

2022
Modern
Slavery
Statement

December 2022

laser**clinics**

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Introduction

This statement is made on behalf of the Aesthetics Australia Holdings Pty Ltd (ACN 621 040 220), Aesthetics Australia Services Pty Ltd ACN 621 040 435, Aesthetics Australia Finance Pty Ltd, and Aesthetics Australia Group Pty Ltd ACN 621 040 640 (“the Reporting Entities”) pursuant to section 16 of the *Modern Slavery Act 2018* (“the Act”) and constitutes our modern slavery statement for the financial year ended 30 June 2022 (“Reporting Period”).

The Reporting Entities and its subsidiaries are ultimately wholly-owned by Aesthetics Australia Holdings Pty Ltd (ACN 621 040 220) and traded during the Reporting Period under the names Laser Clinic Australia, Laser Clinics New Zealand, Laser Clinics UK, Laser Clinics Canada, Laser Clinics Asia, Skinstitut or Dr. Roebuck’s. In this report, all the Reporting Entities and its subsidiaries are referred to collectively as “Laser Clinics Group” or “Group”.

Laser Clinics Group strives to uphold high standards of corporate integrity and responsible business conduct. We are opposed to modern slavery in our operations or supply chain and respect internationally recognised human rights. We strive to improve year on year in our capability to mitigate the risk of modern slavery and look forward to sharing our progress with stakeholders, our customers and the Australian Border Force in our annual modern slavery statements.

Our Structure & Operations

The Laser Clinics Group's principal place of business and registered office is located at Level 2, 40 Miller Street, North Sydney, New South Wales, Australia 2060.

During the Reporting Period, the Laser Clinics Group operated two distinct businesses divisions:

The logo for Laser Clinics Group. It features the word "laser" in a lowercase, sans-serif font, followed by "clinics" in a bold, lowercase, sans-serif font. Below this, the word "GROUP" is written in a smaller, uppercase, sans-serif font, with each letter centered under a horizontal line that spans the width of the word.

laser**clinics**
G R O U P

The logo for Dr Roebuck's, consisting of the name "DR ROEBUCK'S" in a bold, uppercase, sans-serif font.

DR ROEBUCK'S

The logo for Skinstitut, consisting of the name "Skinstitut" in a sans-serif font, followed by a trademark symbol (TM).

Skinstitut™



Since 2008, the Laser Clinics Group has operated a laser, skin care & cosmetic clinic network across Australia that provides safe laser hair removal, cosmetic injections and advanced skin and body treatments. In July 2013, Laser Clinics Group commenced operating some of its clinics under a franchise business model. From 2018 Laser Clinics began operating in markets outside Australia.

During the Reporting Period, Laser Clinics Group operated wholly-owned clinics and franchised clinics across Australia, United Kingdom, Singapore, Canada and New Zealand as outlined below.

Jurisdiction	Wholly-Owned	Franchised
Australia	51	86
New Zealand	12	8
United Kingdom	9	34
Singapore	0	2
Canada	2	0

Australia

LCA Franchising Pty Ltd (ACN 150 499 595) is the franchisor entity that enters into all franchise agreements with franchisees in Australia. LCA Franchising Pty Ltd is wholly-owned by LCA Operations Pty Ltd (ABN 89 600 736 212).

LCA Operations Pty Ltd is a shareholder of all Australian franchisee entities within the Group and the sole shareholder of the company operated clinics.

LCA Operations Pty Ltd is also 100% shareholder in the following subsidiaries that are used to perform 'Head Office' or business operational and administrative functions for the Laser Clinics Group and the franchise network:

- CCA Management Pty Ltd (ACN 150 499 415) employs staff within the Laser Clinics Group
- CCA Leasing Pty Ltd (ACN 149 186 103) holds some leases for the corporation in Australia.

These subsidiaries provide managerial oversight and operational, marketing, information technology services, procurement services and business administration for the Laser Clinics Group's businesses.

United Kingdom

In the United Kingdom, LSL Holco Limited (Co. number 10748000) is the franchisor entity that enters into all franchise agreements with franchisees. LSL Holco Limited is wholly-owned by LCUK Operations Ltd (Co. number 12036613). LCUK Operations Ltd is wholly-owned by LCA Operations Pty Limited and is a 50% shareholder of all United Kingdom franchisee entities within the Group.

New Zealand

In New Zealand, LCNZ Franchising Pty Limited (Co. number 689266773) is the franchisor entity that enters into all franchise agreements with franchisees. LCNZ Franchising Pty Limited is wholly-owned by LCNZ Operations Pty Limited (Co. number 6892794). LCNZ Operation Pty Limited is wholly-owned by LCA Operations Pty Limited and is a 50% shareholder of all New Zealand franchisee entities within the Group.

1. Our Structure & Operations

Singapore

In Singapore, LCS Franchising Pte Ltd (Co. number 202102796G) is the franchisor entity that enters into all franchise agreements with franchisees. LCS Franchising Pte Ltd is wholly owned by LCS Operations Pte Ltd (Co number 202102787E). LCS Operations Pte Ltd is wholly-owned by LCA Operations Pty Ltd and is a 50% shareholder of the franchisee entities within the Group.

Canada

In Canada, LCC Franchising Limited (incorporation number BC1285874) is wholly-owned by LCC Operations Limited (incorporation number BC1285868) and has the sole shareholder LCA Operations Pty Ltd. The clinics operating in Canada during the reporting period are all operated by LCC Operations Limited.

It is important to note however, that the shareholder Group entities – LCA Operations Pty Ltd, LCUK Operations Ltd, LCNZ Operations Pty Limited and LCS Operations Pte Ltd, despite being shareholders, do not have day-to-day management and control of the operations and procurement of each franchisee entity in the Group. Therefore, the Group cannot specifically report on the modern slavery practices within each franchisee entity within the Group, but willingly and diligently reports on operational, labour and supply chain practices it promotes through its activities as a shareholder and a franchisor to assess and address modern slavery practices within its franchisee network.

The Laser Clinics Group uses its scale and buying power as a leading laser, skin care & cosmetics organisation within the market to purchase some goods and services for and on behalf of the wholly-owned and franchisee clinics within the global network.

DRROEBUCK'S Skinstitut™

Skinstitut was founded in 2008 and is the industry leader in affordable, high-performance cosmeceutical skincare. The operating company for the Skinstitut business is Skinstitut (Australia) Pty Ltd (ACN 137 842 883).

Dr. Roebuck's is an Australian 'clean beauty' skincare business. The brand mantra is "minimal ingredients, maximum results" and this is manifested in a comprehensive range of clean, functional skincare products. The operating company of Dr. Roebuck's is DRR Skincare Pty Ltd (ACN 642 809 836).

Our Workforce

Laser Clinics Group – wholly-owned and franchisee clinics

In the Reporting Period, the Laser Clinics Group (including Franchised and corporate owned clinics) operated clinics in every Australian state and territory, the United Kingdom, New Zealand, Singapore and Canada.

At 30 June 2022, the Laser Clinics Group employed approximately 2,261 employees, a breakdown of which is shown in the table at right.

State or Territory	Number of Employees
Australian Capital Territory	63
New South Wales	605
Northern Territory	10
Queensland	366
South Australia	73
Tasmania	27
Victoria	393
Western Australia	129
United Kingdom	394
New Zealand	166
Singapore	21
Canada	14
Total	2,261

2. Our Workforce

At 30 June 2022, the Laser Clinics Group (including Franchised and corporate owned clinics) employed team members on a full-time, part-time and casual basis – a breakdown of which is shown in the table at right. Note – this is for employees based in Laser Clinics Group clinic locations and does not include support office employees based in each country.

Type of Employment	Number of Employees
Full Time	944 (41.75%)
Part Time	563 (24.9%)
Casual	754 (33.35%)

2. Our Workforce

Laser Clinics Group employees within its wholly-owned clinics complete the following roles:

Role	Duties
Receptionist	Receptionists are responsible for providing customer service to clients and assisting in the day-to-day operations of the clinic.
Therapist	Therapists are responsible for providing customer service, laser hair removal, body treatments and skin treatments to clients and assisting in the day-to-day operations of the clinic.
Assistant Manager	The Assistant Manager is responsible for managing the day-to-day operations of our clinic and overseeing the team of Therapists and Receptionists.
Clinic Manager	The Clinic Manager is responsible for managing the day-to-day operations of clinics and overseeing the team of Therapists and Receptionists. The Clinic Manager is responsible for the clinic as a whole.
Aesthetic Consultant	Aesthetic Consultants are responsible for providing customer service, laser skin and hair removal treatments, skin, and body treatments and cosmetic injectable consultations, treatment plans and cosmetic injectable treatments to clients and assisting in the day-to-day operations of the clinic.

Our Workforce

Skinstitut, Dr. Roebuck’s and our Head Office

Employees who are employed to support the Skinstitut and Dr. Roebuck’s business division are primarily located at the North Sydney head office. The skincare business also has an inventory and distribution centre in Seven Hills, NSW.

The Laser Clinics Group has a head office which performs a number of corporate, operational and administrative functions for the Group, including: operations, marketing, information technology, legal, human resources, and finance. Head office roles are not consumer facing and do not provide services to consumers. We do not manufacture products.

At 30 June 2022, the skincare business division and the head office, specifically CCA Management Pty Ltd, employed 121 employees, a breakdown of which is provided in the table below.



State or Territory	Number of Employees
New South Wales	106
Queensland	5
Victoria	5
Western Australia	4
Australian Capital Territory	1

At 30 June 2022, the skincare division and Head Office employs team members on a full-time, part-time and casual basis – a breakdown of which is shown in the table below.

State or Territory	Number of Employees
Full Time	101 (83.47%)
Part Time	4 (3.31%)
Casual	16 (13.22%)

Our Supply Chain

The goods and services (including labour) that contribute to the Group's own products and services are described at right:

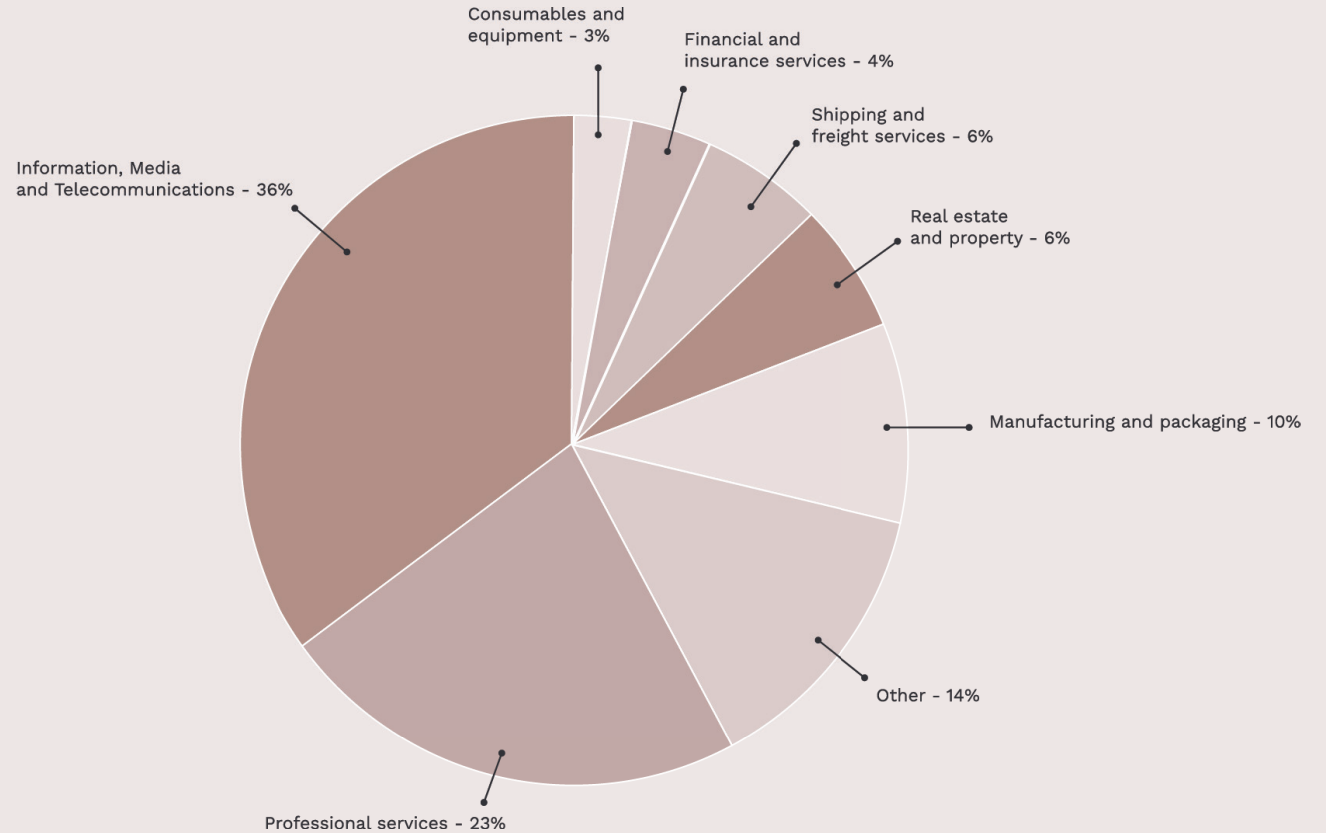
<p>Laser Clinics Group</p>  <p>The logo for Laser Clinics Group features the word "laserclinics" in a lowercase, sans-serif font. Below the letters "G", "R", "O", "U", and "P" are small, evenly spaced capital letters.</p>	<p>The goods and services (including labour) that contribute to the operations of the Laser Clinics Group's wholly-owned and franchisee clinics include high standard medical grade equipment and services, razors, needles, bedsheets, cosmetic skincare products, pharmaceuticals such as dermal fillers and toxins and other products such as personal protective equipment (PPE) and rubber gloves. For the wholly-owned clinics, cleaning and laundry services are also procured.</p>
<p>Skinstitut & Dr. Roebuck's</p>  <p>The logo for Skinstitut & Dr. Roebuck's features the text "DRROEBUCK'S" in a bold, uppercase, sans-serif font, with "Skinstitut™" in a larger, bold, uppercase, sans-serif font below it.</p>	<p>The goods and services (including labour) that contribute to the operations of the Group's skincare division include chemicals and other raw material inputs, such as Australian native or botanical extracts, manufacturing services, packaging, distribution services, and branding and marketing services.</p>
<p>Head office and international offices</p>	<p>Suppliers supporting our Head Office and international offices include suppliers of IT and communications equipment and services, property, office cleaning and other facilities management services, transport such as airlines, freight, couriers, marketing such as merchandise suppliers and conference providers, office equipment and supplies, and professional services such as auditors, accountants, consultants, law firms, banks, insurers, recruitment agencies, marketing agencies and public relations firms. The majority of our direct suppliers providing the goods and services for the Head Office function are based in Australia.</p> <p>The international offices utilise global supplier relationships and source goods and services from within the local jurisdictions.</p>

3. Our Supply Chain

For the purposes of this Report, the Group nominated to report on suppliers who provide goods and services at a value of \$50,000 Australian dollars or more. During the Reporting Period, the Group had approximately 102 suppliers that met this threshold with approximately \$78 million in total procurement expenditure.

Of the suppliers who provided AUD\$100,000 or more in goods and services, approximately 20% have published a Modern Slavery Statement on the Australian Border Force Register.

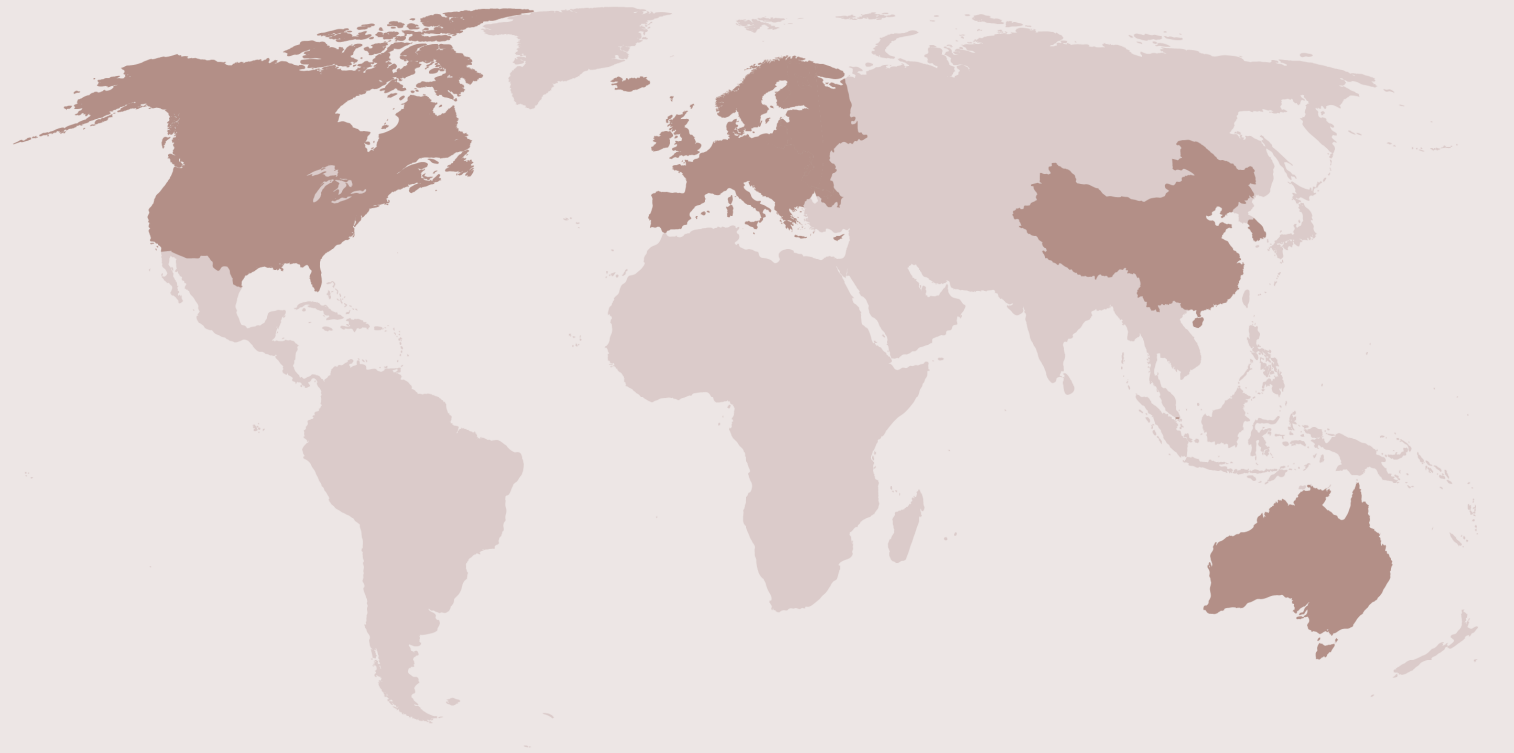
The categories of goods and services and the approximate spend with each category of goods and services is shown at right:



3. Our Supply Chain

The countries and regions where the Group procures its goods and services from are depicted below. This infographic identifies:

- the country of origin of entities that the Group contracts with
- where known, the country of origin of the goods and services



Country or region of origin for supply chain products and services

Modern slavery risks in our operations and supply chains

Our operations

We have assessed the potential for our operations to cause, contribute to, or be directly linked to modern slavery. We consider the overall risk of modern slavery in our operations, including those of our owned or controlled entities overseas, to be low given the contractual rights of our employees, the policies and procedures in place to ensure those rights are protected and the lower prevalence of modern slavery in the countries the Group operates in. Furthermore, the types of roles performed by our workforce in all locations are not typically considered higher risk categories for modern slavery by virtue of the level of training and skills required to perform the roles.

4. Modern Slavery Risks

Supply Chains

We have also taken steps to assess the potential for our business to cause, contribute to, or be directly linked to modern slavery via our supply chain. In our view, it is unlikely that we have caused or contributed to modern slavery in our procurement of goods or services during the reporting period. However, we may unknowingly be connected to modern slavery practices through the activities of our suppliers and their supply chains.

Our supply chain comprises the following categories which carry higher risks for modern slavery, and we recognise that modern slavery risks exist in each one of them by virtue of the industry risk profiles and the globalised, and often complex, supply chains supporting the provision of goods or services:

Category	Generally known modern slavery risks ¹
Medical supplies	A large percentage of the world's PPE is produced in countries with a higher prevalence of modern slavery risk. Some factories have been reported to be manufacturing rubber gloves and other rubber products using migrant workers with excessive hours and unsafe conditions, where passports were confiscated, and high recruitment fees that keep workers in debt bondage.
Garments and linen	There are risks in the textiles industry particularly in relation to manufacturing of garments and linen. Working and employment conditions have been noted as a modern slavery risk in the textiles production industry as well as in the sourcing of raw materials for production. ²
Pharmaceutical products	The pharmaceutical industry generally relies on high-risk industries such as mining, agriculture and manufacturing that are often also associated with high-risk geographical locations. This risk applies to pharmaceutical companies lower down in the Group's global supply chains.
Medical grade equipment	The machinery the Group procures are manufactured under strict specifications of reputable companies. However, it is possible that some components may be manufactured by third parties in countries with a higher prevalence of modern slavery risk. Machinery parts also carry risks in relation to sourcing of minerals and metals.
Manufacturing	There are inherent risks of modern slavery in the operations and supply chains within the manufacturing sector by virtue of the raw materials used in the manufacturing process as well as the utilisation of vulnerable workers. These risks can be heightened in certain jurisdictions associated with a higher prevalence of modern slavery.
IT equipment	Modern slavery risks are present in the supply chains that provide IT companies with the necessary materials to produce electronic goods, and parts of those goods. The manufacture of IT equipment has also been linked to modern slavery.
Cleaning and laundry	The cleaning industry is considered high-risk for modern slavery largely due to the nature of the workforce and the often opaque nature of operations including the sourcing of ingredients for cleaning products and the manufacturing process of products used in cleaning and laundry processes. Working in the cleaning sector often does not require a qualification and as such, the workforce may be low-skilled and not fluent in the local language.
Facilities maintenance	The prevalence of subcontracting in the facilities maintenance industry can lead to contractual liabilities and obligations diminishing to the point where the human rights of workers on site may go unnoticed due to a lack of transparency.
Travel services	Although global travel management services are typically the first-tier suppliers for large companies, hotels and airlines inevitably form part of the supply chain for purchasers of travel services. A vulnerable workforce supporting these industries combined with complex supply chains result in greater modern slavery risks.

1. The risks outlined in this table are general and do not relate to any actual instances of modern slavery in the supply chain of our first-tier suppliers.

2. <https://assets.kpmg/content/dam/kpmg/au/pdf/2021/health-services-modern-slavery-practical-guide.pdf>

4. Modern Slavery Risks

Supply Chains (cont.)

Category	Generally known modern slavery risks
Postal and Courier Pick-up and Delivery Services	The utilisation of subcontractors and agents together with the utilisation of vulnerable workers places the suppliers in this category at greater risk of being directly linked to modern slavery.
Shipping and freight	We understand that there is a significant risk of modern slavery in shipping, including human rights and labour issues due to the duration of shipping and freight processes.
Professional and contingent services	Professional services the group engages include recruitment, marketing and public relations agencies, finance, audit and tax services, and law firms. Generally, the companies and individuals engaged are reputable and often global companies, however risks of human trafficking, bonded labour and forced work can exist. ³

3. https://humanrights.gov.au/sites/default/files/document/publication/ahrc_kpmg_financial_services_and_modern_slavery_2021.pdf

Actions taken to assess and address modern slavery risks, including due diligence and remediation processes

In our operations

An overview of the steps we have taken to assess and manage modern slavery risk in our operations is set out below.

- We have considered the adequacy of our existing suite of workplace policies and procedures to assess, prevent and respond to modern slavery risks in our workforce and implemented changes to improve them
- We confirm that we did not receive any reports which gave rise to cause for concern relating to human rights during the Reporting Period

In Australia, the Group continued to ensure compliance with the employment law framework, which is primarily governed by:

- Modern Awards (which set out the minimum entitlements that employees must receive). Clinic employees within Australia are covered by the Hair and Beauty Industry Award (2010), the Nurses Award (2010), and the Storage Services and Wholesale Award (2010)

- The Fair Work Act (2009)
- The National Employment Standards (NES) which forms part of the Fair Work Act
- Common law employment agreements between the employer and employee

These industrial instruments determine the minimum rates of pay that an employee must receive to work within our clinics.

Remuneration within the skincare business division and the Head Office is benchmarked against:

- the active recruitment market
- AON Hewitt remuneration insights and data of the labour market
- any applicable Modern Award or industrial instruments that may apply to a particular role

In New Zealand, Singapore, the United Kingdom and Canada compliance with employment and labour laws is facilitated through the provision of in-country advice and support.

In our supply chain

We have taken steps in the right direction to better understand the modern slavery risks in relation to our direct suppliers:

- We considered the modern slavery statements of our key suppliers (where available on modernslaveryregister.gov.au) to gain insights into the risks they described in their statements.
- We reviewed the questionnaires received by our suppliers which were primarily from the skincare manufacturing and packaging sector. No high-risk activities or locations were identified in the responses received.
- Raised awareness of modern slavery risks with our employees through sharing the Group's FY21 statement and communicating the Group's Modern Slavery obligations.
- Introduced modern slavery terms in our supply contracts and procurement terms and conditions.
- Implemented our supplier code of conduct through contractual terms.
- Issued the modern slavery questionnaire to suppliers and assessed their responses for areas of risk.

If, hypothetically, it was found that our business had caused or contributed to modern slavery, we would take guidance from the United Nations Guiding Principles on Business and Human Rights, which provides that businesses in this situation need to remediate the impact by taking a person-centred approach protecting the safety, privacy and wellbeing of the affected person. We would seek to undertake a full investigation of the situation to ensure that an appropriate corrective action plan is implemented and assess how similar impacts could be avoided in the future.

Assessing the effectiveness of our actions

During the course of the next reporting period as the Group continues to establish and integrate its operations and supply chain policies and process, the Group will seek to:

- Develop a Group ethics charter
- Continue our development and implementation, of an end-to-end centralised procurement policy with supporting documentation and processes that enable the Group to better monitor and assess the modern slavery risks in the Group's operations and supply chain and identify, prevent, mitigate and account for incidences of modern slavery if identified. The processes to be implemented as part of this action will include:

- streamlining the identification and assessment of risks through systems and tools
- continuing to embed our supplier code of conduct
- continuing to issue the modern slavery questionnaire to suppliers and assessing the responses for areas of risk
- providing training to our employees that conduct or support the procuring of goods and services for the Group regarding modern slavery red flags
- raising awareness of modern slavery risks with our franchisees
- Continuing to monitor our grievance mechanisms to identify whether any reports reflect modern slavery incidents or risks

The Group recognises the need to improve the way we assess, address, mitigate and prevent the risk of modern slavery. We aim to improve our capabilities and will seek to assess the effectiveness of our actions by achieving the goals we have set for ourselves during the next reporting period.

The process of consultation & approval

In order to prepare this statement, we consulted all companies that the Group has a 51% or greater shareholding or control. The governance of these entities is conducted by the Board of Directors of the Laser Clinics Group's ultimate parent company, Aesthetics Australia Holdings Pty Ltd, and the management of the day-to-day operations and supply chain of all of these entities is overseen by the Group's senior executive team.

The statement has been approved by the principal governing body of Aesthetics Australia Holdings Pty Ltd on behalf of each of the Reporting Entities and is signed by Colette Garnsey, a responsible member of the principal governing body on 22 December 2022.

A handwritten signature in black ink, appearing to read 'C Garnsey', written in a cursive style.

Colette Garnsey

Chairperson, Aesthetics Australia Holdings Pty Ltd
Colette Garnsey OAM

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