

MODERN SLAVERY STATEMENT

December 2022

Introduction

This is the second Modern Slavery Statement issued by Zeppelin Holdco Pty Limited and has been prepared on behalf of itself and the other reporting entities listed below (The Group). It is published in accordance with the *Modern Slavery Act 2018* (Cth). This statement sets out the modern slavery risks in The Group's operations and supply chains and the steps taken to monitor and address those risks.

The Group is committed to acting on any modern slavery risks identified within its operations and supply chain and reporting on these as required by the *Modern Slavery Act 2018* (Cth).

This Modern Slavery Statement has been circulated to the executive team for comment and endorsement prior to being put to the Board. The board approved the statement on 2 December 2022.



Colin Irvine
Director

Criteria 1: Reporting Entity & Structure

This statement has been prepared on behalf of the following reporting entities:

- Zeppelin Holdco Pty Limited – ABN: 88 634 191 281
- Zeppelin Bidco Pty Limited – ABN: 13 634 192 591
- Zeppelin Midco Pty Limited – ABN: 30 634 191 852
- Rousseau Holdco Pty Limited – ABN: 63 611 727 881
- Rousseau Bidco Pty Limited – ABN: 74 611 731 527
- Fitness Passport Pty Limited – ABN: 50 118 426 029

Reference to “The Group” in this statement refers to the group of reporting entities listed above.

Criteria 2: Operations and Supply Chain

Structure

Zeppelin Holdco Pty Ltd is a proprietary company registered in Australia and headquartered in Sydney. Zeppelin Holdco Pty Ltd is the parent company of six wholly owned Australian subsidiaries. Companies in the Group share central governance and legal functions.

Operations

The Group's mission is to motivate people to exercise and improve their health by creating a valued wellness solution which reduces cost barriers and expands choice.

To achieve this, we partner with employers to develop tailored fitness programs, giving access to a broad range of fitness facilities as requested by employees. When employees sign up to the program, they and their immediate family can access all fitness facilities on their program.

The Group directly employs 33 staff in NSW, QLD and VIC, Australia and one in Auckland, New Zealand. Their roles include Sales, Account Management, IT, Finance, HR and Operations.

The Group services members across Australia including metropolitan and regional locations.

Supply Chain

The Group partners with over 1,700 facilities across Australia. These partners supply the Group with access to their facilities and the Group pays for the visits on a monthly basis. The facilities include Council run facilities, independent gyms, and large brand gym groups. There are currently no fitness facilities in other jurisdictions outside of Australia.

Other key services that the Group sources include IT support and Contact Centre support. Our Customer Support and IT Support functions are based in The Philippines, Fiji and Sri Lanka.

In addition, the Group sources goods and materials through its supply chains, with significant spend on swipe cards, and office and IT equipment.

Criteria 3: Risks of Modern Slavery Practices

Operations

Given the level of direct control that the Group exercises over its own operations, we consider that we have a relatively low modern slavery risk profile within our own operations. All policies and procedures relating to our people are carried out in line with the Fair Work Act, National Employment Standards and the Modern Awards.

Supply Chain

Potential for modern slavery risk could occur with our offshore suppliers where we have less visibility of staff working conditions. We have considered the extent to which we may contribute to, cause or be linked to modern slavery risks in our supply chains and have identified the following key risk areas:

- cleaning service providers engages to support our office;
- the use of direct and outsourced labour by our facility partners in respect of cleaning and security;
- the use of service providers located in The Philippines, Fiji and Sri Lanka to provide IT and contact centre support; and
- the procurement of swipe cards/IT equipment that are/is manufactured in China

Criteria 4: Actions to Address Modern Slavery Risks

Due diligence

Within our operations, compliance with applicable laws and internal policies is reviewed regularly. An external payroll audit was carried out in 2021 and internal audit in August 2022. Staff working hours and manageability of workload are monitored and remuneration is reviewed annually.

In respect of our supply chains, due diligence of our facility partners is carried out as part of the onboarding process which includes onsite visits to their facilities. Representatives of our executive team travel regularly to material supplier locations to meet with staff and inspect working standards. However, we do not have complete visibility over the operations of facilities on the program.

We also monitor the modern slavery statements of our material suppliers to assess the modern slavery risks that may be present within our supply chains. Approximately 15% of our facility partners have published Modern Slavery Statements, noting that many are below the threshold to report on modern slavery risks.

In terms of our offshore IT and Contact Centre support providers, in the past 12-months members from our executive team have travelled to visit operations of support providers in Sri Lanka, the Philippines and Fiji. In addition to connecting with our partners, the purpose of the visit was to inspect staff working conditions. Our Contact Centre Support and IT Support suppliers have also published Modern Slavery Statements in their respective jurisdictions.

Remediation

All our employees are encouraged to speak up if they have any concerns about any misconduct or an improper state of affairs or circumstances within the organisation (including any concerns relating to potential modern slavery issues).

In the last reporting period, our facility contracts were updated to include a clause which requires our facility partners to warrant that they do not engage in conduct that contravenes modern slavery laws.

Our supplier contracts also stipulate that suppliers must adhere to all labour laws in their jurisdiction, including legislation related to remuneration and any other employment entitlements.

In addition, a supplier questionnaire was introduced to further assist Fitness Passport in assessing and mitigating modern slavery risks in our supply chain. The questionnaire will be sent to those suppliers that:

- are located in higher risk countries where labour rights are not protected; and
- operate in high-risk industries that have previously been affected by undeclared labour, illegal labour and/or a high incidence of trafficked persons;

Next steps

In the year ahead, we intend to undertake the following actions:

- Introduce a Supplier Code of Conduct;
- Include modern slavery risks as part of our Group Risk Register; and
- Ensure risk assessments are performed for new suppliers as part of the onboarding process

Each year we will also review our Modern Slavery policies to ensure they remain relevant and up to date while considering any trends in modern slavery issues and the risks posed the Group

Criteria 5: Effectiveness of Actions

The effectiveness of the actions that we take in relation to modern slavery risk in our operations and supply chains is reliant on a continued review of those actions.

During the reporting period, we have:

- undertaken consultation across the business and the board to ensure modern slavery risk is managed effectively
- visited our major off-shore suppliers in Sri Lanka, the Philippines and Fiji to inspect operations
- provided training to the executive team on modern slavery which included modules addressing: types of modern slavery; the *Modern Slavery Act 2018* (Cth); signs to look out for; how to respond to potential modern slavery issues and reporting of concerns
- implemented a Modern Slavery Policy and Modern Slavery Remediation Policy and delivered training on both to all staff
- implemented a Whistleblower policy and delivered whistleblower training to all staff
- ensured all new supplier contracts and renewals include a requirement of compliance with modern slavery laws and any labour laws in the supplier's jurisdiction
- introduced a Supplier Self-Assessment Questionnaire for suppliers to assess operational metrics and risk and disclose modern slavery and supply chain risk management practices.

Criteria 6: Consultation

In preparing this Modern Slavery Statement, input was obtained from external legal, and internal operations, finance, human resources, and IT team responsible for each of the reporting entities and their respective owned/controlled entities before it was presented to the Board of the Group for final review and approval.