

MECCA

# MODERN SLAVERY STATEMENT 2024

## ACKNOWLEDGEMENT OF COUNTRY

We commit to being allies, and to working in solidarity, with First Nations people. We recognise their ongoing connection to this beautiful country, with knowledge and stories that have been handed down over the past 60,000 years. We're inspired by the power and resilience of First Nations women and girls and pay our respects to the strong matriarchal role models who continue to guide them, and to Elders, past and present. We acknowledge that the land on which we live and work always was, and always will be, Aboriginal Land.

To view a copy of MECCA's Reconciliation Action Plan, visit MECCA's [website](#).



## MECCA'S COMMITMENT

MECCA wants to be a force for good in the beauty industry and beyond. We're committed to mitigating any form of modern slavery or exploitation within our value chain, where an individual is exploited by others, for personal or commercial gain.

We also understand that instances of modern slavery can occur across a spectrum from unfair working conditions to bound labour and can occur in any region of the world. So, while we are committed to upholding human rights and ensuring that our team members, direct suppliers and brand partners work within supportive, fair and safe workplaces, we're also taking steps to identify potential risks of modern slavery further down our supply chain.

This document, our fifth annual Modern Slavery Statement, sets out the steps we have taken during the period from 1 January 2024 to 31 December 2024, and the related policies of our business. This statement is issued jointly by MECCA Brands Pty Ltd, MECCA Brands NZ Pty Ltd and MECCA Brands Distribution Pty Ltd (together, MECCA), Kit Cosmetics Pty Ltd and is made pursuant to the Modern Slavery Act 2018 (Cth) (the Act).

## ABOUT MECCA

Since opening the doors to our first store in Melbourne in 1997, MECCA has grown to become Australia's largest prestige beauty retailer, serving more than 4.5 million customers each year. With more than 110 stores across Australia, Aotearoa (New Zealand) and online, we offer an exclusive edit of the best in beauty from more than 200 brands, including three MECCA-owned brands: MECCA COSMETICA, MECCA MAX and kit:.

We are committed to being a force for good through our sustainability program, MECCA M-PACT, and our social change movement, MECCA M-POWER, which was established in 2017 and aims to educate, elevate and empower women and girls to create a more equal world.

At the end of 2024, we had a growing team of more than 7,000, all working towards a shared purpose of helping people to look, feel and be their best. Our Support Centre and Distribution Centre are both based on Wurundjeri Country in Naarm (Melbourne), Australia. We also have a Customer Fulfilment Centre based in Aotearoa (New Zealand).

### OUR COMPANY STRUCTURE, OPERATIONS AND SUPPLY CHAINS

MECCA operates not just as a specialty beauty retailer, but also as a distributor and brand owner. Our operations include product retail, importation and distribution; product development and sourcing; product safety and compliance; and team member education. Our operations are supported by a range of departments including procurement, digital, IT, sales, marketing, human resources, legal and finance.

We work with a range of suppliers to support our business operations. These include the brands that we sell, suppliers that are critical in the development of MECCA-owned brands, as well as the suppliers and services that assist in the day-to-day running of our business.



# RISKS OF MODERN SLAVERY IN MECCA'S OPERATIONS AND SUPPLY CHAINS

As a retailer, distributor and brand owner, our supply chains are complex and so we require commitment from all parties involved to ensure that we can identify and address modern slavery. This has been our focus, and we'll continue to work towards this in 2025.

We're also aware that there is a potential risk of inadvertently contributing to, or being linked with, modern slavery further down the supply chain, and so we're committed to taking action to mitigate these risks.

When assessing modern slavery risks, we consider the sector or industry of which the supplier belongs and the geographic locations in which its operations exist. This allows us to segment our suppliers into different risk categories and to complete the relevant due diligence, including acquiring documentation of the supplier's mitigation strategies.

## (1) SUPPLY CHAIN RISKS

Some of the possible risks identified within our supply chains include:

- Traceability and transparency of complex lengthy supply chains internationally and within Australia and Aotearoa (New Zealand);
- The supply of raw materials – particularly those sourced from countries more vulnerable to modern slavery risks; and
- Development of products through our MECCA-owned brands.

## (2) OPERATIONAL RISKS

Some of the possible risks identified within our operations include:

- Contracting and sub-contracting through direct and indirect third-party suppliers; and
- Provision of products and services including operational, facilities management and transportation.

## (3) ONGOING WORK AND POLICIES IN PLACE TO MITIGATE MODERN SLAVERY RISKS

### As a retailer

It's important to us that all our suppliers adhere to our principles to prevent modern slavery. We want to work with suppliers that hold at least the same quality, sustainability and ethical standards, and who govern their supply chain aiming to eliminate modern slavery regardless of the local regulatory standards they operate under.

Across our general procurement, our central agreement templates, managed through our Procurement and MECCA-Maginations teams, include modern slavery

provisions. In 2024, we engaged a total 1,969 suppliers across the business to support our operations, with more than 80% of suppliers operating within Australia and Aotearoa (New Zealand).

We want to ensure that all regulated timber products imported by MECCA are ethically and sustainably sourced. That's why we created our Timber Products Procurement policy, which aims to eliminate the risk of illegal logging through our operations or those of our suppliers. This policy outlines the requirements to source timber-related products, which are legally logged and recognises that credible, independent certification and verification of forest management and chain of custody can significantly reduce the risk of illegally harvesting timber.

### As a distributor

MECCA's distribution template agreements with brands include modern slavery provisions seeking to ensure that third-party brands and their potential subcontractors, do not engage in modern slavery practices. Relevant agreements also require brands to:

- a) notify MECCA promptly upon becoming aware of any actual or suspected incident, complaint, allegation, or risk that they, or any entity within their supply chain or otherwise connected to their business operations, may have engaged in, contributed to, or been linked with modern slavery; and
- b) cooperate with all reasonable requests from MECCA relating to modern slavery, including the provision of information for reporting purposes and participation in relevant audits or assessments.

MECCA has set up contractual processes in pursuit of ensuring that brands agree to this provision.

Non-compliance with the modern slavery provisions may result in termination of the relevant agreement and/or an indemnity claim.

### As a brand owner

Across our MECCA-owned brands, in 2024 we continued to run our new supplier approval process, which includes completing our supplier questionnaire, allowing MECCA to assess each supplier's quality standards, sustainability practices and compliance with ethical sourcing expectations.

We also request that all product suppliers for MECCA-owned brands commit to our Ethical Sourcing Code. This Code reflects our commitment to sustainable and responsible business practices, including environmental stewardship; adherence to labour standards established by the International Labour Organization; and the protection of consumer rights.

As of December 2024, 100% of our direct, active product



suppliers for MECCA-owned brands have committed to our Ethical Sourcing Code or an equivalent recognised industry code.

#### As an employer

At MECCA, training and education play a key role in upholding our commitment to legal compliance and ethical conduct. We have a series of workplace policies and procedures in place for our team members, to help reduce the risk of modern slavery (see below).

We encourage our team members to report any breaches of these policies. There are several ways they can do this, which are outlined in the Whistleblower Policy and Complaints Resolutions Policy, including an independent and confidential reporting service, called Stopline.

- **Whistleblower Policy** – this policy sets out the avenues open to team members and other MECCA personnel who wish to raise issues about whether MECCA or our team members have complied with applicable laws and requisite standards of behaviour. It is designed to provide a safe and confidential environment for team members and other MECCA personnel to raise any such concerns (including conduct related to modern slavery) without fear of reprisal.
- **Complaints Resolution Policy** – this policy sets out the steps encouraged to be taken to resolve any workplace issues or concerns at the earliest opportunity, with open communication and a focus on resolution.
- **MECCA Brands Code of Conduct** – this code outlines the obligations of MECCA to its team members and the standards of behaviour and expectations of team members held by the company. This includes MECCA's commitment to Equal Employment Opportunity in the workplace.
- **Respect in the Workplace Policy** – this policy outlines MECCA's commitment and each team member's responsibility to foster a workplace free of discrimination, bullying, sexual harassment, victimisation, vilification and harassment.
- **Workplace Health and Safety Policy** – this policy outlines the standard for workplace health and safety across MECCA and our obligation in meeting relevant workplace health and safety laws. It highlights the important role that each MECCA team member plays in maintaining healthy and safe workplaces.

As part of our induction and onboarding process, all new team members also complete mandatory education modules, including: 'Whistleblowing'; 'Respect in the Workplace' and 'Privacy and Confidentiality'. This education empowers our teams to understand their rights and responsibilities and promotes collaborative and supportive ways of working with each other, our suppliers and brands.



# MECCA'S 2024 ACTIONS

In 2024, we continued to deepen our knowledge and understanding of modern slavery risks within our operations and supply chains, taking actions to reduce these risks where possible.

We continued the work of our sustainability taskforce, a cross-business group which is focused on sustainable procurement, including mitigating any risks of modern slavery. This included:

- Refreshing our internal risk framework to effectively identify high-risk suppliers across our business, enabling more targeted supplier engagement and better insights into the supplier's practices for managing modern slavery; and
- Reviewing all supplier documentation to ensure our expectations to protect human rights are clear and consistently applied.

We also onboarded additional suppliers onto EcoVadis, a platform that enhances our visibility of key environmental and social performance indicators across our supply chain.

## (1) SUPPLIER RISK ASSESSMENT

In 2024, we established clear and quantifiable criteria to determine high-risk suppliers in relation to modern slavery. Our risk assessment criteria draws on established sources, including the Walk Free Global Slavery Index, the NSW Modern Slavery Inherent Risk Identification Tool, the United Nations Global Compact (UNGC) Network Australia Modern Slavery Risk Management, the U.S. Department of Labor's List of Goods Produced by Child Labor or Forced Labor and the International Labour Organization (ILO). We then began assessing all suppliers against these criteria to better understand the level of risk across our supply chain. We aim to complete this work in 2025.

We're now developing a heightened due diligence process for suppliers identified as high-risk, which will be finalised in line with the forthcoming Modern Slavery guidance in Australia.

## (2) USING ECOVADIS TO IMPROVE VISIBILITY ACROSS OUR SUPPLY CHAIN

To better understand potential risks of modern slavery in our supply chains, MECCA entered a contractual arrangement with a leading provider of business sustainability ratings, EcoVadis SAS, in July 2023.

EcoVadis enables us to complete assessments of workers' rights and modern slavery, helping us to:

- Audit our supply chain to identify any high-risk vendors (across ingredients, geographic locations, and type of suppliers);
- Improve risk assessment, outlining next steps based on supplier risk profiles; and
- Assist in supplier engagements and agreements going forward.

Our partnership with EcoVadis plays a key role in progressing our work to mitigate modern slavery risks, as we work closely with them to review our supply chain, onboard suppliers and identify next steps to support best practice. For our MECCA-owned brands, new product design and supplier engagement will be guided by insights and compliance against EcoVadis assessment criteria.

## Results from EcoVadis

In 2024, we invited suppliers that were already actively using EcoVadis to share their scorecards with us, for review. The scorecards rate businesses across a range of categories, including environment, labour and human rights, ethics and sustainable procurement. Of the suppliers that have been rated:

- 50% received a good rating score (score 45-64) indicating a structured and proactive sustainability approach, policies and tangible actions on major issues and basic reporting on actions or performance indicators.
- 21.4% received an outstanding rating score including platinum badges (score 85-100), indicating the companies' recognition for best practice through EcoVadis.
- 14.3% received an advanced rating score (score 65-84) including silver or gold medals, indicating their top 5% and 15% rating status, respectively.
- 14.3% received a partial rating score (score 25-44).

## (3) RAW MATERIAL EXTRACTION

Certain raw materials used across our MECCA-owned brands' products and commonly found in cosmetics are associated with a higher risk of modern slavery within their production, growing, extraction and supply chain. Raw material sourcing often involves labour-intensive processes that can expose workers to heightened risks of exploitation. Understanding the origins of these materials is critical to identifying and managing human rights risks within our supply chain.

High-risk ingredients are typically found to be:

- Grown in developing countries on small land holding farms or areas associated with illegal clearing of native forests;
- Extracted, grown or produced in developing countries or regions suffering from weak rule of law, conflict, geopolitical instability, widespread poverty, discrimination of minority groups, and other areas where human rights and workers' rights are not widely protected, and workers are vulnerable to abusive labour practices; or
- Produced using hazardous chemicals, labour-intensive or low-skilled work often carried out



in countries with low-cost labour, or by migrant or vulnerable workers susceptible to abusive labour practices.

When it comes to raw materials, our focus is on how we can improve visibility of the supply chains and understand how and where any high-risk ingredients may be used. In 2024, we continued to review the most at risk ingredients and began developing a traceability plan to reduce exposure to modern slavery risks.

#### (4) TRACEABILITY – MICA AND PALM OIL

We work with brands to conduct a risk assessment into the extraction of palm oil and mica. These are two raw materials used extensively in beauty that have a higher risk of modern slavery and environmental damage. Ultimately, our goal is for these ingredients to come from certified sustainable sources, such as the Roundtable on Sustainable Palm Oil and the Responsible Mica Initiative.

It's important to note that the farming or mining of palm oil and mica provides access to work and income for many communities, so completely stopping the use of these two ingredients could negatively impact workers' livelihoods. Instead, our intention is to support the safety of these communities during collection and processing and protect the environment, while contributing to long-term positive change for these communities.

##### What is palm oil and its derivatives?

Palm oil is a vegetable oil used in cosmetics for its moisturising and texturising properties. Palm oil derivatives are glycerol, fatty acids or fatty alcohols – ingredients used in products for their emollient or foaming properties.

The palm oil industry is criticised for causing deforestation, which results in the clearing of wild animals' natural habitat and depletion of valuable carbon sinks. There are also concerns around child and trafficked labour in some locations where palm oil is sourced. However, when harvested responsibly palm oil can be less environmentally impactful than other vegetable oils so replacing it is not necessarily the best solution.

##### What is mica?

Mica is a naturally occurring mineral. It is used in pigmented products like powdered foundation to provide opacity and a pearly, shiny appearance. In India, mica mainly comes from socially and economically challenged regions where there is a risk of child labour, unsafe working conditions and where the supply chain involves multiple entities, which makes it difficult to completely assess these risks.

##### What were our brand results?

Of the third-party brands who have shared their palm oil and mica sourcing information with us:

- 85% use palm or palm derivatives in their products. All these brands have confirmed they are actively working with their suppliers to sustainably source

palm or palm derivatives, with some more advanced than others.

- 92% use either natural or synthetic mica, and all have confirmed they are actively working to ensure no forced or child labour contributed to the sourcing of the natural mica used, with many working with a Responsible Mica Initiative (RMI) or equivalent.

While not all our brands can confirm that they use sustainably sourced palm and mica used in their products, from our conversations, it's clear they are all working towards better visibility through improved engagement with their suppliers. We will continue to support our brands through this process as we work to improve clarity and transparency.

#### (5) DIVERSITY AND INCLUSION

Inclusive thinking is critical in identifying and addressing any modern slavery risks related to human rights and creating awareness of communities that may be more vulnerable to modern slavery.

During 2024, we partnered with external experts with lived experience to drive progress across many diversity and inclusion sectors. By way of example, see details below:

##### Mardi gras partnership with Minus18

- In 2024, we continued partnering with Minus18, a charity that supports and empowers LGBTQIA+ young people in Australia. We donated \$15,000 of proceeds from our Mardi Gras Beauty Lab activation to this worthy cause.

##### Women in tech Skyline partnership

- We launched a multi-year program with Skyline Education Foundation in 2024, providing opportunities for Skyline alumni to launch a career in technology. We are helping Skyline alumni to join our Digital and Technology teams to upskill and build their professional skills with the guidance of a mentor and buddy.
- We've welcomed our first Skyline alum to our team this year as a Developer, offering a 12-month paid program with on-the-job and formal training, along with coaching opportunities.

Alongside this, as a business operating in Australia and Aotearoa (New Zealand), we're committed to working in solidarity with First Nations communities in both countries to recognise and celebrate their unique cultures, and to help ensure they have equal access to opportunities.

In Australia, we continued to make progress on our Reconciliation Action Plan (RAP) in 2024. Our second RAP will be released in 2025. Our latest RAP is available on our [website](#).

##### What we achieved in the Reflect RAP

Our first 'Reflect' Reconciliation Action Plan (RAP) was published in 2023, which outlined how MECCA will support First Nations peoples and work towards national reconciliation. Over the past 12 months:



- We worked with First Nations experts to create a Country (pronunciation) map and support our team with developing meaningful Acknowledgements of Country;
- We've provided First Nations education to our team members through our partnership with Evolve Communities and through Lunch and Learns with Professor Megan Davis and Jason Timor; and
- We championed and showcased First Nations artists through collaborations, including M-POWER's work with Melanie Mununggurr for NAIDOC Week and of course, our collaboration with last year's Holiday artist, Kaylene Whiskey.

It's so important that inclusion and diversity is embedded throughout every aspect of MECCA and many of our existing programs and processes are helping us to meet our RAP commitments, which is a great sign that this is something we're embedding into the business naturally.

Delivering our Reflect RAP is a great foundation for us, especially as we move to the second iteration of our RAP, at the 'Innovate' level. Our Innovate RAP will be published in 2025 and will focus on three key areas: relationship building, education and community engagement.

In 2024 we continued to work closely with Māori cultural expert, Janelle Riki-Waaka, to support Māori team members, customers and community.

For Māori Education Week, we provided opportunities for our team to build their te reo language skills and share these with each other. We have also embedded important Māori cultural ceremonies in our ways of working, including having mihi whakatau blessing ceremonies at store and office openings.

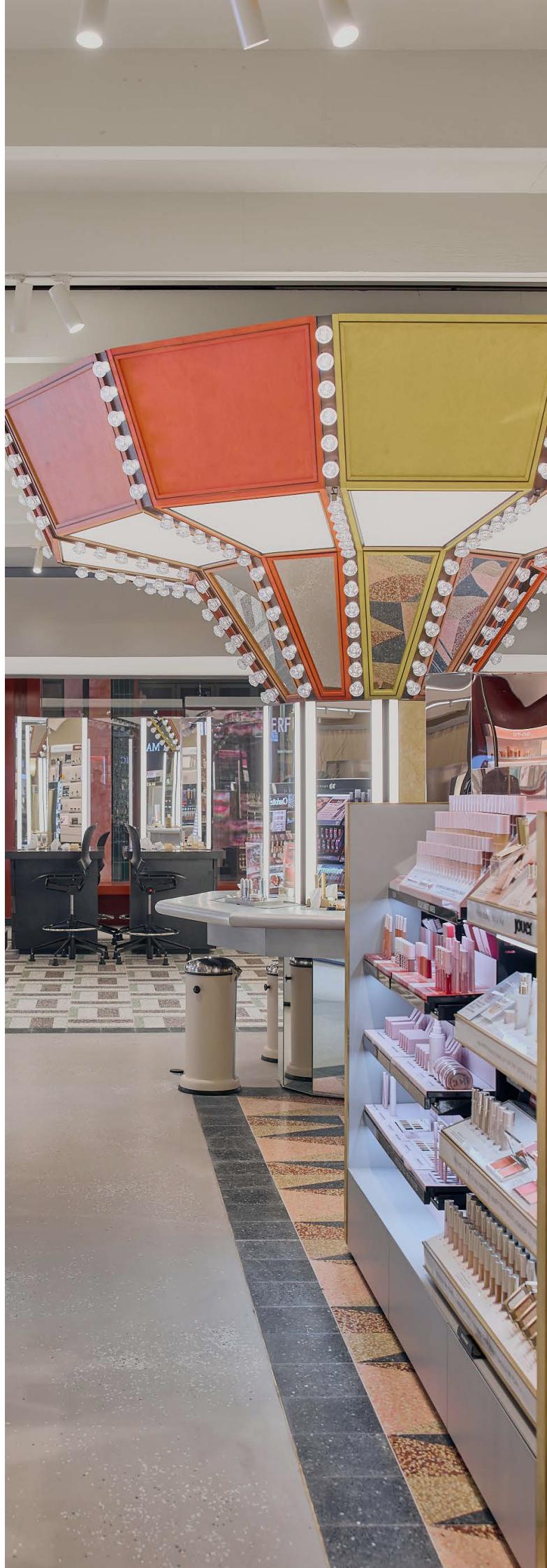
#### **(6) SUPPORTING GENDER EQUALITY THROUGH MECCA M-POWER**

At MECCA, we believe beauty is emboldening and can advance gender equality by reshaping restrictive and disempowering social norms and stereotypes. Our vision is to see gender equality in our lifetime. To propel this forward, we use our business and brand as a force for positive change and partner with inspirational social changemakers working to advance gender equality. Several of our partners support women at the intersection of climate change and gender, both here in Australia and in the Pacific.

MECCA M-POWER provides financial support to MECCA M-POWER partners to undertake their work and a significant platform to raise awareness of their advocacy campaigns and programmatic work, including those addressing modern slavery practices.

To read more about M-POWER's impact in 2024, visit the [2024 Beauty of Change report here](#).

Further, it is noted that the MECCA M-PACT website refers to a section on modern slavery.





## ASSESSMENT OF ACTIONS

Throughout 2024, we have built on our work from previous years to generate awareness of modern slavery among our team, brands and suppliers and taken actions to further mitigate modern slavery within our supply chains.

While we acknowledge that we still need to better understand the risks of modern slavery in our supply chains, in 2024, we took positive steps towards this by increasing our risk assessment processes, improving onboarding processes for our suppliers and brands, and growing the visibility of our complex supply chains.

With all the aforementioned policies, codes and compulsory education modules in place, we have built a network of more educated and aware team members, brands and suppliers.

We are committed to continuing to understand risks of modern slavery in all aspects of our business and supply chains, with a view to mitigating these risks through education and awareness.

## LOOKING FORWARD TO 2025

We'll continue to build on our progress from 2024, deepening our understanding of modern slavery risks and strengthening our ability to respond to them. As part of our evolving ethical sourcing and procurement strategy, we remain committed to embedding responsible business practices across all aspects of our supply chain. Transparency and accountability remain at the core of our efforts to combat modern slavery.

We continue to define a collective MECCA strategy relating to ethical procurement, sourcing and supplier partnerships with a strong focus on modern slavery. Throughout 2025, our focus will include:

- Refining and updating our internal risk framework to better identify high-risk suppliers and regions, enabling more targeted supplier engagement to better understand suppliers' practices and risk mitigation;
- Reviewing all supplier documentation to ensure our expectations of protecting human rights are clear;
- Working towards better traceability of ingredients and raw materials across our supply chain;
- Continuing to engage suppliers on responsible labour practices; and
- Providing further internal training on ethical procurement and modern slavery risks, equipping our teams with the knowledge to support responsible sourcing and supplier relationships.

## FURTHER INFORMATION

If you have any questions about this statement, please contact us via [m-pact@mecca.com.au](mailto:m-pact@mecca.com.au)

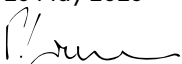
### Adoption by the board

#### Principal Governing Body Approval

This Statement was approved by the Board of Directors of MECCA Brands Pty Ltd as defined by the *Modern Slavery Act 2018* (Cth) on 26 May 2025



Joanna Horgan  
Founder and Co-CEO, MECCA Brands Pty Ltd  
26 May 2025



Peter Wetenhall  
Co-CEO, MECCA Brands Pty Ltd  
26 May 2025

