

ENVIA



ESG STRATEGY

FY25

CONTENTS:

Introduction

| | |
|-------------------|---|
| Executive Summary | 3 |
| The Vision | 4 |
| FY25 Targets | 5 |

ESG Goal #1: Sustainable Cities & Partnerships

| | |
|---|----|
| Mental Health & Wellbeing | 8 |
| Greater Guest Inclusion | 9 |
| Creating a More Diverse & Inclusive Workplace | 10 |
| B Corp Certification | 10 |
| Global Parenthood Policy | 10 |
| Rainbow Tick Accreditation | 11 |

ESG Goal #2: Responsible Consumption

| | |
|--------------------------------------|----|
| Container Deposit Scheme (Australia) | 14 |
| Great Guest Awareness & Education | 14 |
| Think Green | 15 |

ESG Goal #3: Climate Action

| | |
|-------------------------|----|
| Carbon Emissions | 18 |
| Carbon Intensity Table | 19 |
| Water Reduction Targets | 20 |

ESG Goal #4: Governance

| | |
|------------------------|----|
| Governance & Reporting | 20 |
|------------------------|----|

EXECUTIVE SUMMARY

In FY24 we made our first formal commitments towards sustainability with the release of our ESG strategy.

Doing well (financially) and Doing Good (for our people and the planet) is an expectation of our CEO, our Motherfunners and our board. Similarly, our guests expect that in creating fun, memorable experiences we aren't damaging the environment or the communities we serve on the way.

We have aligned our strategy to the UN's Sustainable Development goals, which were established in 2020. Of the 17 goals defined by the UN we have selected three where we believe Funlab can have the greatest impact: community, responsible consumption and climate action. These three goals will form our ESG Pillars, through which we will make improvements in how we operate, the decisions that we make and what we report to our stakeholders.

FY24 marked the year we formally committed to and communicated our ESG Vision and Strategy to our Motherfunners and guests. This year, FY25, we continue adding successful initiatives and goals to become ESG leaders in our industry.



Michael Schreiber
Founder & Chief Executive Officer

THE VISION:

MOTHERFUNNERS AIM TO HAVE A POSITIVE IMPACT ON MOTHER EARTH.

We aren't perfect, but we are getting better
through education and making more sustainable
decisions every day.





FY25 TARGETS

SUSTAINABLE CITIES & COMMUNITIES

1. Expand Day of Fun to the USA with a global target of raising \$500k for mental health
2. Enhance our inclusion practices for both our guests and Motherfunners
3. Strengthen Funlab's Paid Parental Leave Program

RESPONSIBLE PRODUCTION & CONSUMPTION

1. Establish Funlab's Container Deposit Scheme (AU)
2. Launch a guest facing partnership with Stone & Wood
3. Think Green improvements to continue across our operating procedures in all venues

CLIMATE ACTION

1. Shift to 100% green energy (AU)
2. Reduce carbon emissions target (Scope 1 & 2) in all venues
3. Establish waste management targets for FY26



#1 SUSTAINABLE CITIES & PARTNERSHIP GOALS

SUSTAINABLE CITIES & PARTNERSHIPS IN FY25

MENTAL HEALTH & WELLBEING

Our people's wellbeing underpins this pillar and in FY25 we will build on this by extending our services and training; and expand our external partnerships as we take our goal to de-stigmatise mental ill-health global with our first US Day of Fun.

Here's what we plan to achieve this year:

- Launch our **USA EAP** in Q1, allowing access to mental health services for all US based Motherfunners
- Launch **Alcohol & Me** in Q1. This alcohol awareness program has been designed by our partners at Lion and we can deliver this educational resource to all ANZ Motherfunners through Dayforce
- Funlab's annual **Day of Fun** has been raising money & awareness for mental health since 2016. This year, for the first time, Day of Fun is heading to the northern hemisphere and our four US venues are joining the fun on October 22, 2024 when we try and **raise \$500k (AUD) for our partners**. Our charity partnership continues in Australia with headspace and in New Zealand with Youthline, whilst in the US we are raising money for new partners:
 - **Sims Foundation**, Austin – Providing mental health services for musicians
 - **Southern Smoke**, Houston – Providing mental health services for F&B workers
 - **TBC**, San Francisco and Denver



All Funlab people leaders, globally, will continue to receive their **Mental Health First Aid** accreditation (conducted in Q2)





GREATER GUEST INCLUSION

Accessibility continues to be a barrier for many guests wanting to visit locations like ours. Working with partners, including **What Ability** and **Ability Works** we are building internal awareness of where our own barriers are and hope to learn from our ADA compliant golf courses we have built in our US Holely Moley venues, to see what modifications can be made to our existing locations.

The Inclusivity Committee will introduce formal sensory visiting times for each venue and look for opportunities to create local awareness for more members of the community to feel safe and comfortable in a Funlab venue.

The Hijinx brand will have a focused sensory experience makeover, with small amendments to sound, lighting and playability to make the space more inclusive for all guests.

We aim to develop a partnership with **Hidden Disabilities Sunflower** network. The network has been established to help people with a hidden disability engage with businesses to discreetly assist with their needs.

CREATING A MORE DIVERSE & INCLUSIVE WORKPLACE

We have established disability recruitment partners in each Australian state and will be connecting our Venue Managers to their local provider from Q1, using the opportunity to connect directly at the VM Trade Show & Conference. Through these partnerships we are re-designing the Front Of House Motherfunner role to be for people of all abilities and aim to be able to *hire 5 people through each state partnership*.

We are trialing the use of **The Field**, a trailblazing new job website created for candidates looking to work with inclusive, accessible employers.

We aim to achieve **Brain Badge** accreditation, giving Funlab a neuroinclusive lens on how we attract, retain and engage our people.

B CORP CERTIFICATION

We are currently in the “evaluation” stage of our process to be a certified B Corporation. We expect the verification process to be finalised by Q2 and if successful will start the calendar year with external messaging as Australia’s first B Corp in our industry.

GLOBAL PARENTHOOD POLICY

Funlab is committed to being a family friendly workplace. To make starting, or growing a family easier for our people our parenthood policies have been expanded, with a focus on breaking the gender norms about caring responsibilities.

These enhancements include:

- 8 weeks (paid at minimum wage) for all new parents, regardless of gender or caregiver status
- Return to Work bonuses (paid at ordinary pay) for primary caregiver’s returning to work
- Paid Superannuation during the periods of paid parental leave
- Family-friendly training for managers to help build up knowledge
- Greater flexibility for when and how the policies are taken up
- A private room in the Support Office for breastfeeding accommodation
- Provide resources and practical ideas to help people take up their keeping in touch days and ease their return to work

**IN FY25 WE WILL
MAINTAIN OUR RAINBOW
TICK ACCREDITATION IN
NEW ZEALAND**





#2

RESPONSIBLE CONSUMPTION GOALS

RESPONSIBLE CONSUMPTION GOALS IN FY25

CONTAINER DEPOSIT SCHEME (AUSTRALIA)

We are proud to launch Funlab's first national Container Deposit Scheme (CDS), recycling our bottles and cans for both cash and a good cause.

Since the roll out of these schemes across each state in Australia, we have worked with our waste management providers to allow, with ease as a priority, our venue teams to sort their containers into bins for collection and financial gain. Majority* of venues will start the scheme from Q1, changing their waste management behaviours will be incentivised as all CDS revenues collected in October (National Mental Health month) will contribute to their team's Day of Fun fundraising total.

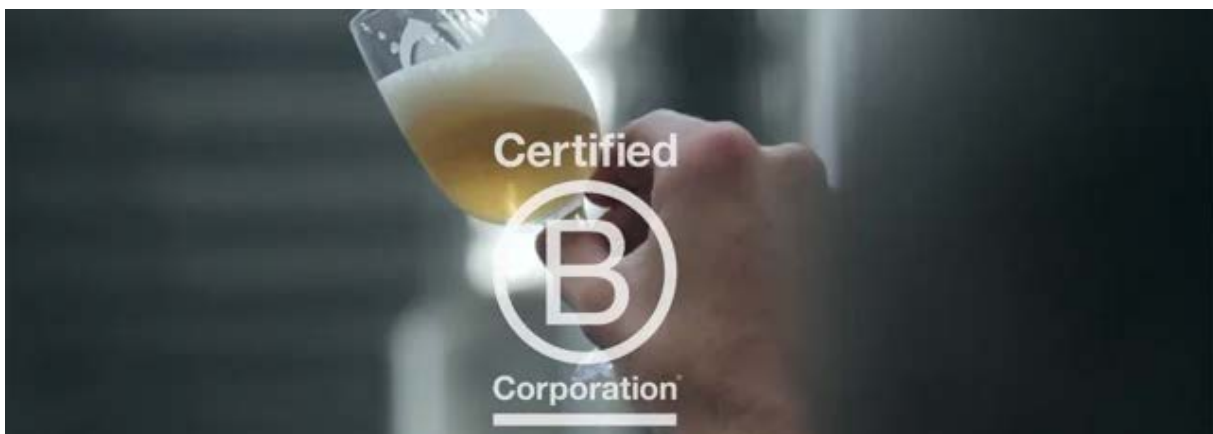
As an annual revenue stream, the CDS has the potential to raise over \$40,000 through the collection and recycling of our aluminum cans and glass bottles across our Australian locations, to further invest in our ESG initiatives with the added benefit of removing tons of waste for recycling.

**Wollongong, Charlestown, Westfield Karrinyup and Crown Melbourne providers TBC*

GREATER GUEST AWARENESS & EDUCATION

In FY25 we will be partnering with Lion and one of our best selling beer stands, **Stone & Wood** to collaborate on a guest facing initiative. This B Corp certified brewery has a focus on regenerative agriculture and we wish to partner with them to get their good work out to our guests.

The USA will have their first guest facing initiative with a Hidden Sea hole takeover launching in Santa Monica. Hidden Sea wines have been on our bev menu from our first day of trade in the USA and this partnership will cement our ESG commitment in the US market.



THINK GREEN!

We continue a Think Green review of our procedures, looking to improve how we do things to reduce energy and water waste and cut down on plastic in our global operations (and supply chain):

- We continue to trial how to reduce our plastic balls wastage at Hijinx, with our Chadstone pilot trial already reducing broken balls replacement from 25kg to 16kg each month
- We are trialling & tracking material visors at Holey Moley, instead of selling plastic visors
- We are installing recycling cards stations at Archie Brother's to increase the re-use of our game cards
- We are investigating replacing Hijinx hotel room cards with biodegradable bamboo cards
- We will undertake a plastic review of all consumables in USA operations to align with Australia & NZ
- We will introduce revised waste management and recycling procedures across the network as we launch the CDS in Australia and find best practice for our New Zealand and US venues by Q4
- We are introducing two awards into the annual cycle, to celebrate our people's commitment and A&B achievement in the area of ESG:
 1. Green Gangsta award at the VM Conference (Q1)
 2. Think Green award at each state's Funstopable (Q3)
- Establish Green Fairy hubs in each state for ongoing environmental sustainability





#3 CLIMATE ACTION GOALS

CLIMATE ACTION GOALS IN FY25

CARBON EMISSIONS

As we started to measure our carbon emissions, by venue, in FY24, we will continue to track each venue – monitoring the impact of the Think Green initiatives in reducing emissions. By working closely with teams in the major emitting venues, we will develop and trial strategies to make real reductions as we look to develop Greenhouse Gas (GHG) emission targets for future reporting requirements.

In addition we will establish our Scope 3 emissions, focused on:

1. Establish shipping targets to reduce Funlab's air freight carbon emissions year on year.
2. Start to track Funlab's flight emissions, with the intention of setting reduction targets in FY26.



WASTE REDUCTION TARGETS

Through the launch of our CDS we will have greater control and awareness of our waste management and will begin to track this through Persefoni. In being able to measure and monitor our waste we will be able to have a better understanding on where improvements can be made.

We aim to establish a baseline in FY25, to then achieve year on year reduction in how much waste we are sending to landfill.

**OUR GREEN ENERGY COMMITMENT IN FY25:
100% OF THE ENERGY WE PURCHASE WILL
COME FROM GREEN POWER SOURCES BY Q4**

GOVERNANCE

GOVERNANCE & REPORTING

In FY25 we continue our commitment to good governance:

- Annual Modern Slavery statement review; publish our policy on the Funlab website for external governance
- Enhance our Procurement Policy to include Scope 3 emissions reporting
- Review our Procurement Policy in line with USA requirements
- Review USA ESG reporting requirements
- Develop a Corporate Governance report for the board covering all legal obligations and providing relevant data to our Directors
- Continue our annual WGEA submission, including sharing our results internally with a focus on continual improvement
- Monitor and report any incidents of sexual harassment
- Publish an annual ESG Impact Report on prior FY

