

## Modern Slavery Statement

### Purpose and Scope

G8 Education Limited (ASX:GEM) (“G8 Education”) has prepared this Modern Slavery Statement (“Statement”) in compliance with the Modern Slavery Act 2018 (Cth). This is G8 Education’s second Modern Slavery Statement and covers the activities of G8 Education together with its controlled entities as outlined in its annual report for the year ending 31 December 2021.

This Statement describes the steps we have taken to identify, assess and remediate risks of modern slavery in our operations and supply chain. It was approved by the Board of G8 Education on 23 June 2022.

G8 Education is committed to living out its purpose and values and opposes all forms of exploitation and all practices which violate the human rights and dignity of individuals. Modern Slavery refers to any situations of exploitation where a person cannot refuse or leave work because of threats, violence, coercion, abuse of power or deception and it encompasses slavery, servitude, the worst forms of child labour, forced labour, human trafficking, debt bondage, slavery like practices, forced marriage and deceptive recruiting for labour or services. Such practices are antithetical to our purpose and mission as an organisation, and we are committed to ensuring that Modern Slavery does not exist within our operations or supply chain.

### About G8 Education and our supply chain

G8 Education is a leading provider of quality care and early education services across Australia through a range of well-respected and recognised brands. Our purpose is to create the foundations for learning for life.

We are headquartered in the Gold Coast and, as at 31 December 2021, operate 448 centres providing early education and child-care services throughout Australia. We have over 50,000 children attending our services in any given week and more than 10,000 team members educating and caring for those children. The majority of our workforce are in-centre childcare workers, and approximately 78% of our staff are on permanent contracts (with the remaining on temporary or casual contracts).

G8 Education’s supply chain is complex with a procurement spend of approximately \$175 million with around 1,300 direct suppliers. During 2021, 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)
- Education resources (including arts, crafts and teaching aids)
- Technology services (including software licences and IT services)
- People costs (including agency and casual recruitment and educational development)

### Governance of modern slavery risk management at G8 Education

As a leading provider of early education and childcare services listed on the Australian Securities Exchange (ASX), we operate in an environment of robust regulatory oversight under the Education and Care Services National Law and the National Quality Standard, and we also comply with the ASX Corporate Governance Council’s Corporate Governance Principles and Recommendations (4th Edition). Within this regulatory framework, we have an established set of policies and procedures that govern our operations. The policies

and procedures relevant to how we manage potential modern slavery-related issues regarding our employees, supply chain and business operations include but are not limited to the following:

- Child Protection Policy
- Child Protection Statement of Commitment
- Code of Conduct
- Managing Team Member Grievances and Disputes Policy
- Risk Management Policy
- Risk Management Framework
- Sustainability Policy
- Whistleblower Policy

Modern slavery risk, both within our own labour force and within our supply chain, is incorporated into our Risk Management Framework. Our Risk Management Framework is based on internationally accepted guidance (AS/NZS ISO 31000:2018 Risk Management – Principles and guidelines) for identifying, analysing, evaluating, treating, monitoring and reporting risks across the business.

We have adopted a four lines of defence model, which outlines accountabilities for the governance and improvement of risk management. This ensures that the Executive Leadership Team, Audit and Risk Management Committee and Board can provide verification and oversight of the risk management framework.

Modern slavery risks stemming from our direct workforce are considered as part of labour risks more broadly, as risks arising from failure to follow correct recruitment practices and breach of regulations and internal policies. These risks are designated as functional area risks (rather than strategic risks), are owned by the People & Culture team, and are tracked in our Functional People & Culture Risk Register.

Modern slavery risks originating in our supply chain are considered as risks arising from ineffective management of procurement and supply chain. These risks are also designated as functional area risks, are owned by the Operations team, and are tracked in our Functional Operations Risk Register.

### **Identifying, assessing and managing modern slavery risk in our direct operations**

We believe that the risk of modern slavery in our directly employed team members is very low. This is due to the highly regulated nature of Australian employment laws, the application of the modern awards system to most of our team members, the strict regulation of the early education and childcare services sector and our team members undertaking work in environments where there are established policies and processes.

We are committed to ensuring that our employees are paid in line with market rates and have invested in human resources information systems to ensure wage compliance with applicable awards. We also check that those we recruit are of legal working age and are choosing to work of their own free will.

### **Identifying and assessing modern slavery risk in our supply chain**

Whilst our supply chain is complex, we are aware that certain areas of spend represent a higher degree of risk of modern slavery. We have assessed the following areas of spend as having the highest risk within our supply chain:

#### ***Commercial services***

G8 Education contracts with commercial cleaners, gardeners, and repair and maintenance workers to support its operations. We are alert to the risks of modern slavery in these workforces, particularly the

cleaning workforce, which consists of predominantly low-skilled and migrant populations with limited understanding of their legal rights and limited English language skills. Such risks are further elevated because of the opaque operating structures of providers and sub-contracting arrangements which can result in the human rights of workers being difficult to monitor.

### ***Food***

We source most of our packaged food and fresh food ingredients from major Australian supermarket chains. We are aware of the supply chain risks in the production, processing, packaging and transport of food and fresh produce, including those stemming from the prevalent use of labour hire contractors. Such modern slavery risks include passport retention and poor working conditions, among other indicators. Whilst we assess Australia as generally a “low risk” country for modern slavery” in the food supply chain, we acknowledge an elevated risk in parts of the food supply chain, especially for some types of packaged foods that are sourced offshore.

### ***Centre and education resources***

We are alert to the risks of modern slavery that arise from the complex multinational supply chains for goods such as nappies, clothes, toys and other centre equipment, and we are particularly alert to the modern slavery risks within the supply chains for electronic goods.

## **Managing modern slavery risk in our supply chain**

### ***Supplier selection process***

We are aware of the correlation between downward pressure on prices for services and goods and the increased risk of human rights violations and modern slavery within the supply chains for those services and goods. In light of this relationship, we do not select providers of services or goods on the basis of price alone, but select suppliers based on various criteria including trade references and a review of policies and practices related to modern slavery risks.

### ***Supplier contracting controls***

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. In our standard services contract and purchase order terms and conditions, we diligently pursue terms that require a prohibition on sub-contracting other than as agreed by G8 Education, and which require legal and regulatory compliance provisions.

Approval must be obtained by in accordance with the Board approved delegation of authority and must be signed by both the CEO and Chief Legal Officer unless a contract signing delegation has been approved. The relevant approvals for financial spend vary depending on whether there is a central contract in place and whether the spend is budgeted. This ensures that key provisions are included in every new material contract.

Additionally, we require all suppliers that undertake work in our centres during business hours to undergo a Working With Children Check, to ensure that all supplier personnel hold, where relevant, a clearance to work with children. We also require each supplier to provide evidence of compliance with our work health and safety (WH&S) and environment policy.

### ***Supplier monitoring and management***

A number of our suppliers are located in or have an operational base in Australia and are required to comply with the Modern Slavery Act 2018 (Cth) within their own supply chains. We expect all our suppliers to make their own commitments to address modern slavery risks in their operations and their own supply chains and that they take steps to address those risks. We are committed to monitor the progress of our suppliers in managing those risks.

Currently, the relevant business owner is responsible for the management and monitoring of our key suppliers. This takes the form of supplier account meetings, site visits, in addition to monitoring service level performance.

### **Grievance mechanisms and incident management**

Whilst we endeavour to ensure that no incidents of modern slavery arise in our operations or supply chain, we appreciate that the modern slavery risks cannot be fully eliminated. Considering this, we have grievance mechanisms and incident management processes in place so that we can appropriately respond to potential incidences of modern slavery if they occur.

#### ***Grievance mechanisms***

Team members are encouraged to raise grievances through the Managing Team Member Grievances and Disputes Policy.

Parents are encouraged to raise concerns, make complaints or provide compliments through different avenues including:

- In person by speaking with the centre manager, responsible person or child's educator
- By phoning the dedicated Family Care Team
- By emailing to centre or Family Care Team

For key suppliers, there is generally an escalation process in the contract terms and conditions where grievances can be formally communicated by suppliers and their employees.

#### ***Whistleblower program***

G8 Education believes that whistleblowers play an important role in the ability to detect misconduct and to identify, escalate and address potential issues while promoting a culture of openness, honesty and transparency. We are committed to conducting our business in accordance with the law and good business practice and recognise that our reputation is an essential element of our success. In 2021 we engaged an expert to conduct a full review of our whistleblower policy to ensure that it complies with the whistleblowing requirements under the Corporations Act 2001 (Cth) and follows the best practice recommendations released by ASIC. G8 Education's whistleblower policy can be found in the corporate governance section of our website: [www.g8education.edu.au/investor-information/corporate-governance](http://www.g8education.edu.au/investor-information/corporate-governance).

Our whistleblower policy applies to suppliers and their employees, who can make use of its provisions to report a potential incidence of modern slavery.

There were zero whistleblower complaints in 2021 related to modern slavery matters.

### ***Incident management and remediation***

We have processes in place to investigate potential incidences of modern slavery if discovered, either in our own operations or in our supply chain. How the incident is managed and remediated will vary depending on the situation.

For an example of a remediation program (though not an incident of modern slavery), on 8 December 2020, G8 Education identified underpayments of overtime and some allowances to former and current team members, in breach of the applicable awards, and self-reported the underpayments to the Fair Work Ombudsman. The Remediation Program necessitated by these underpayments is ongoing and the Group continues to liaise with the Fair Work Ombudsman in relation to the oversight and investigation of these issues.

Mitigation activities that address this incident include:

- Introducing additional mandatory training for Regional Managers, Area Managers and Centre Managers
- Establishing updated rostering principles
- Reconfiguring our time and attendance system to better incorporate work rules;
- Implementing our new Human Resource Information System (HRIS) in the support office, with full rollout across the network on track for 2022. The new HRIS automates certain compliance controls and systems and provides improved visibility and transparency to ensure rostering compliance)
- Establishing increased Senior Leadership Team supervision and oversight.

### **Assessing effectiveness**

As indicated above, our modern slavery risks stemming from our direct workforce as well as those originating in our supply chain have been designated as part of functional area risks (labour risk and procurement/supply chain risks, respectively). These risks are reviewed in accordance with the provisions of our Risk Management Framework. More broadly, we monitor and assess risks through feedback from internal and external stakeholders, regulators, industry bodies, and our supply chain partners.

### **Changes in FY22 and beyond**

In FY22 we will continue to revise and develop our approach to build capacity in our business to monitor and address modern slavery risks in our supply chain. This includes reviewing leading practice guidance and assessing how to continually evolve our practices.

We have made and are in the process of making further enhancements to our identification and management of modern slavery risks in FY22 as follows:

- We introduced a new contract format which includes provisions on modern slavery, anti-bribery and corruption.
- We are developing a Procurement Policy to address all aspects of governance and transparency in its procurement operations and managing suppliers based on risk levels. The policy will reiterate G8 Education's commitment towards ethical sourcing and ensuring that we do not knowingly allow human rights abuses from our suppliers of goods of services.
- We will develop a Supplier Code of Conduct outlining the expectations we have of our suppliers in relation to ESG related issues, including modern slavery.