

Impact Report

2023





Welcome to our 2023 Impact Report

It's been a very busy and exciting year for us at N and, as we enter the New Year, it's good to take a moment to reflect back on where we've moved the dial on our Impact Strategy (People, Planet, Positive Futures) in the last 12 months.

We set out to be the highest quality, and most loved, early years education group in the UK and last year saw us top of the Ofsted leaderboard for quality. This is a huge achievement for our team, and is testament to the dedication of our educators in ensuring that we are supporting every child to reach their full potential.

Our focus moving forward is to retain this commitment to high-quality education as we grow, so that we can impact as many children as possible and lay the foundations for positive futures right across the UK.

Alongside this, we also welcomed the first recipients of our Positive Futures Bursary Scheme – offering **7 fully funded** places to disadvantaged children in 2022. Further afield, we supported children affected and displaced by war through our continued partnership with War Child, to whom we have now donated £170,000 to support their education programmes.

For Planet, 2022 saw us achieve our first **Eco-Schools Green Flags**, which was the perfect way to celebrate the ecological achievements of our children and teams.

Last, but by no means least, we ended the year with the exciting news we have officially become a B Corp Certified company, and the highest scoring B Corp™ in the UK's pre-school and primary education sector. Certification is highly selective, and it makes us one of a growing group of global businesses who believe in doing business responsibly.

I hope you enjoy reading this report and can join us in celebrating our achievements this year. Please get in touch with any thoughts, questions and ideas this report raises for you.

Phil Sunderland Founder and CEO

B Corp

Certified



This company meets the highest standards of social and environmental impact

Corporation

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The B Corp symbol embodies trust - it shows that a company is doing the good things they say they are doing and have the scorecard to prove it.

Jon Temple Chief Financial Officer

B Corp

We've always strived to be a company that not only provides a high quality service and experience, but believes in doing it in a way that best benefits our team, our community and the planet.

We can now share that as a Certified B Corp, we have cemented this ethos and joined the ranks of over 5,000 global companies (only 1400 in the UK) who are using business as a force for good.

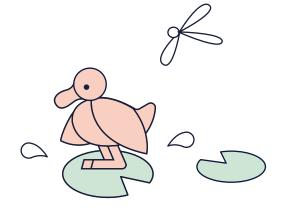
When we first heard of B Corp (Better Corporations) it felt like the perfect fit for N. Established in 2006, B Corp is the first and only certification for businesses that meet the highest standards of social and environmental performance, public transparency and legal accountability. To achieve B Corp status, we were rigorously assessed on our policies and practices, our mission, ethics, accountability, and transparency. To be certified, you must gain at least 80 points, and we are delighted to have achieved a score of 96.

The application process has enabled us to take a critical look at ourselves and spot any areas where we could be improving, which is a valuable thing to pursue as we grow, no matter how far along in our sustainability goals we get.

We still have improvements to make, but being a B Corp means we're always accountable and are committed to continuous improvement. It also supports our purpose and gives us a platform to inspire change within our sector.

We've shown ourselves to be:

Better as an employer	Our teams are at the heart of everything we do and that's why we're committed to treating them well.	\checkmark
Better at putting customers first	We provide an outstanding education and bespoke experience for our children and their families.	\checkmark
Better protectors of our planet	We want to preserve our planet for the next generation and teach them how to protect and respect it.	\checkmark
Better for communities	We want to positively impact the communities we're part of through our Positive Futures initiatives.	\checkmark
Better in business	We want to grow our business in an ethical, sustainable and honest way.	\checkmark



Positive Futures

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One child, one teacher, one pen and one book can change the world.

Malala



Positive Futures

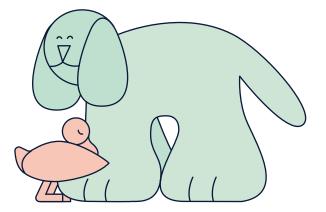
Experiences in the early years provide the building blocks that shape our whole lives. Children's brains are built moment by moment, with critical connections being driven by their experiences, significant relationships and their environment.

In the first five years of life, the quality and breadth of our early experiences makes a critical difference to educational achievement, economic productivity, responsible citizenship, health and our ability to form relationships throughout life.

At N, our goal is to ensure that every child reaches their full potential by giving them the best possible start. We've gone to great lengths to create inspiring environments and a unique, progressive curriculum, delivered by an outstanding team.

To best prepare them for life in the modern world, each child's learning experiences are bespoke – building on their strengths and passions.

In 2022, we were delighted to secure investment from Gresham House Sustainability Fund to support our plans to grow our family of nurseries in the coming years. We are looking forward to seeing the positive impact this expansion has on the children who will be in our care across the country.



N Bursary

Many families need support to give their children the best possible start in life, but the enduring trilema of affordability, availability and quality can leave many parents feeling anxious and overwhelmed.

The impacts of the Covid-19 pandemic and cost of living crisis, combined with historical issues of inequality, have created a perfect storm that has left millions struggling to get by and unable to access or afford early years education for their children.

Research has consistently shown that failing to give children the best start in life perpetuates cycles of poverty and disadvantage that can span generations. This ultimately undermines the strength and stability of our society. When we give children the best start in life, the benefits are huge, not only for them, but for the society we share.

At N, we recognise our responsibility to drive change, which motivated us to set up our Positive Futures Bursary Scheme. Generous financial support from Gravis Capital Management and Gresham House, alongside N's own funding has enabled us to welcome 7 families on fully funded places under this scheme and we look forward to extending that number over 2023.

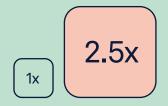


1 in 6

1 in 6 children in the world are affected by armed conflict

75,000,000

75 million children and young people are in need of urgent educational support



Girls are 2.5 times more likely to be out of schools in conflict-affected countries compared to girls in other places

War Child

War Child is the only specialist charity for children affected by conflict. For almost three decades, they have been driven by a single vision - for no child's life to be torn apart by war.

Armed conflict always affects children, be it through death, injury, destruction of schools, chaos or fear. The bombardment of civilian areas leaves children terrified and has a long term impact on their mental health.

War Child wants to keep children safe, help them learn and overcome their experiences and equip them with the skills they need for the future.

All too often education is an easy target

during armed conflict. The money we donate to War Child is mainly directed to their Early Learning and Development Centres, providing education to a generation who face a constant threat of violence and are growing up without the opportunity to learn.

This core part of their work ensures vulnerable children continue to receive safe, quality education, despite ongoing conflict.

Over the last four years N has donated over £170,000 to support the work of War Child across six countries, including Afghanistan, Iraq and Ukraine. We look forward to deepening this partnership in the years to come.

In partnership with



Fundraising & Community Engagement

Alongside this support for young children in our communities and across the globe, we want to support worthwhile causes that mean a lot to our team.

Each month, we support individual team members as they take on various challenges to raise funds for their chosen charity. Over the course of 2022, we supported events in aid of local hospices, Children in Need, Cancer Research and autism support groups.

We'd also like to thank all our families who generously supported our food bank collections and Christmas toy appeals. These much needed donations have been greatly appreciated and will make a huge difference to local people in crisis.



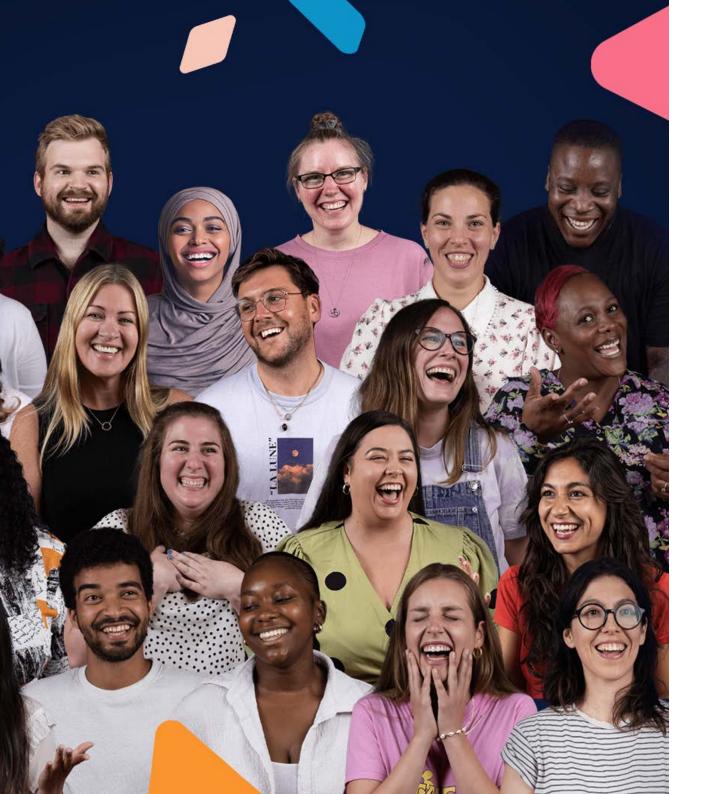
People

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It's amazing to work in an environment that welcomes open feedback, and where you feel truly listened to. As a rep I'm proud to be able to give my colleagues the opportunity to be heard and have an active role in making N the happiest place to work in early years.

Marta

Rep at N Hackney Downs



People

Our inspiring team has the opportunity to positively impact thousands of children and families. We want to attract and retain the best talent in the sector to deliver an outstanding educational programme, so it's only right that we motivate and reward them for their hard work, passion and commitment.

We look after our people with marketleading salaries and benefits, generous holidays, and a bonus at every level. We offer flexible working, mental health resources and sabbaticals, as well as a hardship fund for anyone struggling financially. And, like many families, we enjoy getting together regularly.

We're also acutely aware that many of our team have been, and will continue to be, profoundly affected by the current cost of living crisis. For 2023 we have made a significant investment to increase our nursery team salaries to make sure that everyone is able to cope financially, and to support their own families.

n.Flex

Our nurseries are open five days a week but we know that traditional full time hours don't work for everyone. That's why we have a range of flexible working options to suit everybody.

In 2022 we piloted n.Flex - a new kind of full-time working week where our team members could choose to split their time over 4 or 5 working days. The introduction of n.Flex has enabled our team to fit in other commitments and activities around work, while supporting their wellbeing through a healthy work life balance.

Alongside this, we continue to support part time requests, job shares and positions within our flexi bank team, to offer everyone the level of flexibility that they need.





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Our teams were clear that they wanted their job titles to reflect their experience and to have total transparency about what their next move would mean for them – irrespective of whether their journey was upwards, sideways or simply perfecting the role that they're in.

Simone Carter Managing Director

Professional Development

We've set our sights on becoming the highest quality, and most loved early years education group in the UK. To achieve this, we empower all our people to reach their full potential through a mixture of development initiatives.

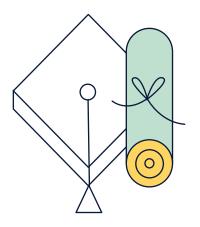
We are proud advocates of Apprenticeships and offer a range of opportunities through our accredited Early Years Academy and Chef Academy. We will begin 2023 with over 100 apprentices across our nurseries and support office.

In November 2022 we launched our new Employer Brand. Based on feedback from our team, our new multi-tier salary bandings for 2023 give every team member a variety of ways to progress and pursue the career of their dreams.

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Increasing our apprenticeship offer has enabled us to build our skills base and bring new and emerging talent into the organisation.

Sophie Hayter Apprenticeship Manager



Equal Worth, Equal Opportunities

At N, we are creating a culture of belonging, connection and community. We know that being part of a diverse, equitable and inclusive environment is integral to people being their best, so we're striving to be a workplace where people can be themselves and reach their potential, irrespective of their gender, socio-economic levels, race, religion and sexual orientation. Everyone is welcome, respected and accepted. We want to use our individual and collective power to encourage different perspectives and make sure they're all valued.

Moreover, we want every child to see themselves, their background and their culture and their identity reflected in their environment.

Our N Reps have continued to be a voice for the people in their nursery, helping us to better understand what we do well and what we can do better. It's important to us that every team member feels valued and represented, as summarised best in our Belonging Statement. At N, we play as a team. We are global citizens, inspiring and developing the next generation and we encourage our people to bring their whole selves to work, every day of the week.

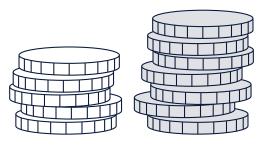
Our diversity creates an environment to support the best in us. Everyone is welcome, respected and accepted. You don't have to 'fit in', we will take you as you are.



Gender Pay Gap

A gender pay gap report is a regulated measure of the difference between the average earnings of males and females within an organisation, relative to men's pay.

N has grown a lot in the last year, in fact our team has almost doubled, with more than 600 people working across our locations. These results are based on our team from April 2021 - April 2022.



At N we acknowledge that a person's inner sense of belonging and how they express this externally, is unique to the individual and therefore doesn't always fit into binary categories. Although the Gender Pay Gap Report is an important tool for keeping us accountable for parity and fairness in our pay and recruitment practices, it does not currently represent the spectrum of gender identities and expressions that are recognised and celebrated at N. It is our continued commitment that all team members experience fair treatment, pay and opportunities.

Gender Pay Gap

Median: When everyone's wages are lined up from lowest to highest, the woman in the middle was paid 3.7% more per hour than the middle man.

Mean: The mean gender pay gap is the difference between the average hourly earnings of men and women. As is common in our sector, our Educators are predominantly females. We hope to encourage more men into Educator roles through our engagement with the MITEY charter (Men in the Early Years).

Bonus pay gap: We believe everyone should be rewarded for helping achieve our goals. That's why we've created a bonus structure that celebrates our successes, and motivates our teams to deliver at the highest level in every role.

As well as offering bonuses to reward the hard work and significant achievements of our team, we also use bonuses to thank those team members whose personal referrals help us to expand our experienced team. Last year, the majority of referrals came from female team members, giving them a higher bonus rate.

Pay Quartiles: We have lined up everyone's wages from lowest to highest, and divided them into four groups. This shows you how many men and women are in each group, starting with the highest (UQ) and going down to the lowest (LQ).

Median -3.7%	Bonus Median -81.7%	Bonus Mean -66.9%	Upper Quartile	Upper Middle Quartile
<mark>Меал</mark> 37.8%	Female Bonuses	Male Bonuses	Lower Middle Quartile	Lower Quartile
	(26.9%) 	24.3%	95.7%	94.4%

- Female

Planet

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Education is the most powerful weapon which you can use to change the world.

Nelson Mandela

Planet

It was another disruptive year for many across the world. International conflicts, extreme weather events, and impassioned climate marches made the need for change on many fronts feel as urgent as it felt overwhelming.

We can all do our bit for a fairer and more sustainable world, and we want to embrace changes that make a positive impact, to be thoughtful and aware of the consequences of our choices and ultimately live more sustainably.

In 2022, through our partnership with Green Bottoms, we diverted 82.34 tonnes of nappy and sanitary waste from landfill and avoided the use of 1,266,048 single use plastic wipes, saving 2.53 tonnes of virgin plastics

Whilst we remain committed to making other changes across our business, we know that reusable cups and wet bags can only get us so far. Businesses like us need to act quickly and boldly to help slow things down.

You said, we listened.

We are always eager to make positive changes where we can, so when our attention was drawn to the number of plastic sacks we were using to send home wet and dirty clothes, we were keen to address the problem with a sustainable solution - reusable wet bags. From 2023 we will be introducing these in all of our nurseries The climate crisis is moving faster than climate action, so we know we need to reduce our emissions as quickly as possible. We're doing this by:

•	Building a culture of awareness	\checkmark
•	Rethinking waste	\checkmark
•	Reducing travel	\checkmark
•	Saving energy	\checkmark
•	Moving to seasonal menus	~
•	Measuring and reducing our carbon footprint at operational level	~
•	Optimising sustainability through building design and construction	~
•	Paperless administration	~
•	Responsible sourcing	\checkmark
•	Reducing single use items	~



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Reducing N's environmental impact is at the core of the design process, from strategic planning at the acquisition stage, through to completion and building operation. We strive to specify sustainable products and materials, implement considerate construction techniques, and ensure that our Nurseries are run in an efficient, responsible manner.

Ellie Figueiredo Architectural Design Manager

Eco Schools

When it comes to global responsibility, we want children to feel they are doing something important, that they are not a lone voice and that they are the most powerful and potent people on the planet.

We firmly believe that raising children who will be agents for change will make the world a better place for us all. That's why environmental education is embedded within our curriculum.

Experiences such as learning about democracy, social justice and environmentalism, inspire children to become engaged with the world around them. We also have forest schools as one of our founding philosophies, which builds a passion for the outdoors, exploring nature, respecting our environment and giving care and consideration to plants, trees and wildlife.

2022 saw us achieve our first Eco-Schools Green Flags. This accreditation was the perfect way to acknowledge, reward and celebrate the ecological achievements of children, demonstrating that their hard work is appreciated and motivating them to continue to actively engage with environmental issues throughout their lifetime.



Responsible Consumption

We want to be more efficient with resources, and do more and better with less. In 2023 we are going to have a strong company focus on reducing waste.

To do this we will be working with suppliers to explore sustainable solutions to flexible packaging, increasing our rates of recycling and reuse and continuing to offer seasonal menus, to cut down on our environmental impact.

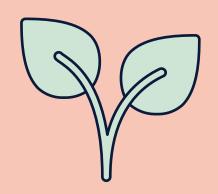
Over the last year, we have also been carefully considering the ethos of the companies we work with. We want to understand who they are, how they do business and what standards they operate by.

We want to work with companies who share our values, prioritise workers' rights, ensure safe working practices and do everything in their power to limit their impact on the environment, right across the supply chain.

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The world of sustainability can be filled with buzzwords that can be confusing and the unfortunate prevalence of greenwashing only muddies the waters even more. With a certification like B Corp, you know that N's existing practices come from official policies which are enshrined in the company's legal documents.

Claire Brown Impact Manager





Partner with us

We are extremely grateful to our Positive Futures partners, Gresham House and Gravis Capital Management for their generous support of our Positive Futures bursary scheme.

We would love to partner with more individuals and organisations so that we can increase the positive impact we can have on the lives of vulnerable children in our local communities.

If you are interested in learning more about partnering with us and what impact you could have, we'd love to hear from you. Contact us by emailing: impact@nfamilyclub.com



Get in touch: impact@nfamilyclub.com