

# KEVIN MURPHY GROUP AUSTRALIAN MODERN SLAVERY STATEMENT 2025

For Financial Year 2025,  
1 July 2024 - 30 June 2025





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## INTRODUCTION

This statement has been prepared in accordance with the Modern Slavery Act 2018 (Cth) (The Modern Slavery Act). It outlines the actions undertaken in the financial year ending 30 June 2025 to identify, understand and minimise any modern slavery risks in our global operations and supply chain. It also outlines key areas for future focus.

The following entities are reporting under the Modern Slavery Act:

- Kevin Murphy Group Pty Ltd ACN 122 518 361

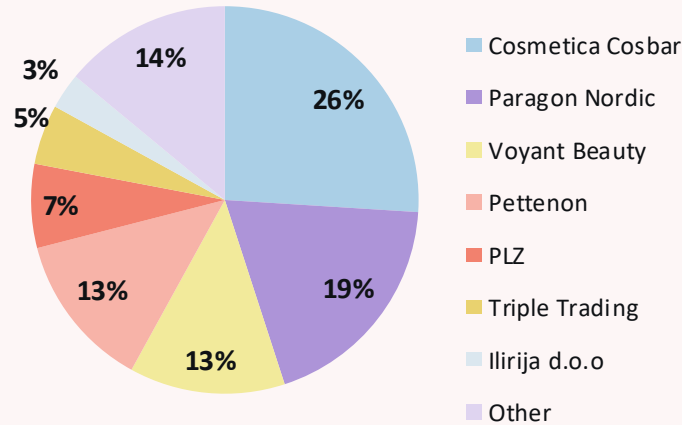
This Statement was prepared in accordance with the Modern Slavery Act 2018. It has been prepared in consultation with consolidated entities and was approved by the principal governing body of the Kevin Murphy Group, the Board of Directors, on MM DD, 2025

## STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Headquartered in Brisbane, Queensland, Australia, Kevin Murphy Group specialises in promoting and selling professional hair care, hair colour and hairstyling products. The company has established a robust global presence, operating across North America, EMEA (Europe, Middle East, and Africa), and the APAC (Asia-Pacific) regions, employing over 280 professionals globally. In addition to its core business the Group has acquired multiple distributor entities, now rebranded as KEVIN.MURPHY Germany, KEVIN.MURPHY France and KEVIN.MURPHY Mid-Atlantic and hair extension business Showpony. The brands expansive global reach is facilitated through a distributor network of more than 50 partners in EMEA across 32 countries, and at least 29 distributors across APAC and North America. Over 70 suppliers and manufacturing partners across all brands support us to deliver premium products globally.

Kevin Murphy Group strategically outsources its production processes to trusted partners. The key manufacturers for KEVIN.MURPHY care & styling involved in this collaborative approach include Cosmetica Cosbar, Paragon Nordic, Voyant Beauty and PLZ Corp. The manufacturers primarily responsible for colour production include Pettenon, ILIRIJA, Cosmetica Cosbar, Deco-Hair, Huwell Colour Design Laboratory. These manufacturers are based in Europe and North America and have no outsourced manufacturing in countries with high prevalence of modern slavery. Packaging, merchandise and styling tools, are predominantly supplied from European suppliers, with a mix of some partners in China.

FIGURE 1: % of spend on suppliers integral to core business



Showpony, our recently acquired hair extension brand, has a strong & collaborative partnership with its major supplier Seafrest, based in China to source premium quality hair extensions ethically.

The concentration of Kevin Murphy Group's manufacturing in highly regulated geographies such as Europe and North America limits its exposure to modern slavery risks. Where our value chain lies in high-risk countries, we are taking necessary measures to mitigate modern slavery risks.

To manage the logistics associated with its global operations, Kevin Murphy Group relies on the expertise of multiple freight forwarders, including Clearfreight, CH Robinson, AquaAIR, Norman Krieger, and smaller freight partners. E-Commerce logistics partners include DHL, FedEx, TNT and UPS.

Our logistics and warehousing partners in North America are PGS360 (Pacific Global Services), and Clearfreight NL collaborates with DVR to hold Kevin Murphy Groups stock in EMEA. Our overall supply chain structure is characterised by its complexity, involving a network of distributors, manufacturers, and logistics partners.

A visual representation of this supply chain structure is provided in the accompanying figure, offering insight into the dynamics of the company's operations.



FIGURE 2: Supply chain distribution of KEVIN.MURPHY

As Kevin Murphy Group continues its expansion and places a growing emphasis on ethical and sustainable business practices, it is essential to evaluate and address potential risks within this multifaceted supply chain. The identified modern slavery risks, as detailed in the following sections, are being systematically addressed to uphold Kevin Murphy Group's commitment to responsible business practices and ethical standards across its operations and supply chain.

# MODERN SLAVERY RISK ASSESSMENT

In the reporting year no human rights concerns were raised or reported in our value chain. Despite this, we acknowledge the inherent risks of modern slavery associated with raw materials and geographic regions involved in the production of our products.

Preliminary risk assessment findings identified in FY23 largely remained in FY25. Our Double Materiality Assessment conducted in the last reporting year in preparation for mandatory CSRD reporting found some of these risks to be material to Kevin Murphy Group. The group is no longer in scope to report under the CSRD mandate due to regulation changes, however the group continues to work with the ESRS (European Sustainability Reporting Standards) to improve its sustainability and human rights efforts. We acknowledge the critical significance of risk identification for subsequent strategic mitigation, and plan to continue our risk assessment efforts on an annual basis.

## The identified risks include the following:

1. Geographic distribution of Distributors and Suppliers
2. Concentration of packaging suppliers in China
3. Use of high-risk commodities
4. Vulnerabilities in logistics sector
5. Risk associated with hair extensions business
6. High risk products



# MODERN SLAVERY RISK ASSESSMENT

## 1. Geographic distribution of Distributors and Suppliers

Kevin Murphy Group's value chain encompasses production and distribution activities within countries considered to have a higher risk of modern slavery, including China, the United Arab Emirates (UAE), South Africa, Iraq, and India. The presence of distributors in these regions increases the likelihood of exposure to modern slavery risks as distributors may operate within environments with varying degrees of legal oversight and enforcement. Disparities in labour laws, regulatory frameworks, and enforcement mechanisms can lead to inconsistencies in safeguarding against modern slavery thereby increasing the risks. The influence of distinct cultural norms and practices further complicates efforts as that can result in varied attitudes towards labour and impact worker rights awareness. Additionally, limited resources, differing priorities and varying levels of commitments to enforcing labour standards across geographies also worsens the risks. Vigilance and targeted risk mitigation measures are essential to address potential challenges associated with activities in these high-risk countries.

## 2. Concentration of packaging suppliers in China

Kevin Murphy Group have previously partnered with a concentration of packaging manufacturers in China.

There are well-documented modern slavery risks in China which raises ethical concerns which can expose the group to risks. Kevin Murphy Group has identified that diversifying sourcing strategies and implementing rigorous supplier assessments are imperative to mitigate the specific risks associated with the packaging supply chain and plans to incorporate necessary steps in its strategy in the future.

## 3. Use of high-risk commodities

In the production of its diverse range of products, Kevin Murphy Group incorporates a spectrum of raw materials, encompassing natural ingredients like rice and cocoa, alongside chemical substances such as solvents and propellants, among others. The production of natural ingredients such as cocoa, rice and palm oil are identified as high-risk goods in terms of modern slavery according to Global Slavery Index published by Walk Free in 2023. The production of these commodities often involves complex and opaque supply chains, making it challenging to trace and verify if human rights are upheld throughout. Enhanced due diligence, transparency, and collaboration with suppliers are crucial to ensure responsible sourcing and minimise the risk of modern slavery in the production of these critical materials. Certain raw materials used in the

colour products are natural and mined such as the iron oxides and mica while others are chemically synthesised in production facilities. The extraction and processing of these ingredients are deep within our upstream supply chain, which increases transparency challenges in the supply chain and therefore increases the risks associated with modern slavery.

## 4. Vulnerabilities in logistics sector

Kevin Murphy Group so far has had limited focus on the human rights concerns within their freight forwarders and logistics partners owing to the prevailing emphasis on environmental considerations, particularly the prioritisation of emission reduction strategies through the preference for ocean freight over air freight. But we acknowledge that within the logistics sector, characterised by its transient and often temporary employment structures, there exists an elevated risk of modern slavery. Extensive research indicates that temporary workers in the logistics industry frequently encounter challenges such as inconsistent employment terms, inadequate job security, and limited access to benefits. The absence of long-term commitments from employers may contribute to an environment where labour standards are not consistently upheld, potentially resulting in situations where exploitation can occur.

# MODERN SLAVERY RISK ASSESSMENT

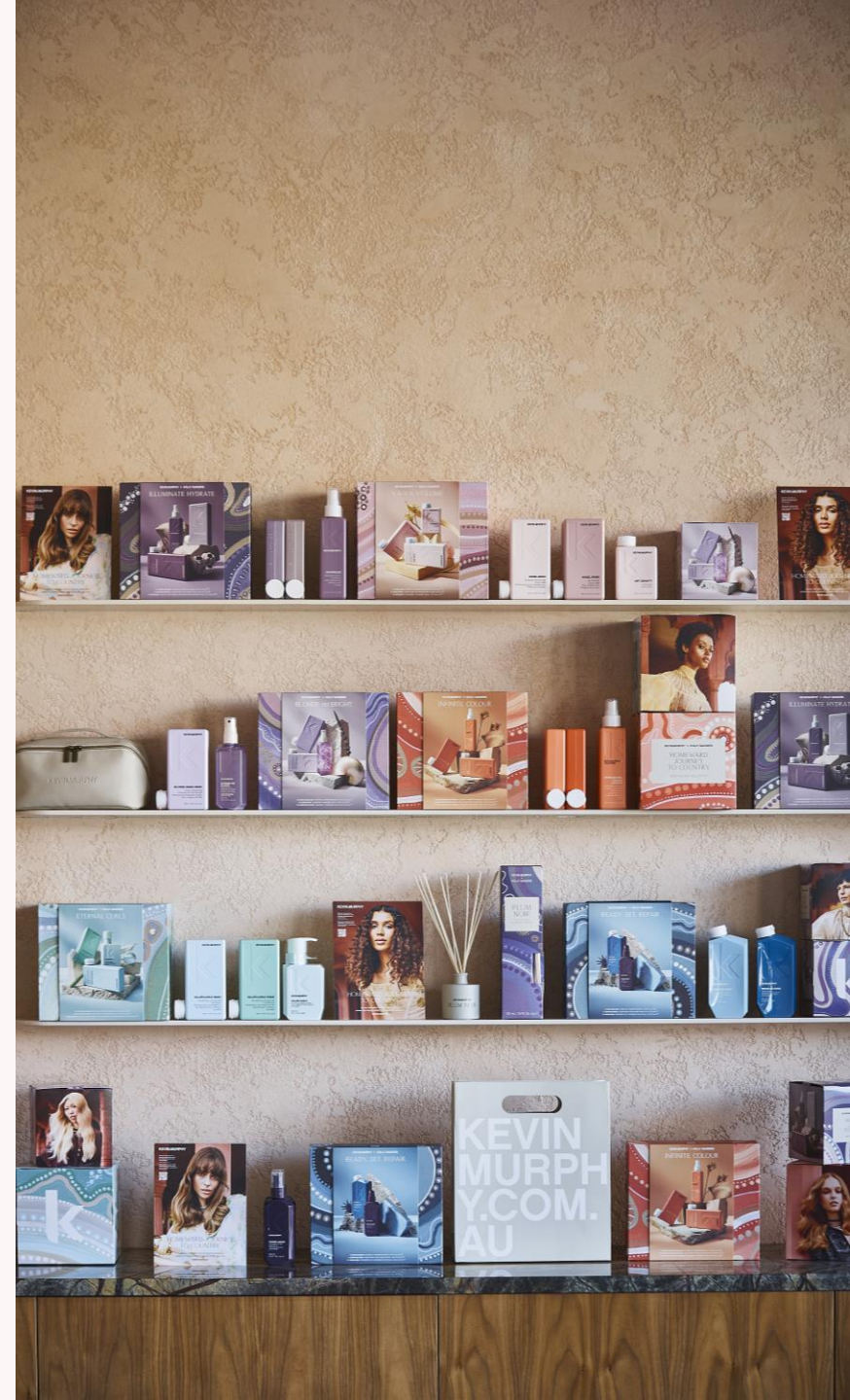
## 5. Risk associated with hair extensions business

Kevin Murphy Group recently expanded its business into the hair extension industry by acquiring a hair extension company. The foray into the hair extension business marks a strategic expansion for our company, yet it presents distinct challenges, notably in the intricate process of sourcing real hair, especially from countries deemed high-risk, such as China. The nature of the hair extension industry raises concerns regarding the potential for exploitation in the sourcing and processing of human hair with a heightened risk of breach of the Convention on the Rights of the Child as the human hair sourcing is often associated with children under the age of 18. This also enhances the importance of ensuring that the sourcing process aligns with international labour standards, fair labour practices and ethical treatment of workers.

## 6. High-risk products

Kevin Murphy Group partner with vendors in Europe and Asia for the manufacturing of merchandising and marketing materials, such as hairbrushes. The largest vendors have multi-year relationships with the group, however procurement of such goods often involves smaller vendors. The expedited nature of these transactions along with the requirement for short turnaround times often limits transparency. Consequently, this raises the risk of modern slavery, attributed to the prevalence in high-risk geographies and the diminished transparency in the supply chain.

**Overall**, we recognise that our value chain is exposed to certain human rights and modern slavery risks which need our careful consideration moving forward. In our last Modern Slavery Statements, we recognised that the absence of formal risk assessments for our business partners leaves a potential gap in identifying and addressing modern slavery risks. For instance, relying solely on the Good Manufacturing Practices (GMP) certification which covers personnel management, hygiene and safety considerations manufacturers without comprehensive human rights risk assessments may expose Kevin Murphy Group to unforeseen human rights and modern challenges in its supply chain. Since then, we have invested considerable efforts working towards a robust risk assessment process for all vendors and business partners, regardless of size to ensure a comprehensive approach to modern slavery prevention.



# OUR ONGOING EFFORTS TO COMBAT MODERN SLAVERY

In our commitment to responsible business practices, we address the imperative of combating modern slavery risks. This section provides a comprehensive overview of our ongoing endeavours, highlighting the multifaceted strategies and initiatives implemented to mitigate the potential impact of modern slavery within our operations and supply chain.

**The following efforts are elaborated on below:**

1. Integration of ESG Strategy
2. Transition of Packaging Production
3. Establishment of Long-Term Contracts
4. Formal integration of Human Rights in Supplier Audits
5. Developing robust policies and policy mechanisms

## 1. Integration of ESG Strategy

As part of our immediate initiatives, the continued development and implementation of a new Environmental, Social, and Governance (ESG) strategy has been identified as one of the top priorities on our corporate agenda. Since we began reporting, this strategy is rapidly becoming an integral component of the policies governing all departments within Kevin Murphy Group. We are striving to become a B Corp under the new standards to improve our impact. By weaving ESG considerations into the fabric of our organisational policies, we are not only acknowledging the

significance of sustainability and responsible practices but also setting the groundwork for robust human rights efforts throughout our value chain.

## 2. Transition of Packaging Production

With the aim of aligning our operations with sustainable and responsible practices, we are actively working towards relocating our packaging production from China to Europe. This strategic move aims to mitigate potential risks associated with the supply chain and enhance our control over responsible business practices and value chains. Post this transition, the packaging production that will continue in China will be hotel amenities for the Asian market and certain components of the PET packaging bottles. These hotel amenities produced by Vanity, a business separate from, Kevin Murphy Group and are licensed by Kevin Murphy Group and therefore are a part of their value chain. Regarding the PET manufacturing in China, we are committed to work towards enhancing vendor contracts and transparent supplier reporting. This step reinforces our dedication to responsible sourcing and environmental stewardship.



## OUR ONGOING EFFORTS TO COMBAT MODERN SLAVERY

### 3. Establishment of Long-Term Contracts

Changing a manufacturer is a lengthy procedure, owing to which Kevin Murphy Group has long lasting relationships with its big vendors and manufacturers. These partnerships are designed not only to ensure the stability of our operations but also to ensure alignment with our values and sustainability strategy thereby reducing the risk of modern slavery in our supply chain. By forging enduring relationships with trusted manufacturers, we are fostering an environment of accountability and responsible conduct, further safeguarding against potential human rights violations.

### 4. Taking steps to formally integrate Human Rights in Supplier Audits

As part of Kevin Murphy Group's due diligence in assessing and onboarding new suppliers, steps are being taken to consider and adhere to human rights principles in our audit procedures with the development of a Supplier Code of Conduct and Human Rights Policy. This is serving as a proactive measure to gauge the commitment of potential suppliers to responsible practices before formalising contractual agreements.

### 5. Developing robust policies, policy mechanisms and training

Increasing human rights due diligence across our operations and value chain includes upholding commitments outlined in our,

- Human Rights Policy,
- Supplier Code of Conduct,
- Grievance Handling Mechanism for Suspected Non-Compliance with Supplier Code of Conduct Policy,
- Code of Business Conduct, Conflicts of Interest and Ethics Policy,
- Anti Discrimination, Bullying, Harassment and Retaliation Policy,
- and Diversity Equity and Inclusion Policy

Ensuring compliance with such policies will be a critical focus of the group in 2026 and beyond, where we will continue to invest in appropriate monitoring and management of grievance channels and policy mechanisms, with clear protocols in place for non-compliance. Capability training in our team and our partners will be a focus in the next reporting year.



# POLICIES ADDRESSING THE RISKS OF MODERN SLAVERY

## Code of Business Conduct, Conflicts of Interest and Ethics Policy

- a. All employees, officers and directors of the Company must respect and comply with all applicable laws, rules and regulations of countries, states, provinces, and municipalities in which the Company does business or is otherwise subject to jurisdiction.
- b. To ensure the safety and security of all employees and visitors, and to provide an exemplary work environment, employees are expected to follow certain basic rules of conduct.
- c. Any contrary conduct or behaviour may result in disciplinary actions up to and including termination of employment with or without notice in accordance with applicable law.
- d. The Company prohibits retaliation of any kind against any individual who, in good faith, reports or complains of violations or suspected violations of the Code of Business Conduct & Ethics or other illegal or unethical conduct, or who participates in any investigation or testifies or assists in any proceeding relating to any such report or complaint (or who engages in any other legally protected activity).

## Whistleblower Policy

- a. The Company is committed to ensuring corporate compliance and promoting ethical corporate culture by observing the highest standards of fair dealing, honesty, and integrity in our business activities.
- b. The policy is open for Employee, Officer, Director, Customer (including Distributors), Salon, Stylist, Contractor (including sub-contractors and employees of contractors), Supplier (including employees of suppliers), Consultant, Auditor; and, Relative, dependent, spouse, or dependent of a spouse of any of the above.
- c. The whistleblower policy can be used to report the following actions relating to modern slavery:
  - Illegal (such as theft, dealing in or use of illicit drugs, violence or threatened violence and criminal damage to property).
  - Unethical including any breach of the Company's policies such as the Code of Business Conduct and Ethics.
  - Oppressive or grossly negligent.
  - Potentially damaging to the Company, its employees or a third party.
  - Misconduct or an improper state of affairs.
  - A danger or represents a danger to the public or financial system.
  - Harassment, discrimination, victimisation, or bullying.

## Human Rights Policy

- a. The company respects and is committed to upholding internationally recognised human rights standards and principles. This policy outlines our due diligence and remediation commitments to proactively uphold human rights across our all facets of our operations and value chain.
- b. This policy outlines that we take responsibility to conduct community and stakeholder engagement to enhance the comprehensiveness of our due diligence process to garner deeper insight into the operational practices or our suppliers and partners to ensure we understand and manage risks.
- c. The policy outlines grievance mechanisms to report suspected concerns or potential violations of this policy and outlines the accountability structures within the group who will oversee these measures

# POLICIES ADDRESSING THE RISKS OF MODERN SLAVERY

## Supplier Code of Conduct

- a. The policy outlines our commitment to responsible business conduct and working closely with our suppliers to ensure we maintain transparency across our entire value chain to manage and mitigate risks. The policy has been written in accordance with international best practice standards, frameworks and principles
- b. The policy outlines our expectation that suppliers act in accordance with the code, in addition to complying with laws and regulations relevant to their jurisdiction/s. This includes collaborating with KMG to achieved enhanced transparency and traceability via the sharing of data, and audits.
- c. The SCoC outlines that suppliers must share a commitment to social matters, such as managing and mitigating human rights violations, discrimination, working hours, wage benefits and terms of employment, equality inclusion and diversity, health and safety, freedom of association and other related topics, including commitment to business ethics.
- d. The SCoC outlines that should suppliers breach the SCoC or fail to remediate breaches within agreed timeframes, will result in termination of the contract.

## Grievance Handling Mechanism for Suspected Non-Compliance with Supplier Code of Conduct Policy

- a. This policy outlines our management procedures to handle reported grievances and suspected non-compliance with the SCoC
- b. It outlines grievance submission channels, handling procedures, monitoring and follow up, continuous improvement mechanisms, escalation protocols, reporting and public transparency

## Anti Discrimination, Bullying, Harassment and Retaliation Policy

- a. The company is committed to providing a work environment that is free from all forms of discrimination, bullying, harassment and retaliation and in which all individuals are treated with respect and dignity. This policy applies to all employees of KMG.
- b. The policy protects individuals who make a complaint of discrimination, bullying, harassment and retaliation and outlines the mechanisms, procedures for which individuals can trust to take place should violations of this policy take place.

## Diversity Equity and Inclusion Policy

Through this policy, Kevin Murphy Group is committed to the following:

- a. A workplace characterised by mutual respect and fair treatment that is free of discrimination, harassment and bullying.
- b. Maximising opportunities to contract with diverse vendors, including businesses that fall into one or more diversity categories, and companies that themselves endeavour to promote the values of diversity and inclusion.

## ASSESSMENT OF EFFECTIVENESS OF ACTIONS

Kevin Murphy Group is committed to continuous monitoring of the effectiveness of our processes and policies to address the risks that our business may potentially cause, contribute to, or is directly linked to modern slavery and human rights violations.

We acknowledge that, given our current growth trajectory and the organisational evolution, there is a necessity to emphasise and continue to strengthen our processes, policies, and efforts.

This emphasis is directed towards both mitigating human rights and modern slavery risks and evaluating the effectiveness of these measures. This agenda forms part of our responsible business and ESG agenda and therefore is a focal point in our sustainable and ethical growth and transformation strategy.



## LOOKING AHEAD

As part of our ongoing commitment to combat modern slavery and uphold responsible and sustainable practices throughout our supply chain, we are monitoring and managing several key initiatives to address potential risks and enhance transparency. Our proactive measures focus on the following seven key areas:

### 1. Risk management and mitigation mechanisms in High-Risk Areas

We acknowledge the significance of identifying and addressing risks associated with high-risk business activities, particularly in the hair extension business, and geographies deemed high-risk. We are committed to ongoing Human Rights Due Diligence to better understand the risk landscape and identify risk mitigation measures specifically for these regions. We have made progress on this topic by formalising our risk assessment using a supplier risk screening tool of direct suppliers based on country and sector risk scores. We use this risk screen to help prioritise suppliers for due diligence efforts. We have also conducted in-person site audits in high-risk areas. Looking ahead, we are ensuring ongoing monitoring and management of the robust policies and mechanisms we've put in place to identify, monitor and mitigate risks.

### 2. Reshaping Packaging Production

To reinforce our dedication to responsible business conduct, we are relocating a portion of our packaging production from China to Europe. This will ensure that more of our products are produced in Europe, aligning with our commitment to responsible sourcing.

### 3. Enhancing Vendor Contracts

Our purchase orders with vendors serve as contracts which have general terms and conditions. Kevin Murphy Group is incorporating clauses related to human rights and forced labour into our vendor and distributor contracts with the development of our new Supplier Code of Conduct and Human Rights Policy. In the next reporting year we are conducting an audit and revising contracts to best practice and will see a significant portion of our supplier contracts including such clauses. This marks a significant step towards embedding ethical considerations into our supplier relationships

### 4. Maximising signatories of our Supplier Code of Conduct and CSR Agreements

Recognising the pivotal role of our suppliers, we have developed a Supplier Code of Conduct (SCoC), which establishes Corporate Social Responsibility (CSR) agreements with our suppliers. This initiative underscores our mutual commitment to ethical and sustainable business practices. Looking ahead, Kevin Murphy Group is dedicated to ensuring that all new and existing direct suppliers, core to the business, become signatories of the code by 2030. To support this goal, we are collaborating with suppliers to bridge knowledge gaps and promote compliance.

### 5. Transparent Supplier Reporting

We will continue to enhance transparency by maintaining a system that requires our suppliers to complete detailed forms disclosing the origin of their components and raw materials. This information will contribute to a comprehensive understanding of our supply chain and aid in identifying and addressing potential modern slavery risks.

### 6. Global Human Rights Policy and Due Diligence Training

Kevin Murphy Group recognises the importance of aligning with internationally recognised guidelines pertaining to human rights which serve as a universal benchmark for ethical and responsible business conduct. KMG's Human Rights Policy has been approved by the board as part of our commitment to incorporate international standards, including the OECD guidelines, the ILO core conventions, and the UN guiding principles, as the foundational frameworks for our policy. This approach underscores Kevin Murphy Group's dedication to upholding the highest standards of ethical and responsible business practices across its operations. The policy is supported by robust grievance mechanisms and a whistleblower policy. We have trained key internal stakeholders on human rights due diligence to ensure the highest standards are maintained across our value chain as we roll out the policy among suppliers.

### 7. Monitoring Grievance Channels

Our whistleblower policy is in effect across our diverse geographical locations backed by comprehensive grievance protocols for employees, suppliers, and any other stakeholders to report non-compliance. With the launch of our new website planned in the near term future, we will have a public facing framework for reporting concerns related to modern slavery and other ethical issues with access to the key supporting policies. Looking ahead, training on these mechanisms and increased oversight from the highest levels of accountability in KMG will continue to take place.

## LOOKING AHEAD

We are committed to building a supply chain that not only complies with legal requirements, but also lives up to our values of integrity, transparency and respect for human rights, while deepening our sustainability work and progressing our journey towards B Corp certification. **Never above you, never below you, but always by your side**, we work with our partners to shape a supply chain that uplifts every person it touches and protects the environment we all depend on.

In the coming reporting year, we will continue to increase our investment in and accountability for these commitments, further embedding modern slavery risk management into our broader ESG strategy and B Corp ambitions. Our determination to identify, address and prevent modern slavery remains unwavering, and we will keep strengthening our practices to help create a more just, sustainable and inclusive future for our community and our industry.



**Peter McDonald**  
CEO Kevin Murphy Group

