

C&K Modern Slavery Statement 2023





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This Modern Slavery Statement is approved by The Creche and Kindergarten Association Limited Board of Directors on 30 June 2024.

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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

C&K has proudly nurtured the learning and development of Queensland children for 117 years. As a not-for-profit organisation, we have always put children at the centre of everything we do, which allows us to honour every child's curiosity, individuality and potential.

C&K remains a trusted brand by families and communities to offer an engaging and enriching educational environment across 329 kindergartens and childcare centres in Queensland, inclusive of 151 kindergartens who are affiliated with C&K. While these affiliated centres may carry C&K's brand, they are not covered by this Modern Slavery Statement.

This document is C&K's Modern Slavery Statement for the 2023 reporting year issued under the Modern Slavery Act 2018 (Cth) (Act). 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.

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 modern slavery.

1.2 Chief Executive Officer's message

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

We are committed to continuous improvement and understanding the risk of modern slavery 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 and during 2023 we did not detect any instances of modern slavery in our operations or supply chain. We have prioritised the areas of highest risk to put appropriate and effective processes and frameworks in place to strengthen our approach to mitigate against modern slavery.

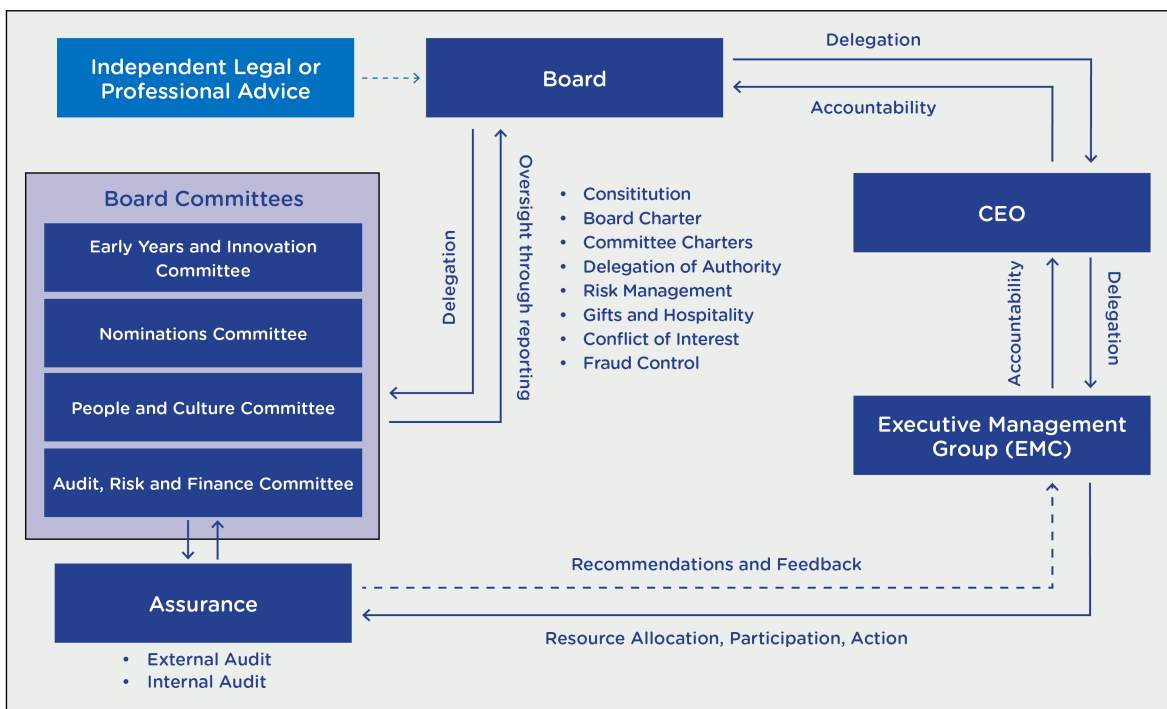
2. Our structure, operations and supply chain

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.

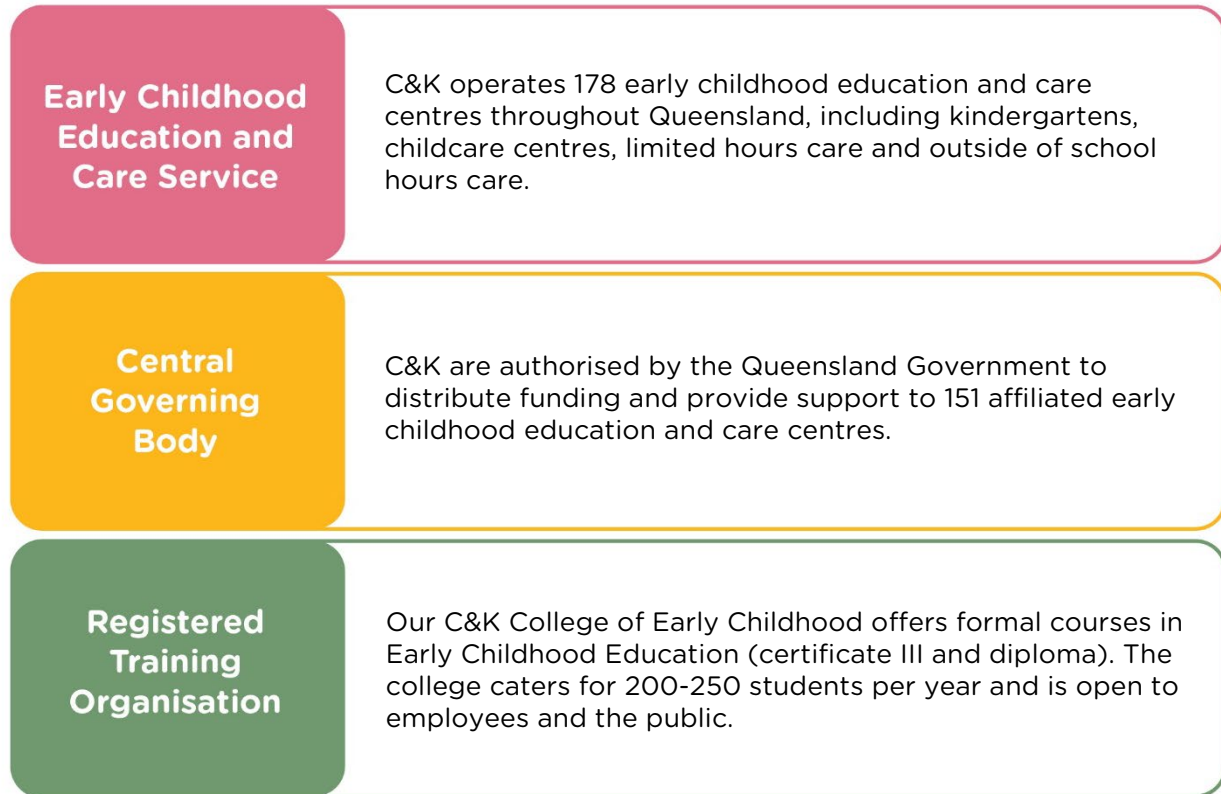
Effective Corporate Governance is critical to our ongoing success. Our Governance Structure for the 2023 reporting year is set out below and highlights the interaction between the Board, external advisors and the Executive Management Group.

2023 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 117-year history, our organisation has met the needs of the families and communities we support. Our business operates in three key areas:



2.3 Our supply chain

In 2023 C&K worked with more than 1,150 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 organisations. C&K is committed to respecting the fundamental human rights of all people and we work with our key suppliers to communicate our expectations of them. C&K expects the highest ethical practices and professional standards from its suppliers through their commitment to:

- Compliance with laws and regulations.
- Socially responsible and sustainable practices.
- Valuing and respecting all people by respecting diverse backgrounds, experiences and perspectives.
- Robust corporate governance.
- Displaying integrity with a proactive focus on risk awareness and management.
- Environmental stewardship.



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 2023 that would impact our modern slavery risk profile. We have not identified any issues or concerns 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

The diagram below shows the categories of expenditure in C&K's supply chain and the assessed risk for each category:

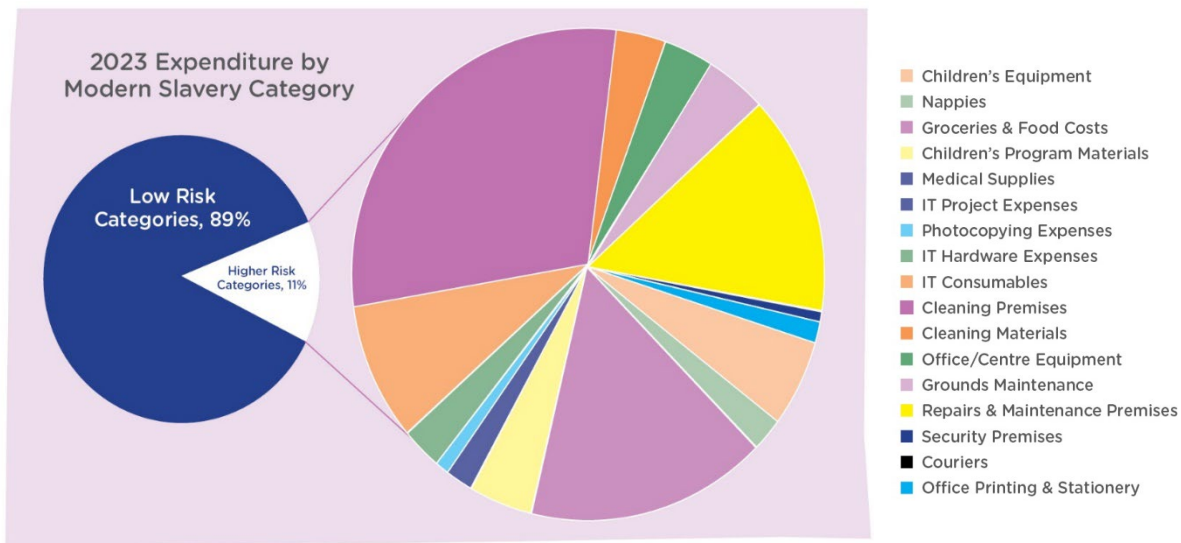
C&K Supplier Risk Assessment



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

While C&K does purchase certain goods and services that are generally considered to be higher risk based on the Department of Home Affairs Modern Slavery Guidance Notes and the Global Slavery Index, around 89% of C&K's annual expenditure falls into low-risk categories, such as employee costs, depreciation, finance costs and occupancy costs. Within higher risk categories, and as shown in the following diagram, our spend is concentrated in cleaning, grocery and food costs, repairs and maintenance and IT hardware.





C&K recognises that while this may reduce our overall risk of inadvertently contributing to modern slavery, it does not remove the risk entirely. For higher risk sectors such as building and construction services, cleaning and security services, food and catering services, furniture and office supplies and ICT hardware, C&K further reduces its risk by prioritising 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. However, the wide geographical distribution of C&K's centres across Queensland means that this is not always achievable, and we often rely on smaller local suppliers who do not necessarily have the same knowledge of, nor systems and process to manage, modern slavery risks.

4. Actions taken in 2023 to assess and address the risk of modern slavery

Training and Awareness - we worked with our Information Technology and Learning Experience Team to rollout an introductory modern slavery module to all C&K centre directors, and to build assignment rules into C&K's learning management system to ensure that this module is assigned to all new employees on commencement. Completion of this module is being tracked and reported in real time via a business intelligence reporting dashboard.

C&K also worked with the Freedom Hub to develop a tailored capacity-building session for C&K's procurement and legal, risk and governance teams and senior managers with financial delegations over \$15,000. The Freedom Hub are a social enterprise supporting survivors who have experienced modern slavery as well as increasing community awareness about modern slavery through their education programs.

The Freedom Hub worked collaboratively with C&K to design a session focused on building a deeper level of understanding around the prevalence of modern slavery globally and in Australia, and the requirements of the Act and potential changes to the Act which may be forthcoming following the statutory review conducted by Professor John McMillan, AO and published in 2023.

Procurement – during 2023 C&K focused our attention on communicating our commitment to ethical, sustainable and socially responsible procurement to our suppliers and setting our C&K’s expectations of suppliers that want to sell their goods and services to us. We identified over 500 vendors who had actively supplied goods or services to C&K in the prior two years for a total value of \$1000 or more. C&K issued each one of these suppliers with a copy of our Supplier Code of Conduct and asked them to review and confirm that they understood and would aspire to meet C&K’s expectations as set out in the Code.

5. Assessing the effectiveness of our actions

We acknowledge that the review and assessment of our actions to identify and tackle modern slavery risks within our operations and supply chain is an ongoing and evolving process. We are fully committed to enhancing and expanding this process.

In 2023 C&K introduced the following modern slavery KPIs for the business.

C&K’s Assessment of Progress on our Actions

Approved Measures	Approved Target for 2023	Outcomes as at 31 December 2023
Percentage of C&K central staff provided with introductory modern slavery training.	90% of central employees will have completed training	97%
Percentage of C&K centre directors provided with introductory modern slavery training.	90% of centre directors will have completed training	63% - the lower than target result primarily reflected delays in assigning this training to this cohort of employees.
Number of C&K central staff provided with specialist modern slavery training.	100% of staff within the procurement team and central employees with higher delegations	In 2023 the Freedom Hub worked collaboratively with C&K to design a workshop to be delivered in February 2024.
Number of modern slavery incidents identified within our operations or supply chain.	Zero	Zero
Percentage of active suppliers with an ongoing relationship with C&K provided with C&K’s Supplier Code of Conduct.	100%	100%
Percentage of active suppliers with an ongoing relationship with C&K providing a signed statement relating to modern slavery.	50%	57% of the vendors that were provided with C&K’s Supply Code of Conduct signed and returned the document.



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)



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Where children come first