

HT HoldCo Pty. Ltd.
Modern Slavery Statement
December 2022

1. Identify the reporting entity.

HT HoldCo Pty. Ltd. (the "Company") is providing this statement in compliance with the Australia Modern Slavery Act 2018 (No. 153, 2018). The Company is incorporated in Australia as a private company with an ACN 645 356 903, and oversees the provision of commercial textile supply, laundry services and associated operations across Australia and New Zealand, through separate financing and operating entities in each country.

2. Describe the reporting entity's structure, operations and supply chains.

a) Structure

The Company was formed to acquire and manage the operations of the business of the Laundries previously owned by Spotless through the Downer Group in Australia and New Zealand. It took over these assets in April 2021 and the Company's Board is represented by its key Shareholders.

The Company has transitioned its business systems and contracts to become a standalone operating entity separated from its previous parent company at the end of October 2022. The Company has operated from this date all its own systems and procedures.

The Company as the parent holding entity incorporates a number of direct subsidiaries within the structure. The subsidiaries, all 100% owned are HT MezzCo Pty Ltd (ACN 645 356 903), HT MidCo Pty Ltd (ACN 645 357 937), HT BidCo Pty Ltd (ACN 645 358 292), NZ BidCo Limited, Taylors Laundries Limited (NZBN 9429047831964), Ensign Services (Aust) Pty Ltd (ACN 006 254 306), HT PropCo1 Pty Ltd (ACN 645 958 407), HT PropCo2 Pty Ltd (ACN 645 958 550) and HT PropCo3 Pty Ltd (ACN 645 985 747)

Financing is managed through a direct subsidiary of the Company, being HT MidCo Pty Ltd (ACN 645 357 937). This company employs no staff and serves no function other than providing finance security for the operations.

This reporting entity is the ultimate parent company of the operating company of Ensign Services (Aust) Pty Ltd ("Ensign") in Australia and Taylors Laundries Limited ("Taylors") in New Zealand. These are the two legal entities that are the trading operational entities, employ staff for operations, hold contracts with our customers, supply the services to our customers and manage and procure products through the Supply Chains. Both have been operating in their respective countries for over 90 years.

Ensign trades under the trading names of Linen Services Australia for linen and Ensign Services for garments. Taylors trades across all segments under the one trading name, Taylors. The Executive works across these two entities to drive and pursue the business objectives and strategy.

b) Operations

Ensign and Taylors are the leaders in Australia and New Zealand in providing textile management and laundry services to the Health, Hospitality, Commercial, Airlines and Industrial segments.

The COVID-19 pandemic has imposed significant challenges on the business operations, as it has on most corporations. Being in the Healthcare sector, the Ensign and Taylors employees have been directly involved in combating the pandemic, especially early in 2022, working within the business and that of our customers, to minimise the spread of COVID-19 to ensure a consistent safe operation is maintained and to provide continual service to our customers. The business has also taken additional measures and incurred additional expenses to protect the health and safety of our employees during the pandemic.

The Company has continuously monitored the varying State and Country regulations and customers rules to ensure compliance with applicable government requirements and the associated safety guidance.

The Company has adapted its operation to allow employees not required to be in an office environment to continue to work remotely. This is in a direct response to the COVID- 19 pandemic. In addition, our customers in the restaurant, hospitality, airline and some aspects of Health industries were severely impacted by public health measures taken to alleviate the pandemic, such as stay-at-home orders, in turn impacting the operations and business.

Ensign employs over 1,800 people in Australia and Taylors over 375 people in New Zealand. The majority of staff are employed directly in laundry processing facilities. The Company operates 10 laundry facilities in Australia and 3 in New Zealand.

The staff in the business are traditionally long serving employees, with any permanent vacancies being filled through directly hiring new staff from applications received in response to vacancy advertisements. The business does through periods of growth and expansion utilize agency staff in some locations, but this is only as a short-term measure. Staff across Australia and New Zealand are employed under a variety of awards and agreements, with all but 2 sites having formal enterprise agreements in place.

c) Supply Chains:

The major input for Ensign and Taylors is labour that is locally employed and managed at its laundry operating facilities, which primarily washes and manages the textile products owned by the Company or supplied by its customers.

The Company across Australia and New Zealand has 850 suppliers with a total spend per annum of \$110 million (excluding labour and associated costs, contract drivers and financing associated costs). The main suppliers for the raw materials purchased in the business laundry operations are in four categories, which are:

- i) Utility services such as gas, electricity and water
- ii) Chemicals from Ecolab
- iii) Laundry equipment associated parts and expertise, primarily from international laundry suppliers, Jensen and Kannegiesser
- iv) Textiles being linens or garments, with the majority being from Simba (linens) and NCC (garments)

In aggregate the above four supplier's categories represent a spend of \$69 million, which is 63% of our total external supplier spend. The Company spends less than \$20k per annum with over 580 of our suppliers.

The above key category products are purchased from suppliers within either Australia or New Zealand that abide by the ethical and sustainability goals set forth by the Company, including our Modern Slavery Policy. The only exception is the purchase of major new laundry equipment where purchase orders are negotiated directly with the overseas parent supplier.

Our purchasing decisions are based on safety, quality, service and price; opting to purchase on secure local contracts to minimize emissions from shipping materials overseas and support local economies.

3. Describe the risks of modern slavery practices in operations and supply chains.

a) Overview of modern slavery and the anti-slavery effort

An estimated 40 million people worldwide were victims of modern slavery in 2016, with 24 million of those victims subject to forced labor. Of the 24 million people estimated to be subject to forced labor, 16 million people are exploited in the private economy rather than by a government entity. The Walk Free Foundation, the United Nations' International Labour Organization ("ILO") and other non-profit and governmental entities have, through research over the past decade, identified countries and industries with elevated risks of modern slavery.

They have found that the risks of modern slavery are higher in countries where there is political instability, violent conflict or war, lack of basic needs, disenfranchised groups of people, and high levels of inequality among people, and they have published rankings identifying the highest risk countries and regions as well as the highest risk products and industries. The research completed by these organization has enabled companies worldwide to conduct more targeted assessment of their operations and global supply chains in support of the effort to eliminate modern slavery.

b) Risks of modern slavery in Ensign and Taylors industry sector and operational locations

Ensign and Taylors operate directly only in Australia and New Zealand and comply with all rules and regulations of the respective countries. There is minimal risk associated with our industry sector and operational locations.

Ensign and Taylors main operational business lines have not been identified by the ILO, Walk Free or other organizations as high-risk industries (the five highest risk industries are identified as the computer/ mobile phone industry, the retail garment industry, and the fishing, cocoa and sugarcane industries).

c) Risks based on our suppliers' industries and locations

Ensign and Taylors have analyzed their suppliers and there is only one area that may be of concern. There is a potential risk of the supply chains of our contracted Australian based Textile Suppliers in both Linen and Garments. As such additional precautions have been taken associated with these suppliers to ensure compliance. The textile suppliers supply chains are likely to procure from direct and indirect suppliers operating in industries and countries where the risk of modern slavery is higher.

4. Describe the actions taken to assess and address these risks.

a) Modern Slavery Policy

The Company and its two operating entities, Ensign and Taylors, have adopted a Modern Slavery Policy (the "Policy") that forms the basis of the business' approach to combatting human trafficking and slavery. The Policy applies to all personnel, including Directors, Officers, and employees. The Policy applies equally to our agents, subcontractors, product suppliers, distributors, vendors, and other firms that furnish supplies or services to or for Ensign or Taylors ("Suppliers").

Under the Policy, Ensign, Taylors and its Suppliers shall not:

- Engage in trafficking in persons or the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery;
- Procure commercial sex acts;
- Use forced labor in the performance of any contract;
- Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee's identity or immigration documents, such as passports or drivers' licenses, regardless of issuing authority;
- Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language accessible to the worker, basic information or making material misrepresentations during the recruitment

of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or agent provided or arranged), any significant cost to be charged to the employee, and, if applicable, the hazardous nature of the work;

- Use recruiters that do not comply with local labor laws of Australia or New Zealand as applicable where the recruiting takes place;
- Charge any employee the cost of recruitment fees in their subsequent employment;
- If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing.

The Directors, Officers, employees, and Suppliers of the Company and its subsidiaries are responsible for complying with this Policy, and including the substance of this Policy in applicable contracts with Suppliers.

Any violation of the Policy could result in disciplinary action, up to and including removal from a contract, reduction in benefits, termination of a business relationship, or termination of employment. Any credible information regarding a potential violation of this Policy, whether discovered by an employee or a Covered Entity, must be promptly reported to a Senior Manager and the General Manager of Human Resources.

Alternatively, violations may be reported anonymously through the Company's Whistleblower pathway. Any Senior Manager receiving notification of a potential violation of this Policy must immediately report the matter to the Chief Executive Officer. The Policy also prohibits retaliation against those who make reports of misconduct and prohibit interfering with employees' cooperation with Government authorities investigating allegations of prohibited activity.

b) Verification of Supplier Practices.

To evaluate and address risks of human trafficking and slavery in its supply chains, Ensign and Taylors undertake the ethical assessment of Suppliers in parts of the business where there is an elevated risk of slavery and human trafficking complete in order to verify compliance with ethical sourcing requirements.

The Company has required such suppliers in the chemical and textile manufacturing categories to comply with this assessment. This involves the Senior Executives of these suppliers' providing verification of the actions taken to ensure compliance. The Company will continue to actively monitor its suppliers and adapt and expand the number and scope of suppliers required to comply with this assessment as required.

Suppliers have been questioned not only on their policies, but on management practices and specific performance related to protection of employees' human rights and prevention and elimination of trafficking and slavery. They have all been required to supply a copy of a Modern Slavery Policy and compliance with such policy. The high spend potential risk suppliers in the Chemical and Textile categories have responded to such questions and supplied copies of their modern slavery statements. This includes presentation of the independent audits of the supply

chain at specific review meetings.

The Company's Procurement Team continues to analyze the business suppliers and the potential supply chains to identify purchases that may be at risk.

c) Supplier, Contractor and Employee Accountability

Ensign and Taylors employees are held internally accountable for ensuring that the business meets its standards regarding slavery and trafficking through our Code of Conduct and associated Policies. The Code of Conduct requires employees and contractors to in ethical and sustainable source selection. It also makes clear that compliance with applicable government regulations and Company policies and procedures is required of all suppliers, agents and consultants.

d) Training.

Ensign and Taylors have presented the core items of this Modern Slavery Statement to its Senior Managers and includes annually details of the code of conduct in its internal Newsletter to staff. As part of its new training modules on its own systems, it is in the process of developing online training regarding its Supply Chain procurement and its suppliers regarding ethical sourcing policies and procedures. This training will include a section on modern slavery and how the business works with its suppliers and employees to combat it.

5. Describe how the reporting entity assesses the effectiveness of these actions.

The Company, is relatively early in its process of assessing the effectiveness of its actions to combat modern slavery in its supply chain. Legislation like the Australia Modern Slavery Act has focused needed attention on this topic, and as standard measures or assessment tools are developed, Ensign and Taylors will enhance its process for assessing the effectiveness of its actions.

6. Describe the process of consultation with any owned or controlled entities.

The Company has worked closely with its Senior Executives and its majority shareholder in developing this statement. The detail associated in the Statement has been widely reviewed and considered and approved by the Board of HT HoldCo Pty Ltd.

This Statement will be continually reviewed throughout the year as circumstances require, and will be presented to the Board for review and discussion on an annual basis, with formal ratification at the December Board Meeting.

All entities in the Company Group are 100% owned subsidiaries and are controlled by the same shareholders and have appointed the same directors who have prepared, reviewed and adopted this Statement, as have the Management of the trading entities of Ensign and Taylors.

The entities owned or controlled by HT HoldCo Pty. Ltd., other than Ensign and Taylors, are non-operational and thus do not have any independent supply chains to which the Modern Slavery Act would apply.

7. Provide any other relevant information

HT HoldCo Pty Ltd and its Australian and New Zealand subsidiaries are committed to combatting modern slavery and look forward to working with our suppliers, customers and governmental authorities worldwide to enhance the effectiveness of our efforts and, ultimately, to eradicate modern slavery.

This Australia Modern Slavery Act Statement was approved by the Board of Directors of HT HoldCo Pty. Ltd. on Tuesday 13 December 2022.



Signed:

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Name:

Vita Pepe

Position:

Chairperson