



**FITNESS &
LIFESTYLE
GROUP**

Modern Slavery Statement

Financial Year 2023

Goodlife.
HEALTH CLUBS

F Fitness First

jetts
24 hour fitness

zap
FITNESS 24/7

BARRY'S



Reporting Entity

Fitness & Lifestyle Group Bidco Pty Ltd

Australian Business Number

88 613 738 408

Registered Address

176 Montague Road, South Brisbane QLD 4101, Australia

Website

www.fitlg.com

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Introduction

Modern slavery is a crime and a violation of fundamental human rights. Fitness and Lifestyle Group (FLG) provides their full support and endorsement of the *Modern Slavery Act 2018* (Cth) and has a zero-tolerance policy for practices related to modern slavery.

FLG recognises the importance of addressing modern slavery risk within its operations and supply chain, acknowledging the severity of its impacts and committing to focus on increasing transparency and improving its responsible business practices.



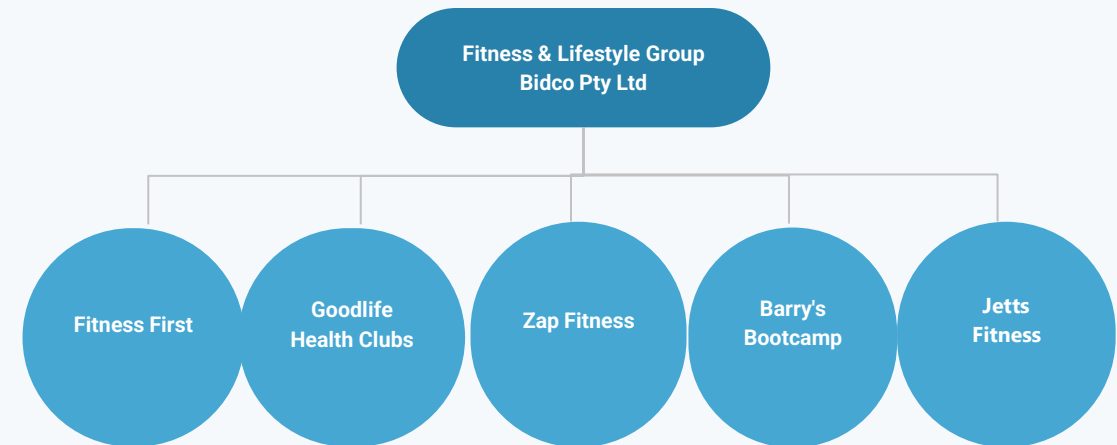
Criteria 1: Reporting Entity

This is the fourth Modern Slavery Statement (“the Statement”) issued by Fitness & Lifestyle Group Bidco Pty Ltd (“FLG”) and covers the period 1 July 2022 to 30 June 2023 (“Reporting Period”). The Statement has been prepared in accordance with the requirements of the Australian *Modern Slavery Act 2018 (Cth)* (Act).

This is a joint statement which has been prepared in consultation with FLG’s wholly owned Australian based subsidiaries including:

- Fitness First Australia Pty Ltd trading as Fitness First
- Goodlife Operations Pty Ltd trading as Goodlife Health Clubs
- Dockvest Pty Ltd trading as Zap Fitness
- Barry's Bootcamp Australia Pty Ltd trading as Barry’s Bootcamp
- Jetts Fitness Holdings (Aus) Pty Ltd trading as Jetts Fitness (divested 23rd Sept 2022)

(collectively referred to herein as “**FLG Reporting Entities**” or “**we**”, “**us**”, “**our**”).





Criteria 2:

Operations & Supply Chain

Operations

FLG is Asia Pacific's leading health & wellness group, with headquarters in Australia, as well as regional offices in New Zealand and across South East Asia. FLG exists to make a meaningful, positive impact in people's lives through innovative and diversified health and wellness offerings across physical and digital platforms.

FLG's portfolio of globally recognised brands includes Fitness First Australia, Goodlife Health Clubs Australia, Barry's Bootcamp Asia-Pacific, Jetts Fitness, Zap Fitness, and California Fitness & Yoga. With over 360 locations spreading across Australia, New Zealand and South-East Asia, FLG helps over 720,000 members live healthier and more active lives.

Supply Chain

FLG has a diverse supply chain and procures a range of goods and services from both domestic and international markets. During the Reporting Period, FLG Reporting Entities engaged directly with 1,261 tier one level suppliers. The geographical locations of these suppliers includes:

- 95.8% from Australia; and
- The remaining 4.2% of goods and services were procured from outside Australia.

FLG Reporting Entities mainly procure in the sectors of construction, property maintenance, cleaning services, fitness equipment, technology and marketing.



Criteria 3:

Risks of Modern Slavery Practices

Operations

FLG recognises modern slavery can occur within its supply chain, as well as in its own operations. In the Reporting Period, FLG directly employed just over 5,100 employees in Australia and 2,066 contracted personal trainers. Additionally at the beginning of the FY23 Jetts Fitness included 135 franchised clubs. Franchisee networks had previously been identified as an area of potential modern slavery risk due to the limited control and visibility of their operations. The Jetts Fitness business has now been divested as of 23rd September 2022 to lower risk.

FLG Reporting Entities utilise various controls to manage the risk of modern slavery within its workforce, franchisee network and contractor population. FLG Reporting Entities engage employees via enterprise agreements, Modern Awards, and contracts underpinned by the *Fair Work Act 2009* (Cth) or National Employment Standards. Specifically for franchisee networks, compliance reviews have been conducted across business practices, pay rates, and hours worked in the past.

Furthermore, the internal recruitment function of FLG is centralised for support office employees and decentralised for in-club roles. Reputable recruitment agencies are also used on an ad hoc basis. This allows FLG Reporting Entities to maintain control and visibility of recruitment practices within the business to minimise the risk of modern slavery. To mitigate modern slavery risks further, FLG Reporting Entities' conduct regular audits on visa terms, visa holder working restrictions, as well as on working hours.



Criteria 3:

Risks of Modern Slavery Practices

Supply Chain

FLG assess supply chain risk based on geographical location, industry risk, and product risk. Within the first-tier level of FLG Reporting Entities' supply chain, only 4% of goods and services are sourced from international regions. FLG acknowledges that international supply can pose a higher risk of modern slavery, however the majority of goods and services sourced by FLG Reporting Entities are from countries which present a lower inherent risk of modern slavery.

In terms of product and industry risk, FLG Reporting Entities' have identified areas of its supply chain that may pose a higher risk of modern slavery. These include goods and services pertaining to:

- technology;
- construction;
- food and beverage products;
- property maintenance;
- cleaning services;
- fitness equipment;
- marketing, including branded merchandise; and
- garments including uniforms.

FLG's Reporting Entities recognise the depth and potential impact of its direct and indirect supply chain. FLG Reporting Entities' endeavour to improve its ability to implement its risk management initiatives beyond tier level one.



Criteria 4:

Actions to Address Modern Slavery Risk

FLG Reporting Entities took various steps in the 2023 financial year to assess and address the risk of modern slavery in its operations and supply chain.

Organisational Structure

A significant change in organisational structure occurred during the reporting year that reduced the Modern Slavery risk for FLG. A strategic decision to divest its franchise business unit (Jetts Fitness), which had previously been identified as higher risk operations was a positive outcome for our Modern Slavery objectives. Following the divestment of Jetts in September 2022, FLG now includes only company-owned health clubs.

Policies & Procedures

FLG has policies and procedures in place which govern the way we operate internally and engage with suppliers. During the Reporting Period, FLG Reporting Entities continued to review key policies to ensure compliance with the Act, including:

- Procurement Policy;
- Whistleblower Policy; and
- Employee Code of Conduct.

As such, employees, contractors and suppliers have clearer grievance mechanisms related to modern slavery concerns.

Procurement Processes & Contractual Arrangements

FLG Reporting Entities' have embedded modern slavery expectations into tender documentation, supplier onboarding applications and contractual agreements, including our Purchase Order Terms and Conditions. Suppliers are issued a purchase order to approve the provision of goods and services, at a stated specification, quantity, and price. Our Standard Terms and Conditions include commitments in relation to modern slavery.



Criteria 4:

Actions to Address Modern Slavery Risk

Training

During the Reporting Period, FLG successfully implemented a new Learning Management System. Our aim is to roll out modern slavery training in the FY24 year to increase awareness of risk factors amongst employees and improve our ability to address instances or concerns of modern slavery.

Supplier Due Diligence

In the Reporting Period, FLG Reporting Entities continued to utilise our Supplier Assessment Questionnaire (SAQ) to better identify modern slavery risk factors, and supply chain risk management practices. Whilst compliance to complete is not mandatory at present, FLG Reporting Entities intend to focus on increasing completion rates moving forward.

Collaboration

FLG Reporting Entities had initial conversations with an industry association and will endeavour to revisit this in the future.



Criteria 5:

Effectiveness of Actions

In the previous reporting period, FLG Reporting Entities planned several key initiatives in response to the Act. FLG Reporting Entities were able to achieve the following:

Governance	<ul style="list-style-type: none">• Review outcomes from FY22 and improve/change Modern Slavery Framework as required• Monitor and Update where required the policy & code of conduct documents to incorporate modern slavery procedures• Continue to monitor recruitment practices to manage modern slavery risks• Continue to ensure modern slavery expectations are included in new contracts & RFx documents	
Supply Chain Transparency	<ul style="list-style-type: none">• Continue to risk assess tier 1 suppliers with a high inherent risk of modern slavery (geographic, industry & product risk)• Explore other risk management controls including supplier site audits• Continue to update template of responses to questionnaires requested of FLG as a supplier	
Collaboration	<ul style="list-style-type: none">• Collaborate with Non-Government Organisations (NGO's) as well as industry peers (i.e. Fitness Australia, other health & fitness companies, and/or other reporting companies) where beneficial to FLG's response to Modern Slavery	FY24
Awareness	<ul style="list-style-type: none">• Implement modern slavery training for FLG team members and raise awareness of modern slavery internally• Create factsheet on modern slavery for team member reference• Upload Modern Slavery Statement to FLG intranet & external website	FY24



Criteria 6:

Consultation

The Modern Slavery Working Group continued to represent FLG in relation to FLG's modern slavery response. Consisting of representatives from Procurement, People & Culture, and Legal with overarching endorsement from the FLG Executive Committee and Board, the Modern Slavery Working Group meet to table initiatives and discuss progress in our response to the Act.

FLG Reporting Entities continued to engage more closely with independent contractors particularly those who choose to engage/employ staff, to ensure that their business practices are in line with our expectations regarding managing the risks of modern slavery.



Criteria 7:

Future Initiatives

FLG is committed to strengthening its modern slavery response. FLG will progress the following initiatives in the 2024 financial year reporting period:

- Implement modern slavery training with all direct staff of FLG
- Review and if required, update FLG's Modern Slavery Framework
- Continue to review company policies including our Recruitment Policy to ensure Modern Slavery objectives are referenced
- Develop an assessment criteria to enable identification of modern slavery risk in our tier 2 supply base
- Improve internal communication and awareness of modern slavery risk and implement training for all employees
- Continue to work collaboratively with our vendors, seeking to understand their approach to managing modern slavery risks
- Consider creating a Supplier Code of Conduct
- Explore collaboration opportunities within the health & fitness industry, other modern slavery reporting companies and Non - Government Organisations

This statement was approved by the Board of Fitness & Lifestyle Group Bidco Pty Ltd in December 2023 and is signed by Greg Oliver, Chief Executive Officer and Managing Director.



Greg Oliver
Chief Executive Officer &
Managing Director

All enquiries or feedback in relation to this statement should be directed to FLG's Procurement team via email: procurement@fitlg.com





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