

Resolution 1 - Amend the company's constitution

To insert into our company's constitution the following new clause 37.1:

Member resolutions at general meeting

"The shareholders in general meeting may by ordinary resolution express an opinion, ask for information, or make a request, about the way in which a power of the company partially or exclusively vested in the directors has been or should be exercised. However, such a resolution must relate to an issue of material relevance to the company or the company's business as identified by the company, and cannot either advocate action which would violate any law or relate to any personal claim or grievance. Such a resolution is advisory only and does not bind the directors or the company."

Supporting statement to Resolution 1

Australian law prevents shareholders from directly proposing ordinary resolutions, requiring them first to pass a special resolution to amend the company's constitution. This restriction limits investor influence on material ESG issues.

In jurisdictions with fewer barriers to shareholder resolutions, investor engagement on ESG matters is stronger, leading to better corporate governance. Allowing ordinary resolutions at annual meetings would benefit companies, shareholders, and stakeholders alike.

Resolution 2 - Paid parental leave

Shareholders request that the Board of Directors implement an employer-funded paid parental leave policy for the Company. The policy should be determined by the Board and informed by the WGEA Leading Practice Parental Leave Policy Guide.¹

Supporting statement

Our company is one of the few large ASX listed companies that doesn't provide employer-funded paid parental leave (PPL) to their more than 10,000 workers. It's not just a laggard compared to its ASX-listed peers, but also when compared with other childcare operators. For a company that employs a workforce of which 96% are women, and whose business targets women and mothers, not offering PPL creates brand risk, may increase the costs of hiring and retaining quality staff, grows the gender pay gap and drags down economic growth, reducing broader market returns.

Industry laggard

¹<https://www.wgea.gov.au/sites/default/files/documents/WGEA-Leading-Practice-Parental-Leave-Policy-Guide.pdf>

Many Australian employers offer paid parental leave (PPL) to supplement government payments, recognizing their insufficiency. Among companies with over 5,000 staff, 85% provide employer-funded PPL, as do 70% of Australia's largest childcare firms, including Mayfield, G8's key ASX-listed competitor.

Not offering PPL increases the risk and cost of staff turnover, making it harder to attract and retain talent in a market where PPL is standard. Turnover expenses—including offboarding, recruitment, training, and lost productivity—can reach 1.5–2 times an employee's annual salary.²

One childcare centre director commented:

"It was a rude awakening for me. Perhaps I was a bit naive not to realise we don't get paid maternity leave. When I worked in my previous industry, they offered 6 months of paid parental leave. Childcare is a sector that's all about women and children, but they don't offer any parental leave! I thought it was a given. The wage gap between my usual pay and the government scheme was huge. I haven't gone back since having my child."

No PPL grows Australia's gender pay gap

Australia's 21.8% gender pay gap (GPG) is driven by career interruptions, part-time work, and unpaid care (33%) and industry gender imbalances (20%), often tied to stereotypes about men's and women's work. Childcare exemplifies this, with 93% of workers—96% at G8—being female. Gender inequality persists within occupations, with women underrepresented in senior roles and overrepresented in lower-paying jobs. At G8, while 96% of staff are women, men hold 50% of key management roles, including the CEO position.³

System risks from gender inequality

Universal ownership requires diversification, meaning long-term investment returns depend more on overall market performance than individual company success. Since market returns correlate with GDP, universal owners should focus on the macroeconomic impact of companies' actions rather than just their valuation.

Gender inequality is a hidden externality that limits Australia's economic growth. Despite being highly educated, Australian women spend 43% less time in paid work than men - one of the lowest rates in the OECD due to low wages and inadequate PPL.⁴ Closing half the gender gap in employment and work hours would add the equivalent to 509,000 FTE workers with

² <https://www.randstad.com.au/hr-news/attracting-recruiting-talent/focusing-high-cost-employee-turnover/>

³ <https://www.wgea.gov.au/Data-Explorer>

⁴ <https://www.impacteconomics.com.au/impact/criticalskills#:~:text=Unlocking%20Women%27s%20Economic%20Participation,addressing%20Australia%27s%20current%20skills%20shortage.>

post-school qualifications, equivalent to 82% of Australia's unemployed population. Expanding PPL can help achieve this.

Relying solely on government PPL for low-paid women reinforces traditional caregiving roles, as men, who typically earn more, are less likely to take leave. This 'motherhood penalty' hinders career progression, wage growth, and retirement savings. Countries with generous, equally shared parental leave see higher female workforce participation.⁵ If Australian women had Sweden's participation rates, they would earn an additional \$696,000 over their careers and retire with \$180,000 more in savings.⁶

Key takeaway: The resolution does not specify a set amount of employer-funded PPL but recommends that the company align its policy with the WGEA Leading Practice Parental Leave Policy Guide.

This approach balances competitiveness in a market where PPL is becoming standard with the Board's flexibility to determine an appropriate amount—while also supporting economic growth.

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<https://www.equityeconomics.com.au/report-archive/how-australias-parenting-policies-are-failing-women-and-our-economy>

⁶ Ibid