



G8 Education Limited

ABN 95 123 828 553

Malus & Clawback Policy



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1 Purpose

The purpose of this Malus and Clawback Policy (the **Policy**) is to:

- (a) augment G8 Education's corporate governance practices by enabling the Board of G8 Education (the **Board**) to apply malus or clawback provisions to certain elements of the Participant Leadership Team's remuneration in exceptional circumstances;
- (b) detail those circumstances when malus or clawback can be applied;
- (c) outline what actions the Board can take when malus or clawback circumstances arise;
- (d) align the interests of the Participant Leadership Team with the long-term interests of G8 Education and to ensure that excessive risk taking is not rewarded; and
- (e) establish a framework to provide a transparent mechanism for applying malus or clawback, to ensure the Participant Leadership Team remuneration outcomes are fair, appropriate and reflect business performance.

For clarity, **Malus** refers to the adjustment/reduction of 'at risk' remuneration prior to vesting or the due date of an Incentives. **Clawback** refers to the cancellation of unvested/pending Incentives where some or all the performance-based remuneration should not be received and, subject to applicable law, includes recovery of paid incentives.

2 Interpretation

- 2.1 Capitalised terms in this Policy have the same meaning in the G8 Education Participant Incentive Plan Rules which is publicly available on G8 Education's website: www.g8education.edu.au/investor-information/corporate-governance.
- 2.2 In this Policy, unless the contrary intention appears:
 - (a) **Incentives** means any short-term incentives (STI) and long-term incentives (LTI) of any nature.
 - (b) **Clawback** refers to the cancellation of unvested/pending Incentives where some or all the performance-based remuneration should not be received.
 - (c) **Participants** means an employee of G8 Education that participates in G8 Education's short-term incentives or long-term incentives, including any incentives under the G8 Education Participant Incentive Scheme.
 - (d) **G8 Education** means G8 Education Limited.
 - (e) **Impacted Incentives** means the Incentives which are subject to Malice or Clawback.



- (f) **Malice** refers to the adjustment/reduction of 'at risk' remuneration prior to vesting or the due date of an Incentives.
- (g) **Malice or Clawback Trigger** means each of those circumstances described in paragraph 4.1 in this Policy.

3 Scope of Policy

- 3.1 This Policy applies to Participants in G8 Education's short-term incentive or long-term incentive programs, including incentives under the G8 Education Participant Incentive Scheme.
- 3.2 The Policy applies to awards, grants, commitments or payments of short-term incentives (STI) and long-term incentives (LTI) of any nature.

4 Policy Details

4.1 Malus and Clawback Triggers

- (a) The following circumstances each constitute a Malus or Clawback Trigger:
 - (i) any of the Vesting Conditions and/or exercise conditions become incapable of being satisfied (other than due to the death of a Participant pursuant to clause 10.5 of the Rules);
 - (ii) the Board determines that the Participant has acted fraudulently, dishonestly, with malice or engaged in gross misconduct;
 - (iii) the Board determines that the Participant has acted in a manner that brings G8 or any of its Related Bodies Corporate (as that term is defined in the Corporations Act) into disrepute or has acted or failed to act in a way that has contributed to, or is likely to contribute to, material reputational damage to the Group;
 - (iv) the Board determines that the Participant is in breach of their obligations to G8 or any of its Related Bodies Corporate, including acting in breach of the terms and conditions of their employment and/or G8 Education's Code of Conduct;
 - (v) the Board determines that the Participant has been grossly negligent;
 - (vi) the Participant has been dismissed or removed from office for a reason that entitles G8 to dismiss the Participant without notice;
 - (vii) there is a material misstatement of the financial results of G8 or any of its Related Bodies Corporate including but not limited to, as a result of errors, omissions, misrepresentations, fraud or dishonesty;
 - (viii) the Participant deals with, or purports to deal with, or grants a Security Interest in respect of, an Incentive other than in accordance with the Rules;



- (ix) the Board determines that the Participant would otherwise obtain an unfair benefit from the Incentive as a result of the fraud, dishonesty or breach of obligations of another employee;
- (x) is convicted of an offence or has a judgement entered against them in connection with the affairs of G8;
- (xi) adverse outcomes have arisen after vesting of “at risk” remuneration, including during any deferral period, that causes a re-evaluation of the original assessment of performance generating the award; and/or
- (xii) any other circumstance occurs, that the Board determines in good faith, results in an inappropriate or unfair benefit to the Participant.

4.2 Board Actions

- (a) If there is reasonable evidence, to the Board’s satisfaction, that a Malus or Clawback Trigger has occurred, then the Board may take such actions as it deems necessary or appropriate in its absolute discretion to address the events that give rise to a Malus or Clawback Trigger. These actions may include:
 - (i) adjusting, reducing or amending any ‘at risk’ Incentive prior to vesting or the due date for payment of the Incentive;
 - (ii) cancel any unvested or pending Incentive where some or all the performance-based remuneration should not be received; and/or
 - (iii) adjusting the Participant’s future performance-based remuneration.
- (b) The Board is not required to show loss to G8 Education in order to determine that an inappropriate benefit should be subject to Malus or Clawback.
- (c) The Board will act reasonably in determining how a clawback should be applied.
- (d) In making a determination under this Policy, the Board will consider whether the application of the provision may result in unintended consequences, prejudice the interests of G8 Education in any related proceeding or investigation, or any pending legal proceeding related to applicable fraud or intentional illegal conduct.
- (e) G8 Education holds the full legal and beneficial title to any Impacted Incentives.
- (f) Impacted Incentives may be dealt with in any manner determined by the Board. Each director and secretary for the time being of G8 Education may do anything determined by the Board in connection with adjusted, reduced or forfeited Incentives, pursuant to the power of attorney in clause 14 of the Rules.
- (g) Unless otherwise determined by the Board, a Participant will have no rights to the proceeds of, or consideration or compensation for, any Forfeited Incentives. The Participant indemnifies G8 and the Board against, and releases and holds them harmless from, all claims in connection with, or that might otherwise arise from, the Forfeited Incentives.



- (h) The Board has absolute discretion which may be applied at any time in relation to determining whether a Clawback Event has occurred and how to apply the adjustment, reduction or clawback, subject to compliance with the law and this policy.

1.1 Due Process Rights

- (a) Before the Board makes a decision to implement Malus or Clawback under this Policy, the Board must
 - (i) ensure natural justice principles are applied and exercise its duty to act fairly;
 - (ii) review the situation to understand the impact of the misstatement;
 - (iii) assess the proximity of the Participant and their level of responsibility regarding the trigger;
 - (iv) consider the written response, clarify matters directly with Participant as required (in writing or verbally in a Board meeting); and
 - (v) provide the relevant Participant with written notice of the intended actions and the right to respond in writing within 14 days to raise any additional salient matters.

1.2 Roles and Responsibilities

- (a) The People, Culture & Education Committee will make recommendations to the Board in relation to the operation of this Policy and the Board will apply this Policy and exercise its discretion in the exceptional circumstances covered by this Policy.
- (b) The CEO or Company Secretary are required to notify the Chair of the People, Culture & Education Committee and the Chair of the Board respectively of any circumstances that could constitute a trigger under this Policy as soon as practical.

1.3 Policy Amendment and Review

- (a) This Policy, on adoption by the Board, will apply to all STI and LTI Award Invitations granted on or after 1 March 2024 to Participants.
- (b) G8 Education's prior Clawback Policy will continue to apply to all historical Incentive grants.

2 Disclosure

- 2.1 The Board will make appropriate disclosure of this Policy to security holders in G8 Education's Annual Report. This will include outlining specific objectives regarding the clawback of executive remuneration. The Policy will also be placed on G8 Education's website for public display. Any application of the Policy will also be disclosed to security holders in G8 Education's Annual Report.

3 Review of Policy

Unless the Board determines otherwise, this Policy will be reviewed every two years after its adoption by the Board or its delegated committee.

Last Review Date	February 2024
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