

MODERN SLAVERY STATEMENT

December 2021

Introduction

This is the first 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 by it 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 22 December 2021.



Colin Irvine
Director

Criteria 1: Reporting Entity

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: Structure, 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 30 staff in NSW, QLD and VIC, Australia. 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 1,500 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 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 Assess and Address Modern Slavery Risks

Due diligence

Within our operations, compliance with applicable laws and internal policies is reviewed regularly and an external payroll audit was carried out in 2021. 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, COVID prevented us from travelling and inspecting international operations in 2020 and 2021. We intend to resume these visits once international travel becomes feasible again.

Our Contact Centre Support and IT Support suppliers have also published Modern Slavery Statements in their respective jurisdictions.

Going forward, we intend that all material new suppliers will be reviewed to understand their compliance with modern slavery laws.

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.

Next steps

The Group is still in the early stages of developing its processes for managing modern slavery risk. In the year ahead, we intend to undertake the following actions:

- Providing training to the executive team on modern slavery including: types of modern slavery; the *Modern Slavery Act 2018* (Cth); signs to look out for; how to respond to potential issues and reporting of concerns
- Developing a monitoring and evaluation framework to better understand potential areas of risk and what needs to be done to improve these areas
- Implementing a Whistleblower policy
- Ensuring all new supplier contracts and renewals include a requirement of compliance with modern slavery laws and any labour laws in the supplier's jurisdiction
- Reviewing the feasibility of a Supplier Code of Conduct
- Recommencing site visits to suppliers when borders reopen
- Developing a remediation strategy should modern slavery be identified in our supply chain

Criteria 5: Assessing the 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; and
- checked our risk assessment processes to ensure they remain up to date.

During the next reporting period, we intend to develop further processes to ensure regular reviews for potential risks and compliance with this statement and future initiatives introduced by the Group.

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.