

## Risk Factors Comparison 2024-11-22 to 2023-12-21 Form: 10-K

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You should carefully consider the following risks and other information in this Form 10-K in evaluating Vestis and Vestis' common stock. Any of the following risks and uncertainties could materially adversely affect our business, financial condition or results of operations. Risks Related to Our Business Operational Risks Unfavorable economic conditions have in the past adversely affected, are currently adversely affecting and in the future could adversely affect our business, financial condition or results of operations. Unfavorable economic conditions may arise during times of national and international economic downturns, or may be attributed to natural disasters, calamities, public health crises, political unrest and global conflicts. Unfavorable economic conditions may also contribute to supply chain disruptions, geopolitical events, global energy shortages, major central bank policy actions including interest rate increases, public health crises or other factors. Unfavorable economic conditions could adversely affect the demand for our products and services. For example, in the early stages of the COVID-19 pandemic, we were negatively affected by reduced employment levels at our customers' locations and declining levels of business and customer spending. In addition, adverse economic conditions, including increases in labor costs, labor shortages, higher materials and other costs, supply chain disruptions, inflation and other economic factors could increase our costs of selling and providing the products and services we offer, which in turn could have a material adverse impact on our business, financial condition or results of operations. Moreover, the impact of inflation on various areas of our business, including labor and product costs, has ~~recently~~ affected our business, financial condition ~~or~~ **and** results of operations, and we may not be able to mitigate any future impacts of inflation by increases in pricing for our goods and services. We are unable to predict any future trends in the rate of inflation, and if (and to the extent that) we are unable to recover higher costs in the event of future increases in inflation, such increases in inflation could adversely affect our business, financial condition or results of operations. Conditions or events that adversely affect our current customers or sales prospects may cause such customers or prospects to restrict expenditures, reduce workforces or even to cease to conduct their businesses. Any of these circumstances would have the effect of reducing the number of employees utilizing our uniform services, which could have a material adverse impact on our business, financial condition or results of operations. In addition, financial distress and insolvency experienced by customers, especially larger customers, has in the past made it difficult and in the future could make it difficult for us to collect amounts we are owed and could result in the voiding, termination or modification of existing contracts. For example, in response to the changed circumstances caused by shutdowns earlier in the COVID-19 pandemic, we worked with customers to renegotiate contracts in order to mitigate lost revenues caused by partial or full closure of customer premises. Similarly, financial distress or insolvency, if experienced by our key vendors and service providers such as insurance carriers, could significantly increase our costs. Increases in fuel and energy costs could materially and adversely affect our business, financial condition or results of operations. The prices of fuel and energy to run our vehicles, equipment and facilities are volatile and fluctuate based on factors outside of our control. For example, the ongoing conflict between Russia and Ukraine ~~has~~ disrupted supply chains and caused ~~increases~~ **increased** in fuel prices. Our operating margins have been and may continue to be impacted by such increased fuel prices. Continuing or additional increases in fuel and energy costs could have a material adverse effect on our business, financial condition or our results of operations. Our failure to retain our current customers, renew our existing customer contracts on comparable terms and obtain new customer contracts could adversely affect our business, financial condition or results of operations. Our success depends on our ability to retain our current customers, renew our existing customer contracts and obtain new business on commercially favorable terms. Our ability to do so generally depends on a variety of factors, including the quality, price and responsiveness of our services, as well as our ability to market these services effectively and differentiate ourselves from our competitors. In addition, customers are increasingly focused on and requiring us to set targets and meet standards related to environmental sustainability matters, such as greenhouse gas emissions, packaging, waste and wastewater. When we renew existing customer contracts, it is often on terms that are less favorable or less profitable for us than the then-current contract terms. In addition, we typically incur substantial start-up and operating costs and ~~experiences~~ **experience** lower profit margin and operating cash flows in connection with the establishment of new business, and in periods with higher rates of new business, we have experienced and expect to continue to experience negative impact on our profit margin and our cash flows. There can be no assurance that we will be able to obtain new business, renew existing customer contracts at the same or higher levels of pricing or that our current customers will not turn to competitors, cease operations, elect to in-source or terminate contracts with us. These risks may be exacerbated by current economic conditions due to, among other things, increased cost pressure at our customers, tight labor markets and heightened competition in a contracted marketplace. The failure to renew a significant number of our existing contracts, including on the same or more favorable terms, could have a material adverse effect on our business, financial condition or results of operations, and the failure to obtain new business could have an adverse impact on our growth and financial results. Natural disasters, global calamities, climate change, political unrest and other adverse incidents beyond our control could adversely affect our business, financial condition or results of operations. Natural disasters, including hurricanes and earthquakes, global calamities and political unrest have affected, and in the future could affect, our business, financial condition or results of operations. In the past, due to more geographically isolated natural disasters, such as wildfires in the western United States and hurricanes and extreme cold conditions in the southern United States, we experienced lost and closed customer locations, business disruptions and delays, the loss of inventory and other assets, and asset impairments. The effects of global climate change will likely increase the frequency and severity of such natural disasters and may also impact the availability of water resources, forests or other natural

resources. In addition, political unrest and global conflicts like the ongoing conflict between Russia and Ukraine have disrupted, and in the future may further continue to disrupt, global supply chains and heighten volatility and disruption of global financial markets. While we do not have direct operations within Russia or, Ukraine or Israel, the conflict conflicts involving in these those nations has regions further disrupted global supply chains and heightened the volatility and disruption to our supply chain, triggered inflation in our labor costs and may increase our risk of cyberattacks. We do not have direct operations in the Middle East but the recent Israel - Hamas War and escalating tensions in the region may disrupt global financial markets and impact our supply chain. The impact ongoing volatility and disruption of financial markets caused by these global events, as well as other current global economic factors, triggered inflation in labor and energy costs and has driven significant changes in foreign currencies. The impact on our longer- term operational and financial performance will depend on future developments, including our response and governmental response to inflation, and the duration and severity of the ongoing volatility conflict in Ukraine and the Middle East disruption of global financial markets and our ability to effectively hire and retain personnel. Any terrorist attacks or incidents prompted by political unrest also may adversely affect our revenue and operating results. These future developments are outside of our control and are highly uncertain. Competition in our industry could adversely affect our business, financial condition or results of operations. The uniform apparel and workplace supply services industry is highly competitive. We face competition from major national competitors with significant financial resources. In addition, there are regional and local uniform suppliers whom we believe have strong customer loyalty. The primary areas of competition within the industry are price, design, quality of products and quality of services. While many customers focus primarily on quality of service, uniform rental is also a price- sensitive service and if existing or future competitors seek to gain customers or accounts by reducing prices, we may be required to lower prices, which would reduce our revenue and profits. Our industry competitors are also competitors for acquisitions, which may increase the cost of acquisitions or lower the number of potential targets. The uniform rental business requires investment capital for growth. Failure to maintain capital investment in this business would put us at a competitive disadvantage. In addition, to maintain a cost structure that allows for competitive pricing, it is important for us to source garments and other products internationally. To the extent we are not able to effectively source such products internationally and gain the related cost savings, we may be at a disadvantage in relation to some of our competitors. An increase in competition, from any of the foregoing or other sources, may require us to reduce prices and / or result in reduced profits and loss of market share, which may have a material adverse impact on our business, financial condition and results of operations. We may be adversely affected if customers reduce their outsourcing or use of preferred vendors. Our business and growth strategies depend in large part on the continuation of a current trend toward outsourcing services. Customers will outsource if they perceive that outsourcing may provide quality services at a lower overall cost and permit them to focus on their core business activities. We cannot be certain this trend will continue or not be reversed or that customers that have outsourced functions will not decide to perform these functions themselves. Unfavorable developments with respect to either outsourcing or the use of preferred vendors could have a material adverse effect on our business, financial condition and results of operations. Risks associated with our suppliers and service providers could adversely affect our business, financial condition or results of operations. The raw materials we use in our business and the finished products we sell are sourced from a variety of domestic and international suppliers. We seek to require our suppliers and service providers to comply with applicable laws and otherwise meet our quality and / or conduct standards. In addition, customer and stakeholder expectations regarding environmental, social and governance consideration for suppliers are evolving. Our ability to find qualified suppliers who meet our standards and to access raw materials and finished products in a timely and efficient manner can be a challenge, especially with respect to suppliers located and goods sourced outside the United States. Insolvency or business disruption experienced by suppliers could make it difficult for us to source the items we need to run our business. Political and economic stability in the countries in which foreign suppliers are located, the financial stability of suppliers, suppliers' failure to meet our standards, labor problems experienced by our suppliers, the availability of raw materials and labor to suppliers, cybersecurity issues, currency exchange rates, transport availability and cost, tariffs, inflation and other factors relating to the suppliers and the countries in which they are located are beyond our control. Certain of our raw materials and products are currently and may in the future be limited to a single supplier, and if such a supplier faces any difficulty in supplying the materials or products, we may not be able to find an alternative supplier in a timely manner or at all. Current global supply chain disruptions caused by the current macroeconomic environment, the COVID- 19 pandemic and the Russia / Ukraine conflict have resulted, and may continue to result, in delivery delays as well as lower fill rates and higher substitution rates for a wide- range of products. We do not have direct operations in the Middle East but the recent conflicts in Israel - Hamas War and escalating tensions in the region may disrupt global markets and impact our supply chain. While we have continued to modify our business model in response to the current environment, including proactively managing inflation and global supply chain disruption, through supply chain initiatives and by implementing pricing, including temporary fees, as appropriate, to cover incremental costs, there is no guarantee that we will be able to continue to do so successfully or on comparable terms in the future if supply chain disruptions continue or worsen. Domestic foreign trade policies, tariffs and other impositions on imported goods, trade sanctions imposed on certain countries, the limitation on the importation of certain types of goods or of goods containing certain materials from other countries and other factors relating to foreign trade are beyond our control. If one of our suppliers were to violate the law, or engage in conduct that results in adverse publicity, our reputation may be harmed simply due to our association with that supplier. Drought, flood, natural disasters and other extreme weather events caused by climate change or other environmental conditions could also result in supply chain disruptions. These and other factors affecting our suppliers and our access to raw materials and finished products could adversely affect our business, financial condition or results of operations. Our contracts may be subject to challenge by our customers, which, if determined adversely, could affect our business, financial condition or results of operations. Our business is contract- intensive, and we are party to many contracts with customers. From time to time, our customers may challenge our contract terms or our interpretation

of our contract terms. These challenges could result in disputes between us and our customers. The resolution of these disputes in a manner adverse to our interests could negatively affect revenue and operating results. If a large number of our customer arrangements were modified in response to any such matter, the effect could be materially adverse to our business, financial condition or results of operations. Our expansion strategy involves risks. We may seek to acquire companies or interests in companies, or enter into joint ventures that complement our business. Our inability to complete acquisitions, integrate acquired companies successfully or enter into joint ventures may render us less competitive. Our ability to engage in acquisitions, joint ventures and related business opportunities may be subject to additional limitations due to the Separation. At any given time, we may be evaluating one or more acquisitions or engaging in acquisition negotiations. We cannot be sure that we will be able to continue to identify acquisition candidates or joint venture partners on commercially reasonable terms or at all. If we make acquisitions, we also cannot be sure that any benefits anticipated from the acquisitions will actually be realized. Likewise, we cannot be sure we will be able to obtain necessary financing for acquisitions. Such financing could be restricted by the terms of our debt agreements or it could be more expensive than our current debt. The amount of such debt financing for acquisitions could be significant and the terms of such debt instruments could be more restrictive than our current covenants. In addition, our ability to control the planning and operations of our joint ventures and other less than majority- owned affiliates may be subject to numerous restrictions imposed by the joint venture agreements and majority stockholders. Our joint venture partners may also have interests which differ from ours. The process of integrating acquired operations into our existing operations may result in operating, contract and supply chain difficulties, such as the failure to retain existing customers or attract new customers, maintain relationships with suppliers and other contractual parties, or retain and integrate acquired personnel. In addition, cost savings that we expect to achieve, for example, from the elimination of duplicative expenses and the realization of economies of scale or synergies, may take longer than expected to realize or may ultimately be smaller than we expect. Also, in connection with any acquisition, we could fail to discover liabilities of the acquired company for which we may be responsible as a successor owner or operator in spite of any investigation we make prior to the acquisition, or significant compliance issues which require remediation, resulting in additional unanticipated costs, risk creation and potential reputational harm. In addition, labor laws in certain countries may require us to retain more employees than would otherwise be optimal from entities we acquire. Such integration difficulties may divert significant financial, operational and managerial resources from our existing operations and make it more difficult to achieve our operating and strategic objectives, which could have a material adverse effect on our business, financial condition or results of operations. Similarly, our business depends on effective information technology and financial reporting systems. Delays in or poor execution of the integration of these systems could disrupt our operations and increase costs, and could also potentially adversely impact the effectiveness of our disclosure controls and internal controls over financial reporting. Possible future acquisitions could also result in additional contingent liabilities and amortization expenses related to intangible assets being incurred, which could have a material adverse effect on our business, financial condition or results of operations. In addition, goodwill and other intangible assets resulting from business combinations represent a significant portion of our assets. If goodwill or other intangible assets were deemed to be impaired, we would need to take a charge to earnings to write down these assets to their fair value. Our international business faces risks that could have an effect on our business, financial condition or results of operations. We operate primarily in the United States and Canada. During fiscal ~~2023-2024~~, approximately 91 % of our revenue was generated in the United States and approximately 9 % of our revenue was generated in Canada. In addition, we operate manufacturing plants and a distribution center in Mexico that collectively employ approximately 2, ~~000-100~~ personnel as of September ~~29-27~~, ~~2023-2024~~. Our international operations are subject to risks that are different from those we face in the United States, including the requirement to comply with changing or conflicting national and local regulatory requirements and laws, as well as cybersecurity, data protection and supply chain laws; potential difficulties in staffing and labor disputes; managing and obtaining support and distribution for local operations; credit risk or financial condition of local customers; potential imposition of restrictions on investments; potentially adverse tax consequences, including imposition or increase of withholding, value- added tax (“ VAT ”) and other taxes on remittances and other payments by subsidiaries; foreign exchange controls; local political and social conditions; and the ability to comply with the terms of government assistance programs. The operating results of our international subsidiaries (which are currently primarily in Canada) are translated into U. S. dollars and such results are affected by movements in foreign currencies relative to the U. S. dollar. Recently, the strength of the U. S. dollar has generally increased as compared to other currencies (including the Canadian dollar), which has had, and may continue to have, an adverse effect on our operating results as reported in U. S. dollars. We own and operate facilities in Mexico. Violence, crime and instability in Mexico may have an adverse effect on our operations. We are not insured against such criminal attacks and there can be no assurance that losses that could result from an attack on our trucks or personnel would not have a material adverse effect on our business, financial condition or results of operations. We may continue to consider opportunities to develop our business in emerging countries over the long term. Emerging international operations present several additional risks, including greater fluctuation in currencies relative to the U. S. dollar; economic and governmental instability; civil disturbances; volatility in gross domestic production; and nationalization and expropriation of private assets. There can be no assurance that the foregoing factors will not have a material adverse effect on our international operations or on our consolidated financial condition and results of operations. Labor- Related Risks Our business may suffer if we are unable to hire and retain sufficient qualified personnel or if labor costs increase. We believe much of our future growth and success depends on the continued availability, service and well- being of entry level personnel. We have had and may continue to have difficulty in hiring and retaining qualified personnel, particularly at the entry level. We will continue to have significant requirements to hire such personnel. At times when the United States or other geographic regions experience reduced levels of unemployment or a general scarcity of labor as has been seen in recent periods, there may be a shortage of qualified workers at all levels. Given that our workforce requires large numbers of entry level and skilled workers and managers, a general difficulty finding sufficient employees or mismatches between the labor markets and our skill

requirements can compromise our ability in certain areas of our businesses to continue to provide quality service or compete for new business. We are also impacted by the costs and other effects of compliance with U. S. and international regulations affecting our workforce. These regulations are increasingly focused on employment issues, including wage and hour, healthcare, immigration, retirement and other employee benefits and workplace practices. Compliance and claims of non-compliance with these regulations could result in liability and expense to us. Competition for labor has at times resulted in wage increases in the past and future competition could substantially increase our labor costs. Due to the labor-intensive nature of our businesses, a shortage of labor or increases in wage levels in excess of normal levels could have a material adverse effect on our business, financial condition or results of operations. Continued or further unionization of our workforce may increase our costs and work stoppages could damage our business. As of September 29-27, 2023-2024, approximately 10, 500-800 of our employees were represented by labor unions and covered by over 200 collective bargaining agreements with various terms and dates of expiration. There can be no assurance that any current or future issues with our employees will be resolved or that we will not encounter future strikes, work stoppages or other disputes with labor unions or our employees. A work stoppage or other limitations on our operations and facilities for any reason could have an adverse effect on our business, financial condition or results of operations. The continued or further unionization of our workforce could increase our overall costs and adversely affect our flexibility to run our business in the most efficient manner, to remain competitive and acquire new business. In addition, any significant increase in the number of work stoppages at any of our operations could adversely affect our business, financial condition or results of operations. We may incur significant liability as a result of our participation in multiemployer-defined benefit pension plans. A number of our locations operate under collective bargaining agreements. Under some of these agreements, we are obligated to contribute to multiemployer-defined benefit pension plans. As a contributing employer to such plans, should we trigger either a "complete" or "partial" withdrawal, or should the plan experience a "mass" withdrawal, we could be subject to withdrawal liability for our proportionate share of any unfunded, vested benefits which may exist for the particular plan. In addition, if a multiemployer-defined benefit pension plan fails to satisfy the minimum funding standards, we could be liable to increase our contributions to meet minimum funding standards. Also, if another participating employer withdraws from the plan or experiences financial difficulty, including bankruptcy, our obligation could increase. The financial status of a small number of the plans to which we contribute has deteriorated in the recent past and continues to deteriorate. We proactively monitor the financial status of these and the other multiemployer-defined benefit pension plans in which we participate. In addition, any increased funding obligations for underfunded multiemployer-defined benefit pension plans could have an adverse financial impact on us.

**Legal, Regulatory, Safety and Security Risks** If we fail to comply with requirements imposed by applicable law or other governmental regulations, we could become subject to lawsuits, investigations and other liabilities and restrictions on our operations that could significantly and adversely affect our business, financial condition or results of operations. We are subject to governmental regulation at the federal, state, international, national, provincial and local levels in many areas of our business, such as employment laws, wage and hour laws, discrimination laws, immigration laws, human health and safety laws, import and export controls and customs laws, environmental laws, false claims or whistleblower statutes, tax codes, antitrust and competition laws, customer protection statutes, procurement regulations, intellectual property laws, supply chain laws, the Foreign Corrupt Practices Act and anti-corruption laws, lobbying laws, motor carrier safety laws and data privacy and security laws. We are, from time to time, subject to varied and changing rules and regulations at the federal, state, international, national, provincial and local level, including vaccine and testing mandates, capacity limitations and cleaning and sanitation standards, which may in the future impact our operations across customer locations and business sectors. From time to time, government agencies have conducted reviews and audits of certain of our practices as part of routine inquiries of providers of services under government contracts, or otherwise. Like others in our industry, we also receive requests for information from government agencies in connection with these reviews and audits. While we attempt to comply with all applicable laws and regulations, there can be no assurance that we are in full compliance with all applicable laws and regulations or interpretations of these laws and regulations at all times or that we will be able to comply with any future laws, regulations or interpretations of these laws and regulations. Government agencies may make changes in the regulatory frameworks within which we operate that may require us to incur substantial increases in costs in order to comply with such laws and regulations. For example, during the outbreak of the COVID-19 pandemic, businesses, such as ours, were subject to new, varied and evolving rules and regulations at all levels of government, including vaccine and testing mandates, capacity limitations, cleaning and sanitation standards and travel restrictions, which have impacted, and may in the future, materially impact our operations. If we fail to comply with applicable laws and regulations, including those referred to above, we may be subject to investigations, criminal sanctions or civil remedies, including fines, penalties, damages, reimbursement, injunctions, seizures, disgorgements or debarments from government contracts or the loss of the ability to operate our motor vehicles. The cost of compliance or the consequences of non-compliance, including debarments, could have a material adverse effect on our business, financial condition or results of operations and cause reputational harm. Environmental regulations may subject us to significant liability and limit our ability to grow. We use and manage chemicals and hazardous materials as part of our operations. We are subject to various environmental protection laws and regulations, including the United States Federal Clean Water Act, Clean Air Act, Resource Conservation and Recovery Act, Comprehensive Environmental Response, Compensation, and Liability Act and similar local, provincial, state, federal and international laws and regulations governing the use, treatment, management, transportation, and disposal of wastes and hazardous materials. We are mindful of the environmental concerns surrounding the use, treatment, management, transportation and disposal of these chemicals and hazardous materials, and have taken and continue to take measures to comply with environmental protection laws and regulations. In particular, industrial laundries generate wastewater, air emissions and related wastes as part of operations relating to the laundering of garments and other merchandise. Residues removed from soiled garments and other merchandise laundered at our facilities and from detergents and chemicals used in our wash process may be contained in discharges to air and water (through sanitary sewer systems and

publicly owned treatment works) and in waste generated by our wastewater treatment systems. Similar to other companies in our industry, our industrial laundries are subject to certain air and water pollution discharge limits, monitoring, permitting and recordkeeping requirements. We also own or operate a limited number of aboveground and underground storage tank systems at some locations to store petroleum or propane for use in our operations. Certain of these storage tank systems are subject to performance standards, periodic monitoring and recordkeeping requirements. We also use and manage hazardous materials, chemicals and wastes in our operations from time to time. In the course of our business, we may be subject to penalties and fines and reputational harm for non-compliance with environmental protection laws and regulations, and we may settle, or contribute to the settlement of, actions or claims relating to the handling and disposal of wastes or hazardous materials. We may, in the future, be required to expend material financial amounts to rectify the consequences of any such events. In addition, changes to environmental laws may subject us to additional costs or cause us to change aspects of our business. In particular, new laws and regulations related to climate change (including, but not limited to, certain requirements relating to the disclosure of greenhouse gas emissions and associated business risks), could affect our operations or result in significant additional expense and operating restrictions on us. Under environmental laws, we may be liable for the costs of removal or remediation of certain hazardous materials located on or in or migrating from our owned or leased property or located at sites that we operated in the past or to which we have sent waste for off-site disposal, as well as related costs of investigation and property damage. Such laws may impose liability without regard to our fault, knowledge, or responsibility for the presence of such hazardous materials. There can be no assurance that locations that we own, lease, or otherwise operate or operated in the past, or that we may acquire in the future, have been operated in compliance with environmental laws and regulations or that future uses or conditions will not result in the imposition of liability upon us under such laws or expose us to third-party actions such as tort suits. In addition, such regulations may limit our ability to identify suitable sites for new or expanded facilities. In connection with our present or past operations, including those by companies that we have acquired, hazardous substances may migrate from properties on which we operate or which were operated by our predecessors or companies we acquired to other properties. We may be subject to significant liabilities to the extent that human health is adversely affected or the value of such properties is diminished by such migration. On a quarterly basis, we **assess review** each of our environmental sites to determine whether the costs of investigation and remediation of environmental conditions are probable and can be reasonably estimated as well as the adequacy of our reserves with respect to such costs. There can be no assurance that our reserves with respect to our environmental sites will be sufficient or that the costs of remediation and investigation will not substantially exceed our reserves as new facts, circumstances, or estimates arise. Unanticipated changes in tax law could adversely impact our financial results. We are subject to taxes in the United States and various foreign jurisdictions within which we conduct business. Considering the unpredictability of changes to tax laws and regulations in the jurisdictions in which we do business, it is difficult to estimate the potential adverse impact of these changes on our business and financial results. Changes in tax laws or regulations in these jurisdictions could increase our effective tax rate, restrict our ability to repatriate undistributed foreign earnings, or impose new restrictions, costs or prohibitions that could reduce our net income and adversely affect our cash flows. Additionally, we may be under examination by the taxing authorities for historical tax positions, and we regularly assess the likelihood of adverse outcomes resulting from these audits. While we believe that our current tax provisions are appropriate, there can be no assurance that these items will be settled for the amounts accrued, that additional tax exposures will not be identified in the future or that additional tax reserves will not be necessary for any such exposure. Any increase in the amount of taxation incurred as a result of challenges to our tax filing positions could result in a material adverse effect on our business, consolidated results of operations and consolidated financial condition. Our operations and reputation may be adversely affected by disruptions to or breaches of our information systems or if our data is otherwise compromised. We are increasingly utilizing information technology systems, including with respect to administrative functions, financial and operational data, ordering, point-of-sale processing and payment and the management of our supply chain, to enhance the efficiency of our business and to improve the overall experience of our customers. We maintain confidential, proprietary and personal information about, or on behalf of, our potential, current and former customers, employees and other third parties in these systems or engage third parties in connection with storage and processing of this information. Such information includes employee, customer and third-party data, including credit card numbers, social security numbers, healthcare information and other personal information. Our systems and the systems of our vendors and other third parties are subject to damage or interruption from power outages, computer or telecommunication failures, computer viruses, catastrophic events and implementation delays or difficulties, as well as usage errors by our employees or third-party service providers. These systems are also vulnerable to an increasing threat of rapidly evolving cyber-based attacks, including malicious software, attempts to deny access to systems or networks, attempts to gain unauthorized access to data, including through phishing emails, attempts to fraudulently induce employees or others to disclose information, the exploitation of software and operating vulnerabilities and physical device tampering / skimming at card reader units. The techniques used to obtain unauthorized access, disable or degrade service or sabotage systems change frequently, may be difficult to detect for a long time and often are not recognized until after an attack is launched or occurs. As a result, we and such third parties may be unable to anticipate these techniques or to implement adequate preventative measures. In addition, we or such third parties may decide to upgrade existing information technology systems from time to time to support the needs of our business and growth strategy and the risk of system disruption is increased when significant system changes are undertaken. We **intend to** maintain a global cybersecurity program governed by an information security management system aligned with ISO27001 **and mapped against NIST- 800. The company's Chief Information Security Officer (CISO) is responsible for developing and managing the company's cybersecurity program and reporting cybersecurity matters to senior management, the Audit Committee, and the Board**. We have established and maintain a cross-functional Cyber Governance Committee that **is** will be responsible for **helping the CISO prioritizing prioritize and managing manage** evolving cyber risks **are subject to** numerous laws and regulations in the United States and internationally as well as contractual obligations and

other security standards, each designed to protect the personal information of customers, employees and other third parties that we collect and maintain. These laws and regulations are evolving to match changes in cyber-attacks and protection programs, which require us to review and amend the legal framework we have in place. Because we accept debit and credit cards for payment from customers, we are also subject to various industry data protection standards and protocols, such as payment network security operating guidelines and the Payment Card Industry Data Security Standard (PCI-DSS). ~~We are members of PCI, and we maintain a PCI-certified Internal Security Assessor (ISA).~~ In certain circumstances, payment card association rules and obligations make us liable to payment card issuers if information in connection with payment cards and payment card transactions that we hold is compromised, the liabilities for which could be substantial. **These Cybersecurity related** laws, regulations and obligations are increasing in complexity and number, change frequently and may be inconsistent across the various jurisdictions in which we operate. Additionally, the federal government and some states have adopted, are considering or in the future may adopt similar data protection laws. Our systems and the systems maintained or used by third parties and service providers to process data on our behalf may not be able to satisfy these changing legal and regulatory requirements, or may require significant additional investments or time to do so. If we fail to comply with these laws or regulations, we could be subject to significant litigation, monetary damages, regulatory enforcement actions or fines in one or **more jurisdictions and we could experience a material adverse effect on our results of operations, financial condition and business.** We During the normal course of business, we have experienced and expect to continue to experience cyber-based attacks and other attempts to compromise our information systems, although none, to our knowledge, has had a material adverse effect on our business, financial condition or results of operations. Any damage to, or compromise or breach of, our systems or the systems of our vendors could impair our ability to conduct our business, result in transaction errors, result in corruption or loss of accounting or other data, which could cause delays in our financial reporting, and result in a violation of applicable privacy and other laws, significant legal and financial exposure, reputational damage, adverse publicity and a loss of confidence in our security measures. Any such event could cause us to incur substantial costs, including costs associated with systems remediation, customer protection, litigation, lost revenue or the failure to retain or attract customers following an attack. The failure to properly respond to any such event could also result in similar exposure to liability. ~~While we maintain insurance coverage that may cover certain aspects of cyber risks, such insurance coverage may be unavailable or insufficient to cover all losses or all types of claims that may arise. Further, as cybersecurity risks evolve, such insurance may not be available to us on commercially reasonable terms or at all.~~ The occurrence of some or all of the foregoing could have a material adverse effect on our results of operations, financial condition, business and reputation. We ~~are subject to numerous laws and regulations.....~~ **financial condition and business.** We expect that stakeholder expectations relating to environmental, social and governance (“ESG”) considerations may expose us to liabilities, increased costs, reputational harm and other adverse effects on our business. We, along with many governments, regulators, investors, employees, customers and other stakeholders, are increasingly focused on ESG considerations relating to our business, including greenhouse gas emissions, human and civil rights and diversity, equity and inclusion. New laws and regulations in these areas have been proposed and may be adopted, and the criteria used by regulators and other relevant stakeholders to evaluate our ESG practices, capabilities and performance may change rapidly, which in each case could require us to undertake costly initiatives or operational changes. Non-compliance with these emerging rules or standards or a failure to address regulator, stakeholder and societal expectations may result in potential cost increases, litigation, fines, penalties, production and sales restrictions, brand or reputational damage, loss of customers, suppliers and commercial partners, failure to retain and attract talent, lower valuation and higher investor activism activities. In addition, we may make statements about our ESG goals and initiatives through periodic financial and non-financial reports, information provided on our website, press statements and other communications. Managing these considerations and implementing these goals and initiatives involves risks and uncertainties, including increased costs, requires investments and often depends on third-party performance or data that is outside our control. We cannot guarantee that we will achieve any ESG goals and initiatives we may announce, satisfy all stakeholder expectations, or that the benefits of implementing or achieving these goals and initiatives will not surpass their projected costs. Any failure, or perceived failure, to achieve ESG goals and initiatives, as well as to manage ESG risks, adhere to public statements, comply with federal, state or international ESG laws and regulations or meet evolving and varied stakeholder expectations and standards could result in legal and regulatory proceedings against us and materially adversely affect our business, financial condition or results of operations. We are subject to legal proceedings that may adversely affect our business, financial condition or results of operations. We are subject to various litigation claims and legal proceedings ~~arising from the ordinary course of our business,~~ including **securities class actions,** personal injury, customer contract, environmental and employment claims. Certain of these lawsuits or potential future lawsuits, if decided adversely to us or settled by us, may result in liability and expense material to our consolidated financial condition and consolidated results of operations. See “Item 3. Legal Proceedings”. Risks Related to Our Indebtedness We have debt obligations that could adversely affect our business and profitability and our ability to meet other obligations. We ~~entered into a Credit Agreement in fiscal 2023 and completed financing transactions and as a result of such transactions we have~~ approximately \$ 1, 500-**162.5** million of indebtedness. We entered into **borrowings outstanding as of September 27, 2024 under our** senior secured **credit agreement** (financing with a syndicate of banks, financial institutions and / or other ~~the~~ **“**institutional lenders, with JPMorgan Chase Bank, N. A. acting as the administrative agent and the collateral agent, in an aggregate amount of \$ 1, 800 million, consisting of the Term Loan Facilities and the Revolving-Credit **Agreement** Facility. The Term Loan Facilities mature no more than five years from the date thereof. Interest on the loans under the Credit Facilities is to be calculated by reference to the Secured Overnight Financing Rate (“SOFR”) or, ~~an~~ **and we** alternative base rate, plus an applicable margin, which in the case of any SOFR loan will include a customary spread adjustment. We may also incur additional indebtedness in the future. ~~Refer to “~~Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” for definitions for the Credit Agreement, Term Loan Facilities, Revolving Credit Facility, and Credit Facilities. This significant amount of debt could

potentially have important consequences to us and our debt and equity investors, including: • requiring a substantial portion of our cash flow from operations to make interest payments, thereby reducing our ability to use our cash flow to fund operations, capital expenditures and future business opportunities; • making it more difficult to satisfy debt service and other obligations; • increasing the risk of a future credit ratings downgrade of our debt, which could increase future debt costs and limit the future availability of debt financing; • increasing our vulnerability to general adverse economic and industry conditions; • reducing the cash flow available to fund capital expenditures and other corporate purposes and to grow our business; • limiting our flexibility in planning for, or reacting to, changes in our business and the industry; • limiting our ability to adjust to changing market conditions and placing us at a competitive disadvantage relative to our competitors that may not be as highly leveraged with debt; and • limiting our ability to borrow additional funds as needed or take advantage of business opportunities as they arise. To the extent that we incur additional indebtedness, the foregoing risks could increase. In addition, our actual cash requirements in the future may be greater than expected. Our cash flow from operations may not be sufficient to repay all of the outstanding debt as it becomes due, and we may not be able to borrow money, sell assets or otherwise raise funds on acceptable terms, or at all, to refinance our debt. Our variable rate indebtedness subjects us to interest rate risk, which could cause our debt service obligations to increase significantly and potentially limit our ability to effectively refinance our indebtedness as it matures. Borrowings under the Credit Facilities Agreement bear interest at variable rates and expose us to interest rate risk. If interest rates increase and we do not hedge such variable rates, our debt service obligations on the variable rate indebtedness will increase even though the amount borrowed will remain the same, which will negatively impact our net income and operating cash flows, including cash available for servicing our indebtedness. Additionally, our ability to refinance portions of our indebtedness in advance of their maturity dates depends on securing new financing bearing interest at rates that we are able to service. While we believe that we currently have adequate cash flows to service the interest rates currently applicable to our indebtedness, if interest rates were to continue to rise significantly, we might be unable to maintain a level of cash flows from operating activities sufficient to meet our debt service obligations at such increased rates. If our financial performance were to deteriorate, we may not be able to generate sufficient cash to service all of our indebtedness and may be forced to take other actions to satisfy our obligations under our indebtedness, which may not be successful. Our ability to make scheduled payments on or to refinance our debt obligations depends on our financial condition and operating performance, which is subject to prevailing economic and competitive conditions and to certain financial, business and other factors beyond our control. While we believe that we currently have adequate cash flows to service our indebtedness, if our financial performance were to deteriorate significantly, we might be unable to maintain a level of cash flows from operating activities sufficient to permit us to pay the principal, premium, if any, and interest on our indebtedness. If, due to such a deterioration in our financial performance, our cash flows and capital resources were to be insufficient to fund our debt service obligations, we may be forced to reduce or delay investments and capital expenditures, or to sell assets, seek additional capital or restructure or refinance our indebtedness. These alternative measures may not be successful and may not permit us to meet our scheduled debt service obligations. In addition, if we were required to raise additional capital in the current financial markets, the terms of such financing, if available, could result in higher costs and greater restrictions on our business. In addition, if we were to need to refinance our existing indebtedness, the conditions in the financial markets at that time could make it difficult to refinance our existing indebtedness on acceptable terms or at all. If such alternative measures proved unsuccessful, we could face substantial liquidity problems and might be required to dispose of material assets or operations to meet our debt service and other obligations. Our Credit Agreement restricts our ability to dispose of assets and use the proceeds from any disposition of assets and to refinance our indebtedness. We may not be able to consummate those dispositions or to obtain the proceeds that we could realize from them and these proceeds may not be adequate to meet any debt service obligations then due. Our debt agreements contain restrictions that limit our flexibility in operating our business. Our Credit Agreement contains various covenants that limit our ability to engage in specified types of transactions. These covenants limit our and our restricted subsidiaries' ability to, among other things: • incur additional indebtedness, refinance or restructure indebtedness or issue certain preferred shares; • pay dividends on, repurchase or make distributions in respect of our capital stock; • make certain investments; • sell certain assets; • create liens; • consolidate, merge, sell or otherwise dispose of all or substantially all of our assets; and • enter into certain transactions with our affiliates. In addition, our Credit Agreement requires us to satisfy and maintain specified financial ratios and other financial condition tests. Our ability to meet those financial ratios and tests can be affected by events beyond our control and, in the event of a significant deterioration of our financial performance, there can be no assurance that we will satisfy those ratios and tests. A breach of any of these covenants could result in a default under the Credit Agreement. Upon our failure to maintain compliance with these covenants that is not waived by the lenders under the Credit Agreement, the lenders under the credit facilities could elect to declare all amounts outstanding under the credit facilities to be immediately due and payable and terminate all commitments to extend further credit under such facilities. If we were unable to repay those amounts, the lenders under the credit facilities could proceed against the collateral granted to them to secure that indebtedness. We have pledged a significant portion of our assets as collateral under the Credit Agreement. If the lenders under the credit facilities accelerate the repayment of borrowings, there can be no assurance that we will have sufficient assets to repay those borrowings, as well as our unsecured indebtedness. Risks related to accounts receivable securitization facility Our reliance on an accounts receivable securitization facility subjects us to certain risks that could adversely affect our financial condition and results of operations. Certain of our subsidiaries utilize a revolving accounts receivable securitization facility for working capital. Under this facility, certain subsidiaries sell certain accounts receivable to a special purpose entity, which then transfers these receivables to one or more financial institutions party to the facility as investors. While this facility allows us to monetize these accounts receivable and reduce our indebtedness, it exposes us to certain risks that could have a material adverse effect on our financial condition and results of operations. Specifically, if there is a deterioration in the credit quality of our customers, a decline in collections, fewer originations of accounts receivable, or a significant increase in

delinquent or defaulted accounts receivable, we may not be able to generate sufficient proceeds to maintain the facility. This could require us to seek alternative financing sources at less favorable terms or reduce our operating cash flow, impacting our ability to meet our financial obligations and invest in growth opportunities. Additionally, our accounts receivable securitization facility contains restrictive covenants and asset eligibility criteria, including minimum credit quality standards for receivables, which, if violated, could lead to early repayment requirements, increased fees, or even termination of the facility. Any termination could further strain our liquidity and potentially require us to use other, possibly more costly, financing alternatives, adversely affecting our profitability, indebtedness profile and financial flexibility. Lastly, if the securitization market experiences conditions such as increased risk aversion among investors, liquidity contraction or a tightening of available credit, we may face higher costs or limited access to funding, which could reduce our liquidity and ability to meet our financial obligations. Further, as we sold a substantial portion of our accounts receivable under our securitization facility, while such facility is outstanding, these accounts receivable are not available to secure other sources of funding. Our ability to obtain additional secured or unsecured financing on attractive terms in the future is uncertain. These factors could negatively impact our cash flow, financial condition, and overall business operations.

**Risks** Related to the Separation We have no limited history of operating as an independent company, and our historical financial information prior to the Separation is not necessarily representative of the results that we would have achieved as a separate, publicly traded company and may not be a reliable indicator of our future results. The historical information about Vestis in this 10-K for the fiscal years ended September 29, 2023 and September 30, 2022 refers to Vestis as operated by and integrated with Aramark. The historical financial information of Vestis included in this 10-K for the fiscal years ended September 29, 2023 and September 30, 2022 is derived from the Combined Financial Statements and accounting records of Aramark. Accordingly, the historical financial information included in this 10-K for these periods does not necessarily reflect the financial condition, results of operations or cash flows that we would have achieved as a separate, publicly traded company during the periods presented or those that we will achieve in the future primarily as a result of the factors described below:

- Generally, our working capital requirements and capital for our general corporate purposes, including capital expenditures and acquisitions, have historically been satisfied as part of the corporate-wide cash management policies of Aramark. Following the completion of the Separation, our results of operations and cash flows may be more volatile, and we may need to obtain additional financing from banks, through public offerings or private placements of debt or equity securities, strategic relationships or other arrangements, which may or may not be available and may be more costly.
- Prior to the Separation, our business was operated by Aramark as part of its broader corporate organization, rather than as an independent company. Aramark or one of its affiliates performed various corporate functions for us, such as legal, treasury, accounting, auditing, human resources, information technology, investor relations and finance. Our historical and financial results reflect allocations of corporate expenses from Aramark for such functions, which are likely to be less than the expenses we would have incurred had we operated as a separate publicly traded company.
- Historically, our business was integrated with the other businesses of Aramark and our business shared economies of scope and scale in costs, employees, vendor relationships and customer relationships. While Aramark has sought to minimize the impact on us when separating these arrangements, there is no guarantee these arrangements will continue to capture these benefits in the future.
- After the Separation, the cost of capital for our business may be higher than Aramark's cost of capital prior to the Separation.
- As an independent public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), the Sarbanes-Oxley Act and the Dodd-Frank Wall Street Reform and Consumer Protection Act and are required to prepare standalone financial statements according to the rules and regulations required by the SEC. We cannot be certain These reporting and other obligations will place significant demands on our management and administrative and operational resources. Moreover, to comply with these requirements, we anticipate that the measures we will need have taken to migrate upgrade our systems, including information technology systems, implement additional financial and management controls, reporting systems, and procedures, and hire additional accounting, and finance financial, and information technology staff will ensure that: We expect to incur additional annual expenses related to these steps, and those expenses may be significant. If we continue are unable to upgrade maintain adequate controls over our financial processes and management controls, reporting systems, information technology and procedures in a timely and effective fashion, our ability to comply with financial reporting requirements and other rules that apply to reporting companies under the Exchange Act could be impaired. Following the separation, our financial profile has changed, and we are a smaller, less diversified company than Aramark prior to the Separation. The Separation resulted in us being a smaller, less diversified company than Aramark. As a result, we may be more vulnerable to changing market conditions, which could have a material adverse effect on our business, financial condition or results of operations. In addition, the diversification of our revenues, costs, and cash flows will diminish as a standalone company, such that our results of operations, cash flows, working capital and financing requirements may be subject to increased volatility and our ability to fund capital expenditures and investments, pay dividends and service debt may be diminished. Following the Separation, we may also lose capital allocation efficiency and flexibility, as we no longer have access to cash flow from Aramark to fund our business. We may not achieve some or all of the expected benefits of the Separation. We may not be able to achieve the full strategic and financial benefits expected to result from the Separation, or such benefits may be delayed or not occur at all. The Separation is expected to provide the following benefits, among others: (1) permitting us to more effectively pursue the distinct operating priorities and strategies of our respective businesses; (2) permitting us to allocate financial resources to meet the unique needs of our own business, which will allow us to intensify our focus on our distinct strategic priorities and to more effectively pursue our own distinct capital structures and capital allocation strategies; (3) allowing us to more effectively articulate a clear investment thesis to attract a long-term investor base suited to our business and facilitate our access to capital by providing investors with a distinct and targeted investment opportunity; (4) creating an independent equity security for Vestis, affording us direct access to the capital markets and enabling us to use our own industry-

focused stock to consummate future acquisitions or other transactions; and (5) permitting us to more effectively recruit, retain and motivate employees through the use of stock-based compensation that more closely reflects and aligns management and employee incentives with specific growth objectives, financial goals and business performance and allows incentive structures and targets to be better aligned with our business. We may not achieve these and other anticipated benefits for a variety of reasons, including, among others: (1) the Separation will demand significant management resources and require significant amounts of management's time and effort, which may divert management's attention from operating and growing our business; (2) following the Separation, we may be more susceptible to market fluctuations and other adverse events than if we were still a part of Aramark because **Because** our business will be less diversified than Aramark's businesses prior to the completion of the Separation; (3) after the Separation, as a standalone company, we may be unable to obtain certain goods, services and technologies at prices or on terms as favorable as those Aramark obtained prior to completion of the Separation; (4) the Separation may require us to pay costs that could be substantial and material to our financial resources, including accounting, tax, legal and other professional services costs, recruiting and relocation costs associated with hiring key senior management and personnel new to us, tax costs and costs to separate information systems; and (5) under the terms of the tax matters agreement that we entered into with Aramark, we will be restricted from taking certain actions that could cause the Separation or certain related transactions to fail to qualify as tax-free to Aramark and Aramark stockholders, or could result in certain other taxes to Aramark, and these restrictions may limit us for a period of time from pursuing certain strategic transactions and equity issuances or engaging in other transactions that might increase the value of our business. If we fail to achieve some or all of the benefits expected to result from the Separation, or if such benefits are delayed, it **its inherent limitations** could have a material adverse effect on our competitive position, cash flows and our business, financial condition or results of operations. If we are unable to replace the services that Aramark currently provides to us under the transition services agreement on terms that are at least as favorable to us as the terms on which Aramark is providing such services, our business, financial condition or results of operations could be adversely affected. We will engage in the process of creating our own, or engaging third parties separate from Aramark to provide, systems and services to replace many of the systems and services that Aramark currently provides to us under the transition services agreement, including, for example, information technology infrastructure and systems and accounting and reporting systems. We may incur temporary interruptions in business operations if we cannot transition effectively from Aramark's existing operating systems, databases and programming languages that support these functions to our own systems. The failure to implement the new systems and transition data successfully and cost-effectively could disrupt our business operations and have a material adverse effect on our profitability. In addition, our costs for the operation of these systems may be higher than the amounts reflected in our historical Combined Financial Statements. Our accounting and other management systems and resources may not be adequately prepared to meet the financial reporting and other requirements to which we are subject as a standalone publicly traded company following the Separation. Our financial results previously were included within the consolidated results of Aramark. We were not directly subject to the reporting and other requirements of the Exchange Act. As a result of the Separation, we are directly subject to reporting and other obligations under the Exchange Act, including the requirements of Section 404 of Sarbanes-Oxley Act, which will require annual management assessments of the effectiveness of our internal control over financial reporting **might not prevent** and a report by our **or detect fraud** independent registered public accounting firm addressing these assessments. These reporting and other obligations place significant demands on our **or misstatements** management and administrative and operational resources, including accounting resources. Moreover **This**, in **turn** connection with our compliance with these requirements, we are migrating our systems, including information technology systems, implementing additional financial and management controls, reporting systems and procedures and hiring additional accounting and finance staff. We are incurring additional annual expenses related to these steps, and these expenses may be significant. If we are unable to upgrade our financial and management controls, reporting systems, information technology and procedures in a timely and effective fashion, our ability to comply with our financial reporting requirements and other rules that apply to reporting companies under the Exchange Act could be impaired. Any failure to achieve and maintain effective internal controls could have **an** a material adverse effect **impact** on **trading prices** our cash flows and our business, financial condition or **for results** **shares** of operations **our common stock, and could adversely affect our ability to access the capital markets**. We are repositioning our brand to remove the Aramark name, which could adversely affect our ability to attract and maintain customers. We have historically marketed our products and services using the "Aramark" name and logo, which is a globally recognized brand with a strong reputation for high-quality products and services. Following the Separation, subject to limited exceptions, we are repositioning our brand and update, as applicable, our products and services using the "Vestis" name or other names and marks and removing the "Aramark" name and logo on our products and discontinuing its use in connection with our service offerings. These new names and brands may not benefit from the same recognition and association with product quality as the Aramark name, which could adversely affect our ability to attract and maintain our customers, who may prefer to use products with a more established brand identity. We may be affected by restrictions under the tax matters agreement, including on our ability to engage in certain corporate transactions for a two-year period after the Separation, in order to avoid triggering significant tax-related liabilities. Under current U. S. federal income tax law, a spin-off that otherwise qualifies for tax-free treatment can be rendered taxable to the parent corporation and its stockholders as a result of certain post-spin-off transactions, including certain acquisitions of shares or assets of the spun-off corporation. Under the tax matters agreement that we entered into with Aramark, we are restricted from taking certain actions that could prevent the Separation and certain related transactions from being tax-free for U. S. federal income tax purposes. In particular, under the tax matters agreement, for the two-year period following the Separation we are subject to specific restrictions on our ability to pursue or enter into acquisition, merger, sale and redemption transactions with respect to our stock. These restrictions may limit our ability to pursue certain strategic transactions or other transactions that we may believe to be in the best interests of our stockholders or that might increase the value of our business. In addition, under the tax

matters agreement, we may be required to indemnify Aramark and its affiliates against any tax- related liabilities incurred by them as a result of the acquisition of our stock or assets, even if we do not participate in or otherwise facilitate the acquisition. Furthermore, we are subject to specific restrictions on discontinuing the active conduct of our trade or business, the issuance or sale of stock or other securities (including securities convertible into our stock but excluding certain compensatory arrangements), and sales of assets outside the ordinary course of business. Such restrictions may reduce our strategic and operating flexibility. We may be held liable to Aramark if we fail to perform under our agreements with Aramark which may negatively affect our business, financial condition or results of operations. In connection with the Separation, the Company and Aramark entered into various agreements, including a separation and distribution agreement, a ~~transition services agreement, a tax matters agreement, an employee matters agreement~~ and other transaction agreements. If we do not satisfactorily perform our obligations under these agreements, we may be held liable for any resulting losses suffered by Aramark, subject to certain limits. ~~Our agreements with Aramark may be on terms that are less beneficial to us than the terms may have otherwise been from unaffiliated third parties. The agreements that we entered into with Aramark in connection with the Separation include the separation and distribution agreement, a transition services agreement, a tax matters agreement, an employee matters agreement and other transaction agreements. These agreements were prepared in the context of the Separation while we were still a wholly owned subsidiary of Aramark. Accordingly, during the period in which the terms of those agreements were prepared, we did not have an independent Board of Directors or a management team that was independent of Aramark. As a result, the terms of those agreements may not reflect terms that would have resulted from arm's-length negotiations between unaffiliated third parties.~~ If there is a determination that the Separation or certain related transactions are taxable for U. S. federal income tax purposes, we could incur significant liabilities pursuant to our indemnification obligations under the tax matters agreement. Aramark received a private letter ruling from the IRS and opinions of its outside tax advisors, in each case, satisfactory to the Aramark Board of Directors, regarding certain U. S. federal income tax matters relating to the Separation. The opinion of its outside tax advisors was based upon and relied on, among other things, various facts and assumptions, as well as certain representations, statements and undertakings of Aramark and us, including facts, assumptions, representations, statements and undertakings relating to the past and future conduct of the companies' respective businesses and other matters. If any of these facts, assumptions, representations and statements were or become inaccurate or incomplete, or if any such undertaking is not complied with, Aramark may not be able to rely on the opinions of its outside tax advisors, and the conclusions reached therein could be jeopardized. Notwithstanding Aramark' s receipt of the opinions of its outside tax advisors, the IRS could determine on audit that the Separation or certain related transactions are taxable for U. S. federal income tax purposes if it determines that any of the facts, assumptions, representations, statements and undertakings upon which the opinions were based are incorrect or have been violated, or if it disagrees with any of the conclusions in the opinions. Accordingly, notwithstanding Aramark' s receipt of the opinions of its outside tax advisors, there can be no assurance that the IRS will not assert that the Separation or certain related transactions do not qualify for tax- free treatment for U. S. federal income tax purposes, or that a court would not sustain such a challenge. In the event the IRS were to prevail in such a challenge, Aramark and Aramark' s stockholders could incur significant tax liabilities. Under the tax matters agreement that we entered into with Aramark, we generally will be required to indemnify Aramark for any taxes incurred by Aramark that arise as a result of (i) any representations made by us being inaccurate; (ii) an acquisition of our stock or assets or (iii) any other action undertaken or failure to act by us. Any such indemnification could materially adversely affect our business, financial condition or results of operations. Satisfaction of indemnification obligations following the Separation could have a material adverse effect on our cash flows and our business, financial condition or results of operations. Pursuant to the separation and distribution agreement and certain other agreements we entered into with Aramark in connection with the Separation, Aramark agrees to indemnify us for certain liabilities **relating to Aramark' s business**, and we agree to indemnify Aramark for certain liabilities **relating to our business**. Indemnities that we ~~will~~ **may** be required to provide Aramark could negatively affect our business. ~~The~~ **If we are found responsible for a liability relating to Aramark' s business, the** indemnity from Aramark may not be sufficient to protect us against the full amount of such ~~liabilities~~ **liability** if, for example, Aramark is not able to fully satisfy its indemnification obligations. Moreover, even if we ultimately succeed in recovering from Aramark any amounts for which we are held liable, we may be temporarily required to bear these losses ourselves, requiring us to divert cash that would otherwise have been used in furtherance of our operating business. In addition, third parties could also seek to hold us responsible for any of the liabilities that Aramark has agreed to retain. Each of these risks could have a material adverse effect on our cash flows and our business, financial condition or results of operations. There can be no assurance that we will have access to the capital markets on terms acceptable to us. From time to time we may need to access the long- term and short- term capital markets to obtain financing. Although we believe that the sources of capital in place ~~at the time of the separation~~ will permit us to finance our operations for the foreseeable future on acceptable terms and conditions, our access to, and the availability of, financing on acceptable terms and conditions in the future will be impacted by many factors, including, but not limited to: (1) our financial performance; (2) our credit ratings ~~or absence of a credit rating~~; (3) the liquidity of the overall capital markets; and (4) the state of the economy. There can be no assurance ~~, particularly as a new company,~~ that we will have access to the capital markets on terms acceptable to us. ~~As an independent, publicly traded company, we do not enjoy the same benefits that we did as a part of Aramark. As a result of the Separation, we are more susceptible to market fluctuations and other adverse events than we would have been if we were still a part of the Aramark organizational structure. As part of Aramark, we were able to enjoy certain benefits from Aramark' s operating diversity, size, purchasing power, cost of capital, and opportunities to pursue integrated strategies with Aramark' s other businesses. As an independent, publicly traded company, we do not have the same benefits. Additionally, as part of Aramark, we were able to leverage Aramark' s historical reputation, performance and brand identity to recruit and retain key personnel to run and operate our business. As an independent, publicly traded company, we will need to develop new strategies, and it may be more difficult for us to recruit or retain such key personnel.~~ Risks Related to our Common Stock Your

percentage of ownership in Vestis may be diluted in the future. In the future, your percentage ownership in Vestis may be diluted because of equity issuances for acquisitions, capital market transactions or otherwise, including any equity awards that we will grant to our directors, officers and employees. Our employees have stock-based awards that correspond to shares of our common stock after the Separation as a result of conversion of their Aramark stock-based awards and have been issued new Vestis stock awards. Such awards will have a dilutive effect on our earnings per share, which could adversely affect the market price of our common stock. From time to time, we will issue additional stock-based awards to our employees under our employee benefits plans. We cannot guarantee the timing, declaration, amount or payment of dividends on our common stock. **The** After the Separation, our Board of Directors declared a quarterly cash dividend of \$ 0.035 per common share payable on January 4, 2024 to shareholders of record at the close of business on December 15, 2023. However, the timing, declaration, amount and payment of any future dividends **are** will continue to be within the discretion of our Board of Directors, and will depend upon many factors, including our financial condition, earnings, capital requirements of our operating subsidiaries, covenants associated with certain of our debt service obligations, legal requirements, regulatory constraints, industry practice, ability to access capital markets and other factors deemed relevant by our Board of Directors. ~~The aggregate amount of dividends paid by us and Aramark may differ from historical dividends paid by Aramark due to, among other matters, changes in the level of cash generated by our operations and changes in our capital needs.~~ Moreover, there can be no assurance that we will continue to pay such dividends or the amount of such dividends. Anti-takeover provisions could enable our Board of Directors to resist a takeover attempt by a third party and limit the power of our stockholders. Our amended and restated certificate of incorporation and amended and restated bylaws contain, and Delaware law contains, provisions that are intended to deter coercive takeover practices and inadequate takeover bids by making such practices or bids too expensive to the bidder and to encourage prospective acquirers to negotiate with our Board of Directors rather than to attempt a hostile takeover. These provisions are, among others: • until the third annual stockholder meeting following the Separation, our Board of Directors will be divided into three classes, with each class consisting, as nearly as may be possible, of one-third of the total number of directors, which could have the effect of making the replacement of incumbent directors more time consuming and difficult; • as long as the Board of Directors is classified, our directors can be removed by stockholders only for cause • vacancies occurring on the Board of Directors can only be filled by a majority of the remaining members of our Board of Directors or by a sole remaining director; • for two years following the Separation, stockholders do not have the right to call a special meeting; • stockholders do not have the ability to act by written consent; • our Board of Directors has the power to designate and issue, without any further vote or action by the our stockholders, shares of preferred stock from time to time in one or more series; and • stockholders have to follow certain procedures and notice requirements in order to present certain proposals or nominate directors for election at stockholder meetings. In addition, we are subject to Section 203 of the Delaware General Corporation Law, which could have the effect of delaying or preventing a change of control that you may favor. Section 203 provides that, subject to limited exceptions, persons that acquire, or are affiliated with persons that acquire, more than 15 % of the outstanding voting stock of a Delaware corporation may not engage in a business combination with that corporation, including by merger, consolidation or acquisitions of additional shares, for a three-year period following the date on which that person or any of its affiliates becomes the holder of more than 15 % of the corporation's outstanding voting stock. We believe these provisions protect our stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with our Board of Directors and by providing the Board with more time to assess any acquisition proposal. These provisions are not intended to make us immune from takeovers; however, these provisions will apply even if the offer may be considered beneficial by some stockholders and could delay or prevent an acquisition that our Board of Directors determines is not in the best interests of Vestis and its stockholders. These provisions may also prevent or discourage attempts to remove and replace incumbent directors. In addition, an acquisition or further issuance of our common stock could trigger the application of Section 355 (e) of the Code, causing the Separation to be taxable to Aramark. Under the tax matters agreement, we are required to indemnify Aramark for the resulting tax, and this indemnity obligation might discourage, delay or prevent a change of control that our stockholders may consider favorable. Our amended and restated certificate of incorporation designate the state courts within the State of Delaware as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by Vestis stockholders, which could discourage lawsuits against Vestis and our directors and officers. Our amended and restated certificate of incorporation provides that, unless we (through approval of our Board of Directors) consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware shall be the sole and exclusive forum for (1) any derivative action brought on behalf of Vestis, (2) any action asserting a claim of breach of a fiduciary duty owed by any director or officer or other employee of Vestis to Vestis or Vestis's stockholders, (3) any action asserting a claim against Vestis or any director or officer or other employee of Vestis arising pursuant to, or seeking to enforce any right, obligation or remedy under, any provision of the Delaware General Corporation Law (the "DGCL") or Vestis's amended and restated certificate of incorporation or amended and restated bylaws (as either may be amended from time to time), (4) any action asserting a claim against Vestis or any director or officer or other employee of Vestis governed by the internal affairs doctrine, which is a conflict of laws principle which recognizes that only one state should have the authority to regulate a corporation's internal affairs or (5) any action as to which the DGCL (as it may be amended from time to time) confers jurisdiction on the Court of Chancery of the State of Delaware. If and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state court sitting in the State of Delaware (or, if no state court located within the State of Delaware has jurisdiction, the federal district court for the District of Delaware). This exclusive forum provision applies to all covered actions, including any covered action in which the plaintiff chooses to assert a claim or claims under federal law in addition to a claim or claims under Delaware law. However, the exclusive forum provision does not apply to actions asserting only federal law claims under the Securities Act or the Exchange Act, regardless of whether the state courts in the State of Delaware have jurisdiction over those claims. Although we believe the exclusive forum provision benefits us by

providing increased consistency in the application of law in the types of lawsuits to which it applies, the provision may limit the ability of our stockholders to bring a claim in a judicial forum that such stockholders find favorable for disputes with Vestis or its directors or officers, and it may be costlier for our stockholders to bring a claim in the Court of Chancery of the State of Delaware than other judicial forums, each of which may discourage such lawsuits against Vestis and its directors and officers. Although our amended and restated certificate of incorporation includes this exclusive forum provision, it is possible that a court could rule that this provision is inapplicable or unenforceable. Alternatively, if a court were to find this exclusive forum provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings described above, we may incur additional costs associated with resolving such matters in other jurisdictions, which could negatively affect our business, financial condition or results of operations.