

SUSTAINABILITY REPORT

Contents

1. OUR SUSTAINABILITY JOURNEY
2. MATERIALITY MATRIX
3. SUSTAINABLE DEVELOPMENT GOALS
4. PILLAR – GOVERNANCE
5. PILLAR – SERVICE QUALITY
6. PILLAR – OUR PEOPLE
7. PILLAR – OUR ENVIRONMENT

OUR SUSTAINABILITY JOURNEY

Our business exists to deliver on our purpose, creating the foundations for learning for life. We appreciate the long-term success of our business in achieving our purpose is reliant on the well-being of the children in our care, the families in our education community, the team members who provide the education and support, and the natural environment in which we operate.

This year's Sustainability Report continues to be organised around the four sustainability pillars identified in our 2020 materiality assessment: Governance, Service Quality, Our People, and Environment. Each pillar contains sections on select material sustainability topics, each of which includes a discussion on our sustainability approach for the topic, and, where applicable, how performance was measured and assessed in 2022 as well as targets for 2023.

GOVERNANCE

Strong corporate governance and compliance with Australian law, industry regulation and standards for childcare services underpin our success. At the end of 2022, 89% of our centres were rated as 'Meeting' or 'Exceeding' the National Quality Standards, a 3% increase year on year.

SERVICE QUALITY

Service quality is our core business. We have robust policies in place to protect our children's health and safety, and our team members are required to complete mandatory training modules each year. We pride ourselves in the quality of our pedagogical approach, which is play-based and child-led.

OUR PEOPLE

Addressing unprecedented sector-wide workforce shortages was a priority focus in 2022. Through coordinated efforts at a sector, network and local level, we have reduced our job vacancy levels by 37%¹. We have made improvements to our recruitment and retention activities, with career development remaining a key part of our employee value proposition. This was recognised when G8 Education was named Australia's most attractive employer in Randstad's Employer Brand Research survey in 2022. We also won a bronze medal in the Apprenticeships-Employer Award category at the 2022 Australian Training Awards.

These awards reflect the quality of our sector-leading Study Pathways program which continued to grow in 2022, with the addition of a Masters of Teaching scholarship, enabling team members with a Bachelor degree from another field to complete their teacher training. It complements our existing fee-free Diploma, Certificate III and Bachelor study pathways. We also established our fourth university partnership with Edith Cowan University in Western Australia.

We remain committed to supporting sector-leading Early Childhood Teacher (ECT) career pathways, launching our inaugural Early Childhood Teacher Roadshow in 2022 and announcing two weeks additional paid annual leave for our qualified ECTs from 2023. We were delighted to bring our Centre Managers, Area Managers and Regional Managers together for the first time since before the pandemic for our national conference. With the theme of 'Reconnect' this offered an outstanding opportunity for professional development, recognition and strengthening of our critically important leadership teams. We also commenced a new Area Manager Development Program, designed to strengthen the leadership capabilities of our critically important around centre leaders through a 12-month blended learning curriculum.

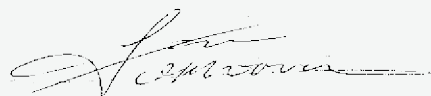
We continued to introduce new and enhanced benefits and recognition programs across our entire workforce, including a 50% child care fee discount for team members, a formal 'Years of Service' recognition program, our Annual Standout Educator Awards, and our Team Saver retail rewards program. Throughout the year, we also placed a strong focus on team member wellbeing as part of our safety priority, and saw a reduction in mental injury frequency rate of 20%.

OUR ENVIRONMENT

We have undertaken multiple initiatives to start tracking and reducing our impact on the environment. Consistent with our support of the Paris Agreement, we have set targets to reduce our Scope 1 and 2 emissions. We are closely tracking our Scope 1 and 2 emissions and have obtained assurance over our emissions reporting as part of execution of a Sustainability Linked Loan in 2022 that links to three key performance indicators: reducing our carbon emissions, improving our quality and implementation of our reconciliation action plan.

As educators, we recognise the important role we can play in instilling positive attitudes towards the environment in the children in our centres, and our curriculum integrates sustainability issues into daily centre life.

I am pleased to share our 2022 Sustainability Report. We look forward to continuing our sustainability journey and welcome feedback from our shareholders and other stakeholders.



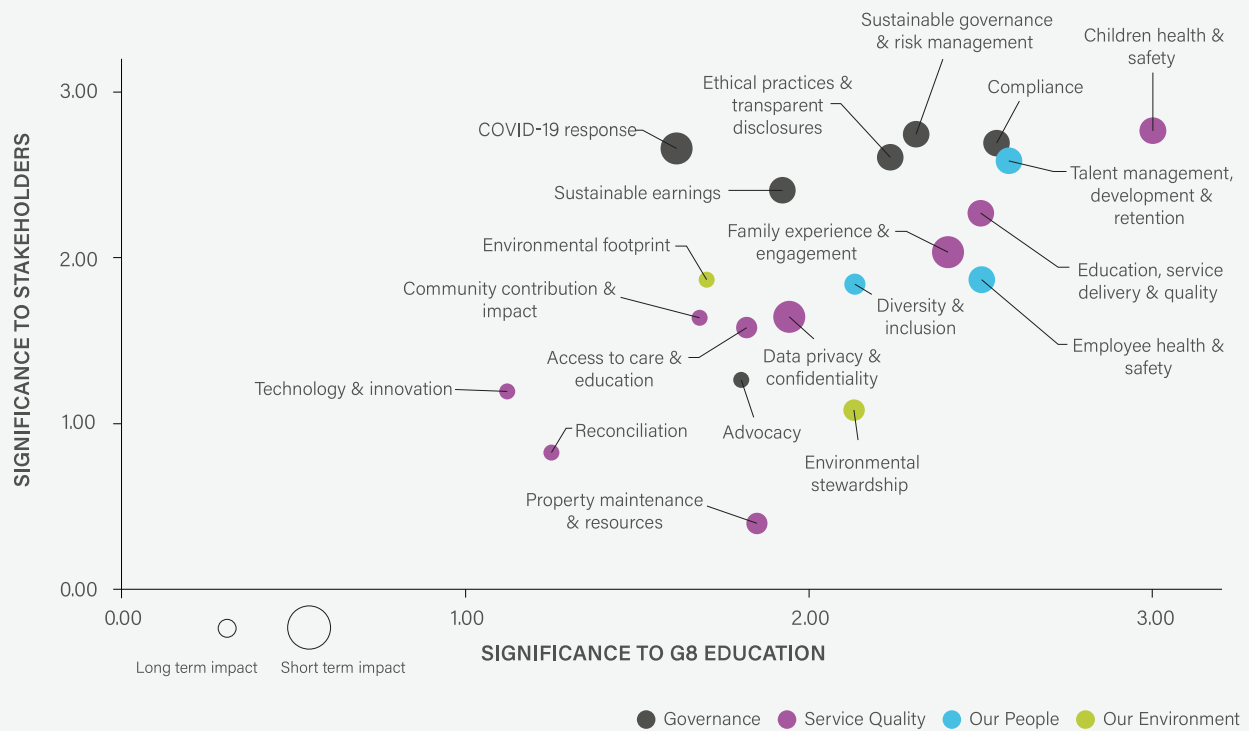
Pejman Okhovat
CEO and Managing Director

1. At 31 December 2022 compared to 31 December 2021.

MATERIALITY MATRIX

The materiality assessment completed in 2020 identified 20 topics grouped within our four pillars that are most material to our stakeholders.

The below materiality matrix maps the importance of these material topics to stakeholders against their business impact. Large dots represent short-term priorities whereas smaller dots, while still important, form part of G8 Education's long-term sustainability considerations. The colours represent the four pillars.

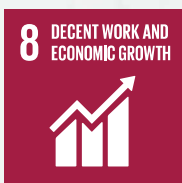


SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) were established in 2015 and set a global agenda for sustainable development through 2030. The 17 SDGs are a call to action to address the world's most pressing economic, environmental and social issues.

G8 Education' business and approach to sustainability touches on numerous SDGs as outlined below and highlighted in the various reporting topics for each of our four sustainability pillars. Our sustainability targets aim to support the SDGs and we intend to report against the SDGs when possible.

SUSTAINABLE DEVELOPMENT GOALS



PILLAR – GOVERNANCE

REPORTING TOPIC

Compliance, Sustainable governance and risk management, and Ethical practices and transparent disclosure



G8 Education is committed to good corporate governance practices and complies with the Australian Securities Exchange Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition). The Board of Directors guide and monitor the business and affairs of G8 Education on behalf of the shareholders by whom they are elected and to whom they are accountable. G8 Education's compliance with the Principles is found in the corporate governance section of our website:

www.g8education.edu.au/investor-information/corporate-governance.

The Board believes compliance with G8 Education's corporate governance and risk management policies, as well as relevant federal and state regulations, is critical to our success. All team members are required to complete mandatory compliance training on child safety and information security on an annual basis, and performance against the National Quality Framework is monitored closely by the Board.

In 2022 we engaged an external expert to review the Group's compliance framework. Further improvements to the compliance framework will be made in 2023, including investment in digitisation and automation of reporting and additional training for support functions and centre teams.

HOW PERFORMANCE IS MEASURED

PERFORMANCE

Enterprise Risk Management Framework (ERM) including number of times ERM reviewed by the Board; number of times full ERM framework reviewed

- ✓ ERM reviewed at 12 Board meetings
- ✓ ERM reviewed at all Audit & Risk Management Committee Meetings
- ✓ Annual Risk Workshop conducted by the Audit & Risk Management Committee

Active team members who have completed annual Child Protection Training

FY22 (TARGET)

FY21

82% (95%)

92%

REPORTING TOPIC

Sustainable earnings



G8 Education recognises the importance of responsibly managing its fiscal responsibilities to stakeholders in an ethical, sustainable and transparent manner and that a sustainable earnings stream is necessary to achieve its purpose and strategic goals.

In 2022, G8 Education continued to invest in its centres through enhancements to learning environments, centre manager development and weekly work routines. The centralised Improvement Program is complete with the program rolled out across the network including refreshed educational resources in each centre. We are now taking a 'Business As Usual' approach focused on sustaining and continuously improving centre quality, supported by the efforts of the around centre "Field Support" teams.

PILLAR – GOVERNANCE *continued*

REPORTING TOPIC

Advocacy



G8 Education believes in being an advocate for children and in advocating the importance of early childhood education to government, sector and the community. Our efforts to raise awareness of the positive impact of early learning and to build further recognition of the early childhood education profession continued in 2022, and we joined sector-wide discussions with government focused on improving affordability of care, increasing educator wages and supporting greater access to quality early learning and care for children with complex needs.

The Board of G8 Education has approved the Company's membership of the following organisations:

AUSTRALIAN CHILDCARE ALLIANCE (ACA)

The ACA works on behalf of early learning service providers to ensure families and their children have an opportunity to access affordable, high quality early learning services throughout Australia. It has extensive experience in the fields of early learning, training and management and works with Federal and State Governments, regulatory authorities and other stakeholders to ensure that families are supported into the future with a sustainable, affordable and viable sector.

EARLY CHILDHOOD AUSTRALIA (ECA)

ECA has been a voice for young children since 1938. ECA is the peak early childhood advocacy organisation, acting in the interests of young children, their families and those in the early childhood field.

ECA advocates to ensure quality, social justice and equity in all issues relating to the education and care of children aged birth to eight years.

THE EARLY LEARNING AND CARE COUNCIL OF AUSTRALIA (ELACCA)

Internally, ELACCA works to strengthen quality among ELACCA member services and to create an ambitious vision for the early learning sector. Externally, ELACCA works with governments, public sector agencies and research organisations to contribute ELACCA's vast knowledge and experience to the development of good public policy for early learning and care in Australia.

In 2022 G8 Education's primary advocacy activities centred around its involvement as a member of the Board of ELACCA. During 2022, ELACCA's advocacy activities focused on:

- Ensuring the health and safety of children and educators during the COVID-19 outbreaks in 2022;
- Improving the equity and access to early education for all Australian children. In this respect, it was pleasing to note the Government increased the base entitlement to Child Care Subsidy for indigenous children from 24 to 36 hours per fortnight from September 2022; and
- Responding to the workforce shortages in the sector through government funded increased wages for educators and an increased intake of migrant teachers.

In addition to its ELACCA activities, G8 Education's own advocacy activities included:

- Providing a pre-Budget submission and meeting with various Ministers to propose improvements in child care subsidy for in-home care to improve affordability for families and changes to the tax system to encourage employers to provide early learning cost support as part of salary packaging; and
- Participating in discussions with Government, peak bodies and other large sector providers in relation to the potential for multi-employer bargaining to be implemented in the sector, alongside a material wage increase for educators that is funded by Government.



WE ADVOCATED FOR IMPACT AT THE 2022 ECA NATIONAL CONFERENCE

G8 Education was proud to be the Gold Sponsor of the 2022 Early Childhood Australia (ECA) National Conference in Canberra. Under the theme, Passion to Power: Our future profession, we connected with others in the sector to plan for a future in which the societal impact and leadership of our profession is more widely recognised. "At a time when our sector is facing unprecedented workforce shortages it has never been more important to bring people together to inspire, learn and align in our response to these challenges," said Gary Carroll, G8 Education CEO as he spoke at the conference.

PILLAR – GOVERNANCE *continued*

REPORTING TOPIC

Human Rights and Supply Chain

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION



We are committed to carrying out business fairly, honestly and ethically and we recognise the important impact we can have by ensuring that suppliers from whom we procure goods and services align with our commitments.

Our supply chain is complex with a procurement spend of approximately \$228 million with around 1,789 direct suppliers. Our procurement practices are established to ensure that we do not select providers of services or goods on the basis of price alone, but select suppliers based on various criteria including a review of policies and practices related to ESG. We have a robust contract execution process in place, pursuant to which all procurement agreements must be reviewed by the Legal team irrespective of quantum or term.

During 2022, our largest suppliers by spend provided the following goods and services:

- Property and maintenance (including commercial cleaners, gardeners, and repair and maintenance workers)
- Centre resources (including food, nappies and office supplies)
- Educational resources (including arts, crafts and teaching aids)
- Technology services (including software licences and IT services)
- People costs (including agency and casual recruitment and education development)

In addition, during this year we have invested in a “procure to pay” system which we anticipate will be implemented in early 2023. We expect this new system to help reduce our modern slavery risks by improving visibility and implementing further controls over our vendor engagement process.

HUMAN RIGHTS

Our Code of Conduct confirms that G8 is committed to supporting and promoting human rights that benefit all our stakeholders including our families, employees, shareholders, investors and the communities in which we live and operate. In addition, we oppose all forms of modern slavery and are committed to ensuring such practices do not exist within our operations or supply chain. We recognise and seek to ensure that our practices align with the United Nations Universal Declaration of Human Rights and the United Nations Principles on Business and Human Rights.

Please see our Modern Slavery Statement for more details on the actions we have taken to date to address the modern slavery risks in our operations and supply chain:

<https://g8education.edu.au/wp-content/uploads/2022/12/FY2021-GEM-Modern-Slavery-Statement.pdf>

PILLAR – GOVERNANCE *continued*

REPORTING TOPIC

Privacy and Cyber Security



G8 Education understands the importance of its privacy and data protection responsibilities. Regular updates on cyber security and data protection are provided by our Chief Information Officer to the Executive Leadership Team and the Board. Annual mandatory information security training is provided to team members, along with supplementary training and education on topics such as phishing.

G8 Education recognises that the constantly evolving threat landscape for cyber security makes cyber security awareness vital for Directors and senior executives. Professor Julie Cogin completed a Graduate Diploma in Cyber Security in 2022 and other Board members attended external cyber security training, seminars or workshops.

G8 Education's privacy policy (available on our website) describes the type of information we collect and how we use that information. We do not sell personal information to third parties and we allow individuals the opportunity to participate in how their personal information is used in accordance with the Australian Privacy Principles.

We apply a variety of approaches to protect our data from risk including key vendor security assessments, legislative monitoring, cyber threat assessment, penetration testing, reviewing and monitoring industry threat analysis and benchmarking. We also deploy technical security solutions such as identity and access management and other endpoint solutions across our technology infrastructure to address identified cyber risks and to protect against data loss.

G8 Education's external audit considers cyber security in its identification and assessment of risk of material misstatement of the financial report. The Company also commenced an internal audit on Cyber Security and Data Privacy in December 2022 and will assess the findings and implement the recommendations in its 2023 cyber roadmap. Privacy and cyber security remain a high-risk area and we are focussed on building our capability to be better prepared to respond in the ever-changing threat landscape.

HOW PERFORMANCE IS MEASURED

PERFORMANCE

	FY22	FY21
Number of reportable data breaches ¹	0	1
Percentage of data breaches involving personally identifiable information (PII)	0	100%
Number of students affected	0	<100

1. Data breaches reported to the Office of the Australian Information Commissioner (OAIC)



PILLAR – SERVICE QUALITY

REPORTING TOPIC

Child Health and Safety

3 GOOD HEALTH AND WELL-BEING



CHILD PROTECTION POLICY

The best interest and wellbeing of children is the primary consideration for G8 Education. G8 Education is committed to ensuring the safety, protection and wellbeing of children by providing child friendly environments where all children are respected, valued and encouraged to reach their full potential.

To support this commitment, G8 Education has developed the Child Protection Policy, which sets out G8 Education's approach to the on-going provision of a child safe organisation where children and young people are in a safe and harmonious environment during their care. This policy provides the framework for our approach to the National Principles for Child Safe Organisations.

A copy of the Child Protection Policy can be found here: <https://g8education.edu.au/about-us/sustainability/>

CHILD PROTECTION STATEMENT OF COMMITMENT

All team members and volunteers have a legal and ethical obligation to act in order to protect any child who is at risk of abuse or neglect. G8 Education has developed the Child Protection Statement of Commitment, which is applicable to all team members, including leaders, volunteers and others who may represent G8 Education in any capacity. The purpose of this Child Protection Statement of Commitment is to outline expected daily behaviours, interactions and conduct of team members required to support children, prohibit any form of child abuse or neglect and ensure mandatory reporting obligations are met. A copy of the Child Protection Statement of Commitment can be found here: <https://g8education.edu.au/about-us/sustainability/>

CHILD FOCUSED COMPLAINTS SYSTEM

G8 Education has a child focussed complaints system which includes:

- Having accessible policies for receiving, responding to and investigating complaints of child harm or abuse which prioritises the safety and wellbeing of children.
- Responding effectively to concerns or complaints where harm is caused to a child by another child.
- Having processes in place for reporting to external authorities, record keeping and information sharing to ensure G8 Education meets its reporting requirements, employment law and privacy obligations.
- Providing information to team members on the complaints process, their roles and responsibilities, and reporting and privacy obligations when responding to children who disclose abuse.



G8 RECOGNISED AS LEADING CHILD SAFE ORGANISATION

In September 2022 G8 Education was awarded the Queensland Child Protection Week - Child Safe Organisation Award. The award recognises G8 Education's commitment to embedding child safe practices across its organisation including appointing Child Protection Champions in every centre across Australia. The Morcombe Foundation commended G8 Education on its achievement while visiting Community Kids Yandina 1 during Child Protection Week. "Congratulations on being awarded Child Safe Organisation for 2022, it is very well deserved. We know you would have worked hard to obtain this award," said Bruce Morcombe OAM.

PILLAR – SERVICE QUALITY *continued*

REPORTING TOPIC

Community Contribution & Impact



RECONCILIATION ACTION PLAN

We acknowledge the Traditional Owners of the Lands across Australia and pay our respect to the Elders past, present and emerging. We support reconciliation with Aboriginal and Torres Strait Islander peoples. As a sign of our commitment to the reconciliation movement, we have begun developing a corporate Reflect Reconciliation Action Plan (RAP) and will seek accreditation of this first stage RAP in 2023. This will complement and support the reconciliation journeys many of our centres have already begun.

A RAP Committee has been established to drive the implementation of our RAP, chaired by G8 Education's Head of Education. The RAP Committee has monthly scheduled meetings in 2023 to ensure progress and will report to the Board via the Audit & Risk Management Committee. We look forward to sharing our progress in due course.

COMMUNITY CONTRIBUTION

The start of 2022 presented incredible challenges as the COVID-19 omicron wave and extensive flooding impacted communities across Australia. Our centres play a critical role in our communities. We are proud of the way our teams have supported our children, families and each other as we navigated flood and COVID-19 impacts, including centre closures, reopenings and support for those directly affected. In particular, our teams rallied behind the community of Lismore in northern New South Wales, donating books and raising emergency funds, which were matched by G8, following devastating floods.

Our team also rose to the challenge of supporting the Children's Hospital Foundation 42K Your Way fundraiser. We raised an incredible \$181,031 against our target of \$150,000, to support research into childhood brain cancer. Our teams walked, rolled, danced and skipped to compete the 42 kilometre challenge in August, forming a community partnership of which we are incredibly proud.



PILLAR – SERVICE QUALITY *continued*

REPORTING TOPIC

Education, Service Delivery and Quality

4 QUALITY
EDUCATION



5 GENDER
EQUALITY



EDUCATION STRATEGY

In 2022 we continued to implement the ongoing education strategy to lift quality across the network and improve outcomes for children, families, communities and team. A new Education Strategy for 2023-2025 was developed drawing on national and international research and insights and building on the positive work to date. We also established a new Education Advisory Committee that will commence in 2023 to provide thought leadership, advice and guidance to the Early Learning and Education Team and Board of G8 Education.

Children's learning, development and wellbeing has been disrupted by the pandemic in recent years. In response, to support children's improved executive function, oral language, self-regulation and physical activity, an evidence based program has been sourced through the Queensland University of Technology, named Rhythm and Movement for Self-Regulation (RAMSR)¹. Initial professional learning commenced in 2022 at the Early Childhood Teacher roadshows with strong positive feedback. This program will continue to be implemented in 2023 and beyond.

The digital technologies pilot continued in 2022 in some Queensland centres. This partnership with Apple's Education team continues to evolve and highlight the importance of strengthening digital literacies of teachers, educators, children and families. Supporting children and families with e-safety is an important focus of the program and children learn about being digital citizens and how ipads can be used as a learning tool for multiple purposes. This program is only operating in the year prior to school. In 2023 there are plans to expand the project interstate to a larger cohort of G8 Education's network. There has been very positive feedback from participating children, families and team members. A small cohort of G8 Education team members were fortunate to visit the Australian Research Council Centre of Excellence for the Digital Child at the Queensland University of Technology to further enhance learning and collaboration. This included early childhood teachers participating in the pilot.

Embedding quality is an important focus of the Education Strategy and strengthening centre based leadership teams to drive continuous improvement. Professional learning for Educational leaders to empower their work within centres is an important focus area. The Education team continued to play a key role in supporting Early Childhood Teachers with teacher registration/accreditation and understandings of the Australian Professional Standards for Teachers. Programs will be expanding in 2023 including the ongoing work to support our future teacher workforce currently studying through our Bachelor Scholarship Programs.

EDUCATIONAL APPROACH

Collaborating and partnering with families and communities remains a key focus of our approach and understanding the importance of 'place' and 'context'. Team are supported and encouraged to understand their local community context, drawing on the Australian Early Childhood Development Census (AEDC) data amongst other information to inform program planning and support children's lifelong learning outcomes. Additional learning opportunities were offered in 2023 to support inclusion and wellbeing including ongoing work with BeYou, a national wellbeing initiative of the Federal Government.

The Education strategy and educational approach at G8 Education supports the importance of working in strengths-based ways and embedding relevant curriculum frameworks and guidelines. The Approved Learning Frameworks for early learning and outside school hours care have been reviewed and updated in 2022 and will be released in 2023 with an expected increased focus on reconciliation, inclusion, sustainability and leadership and teamwork. These are all key focus areas within our Education strategy and team will be supported in 2023 to understand and embed the updated changes.

1. Williams et al., (2021). Rhythm and Movement for Self-Regulation (RAMSR) 2020 - 2021. RCT and follow-up. Research Brief.

PILLAR – SERVICE QUALITY *continued*

REPORTING TOPIC

Education, Service Delivery and Quality

4

QUALITY EDUCATION



5

GENDER EQUALITY



PERFORMANCE AGAINST THE NATIONAL QUALITY FRAMEWORK

Consistent with our commitment to high-quality education and care, G8 Education has set a long-term target of 95% of centres meeting or exceeding the NQF.

To meet these targets, G8 Education will continue its investment in educational programming and practice support, the recruitment and retention of team members, resources, physical environment and technology.

At the end of 2022, 89% of G8 Education centres are rated as 'Meeting' or 'Exceeding' the National Quality Standards representing a 3% improvement year on year.

HOW PERFORMANCE IS MEASURED	PERFORMANCE		
	FY25 TARGET	FY22	FY21
% of centres that are meeting or exceeding NQF	95%	89%	86%
% of centres that were assessed during the reporting period as meeting or exceeding NQF		87%	92%



PILLAR – OUR PEOPLE

REPORTING TOPIC

Talent Management, Development and Retention

1 NO POVERTY



8 DECENT WORK AND ECONOMIC GROWTH



G8 Education acknowledges the well-publicised labour shortages in the early childhood education sector, and we are not immune to the challenges of the tight labour market. G8 Education uses labour hire agencies to respond to acute staff shortages to keep our centres open and meet service standards. Whilst we saw an increase in the use of agency labour in 2022, we are targeting a reduction in 2023.

We have made improvements to our recruitment and retention activities, with career development remaining a key pillar of our employee value proposition. This was recognised when G8 Education was named Australia's most attractive employer in Randstad's Employer Brand Research survey in 2022. We also won a bronze medal in the Apprenticeships-Employer Award category at the 2022 Australian Training Awards.

G8 Education has a multi-pronged strategy to address chronic staff shortages and increase employee retention. At the public policy level, we have worked with industry bodies to lobby governments for action to address sector-wide labour shortages. At the G8 Education level, actions undertaken in 2022 included:

- Increased investment in induction procedures for Early Childhood Teachers and new Centre Managers
- Providing study pathways, professional development programs (see Talent development over page), management leadership programs and paid professional development days
- Increasing remuneration for key roles
- Enhancing flexible employment and rostering practices
- Offering wellbeing programs to support mental health
- Providing mentoring programs to Early Childhood Teachers and Centre Managers
- Expanding team member benefits and rewards including increasing team member discounts to 50%
- Formal 'Years of Service' recognition program
- Annual Standout Educator Awards
- Team Saver retail rewards program

G8 Education is committed to providing a fair wage for all employees and we have invested heavily in our Human Resources Information Systems to ensure award compliance. We advocate for improved working conditions for the early childhood education sector, including meeting with various Ministers and providing pre-budget submissions to petition for Government support for increased wages for educators in 2022.



PILLAR – OUR PEOPLE *continued*

TALENT DEVELOPMENT

G8 Education provides various opportunities for our employees to upgrade their skills and grow with the company. All team members have access to G8 Education's Learning Lounge, an online learning portal with more than 100 short courses. Most of these courses are focussed on pedagogy and practices, with others covering topics such as compliance and safety, people and culture, and operations.

All new Centre Managers participate in the First Steps onboarding and induction program which is designed to equip them with the skills and knowledge needed to feel confident in their role, ensuring they are set up for success from their first day. Centre Managers spend up to four weeks being trained and supported by a specialised Certified Trainer. This support continues throughout their first six months with regular check-in calls, deep-dive workshops and further training offered if required.

Centre educators have multiple study pathways available to them to develop their skills, including through our four university partnerships. The Vocational Study Pathways Program is G8 Education's national traineeship program offering Certificate III and Diploma qualifications in Early Childhood Education. Delivered in partnership with key Registered Training Organisations and supporting stakeholders, the program provides 'earn while you learn' opportunities for entry level roles (Certificate III) as well as upskilling opportunities for both new and existing team members (Diploma).

In addition, the Bachelor Scholarship Program is a dedicated program delivered in partnership with sector leading universities to support Diploma qualified team members to study degrees focused on prior-to-school settings and graduate as the next generation of Early Childhood Teachers.

We were pleased to supplement our sector leading Study Pathways program with the addition of a Masters of Teaching Scholarship in 2022 which allows team members with a Bachelor degree from another field to complete their teacher training.

G8 Education also offers a Teaching for Tomorrow program for Early Childhood Teachers. This exclusive professional development program is delivered in partnership with Semann & Slattery to support Early Childhood Teachers with their ongoing development in both pedagogy and practice. Aligned to G8 Education's Development Framework for Teachers, the suite of initiatives explores emerging practice trends and challenging contexts whilst also providing professional development credits for required Teacher Registration.

We remain committed to supporting sector-leading Early Childhood Teacher (ECT) career pathways, launching our inaugural Early Childhood Teacher Roadshow in 2022 and announcing two weeks additional paid annual leave for our qualified ECTs from 2023. We were delighted to bring our Centre Managers, Area Managers and Regional Managers together for the first time since before the pandemic for our national conference. With the theme of 'Reconnect' this offered an outstanding opportunity for professional development, recognition and strengthening of our critically important leadership teams. We also commenced a new Area Manager Development Program, designed to strengthen the leadership capabilities of our critically important around centre leaders through a 12-month blended learning curriculum.

Playful Innovation championed at National ECT Roadshow

Our inaugural National ECT Roadshow saw over 500 of our Early Childhood Teachers come together across five capital cities to collaborate with sector-leading researchers and professionals, including learning practical skills to be able to implement QUT's RAMSR (Rhythm and Movement for Self-Regulation) program. "I think what is special about the RAMSR program is we know what incredible benefits it has for children, but it also supports Educator and Teacher wellbeing by promoting the importance of 'play' for adults," said Ali Evans, G8 Education's Head of Early Learning and Education.



PILLAR – OUR PEOPLE *continued*

HOW PERFORMANCE IS MEASURED

PERFORMANCE

New employees and employee turnover	GENDER		FY22 # NEW HIRES	
	Female		3153	
	Male		179	
	Non-binary		83	
	Total		3,415	
	% Female		92.3%	
Total employee turnover rates			FY22	FY21
	Voluntary		33.9%	27.8%
	Involuntary		1.6%	1.5%
Centre Manager voluntary turnover rate	FY25 TARGET		FY22	FY21
	15%		19.1%	21.3%
Total number of employees by employment contract, by gender	CATEGORY		AS AT 31/12/22	AS AT 31/12/21
	Female		9,396	9,730
	Permanent		7,331 (78.0%)	7,625 (78.4%)
	Temporary		334 (3.6%)	325 (3.3%)
	Casual		1,731 (18.4%)	1,780 (18.3%)
	Male		347	316
	Permanent		263 (75.8%)	247 (78.2%)
	Temporary		21 (6.1%)	22 (6.9%)
	Casual		63 (18.2%)	47 (14.9%)
	Non-Binary		65	—
	Permanent		35 (53.8%)	—
	Temporary		4 (6.2%)	—
	Casual		26 (40.0%)	—
	Total		9,808	10,046
Percentage of employees on a permanent contract, by state/territory	STATE		AS AT 31/12/22	AS AT 31/12/21
	ACT		81.0%	83.4%
	NSW		73.2%	74.4%
	NT		ND	100%
	QLD		75.5%	75.4%
	SA		79.9%	80.1%
	VIC		80.9%	83.5%
	WA		84.1%	75.2%
	Total		77.8%	78.4%

PILLAR – OUR PEOPLE *continued*

HOW PERFORMANCE IS MEASURED	PERFORMANCE		
		FY22	FY21
Number of employees that took parental leave		288	279
Number of employees that took parental leave and returned to work after taking parental leave		14	12
Number of employees that took parental leave, returned to work after taking parental leave and remained employed as at the end of the financial year		5	9
	FY25 TARGET	FY22	FY21
Employee Engagement Score	80%	75%	77%
New centre managers enrolled in <i>First Steps</i> program		102	72
Number of active students in traineeships		1,064	850
Number of current students in Bachelor Scholarship Program		215	234

REPORTING TOPIC

Diversity and Inclusion

5 GENDER
EQUALITY



10 REDUCED
INEQUALITIES



G8 Education respects, values and celebrates the diversity of its team members, children, families and other stakeholders. We are committed to supporting a diverse and inclusive workforce and recognise that our team members create and maintain our unique culture. To that end, G8 Education has developed several policies to support diversity and inclusion amongst our stakeholders.

DIVERSITY, INCLUSION AND BELONGING POLICY

G8 Education's Diversity, Inclusion and Belonging Policy has been created to ensure fairness, equity and a sense of belonging for all team members. This policy assists team members in understanding their rights and responsibilities regarding workplace discrimination, harassment, bullying, and equal employment opportunities.

This policy also outlines G8 Education's diversity objectives in relation to gender, age, cultural background and ethnicity. It includes requirements for the Board to establish measurable objectives for achieving diversity and equity and for the Board to assess annually both the objectives and the company's progress in achieving them.

At the end of 2021, the Board set measurable objectives for gender diversity for 2022, which are detailed below:

- To maintain at least equal female to male representation for Non-Executive Directors on the Board.
- To maintain at least equal female to male representation on the Executive Leadership Team, excluding the Chief Executive Officer.

Performance against these targets is set out on page 30.

A copy of the Diversity, Inclusion and Belonging Policy can be found here: <https://g8education.edu.au/about-us/sustainability/>

ANTI-BIAS, INCLUSION AND CULTURAL DIVERSITY CENTRE POLICY

G8 Education's Anti-Bias, Inclusion and Cultural Diversity Centre Policy is guided by the Early Years Learning Framework, national law, national regulations and the National Quality Standard, which provide clear guidelines for appropriate practices and those practices that must not be condoned.

At G8 Education, discrimination is not accepted. We believe that every child has the right to develop fully as an individual and be treated equally regardless of their race, gender, colour, appearance, ethnicity, religion, disability, impairment, socioeconomic status or national origin.

A copy of the Anti-Bias, Inclusion and Cultural Diversity Centre Policy can be found here: <https://g8education.edu.au/about-us/sustainability/>

PILLAR – OUR PEOPLE *continued*

REPORTING TOPIC

Diversity and Inclusion



ABORIGINAL AND TORRES STRAIT ISLANDER CULTURE AWARENESS POLICY

G8 Education endeavours to support every child in building a strong sense of their identity i.e. who they are and where they belong. We provide children the right to their identity and to live and learn within their culture. We believe this is especially important for Aboriginal and Torres Strait Island children whose distinctive culture and lifestyle have in the past been threatened and undermined by dominant cultures. Our centres aim to foster children's positive self-esteem and to preserve their own culture and personal identity. It is with this aim that we educate all children of not only the things that make them unique but also those things that make them similar to establish an appreciation of diversity.

A copy of the Aboriginal and Torres Strait Islander Culture Awareness Policy can be found here:

<https://g8education.edu.au/about-us/sustainability/>

GENDER PAY EQUITY

G8 Education believes in equal pay for equal work and strives to eliminate gender pay gaps across the organisation. During 2022 we reduced the gender pay gap across like-for-like roles from 4.7% to 3.9%. The year-over-year reduction can be attributable to several factors, including:

- Carving out a centralised pool from the 2022 remuneration review budget to address market adjustments and identified gender pay disparities
- Validating and addressing identified gender pay disparities in identical roles across support office functions
- Continuing the focus on educating managers on internal relativity (including gender pay issues) when benchmarking newly created roles

Gender pay gap is based on like-for-like role analysis, which removes roles which are solely occupied by either men or women, and helps to normalise the effect of gender representation with women comprising the vast majority of the workforce at G8 Education (96.6%) and more broadly in the Early Childhood Education sector.

HOW PERFORMANCE IS MEASURED

PERFORMANCE

	FY23 TARGET	FY22	FY21
Non-Executive Director gender diversity as at 31 December 2022	At least 50% female	66.7% female	66.7% female
Executive Leadership Team ¹ gender diversity as at 31 December 2022	At least 50% female	71.4% female	50% female
Gender pay gap	LOCATION	FY22	FY21
	In network	(3.6)%	(3.8)%
	All G8 Education	3.9%	4.7%

1. Excluding the Chief Executive Officer



PILLAR – OUR PEOPLE *continued*

REPORTING TOPIC

Employee Health and Safety

3 GOOD HEALTH AND WELL-BEING



G8 Education is committed to the health and safety of all employees and strives to have injury free workplaces. G8 Education's Health and Safety Policy outlines the company's approach to health and safety. The Company works to eliminate hazardous practices and behaviour, which could cause accidents, injuries or illness to employees, contractors, visitors and the general public.

G8 Education follows established hazard identification and risk management practices as per its documented safety management system. In addition, all team members are provided with training on the following Occupational Health and Safety matters:

- Health and Safety General induction
- Manual handling
- Emergency management
- Kitchen safety
- First aid
- Bullying and harassment

- Mental wellbeing
- Injury management and Return to work
- Excursion risk management
- Transitions and separations
- Emotion Coaching for Children
- Teaching through trauma

G8 Education also promotes the general health and well-being for our employees. Team members have access to free confidential Employee Assistance Program, under which employees have access to psychological counselling and nutritional counselling. In addition, the company runs step challenges that encourage employees to stay active, provides team members access to free flu vaccinations, and offers discounted gym memberships.

Throughout the year, we placed a strong focus on team member wellbeing as part of our safety priority, and saw a 20% reduction in our mental injury frequency rate.

HOW PERFORMANCE IS MEASURED

PERFORMANCE

Workers covered by an occupational health and safety management system	FY22	FY21
	100%	100%
LTIFR	FY22 ¹	FY21
	5.54	5

Main types of injuries were contusions, wounds and musculoskeletal injuries (sprains and strains)

REPORTING TOPIC

Labour Relations

8 DECENT WORK AND ECONOMIC GROWTH



REMEDIATION PROGRAM

In December 2020 G8 Education announced that, following a proactive review of its award and legislative requirements, it had identified inadvertent noncompliance issues with relevant awards, which were self-reported to the Fair Work Ombudsman. A remediation program has been underway since that time to ensure that all affected team members are paid in full. The Group has paid remediation program costs totalling approximately \$38 million to date. G8 Education continues to engage with the Fair Work Ombudsman in connection with the matter.

MULTI-EMPLOYER BARGAINING

New industrial relations legislation passed through Parliament in 2022 has paved the way for multi-employer bargaining processes to commence across the Early Childhood Education sector. G8 Education has been working collaboratively with unions, peak bodies and employers to commence the planning process in relation to multi-employer bargaining. We look forward to sharing our progress in due course.

1. Target is 6

PILLAR – OUR ENVIRONMENT

REPORTING TOPIC

Environmental footprint and stewardship

6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



13 CLIMATE ACTION



CLIMATE GOVERNANCE

G8 Education's Board is ultimately responsible for overseeing climate-related risks and opportunities. The Board has delegated oversight to the Audit and Risk Management Committee within our Enterprise Risk Management Framework.

A climate risk register for identified climate-related risks is maintained and G8 Education's progress against its sustainability targets and initiatives is reported to the Audit and Risk Management Committee.

CLIMATE STRATEGY AND RISK MANAGEMENT

During the year the Board conducted a risk workshop which included a session on climate risk to identify and assess the physical and transition risks and opportunities that could potentially impact the operational and/or financial performance of the business. The primary physical risks identified were disruptions to centre operations, damage to or destruction of centres as a result of extreme weather events such as flooding or bush fires, and increased energy usage to keep centres cool during hotter weather. The primary transition risks identified were increased expenditures from more expensive grid energy and compliance, and negative reputational and/or financial impacts from failing to achieve emissions targets. Some significant opportunities were also identified: a material reduction in energy costs through the implementation of a network solar solution, and attraction and retention of team members who are passionate about sustainability and who want to work for a company that cares about environmental, social and governance matters, including active management of climate related risks.

G8 Education's scope 1 and 2 emissions are predominantly made of fleet emissions and grid energy (electricity and gas) consumption requirements. Additionally, some sites have bottled LPG to meet their energy consumption requirements, and some sites have solar panels installed to reduce reliance on the grid. We have identified several initiatives to reduce our emissions, including:

- reducing the number of vehicles in our bus fleet;
- installing solar panels at our Varsity Lakes support office, and
- implementing a solar solution for renewable energy across our network (currently approximately 10-15 centres have solar panels installed on-site).

Other initiatives that may be considered in the future include integrating sustainable building design principles for new builds and switching petrol based fleet vehicles from petrol to hybrid.

Aside from our emissions reductions initiatives, G8 Education is committed to responsibly managing our direct environmental impacts through improving our waste management and recycling, managing water use and sources, and making our business practices sustainable for the future.

In July 2022 we were proud to expand our involvement in recycling initiatives with the launch of The Nappy Loop nappy recycling pilot in partnership with Kimberly-Clark Australia. We are excited to contribute to this partnership and the positive environmental impact it can make.

CLIMATE METRICS AND TARGETS

Climate change is one of the most significant long-term challenges facing our future. We support the Paris Agreement to limit global average temperature rise to well below 2°C and have set our Scope 1 and Scope 2 emissions targets to align with this scenario.

The National Greenhouse and Energy Reporting (NGER) method used to calculate G8 Education's Scope 2 emissions aligns with the 'location-based' method for Scope 2 Accounting method under the World Resource Institute (WRI) Greenhouse Gas Protocol. We are closely tracking our Scope 1 and 2 emissions and have obtained assurance over our emissions reporting as part of execution of a Sustainability Linked Loan (SLL) in 2022. The SLL incentivises a reduction in carbon emissions as one of three key performance indicators, the other two being improvement in quality and implementation of our reconciliation action plan.

G8 Education currently has limited visibility on its Scope 3 emissions. This is an area under investigation, and we hope to report more in future reporting periods.

88%

REDUCTION IN NUMBER
OF ANNUAL REPORTS
PRINTED
(2022 VS 2018)

65.6%

E-COMMUNICATIONS
PREFERENCE FOR
SHAREHOLDERS IN 2022
VS 23.9% IN 2018

PILLAR – OUR ENVIRONMENT *continued*

CASE STUDY

National Standout Educator for Sustainability: Juliet Davis

Juliet Davis from Great Beginnings Secret Harbour was this year recognised at G8's National Standout Educator for Sustainability as part of our annual awards. Juliet has implemented a Sustainability Management Plan for the centre which focusses on reducing energy, water and food waste by incorporating sustainable practices into their program. "It is so incredibly rewarding to educate these young minds and teach them the importance of caring for our planet and all of the fascinating creatures that live alongside us," said Juliet Davis, Educator at Great Beginnings Secret Harbour.



ENVIRONMENTAL STEWARDSHIP

G8 Education integrates environmental stewardship concepts directly into our curriculum, providing our children with educational opportunities around the importance of being responsible and sustainable citizens for the future.

HOW PERFORMANCE IS MEASURED

PERFORMANCE

Number of centres 'Meeting or Exceeding' NQS Element QA3 including 3.2.3 (the service cares for the environment and supports children to become environmentally responsible)	FY22			FY21		
	centres assessed	centres assessed as 'meeting' or 'exceeding' QA3	centres assessed as 'meeting' or 'exceeding' QA3	centres assessed	centres assessed as 'meeting' or 'exceeding'	centres assessed as 'meeting' or 'exceeding'
	83	82	96%	65	60	95%

	FY22	FY21	FY20	FY19
Scope 1 emissions	306,960 kg CO ₂	351,762 kg CO ₂	358,559 kg CO ₂	490,094 kg CO ₂
Scope 1 emissions intensity	185gm CO ₂ /km	217 gm CO ₂ /km	221 gm CO ₂ /km	223 gm CO ₂ /km
Energy usage in joules	60,286,904 MJ ¹	61,092,132 MJ		
Scope 2 emissions	11,761,701 kg CO ₂ -e ¹	12,026,123 kg CO ₂ -e		

1. This does not include any bottled LPG that any of centres may currently use or consumption met by on-site solar generation.