

2022

Environmental, Social, Governance Report

Alliance[™]
Laundry Systems

Leading performance



We make the world cleaner as the premier provider of laundry solutions.

We deliver leading performance through our exceptional employees, unmatched quality and our commitment to innovation.



A Letter from Our President and CEO

One of the most inspiring things in this world is when a group of driven individuals pool their collective skills, talents, time, and passion into a common goal. It's as rare as it is beautiful. But each day, Alliance Laundry Systems team members do exactly that. To our team, leading performance in laundry isn't a one-dimensional tagline; it's a part of our collective DNA and drives everything we do, from research and development to testing to building the world's greatest laundry equipment.

A year ago, we were proud to release the first-ever Alliance Laundry Systems Environmental, Social, and Governance (ESG) report — a testament of that united focus in all aspects of the business. It's inspiring to share the ways our equipment makes the world a cleaner place. From helping prevent the spread of infection, and keeping firefighters and other frontline staff safe, to creating a sense of community in underserved areas through providing vital laundromat services, our products truly make a difference.

In this, our second, ESG report, I'm honored to share updates on our company's efforts in the markets we serve as well as Alliance's on-going activities in the areas of corporate citizenship and making our communities better.

Alliance Laundry Systems is resolute in its commitment to leadership — leadership in all facets of our business.

We pride ourselves on not merely a duty-bound approach, but one built upon fostering a culture of unbridled enthusiasm to lead through innovation. Alliance Laundry Systems makes the world a cleaner place every day, and every year, we'll raise the bar with renewed vigor...leadership by example.

Sincerely,



Mike Schoeb
CEO
Alliance Laundry Systems

Environment



Innovation with Purpose

We live in a world that increasingly seeks to balance enriched lifestyles with reduced demand for resources. Because laundry is an essential part of life, there's a bright future in making laundry easier and more environmentally friendly.

Safer, More Efficient, and an Overall Better Customer Experience

The value of clean clothes cannot be overstated. It's about overall human dignity – we just feel better about ourselves slipping on clean, stain-free, fresh-smelling garments. So, in the areas served by our equipment, we are doing far more than just washing and drying; we are lifting people up.

Our company is even more proud of our efforts to lift the entire laundromat industry through our Speed Queen Laundry stores and their commitment to providing a safer, cleaner, and kid-friendly environment. We feel contributing to human dignity is about more than just providing the means to get clean clothes, but also delivering an experience that elevates the customer experience.

Since their launch a few years ago, our licensed Speed Queen Laundry stores have grown from a few hundred to more than 1,000 in 28 countries across Europe. In the United States, we've grown our franchise store offering to more than 25.

True to our focus on always pushing to do more, together with our franchisees new stores offer free laundry days at opening and many partner with local organizations to assist with their needs. Indeed, Speed Queen Laundry stores are active members in the communities they serve and take this role seriously.



Equipment that Makes a Difference

Alliance's passion for leadership is reflected in our significant investment of time and resources in research and development of new technologies. We believe our core foundation of leading performance is firmly rooted in designing equipment that reduces the impact on the environment. This driving force is not just good for the Earth, but also our customers' bottom lines. The results on these pages illustrate this laser focus in action.

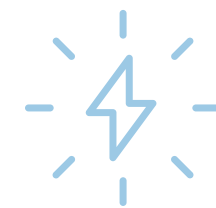
Sad Day for Utility Company

When Glenn Catlin bought Las Lavanderia in South Houston, Texas, utilities were running north of \$6,000 a month. After he retooled the laundry with Huebsch equipment, utility costs were cut more than in half. The impact was so significant that the utility company came out to check the meters. The Huebsch savings enabled Catlin to reinvest in the customer experience with a new kids area, and free coffee and donuts. Want to learn more? [Watch a video here.](#)



Reducing Plastics

The environmental impact of plastic laundry detergent bottles is significant. That's why some Speed Queen Laundry locations in the United States are testing direct injection of detergent and softener, eliminating the need for customers to buy and lug these bottles in, but most importantly, keeping them out of landfills. All 1,000 Speed Queen licensed stores across Europe offer this injection system...just another way we put the environment first and lead our industry.



36%

Of Alliance's Thailand plant's monthly electricity needs are coming from the facility's solar panels.



80%

Of the water utilized in our research and test labs is recycled and used again.

Caring for the Global Environment

Our team members strive to be good environmental stewards in many different ways. Last spring, the 46 team members from Alliance Laundry Příbor participated in their bike to work challenge. Together they completed nearly 13,000 km (a little over 8,000 miles). Bike to work is a popular nation-wide challenge in the Czech Republic that motivates employees to enhance their fitness and switch to more eco-friendly means of transportation. Our Ripon Engineering team celebrated Earth Day this year by planting several flowering trees around our Ripon campus. The trees are a daily reminder to care for Mother Nature.



Rebuild Brings Savings, Increased Throughput

After a fire destroyed Childs Linen Service in Maine, owners of the commercial linen plant set to immediately rebuilding...this time upgrading to UniMac equipment. The addition of fast, efficient UniMac machines made a significant impact in multiple areas. The operation more than doubled (900 pounds to 2,400 pounds) the capacity of what it can run per hour and yet they experienced a drop in utility costs. How significant?

Business for Childs is up 25 to 30 percent since the fire. Yet water bills are half of what they were pre-fire and electricity, and gas are down roughly 25 to 30 percent. Want to learn more? [Watch a video here.](#)



Social



Building a Great Place to Work in Thriving Communities

At Alliance Laundry Systems, we believe in the strength of our people and our communities. We lift one another up and hold ourselves to the highest standards within our four walls and in the wider world. That's what it takes to live our mission and deliver leading performance.

Alliance Laundry Cares

Alliance Laundry Systems has a long history of charitable giving, going back to the company's founding in 1908. We know that we make so much more than laundry equipment. Our products bring cleanliness, comfort, and dignity to people around the world. To better live our mission to make the world cleaner, in 2022 Alliance Laundry Systems launched Alliance Laundry Cares.

Alliance Laundry Cares takes our giving to a new level and focuses on what Alliance does best, making the world cleaner by being the premium provider of laundry solutions.

With donations of laundry equipment, expertise and financial support, Alliance Laundry Cares primarily targets four key areas of need in our communities: domestic abuse shelters, homeless shelters, animal rescue and shelters, and schools and education.

Through Alliance Laundry Cares, the company addresses the basic need for cleanliness, comfort and dignity for those most vulnerable in the global communities where our team members live and work.

Organizations seeking assistance can go to alliancelaudry.com/how-we-care/ for more information and to fill out a donation request.



Supporting Learning Around the Globe

There's a great deal of science that goes into making legendary laundry equipment. One of the ways our team encourages students is by making the connection between the "real world" of manufacturing and the classroom. Whether it's educational videos explaining the molecular properties of steel and why it makes our washing machines so durable, offering student tours of our manufacturing locations, or Alliance Laundry Pribor demonstrating how our machines work at a Technology Fair in the nearby city of Kopřivnice, the Alliance team is committed to encouraging and inspiring our next generation of exceptional talent. [Watch a video here.](#)



In 2022, we took our support of education a step further by establishing five new scholarships. Three, \$2,000 scholarships are available for graduating high school seniors who are the children of US-based Alliance Laundry Systems employees. Two, \$1,500 scholarships are available for any graduating Ripon High School senior in recognition of the strong support we have received from the Ripon community for more than 110 years. More information about how to apply is available [here](#).



A Global Team That Gives and Serves

Giving back and gratitude are in our DNA. Our team members fuel that spirit through volunteer work in their communities. All over the world, Alliance Laundry Systems employees give their free time as first responders, youth sports coaches, board members... the list is endless. We also come together as an Alliance team to support organizations that are important to us. Our Thailand team members regularly offers time, resources and laundry equipment to the Teacher Boonchoo, Home for Special Children in Pattaya. The home serves 230 children and has been hard hit by COVID 19. They also support the Blind School in Pattaya. The Alliance team started helping the school in 2020 when they



learned it was going to be closed due to a lack of donations during the pandemic. Thanks in part to our team members, the school has been able to remain open.

Globally Focused, Locally Committed

The world's greatest laundry equipment doesn't happen by accident. It's the result of skilled teammates building on their collective passion to lead. Alliance Laundry Systems taps that same passion, tapping our time and talents to give back to the communities.

 **6** Factories in 4 countries
(United States, Czech Republic, Thailand and China)

 **7** Offices across the globe

 **1,200** Distributors in 140+ countries

 **4,000+** Employees worldwide



Giving Animals a Second Chance



Our Speed Queen Residential segment, in 2021, signed a multi-year partnership agreement with Best Friends Animal Society (BFAS), becoming the non-profit's official laundry partner and joining their charge to save the lives of all shelter animals. The Residential team kicked off the partnership with a week of volunteering and service projects at the organization's Utah sanctuary, because we believe true partnerships are far more than cutting a check and walking away until next year. Service is part of our DNA...and it always will be.

Speed Queen has continued to build on that partnership, making several more volunteer trips to the sanctuary. Our commitment to the cause goes much further. Inspired to do more, our employees have adopted rescue animals and have started to foster for their local rescue organizations. Knowing the important work that fosters do in opening their homes to rescue animals, preparing them for life in their forever homes upon adoption, Speed Queen lent its support to these heroes. Selecting 10 special fosters from across the country, we rewarded them for all they do with a washer and dryer set, and are sharing their unique stories on our website and social channels. [Watch their stories here.](#)

We can all do a little more to help others and this is just one way our company gives back and seeks to inspire others to the same.



Laundry and Literacy

The laundromats we provide laundry solutions for are more than just places of business; they are centers where the community gathers. We are proud to embrace that role our customers play in their communities. In July, members of the Alliance sales and marketing team joined the owners of Bustin' Suds Laundromat in Atlanta to host a Free Laundry and Literacy Day.

Volunteers didn't just help customers with their laundry, they participated in family literacy activities, including handing out free books to children. The event also featured free food, medical checkups, and raffles.



Tools and Training to Protect

When we decided to install AED units at strategic spots around our facilities, it was with the hope they'd never need to be used. However earlier this year when a staff member suffered a cardiac event our in-house first responders put their training and the AED to work, possibly saving their life. When we say our teammates are our most valued assets, it's more than words. Alliance commits resources, and training to ensure that if an emergency arises, we are ready to respond.



An Engaged and Motivated Workforce

Making the best laundry equipment in the world requires focus and engagement from every team member. We are committed to actively seeking feedback from our team members through annual and pulse employee engagement surveys and putting what we learn into action. Steps that we've taken based on previous surveys include:

- Enhanced training and development opportunities for front-line leadership positions
- Improved communication technology and increased access to company news and information.
- Increased frequency of leadership communication

Women in Leadership (December 2022)

Leading Position	Total	Male	Female	% Female
Executive Leadership	8	5	3	37.5%
Senior Leader (Director/VP)	61	47	14	23%
Manager / Supervisor	318	232	86	27%
Individual Contributor (White Collar)	848	542	324	38%
Individual Contributor (Blue Collar)	2,450	1,634	906	36%
Total Global Workforce	3,776	2,444	1,332	35%

Training and Development (2021)

Customer Learning Information	All	External Users	Internal Users
Courses Taken:	17,295	15,996	1,299
Total Users:	1,847	1,604	243
Total Learning Hours:	21,248	19,887	1,361

Total Recordable Injury Rate (TRIR)

(Number of injuries and illnesses per 100 workers)

Location	2020*	2021
Ripon, United States	4.29	5.86
Pribor, Czech Republic	1.93	1.96
Chonburi, Thailand	1.45	0.54
Guangzhou, China	0	0

*2020 U.S. rate was restated due to change in measurement method. As discussed, calculation was improved and BI dashboards were created for better visibility by the production and health and safety teams.

A Strong Safety Culture and a Healthy Work Environment

Every team member has the right to end their workday as safe and healthy as how they started it. At our locations around the world, we rigorously review our safety practices in a continuous quest for zero harm. For all team members, safety and an improved work environment are an ongoing focus. Our data shows exceptional progress in reducing incidents.

For more than 110 years, women have shaped our company as customers, as team members and as leaders. We are steadily increasing opportunities for women throughout Alliance Laundry Systems and especially within our leadership team.

Ultimate Reliability Matters

It's a pretty simple fact: when equipment is built to give decades of worry-free performance vs. a few years, it means less junk heading for the landfill and a better situation for the environment. In short, reliability matters.

As a company, we are well aware of the durability of our washers and dryers. However, it's still exciting to have independent organizations and media outlets take note of that fact as well.

That's why having Consumer Reports highlight Speed Queen four years straight at the top of its list of the most reliable appliance brands is something we are especially proud of.



In 2023, Alliance Laundry Systems will implement an international Environmental Health and Safety (EHS) management system that follows ISO 14001 (Environmental) and ISO 45001 (Safety)



All Alliance facilities are designated smoke-free workplaces and we offer annual company-wide on-site medical screening to encourage team members to take an active role in their wellness.

Our Manufacturing Commitment to the Environment

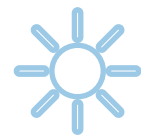
Our commitment to making the world a cleaner place extends into business operations. We consistently look for ways to reduce our consumption of natural resources at our manufacturing locations around the world. Our results include:



Recycling water in our test labs saves **7 million** gallons each year.



We consistently look for ways to reduce our consumption of natural resources at our manufacturing locations around the world. Recent projects include making the lighting and heating and cooling systems more energy efficient as well as the installation of eight new electric-powered injection molding presses at our production facility in Manitowoc, Wisconsin. The new electric presses use significantly less energy than previous hydraulic models. In the first 18 months, we estimate the Manitowoc projects saved 4,060,000 kiloWatt hours in electric use and 11,000 therms in natural gas use. That's enough to power 533 homes for a year or the greenhouse gas emissions from driving the average passenger vehicle 7,200,000 miles or 306 times around the world!



Installing solar panels at our Thailand facility has reduced electricity consumption by **1.2GWh.**



Moving technical documentation and manuals online is saving **1.9 million.** printed pages annually.



Over the last six years we've undertaken projects that have netted savings of more than **5.2 million kWh.**

Environmental - Energy, Gas, Water and Waste

Metrics	2019	2020	2021**
Energy consumption (MMBtu)*	179,923	172,114	186,623
Renewable energy consumption (MMBtu)	-	552	3,638
Renewable energy consumption rate (%)	0.00%	0.32%	1.95%
Gas consumption (MMBtu)*	275,220	265,218	327,274
Water use (thousands of gallons)	70,032	55,268	54,351
Disposed waste (metric tons)	306	264	180
Recycled waste (metric tons)	4,636	4,181	6,345
Hazardous waste (metric tons)	37	34	74
Energy Consumption per 100 units produced (MMBtu)**	21	22	20
Gas consumption per 100 units produced (MMBtu)**	32	34	36
Water use per 100 units produced (thousands of gallons) **	8	7	6

* Figure reflects production interruption coinciding with onset of COVID-19 global pandemic

** Figures include two new manufacturing sites which became fully operational for a whole calendar year starting 2021

*** Units include finished goods only

Our Corporate Initiatives and Targets in Support of the Environment

When it comes to our environment and conservation of natural resources, there's one simple truth: we can all do a little more. And we will.

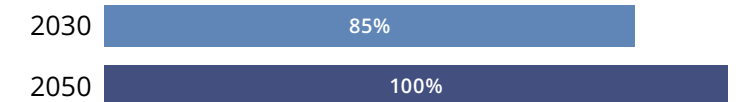
Alliance Laundry Systems is committed to reaching the following goals in the decades ahead and will track our progress toward these targets annually.

Focus on Local Suppliers to Reduce Carbon Footprint

	Local	Regional	Global
2020	69%	16%	15%
2021	70%	15%	15%
2030	85%	10%	5%

Global supply chain

Zero Waste to Landfill Through Recycling Rate Goals



Governance



We Live our Mission and Values Every Day

Bringing our mission to life requires a workforce that understands and embraces our core values and demonstrates respect for our customers and each other. Every team member is entitled to a professional working environment free of harassment and discrimination.

A Great Place to Work — Health and Safety

Congratulations to our coworkers in Thailand for earning two Environmental Health and Safety awards from the Department of Labor Protection and Welfare under the Ministry of Labor, Thailand.

- Zero Accident Campaign Award 2022 in Bronze Level. This is the third consecutive year for ALT to receive this national-level award. (2020-2022)
- EHS Outstanding Establishment Province Award 2022. This is the second consecutive year for ALT to receive this province-level award. (2021-2022)



Protecting our Laundry MVPs

Our manufacturing team truly is made up of laundry's most valuable players. We are resolute in our commitment to keep them safe and injury-free. A year ago, we turned to motion-capture technology to reduce injury risk. We continued those efforts this year, performing **20 quantitative assessments, which helped reduce injury risk in those areas by 39 percent.**

This winning combination of technology, supported by employee input is bringing excellent results in helping our company adapt workstations to increase employee comfort, but most importantly, keep them safer and free of injury.

D.R.I.V.E. Behaviors

To be an industry leader, you must find a reason to do what you do. We do it because we're driven. We do it because we're filled with **D.R.I.V.E.**

DEDICATED

“DO WHAT YOU SAY YOU’LL DO.”

We deliver results without ever wavering on our commitment to quality. We are reliable and demonstrate a high say/do ratio — building credibility and trust with our team and our customers through action and follow-through.



RESPECTFUL

“CHALLENGE IDEAS, NOT INDIVIDUALS.”

We act with integrity and treat each other with dignity. Embracing the diversity of our people, we seek to understand others' perspective and value the collective power of teamwork.



INNOVATIVE

“DISCOVER A BETTER WAY.”

We lead the industry by being open, challenging complacency, and actively seeking to create new and better ways for our team and organization to be successful.



VERSATILE

“ADAPT QUICKLY.”

We make decisions with urgency and act on those decisions. In our constantly changing environment, we demonstrate agility — responding quickly to market changes; customer demands and other external pressures.



ENGAGED

“BE ALL IN.”

We build strong relationships and collaborate to solve broader issues. We take pride in our work, believe in our products and care deeply about our customers.



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