping of Supply Chain of Subsidiaries</i>	8
6.2.2 <i>Modern Slavery Terms in all new General and ICT Goods and Services Supply Contracts</i>	8
6.2.3 <i>Supplier Due Diligence Self Assessment Questionnaire</i>	8
6.2.4 <i>Expansion of Scope</i>	8
6.3 Grievances and remediation processes	8
7 Effectiveness Measures.....	9
8 Consultation – with Controlled Entities	9
9 Priority Areas and Planned Progress.....	9
10 Attestation	11

1 ABOUT GOODSTART

Established in 2010, Goodstart, as a not-for-profit social enterprise, has been creating positive social change by giving Australia's children, especially our most vulnerable, the best possible start in life through access to high quality early learning.

Goodstart was founded by a partnership of four of Australia's leading charities who recognised a child's early years experiences had a huge influence on the rest of their lives — The Benevolent Society, The Brotherhood of St Laurence, Mission Australia, and Social Ventures Australia.

Today, we are Australia's largest provider of early learning and care and Australia's largest non-government provider of preschool and kindergarten programs. Around one third of our centres are in rural and regional areas and around one quarter are in low socio-economic areas.

We understand the power of early learning – it's why Goodstart makes every moment count for the children attending our centres. We advocate for greater access and participation, and we make it our business to be the best at getting better.

2 OUR STRUCTURE

Goodstart Early Learning Limited ACN 139 967 794 ('Goodstart') is an unlisted public company, limited by guarantee, incorporated in Australia with its registered office in Brisbane, Queensland. The company is registered as a charity with the Australian Charities and Not for Profit Commission.

Goodstart's wholly owned and/or wholly controlled subsidiaries ("Subsidiaries") during the reporting period 1 July 2021 to 30 June 2022 ("the reporting period") were GS Admin Services No 1 Pty Ltd ACN 169 578 796, Goodstart Early Years Ltd ACN 133 530 364 and Big Fat Smile Group Limited ACN 002 796 232, (together referred to as "the Goodstart Group" or "us" or "we" or "our"). Goodstart Early Learning Limited is the primary operating entity in the Goodstart Group and is the chief acquirer of goods and services. There are common appointee directors across all Subsidiary companies.

Goodstart is submitting this statement as a joint statement in accordance with the Modern Slavery Act 2018 (Cth) on behalf of the Goodstart Group.

The Goodstart Group's modern slavery compliance program and this Statement have been developed in consultation with all Subsidiaries in the Group. Goodstart's procurement team has liaised with senior management of the Subsidiaries (where this differs to Goodstart's management) to ensure a consistent approach to the mapping of supply chains and carrying out of due diligence, remediation, and training programs. Consultation regarding modern slavery requirements and the content of this Statement has also occurred at board level between Goodstart executives and company officers and the respective boards of directors of the subsidiary companies.

All Boards of Directors in the Group have been updated on the reporting and compliance requirements for the Goodstart Group under the Modern Slavery Act 2018 (Cth).

3 OUR OPERATIONS

Our principal services include the provision of long day care, preschool and kindergarten programs. Goodstart is the largest early learning and care provider in Australia and the nation's largest non-government provider of preschool and kindergarten programs.

At 30 June 2022, Goodstart:

- > Operates 661 Goodstart branded centres, with centres in each State and Territory;
- > Employs 15,000 employees;
- > Cares for 63,600 children at our centres; and
- > Engages with 53,700 families.

At 30 June 2022, BFS:

- > Operates 41 Big Fat Smile Group branded centres including long day care community preschools, term-only preschools, and fun clubs;
- > Employs 690 employees;
- > Cares for 3,700 children at BFS centres; and
- > Engages with 2,900 families.

Further information about Goodstart and Big Fat Smile client facing operations can be found in the most recent Goodstart Annual Report at www.goodstart.org.au, and Big Fat Smile Annual Report at www.bigfatmile.com.au.

4 OUR SUPPLY CHAIN

Goodstart manages approximately 95 suppliers with a combined total spend more than \$382M in the financial year completed 30 June 2022. All Goodstart key supply arrangements are governed by negotiated written agreements that are reviewed by Goodstart's legal advisers and executed in accordance with a well-defined governance and delegations' framework.

During the reporting period Goodstart surveyed a range of suppliers with whom Goodstart spends more than \$400,000 on goods and services. Out of 64 supplier self assessment due diligence questionnaires prepared:

- > Approximately 60% of suppliers (38 out of 64) responded with a completed questionnaire;
- > Approximately 40% (26 out of 64) did not respond, or responded with other than a completed questionnaire – see below;
- > Approximately 63% (34 out of 54) traded goods and services with Goodstart more than \$1 million, but of these 35 suppliers, 11 did not respond directly to the questionnaire;
- > Due to the short-term project nature of their service to Goodstart in the reporting period, 9 companies were no longer considered to be suppliers to Goodstart;
- > Four suppliers initially advised that their responses would be delayed, and one of those providers has subsequently provided their completed questionnaire; and
- > There are 3 other suppliers are included in the 'no response' number –
 - o A State based energy utility company advised that they would not submit a questionnaire response;
 - o Recognising the need for further review of purchasing practices via purchase cards, the questionnaire was not sent to one purchase card supplier; and
 - o One additional company was subcontracted by an existing supplier, and not directly asked to complete the questionnaire.

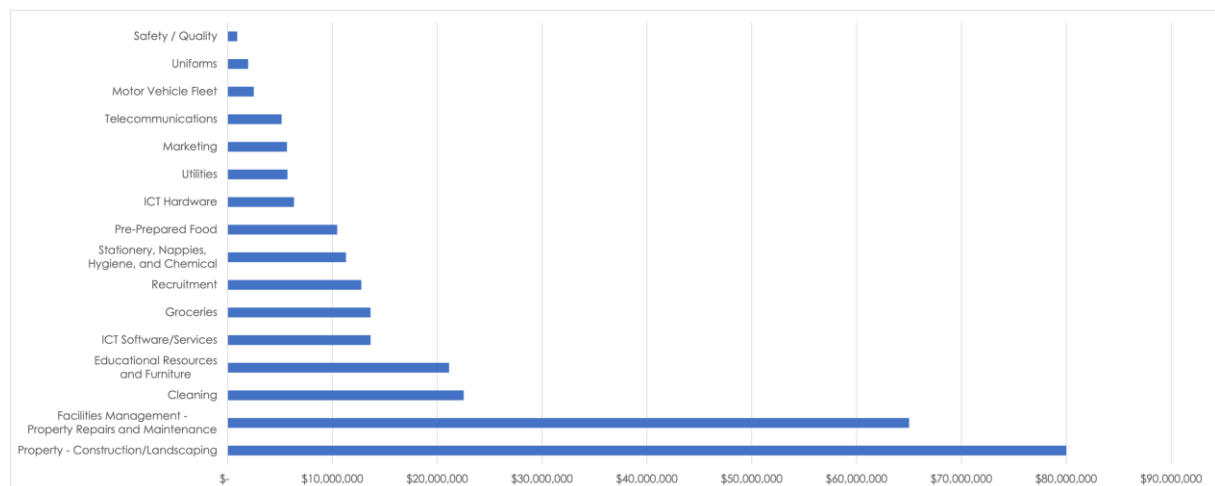
In this reporting period, including times of resource restrictions during the 2021-2022 COVID-19 pandemic, Goodstart has had only limited contact with a single supplier of educational resources that Goodstart identified as posing a potential risk to our modern slavery initiatives. However, based on the responses to the 2022 questionnaire, we continue to consider this supplier as a limited use supplier and are continuing to work on concerns raised with them in past two reporting periods.

In addition, during the 2022-23 reporting period Goodstart will review its relationship with a labour hire company that has been reticent to respond to our most recent supplier questionnaire. Goodstart will also build its relationship with several property/facilities and ICT suppliers to encourage a better understanding of modern slavery and reinforce with them Goodstart's focus and priority on mitigating modern slavery through our supply chains.

The following categories of spend for Goodstart have been identified as high-risk categories where there is a potential for slavery in supply chains to occur.

Category	Regions Sourced / Manufactured
Cleaning	Australia
Educational Resources and Furniture	Asia, Europe, North America
Facilities Management - Property Repairs and Maintenance	Various
Groceries	Various
ICT Hardware	Asia
ICT Software / Services	Africa, Asia, Australia, Europe, North America
Marketing	Australia
Motor Vehicles	Asia
Pre-prepared Food	Australia
Property – Construction, Landscaping	Various
Recruitment	Australia
Safety / Quality	Australia
Stationery, Nappies, Hygiene and Chemical	Asia, Australia, North America
Telecommunications	Australia
Uniforms	Asia
Utilities	Australia

The following chart shows the \$ value of Goodstart spend by category during the 2021-22 reporting period:



5 MODERN SLAVERY RISKS

During the initial reporting year (the year ending 30 June 2020), a risk assessment was undertaken for modern slavery risks within our operations and supply chain. That process of ongoing risk assessment has continued throughout the subsequent two reporting periods as procurement activities have evolved and new suppliers have been contracted. Through the risk assessment process, we identified the following modern slavery risks within our operations and supply chain:

5.1 In our Operations

Goodstart deems the risk of modern slavery practices in our directly employed workforce to be very low. This is due to the highly regulated nature of the labour market in Australia, the strict regulation of early learning and child to staff ratios, the presence of unions to represent employees, and our employees undertaking work in environments where there are established industrial policies and processes.

There has been no change to Goodstart's assessment of the risk of modern slavery practices in our workforce for the present period.

5.2 In our Supply Chain

The risk of modern slavery practices in our supply chain is influenced by country of origin and product category.

The 2018 Global Slavery Index measures the extent of modern slavery country by country, and by product category. The top two products at risk of modern slavery imported into Australia are: electronics such as laptops, computers, and mobile phones; and garments. Most of these products are imported from Asia. The prevalence of modern slavery throughout Asia varied between countries but was generally high.

The areas where Goodstart is most likely to be linked to modern slavery are the purchase of educational resources, furniture, uniforms, ICT hardware, and building materials originating in Asia.

6 DUE DILIGENCE AND REMEDIATION

During the reporting period, the COVID-19 pandemic has had an impact on every business in Australia. However, throughout this reporting period, we maintained contact with our suppliers to ascertain the impact of COVID-19 on their production. We continued to remit payments to our suppliers on time, we did not ask for additional discounts or shortened production timelines, and we did not cancel any orders on short notice.

As part of our response to the pandemic we carefully monitored public health orders and restrictions to ensure compliance with attendance at our early learning centres, and work from home restrictions for our corporate service employees including our procurement.

6.1 Operational due diligence

Goodstart continues to adopt a risk-based approach to modern slavery focused on Tier 1 suppliers and the primary site of manufacturing in their supply chain. Those suppliers identified within these categories are monitored closely.

During the reporting period Goodstart took further steps to assess and mitigate modern slavery risks within its operations.

6.1.1 Internal education, awareness training, and communications

Increasing employee awareness about the prevalence and nature of modern slavery risks within our supply chains is an important component of our strategy.

During this reporting period we commenced development and planned the launch of an online modern slavery eLearning module for all Goodstart employees, with initially the second half of the 2022 calendar year being targeted for reinforcement of modern slavery practices for our corporate support office employees and stakeholders.

The eLearning module provides an overview of modern slavery, the role our business has in eliminating this practice, and how individual Goodstarters can respond to concerns around modern slavery. It provides an introductory awareness to Goodstart's modern slavery focus in our policy framework, responsibilities of staff, and practical daily life examples of how suspicions

of modern slavery experienced in our workplaces can be reported for follow up action by Goodstart.

6.1.2 Modern slavery working group

A modern slavery working group was created in April 2022 to manage our response to the requirements of the Act. The membership of the working group for this reporting period included:

- > Head of Procurement;
- > Partnerships & Corporate Profile Specialist;
- > Learning & Engagement Lead; and
- > Program Change Manager;

with relevant input from Goodstart's ICT, Properties and Facilities, in-house legal services, and other stakeholders as required.

The composition of the working group broadly represents our business activities, with a focus on areas that are most relevant to modern slavery risk issues.

6.1.3 Policy framework development

A review of our internal governance and policy structures was commenced and the policy framework now contains documentation supporting Goodstart's modern slavery actions and awareness of modern slavery in our procurement practices. This policy framework documents aim to provide clarity and transparency about awareness of modern slavery, the internal process for reporting modern slavery concerns, and encouraging additional diligence to identify, prevent, mitigate, and account for how we address our modern slavery risks.

The key policies that have been approved and implemented over the period are:

- > Modern Slavery Requirement
- > Credit Cards Requirement.

The Goodstart Board also updated its Whistleblower Policy during the reporting period to include Modern Slavery risk reporting by Goodstarters.

6.1.4 Risk Monitoring and Board Reporting

Modern Slavery Risks in Goodstart's supply chain were incorporated into Goodstart's corporate risk register under the category of Third Party Enterprise Risk and these risks and risk ratings are reported against each quarter in Goodstart's Quarterly Risk Report to Goodstart's executive management team and Board.

6.2 Supply chain due diligence

Goodstart continued to assess and mitigate modern slavery risks in our supply chain during the reporting period by:

- > engaging with key suppliers to understand 'country of origin' issues and how they are addressing their modern slavery risks, including obtaining copies of supplier's modern slavery statements and supply chain mapping/audits.
- > referencing Modern Slavery and the need for ongoing reporting requirements included in all Request For Proposal documents issued by Procurement and or activity overseen by Procurement. This is included as part of the supplier pre-qualification to which suppliers must note conformance to within submissions.
- > the review of all new contracts for supplies and suppliers of goods and services to Goodstart by our in-house lawyers to ensure that legal provisions are included to ensure adherence to modern slavery laws and access to information regarding supply chains.

6.2.1 Mapping of Supply Chain of Subsidiaries

In the 2020-21 reporting period Goodstart added Big Fat Smile (BFS) to the Goodstart Group. In the Annual Statement arising from that reporting period Goodstart advised that Goodstart's procurement team had engaged with the BFS management team to gather information about their supply chain. That joint work will continue through 2022-23 so that the BFS supply chain is comparable and integrated into Goodstart's supply chains and procurement processes.

Goodstart's 2022 Supplier Due Diligence Questionnaire has been provided to relevant subsidiaries to assist in the identification of modern slavery risks in those supply chains.

6.2.2 Modern Slavery Terms in all new General and ICT Goods and Services Supply Contracts

Goodstart's standard goods and services supply agreement templates used for general and ICT procurement contain comprehensive modern slavery provisions. Additionally, Goodstart has established standard legal procurement requirements for new supplies and suppliers of goods and services to Goodstart which require minimum contractual provisions confirming compliance with modern slavery laws and ensuring access to information regarding supply chains in third party contracts. During the reporting period Goodstart entered into four major legal agreements for the supply of goods or services, which included the negotiation for inclusion of acceptable terms with respect to Modern Slavery laws, reporting and risks, in all such contracts.

6.2.3 Supplier Due Diligence Self Assessment Questionnaire

During the reporting period, Goodstart circulated a comprehensive due diligence questionnaire for suppliers regarding specific modern slavery labour risks and related policies and procedures that suppliers had in place to prevent modern slavery.

Goodstart's Procurement service prepared the 2022 Supplier Due Diligence Questionnaire for 64 suppliers deemed potentially high, medium, and low risk by Goodstart, to obtain more in-depth information regarding their supply chains. The 2022 Supplier Due Diligence Self Assessment Questionnaire was the first occasion where Goodstart has enquired into its low risk suppliers, that is, with a Goodstart spend of less than \$500,000 in the reporting period. These High, Medium, and Low risk suppliers represent a combined approximately \$280M of annual procurement spend by Goodstart shown in the table in section 4 of this document above.

Responses have been collated and analysed by Goodstart's Procurement service. Engagement with suppliers with whom Goodstart had some concerns about responses to the 2022 Supplier Due Diligence Questionnaire, is ongoing. In 2020, an internal process was devised whereby the use of a supplier to Goodstart can be monitored and restricted if concerns are identified based on the supplier's responses to the Due Diligence Questionnaire. Building on the 2021 reporting period Modern Slavery Statement, Goodstart's procurement relationship with a further 12 suppliers is under review following the failure of these suppliers to adequately engage with Goodstart in relation to the supplier due diligence self assessment questionnaire.

6.2.4 Expansion of Scope

Goodstart intends to continue to develop our due diligence and investigation activity to undertake a wider review of our supply chains to include further low risk suppliers in the next two years of Supplier Due Diligence Questionnaires. By June 2025 completion of a form of Supplier Due Diligence Self Assessment Questionnaire will be required of all Goodstart Group suppliers.

6.3 Grievances and remediation processes

Goodstart is committed to the protection and respect of human rights across our operations and supply chain. Where we identify that Goodstart has caused or contributed to adverse impacts such as modern slavery, we will seek to address human rights grievances in line with relevant policies and procedures.

Goodstart has numerous mechanisms for employees and third parties to report suspected or actual wrongdoing or breaches of Goodstart policy, including Goodstart's Code of Conduct, Employee Grievance Framework, GoodCall Hotline, and Goodstart's Whistleblower Policy.

Goodstart's Whistleblower Policy provides a mechanism for employees, suppliers, and contractors (including employees of suppliers and contractors), to anonymously report suspected wrongdoing without fear of retaliatory action. If a report is received it will be managed by Goodstart's designated Whistleblower Protection Officers and investigated at their direction by our dedicated internal investigators, or external investigators, where appropriate.

Where risks are identified in our operations or supply chain, Goodstart will take the following steps to remediate the risk:

- > We will engage with the identified supplier to develop a solution that eradicates and remediates modern slavery where it has been found, including through the enforcement of contractual rights, where relevant; and,
- > Seek to further educate and develop understanding with suppliers through engagement and where possible support the development of new products or services that continue to build on the supplier's capabilities and capacities to continue to supply goods and or services ethically.

7 EFFECTIVENESS MEASURES

The Goodstart Group continues to assess the effectiveness of actions being taken to identify and address modern slavery risks by:

- > Regularly reviewing its supply chains against modern slavery risks and tracking changes in risk profiles for individual suppliers and sectors over time;
- > Applying due diligence of existing and new suppliers including review of suppliers' responses to Goodstart's Supplier Due Diligence Self-Assessment Questionnaire;
- > Engaging regularly with suppliers to ensure their understanding of the risk associated with modern slavery, and eradication of such risk;
- > Engaging regularly with Goodstart Group staff and management to measure their understanding of modern slavery risks in Goodstart's supply chain and Goodstart's procurement practices and internal mechanisms designed to prevent or mitigate such risks;
- > Regularly reviewing and reporting on identified KRI's (key risk indicators) for Modern Slavery under Goodstart's Enterprise Risk Management Framework each quarter in Goodstart's Quarterly Risk Report to Goodstart's executive management and Board.

8 CONSULTATION – WITH CONTROLLED ENTITIES

All work about modern slavery also applies to our subsidiaries under our group structure. All operational subsidiaries and their supply chains have been incorporated in the risk assessment process. Our group policies and procurement framework apply to all our subsidiaries which we own and control and are covered as part of our internal consultation process.

As part of that internal consultation process, our controlled entities have been provided with information and resources about modern slavery and the legislative requirements under the Modern Slavery Act 2018 (Cth).

9 PRIORITY AREAS AND PLANNED PROGRESS

It is important to Goodstart, and the children and families that we support that we always act with integrity and to the highest possible ethical standard. We will continue to advocate on modern slavery to government and to the wider Australian community, especially where we believe changes should be made to support children experiencing disadvantage and vulnerability, including the abolition of modern slavery.

During the reporting period Goodstart commenced preparation of an eLearning awareness video about Modern Slavery. It is our intention to make this video available to all Goodstart employees and suppliers during the 2022-23 reporting period.

In the 2022-2023 reporting period the Modern Slavery working group will develop an instrument to survey the leadership teams of all the Goodstart Group entities to gain a deeper understanding of the potential risk of modern slavery practices within its controlled entities, and to understand the approach to mitigating risks. A key objective of the survey will be to gauge awareness of the risks of modern slavery among strategic personnel. A further objective is to understand operational employment practices of the entities to determine if any tightening of onboarding of personnel is required to ensure that we are minimising the potential of modern slavery within our workforce.

Entities will also be asked to rate risk of modern slavery within their operations and supply chain and describe the actions taken to identify, address and monitor these risks.

Once surveyed, the Modern Slavery Working Group will analyse responses to determine where greater engagement with controlled entities is needed, to identify and address areas of concern. The working group will also continue to engage with controlled entities to ensure that policies and practices in place are adequate to mitigate modern slavery risks.

During the 2022-2023 to 2024-2025 reporting periods Goodstart will continue to work with our suppliers to assess the transparency of responses by to the Due Diligence Self-Assessment Questionnaire. We will refine the Questionnaire over time to continuously improve the information we are gathering from pertinent questions around modern slavery activities. Contemporaneously, Goodstart will extend the scope of supplier enquiry to all parts of its supply chains so that in each year there is a sample of suppliers, no matter what their Goodstart spend, who are captured in our annual Due Diligence Self-Assessment Questionnaire analysis.

Goodstart currently examines only Tier 1 level suppliers, that is, the penultimate organisation in the supply chain of a good or service prior to sale to Goodstart. In order to avoid opportunities of modern slavery within its supply chains, Goodstart will also work to understand the supply chains underneath our Tier 1 suppliers. During the same reporting periods identified above, Goodstart will review its supply chains and identify mitigating action against modern slavery at Tiers 2 through 4.

Key indicators for the 2022-2023 reporting period to measure Goodstart’s ongoing impact to reduce modern slavery are:

Supplier mapping
> Maintain accuracy of Tier 1 supplier mapping;
> Determine and map Tier 2 suppliers
Modern Slavery Policy Framework documents
> Provide Tier 1 suppliers a copy of relevant Goodstart Group’s modern slavery policy documents;
> Continue to review Policy Framework and add/amend documents where appropriate
Supplier site visits
> Visit selected Australian based supplier sites
Supplier chain monitoring and continuous improvement
> Determine if Tier 1 supplier third party audits are required – if yes, select appropriate modern slavery supplier audit service and commence sample audits
Education and Training
> Roll out internal eLearning module to all of Goodstart Group;
> Ensure provision of Goodstart’s eLearning module is available to all Tier 1 suppliers

Supplier Remediation

- > Seek Goodstart resources to collaboratively train and improve Tier 1 supplier's response to modern slavery requirements;
- > Develop a supplier management process for separation of procurement relationship if supplier unwilling to take part in Goodstart's modern slavery efforts.

10 ATTESTATION

This Statement has been approved by the Board of Directors (the principle governing body) for Goodstart Early Learning Limited ACN 139 967 794 ('Goodstart'), as the parent company and controlling body of the Goodstart Group as defined above, comprising GS Admin Services No 1 Pty Ltd ACN 169 578 796, Goodstart Early Years Ltd ACN 133 530 364 and Big Fat Smile Group Limited ACN 002 796 232.

The Goodstart Board of Directors approved this statement for and on behalf of the Goodstart Group, pursuant to s.14(2)(d)(ii) of the Modern Slavery Act, by resolution dated 7 December 2022

Signed:



Julia Davison, Director, Goodstart Early Learning Limited

7 December 2022