



MODERN SLAVERY ACT STATEMENT 2023

30 November 2023

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INTRODUCTION AND OUR APPROACH

This is the fourth Modern Slavery Statement ("Statement") for Ego Pharmaceuticals Pty Ltd ("Ego"), as informed by the Modern Slavery Act 2018 (Cth).

The purpose of this Statement is to outline our approach to ensuring that Ego has appropriate frameworks and processes in place to minimise the risk of Modern Slavery in our business operations and supply chain.

Everyone who is employed by Ego lives our Ego Values. These include "Ethics – we do what is right".

In other words, at Ego our business is conducted in an ethical manner because it is right to do so. Therefore, we ask and expect our business partners to conduct their dealings with us in a fair, honest and ethical manner. And every new employee who joins Ego signs up to the Ego Values as part of the employment commitment. Living the Ego Values is also part of every employee's performance appraisal process.

We understand that Modern Slavery can occur in many forms, such as slavery, servitude, human trafficking, forced marriage, forced labour, debt bondage, child labour, and deceptive recruiting for labour or services.

Ego is fully committed to operating responsibly. This means establishing and adhering to Ego's Values, which provide appropriate ethical standards across our group.

This commitment is supportive of the United Nations Sustainable Development Goals (<https://sdgs.un.org/goals>). Ego became a member of the UN Global Compact on 28 November 2021.

Ego supports the United Nations' objective of eradicating the many forms of Modern Slavery.

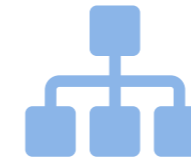
Ego has established a cross-functional group of senior staff together with directors to oversee our efforts to eliminate Modern Slavery within our supply chain.



THE REPORTING ENTITY

Ego Pharmaceuticals Pty Ltd
21-31 Malcolm Road, Braeside,
VIC 3195, Australia

ABN 86 005 142 361



STRUCTURE, OPERATIONS AND SUPPLY CHAINS

This statement covers the activities of Ego, which also includes controlled and associated entities as follows:

- Ego Pharmaceuticals Pty Ltd
- Ego Pharmaceuticals UK Limited
- Ego Pharm Malaysia Sdn Bhd
- Ego Pharmaceuticals Taiwan Pty Ltd
- Ego Pharmaceuticals Singapore Pte Ltd
- Ego Pharmaceuticals Hong Kong Limited
- Ego Pharmaceuticals Europe Ltd
- Australian Link Trading L.L.C.
- Ego Pharmaceuticals Holdings Pty Ltd

Ego Pharmaceuticals Pty Ltd is a privately owned Australian company with operating entities in the UK, Malaysia, Taiwan, Singapore, Hong Kong, Malta and the United Arab Emirates.

Ego has led the way in the development, manufacture and marketing of innovative skincare products. Our mission is to transform lives through the science of healthy skin. Ego is the specialist in skincare, backed by science. We make our products in Australia for the people of the world. We provide consistently high quality products, underpinned by heritage and integrity.

From its inception as a family business in 1953, Ego has grown to become a world leader, producing a comprehensive skin and health care range for sale in Australia and around the world. Our reputation is built on consistently delivering effective, high-quality products to meet a diverse range of needs, and we are committed to creating the best possible skin therapies for our customers.

Ego develops and manufactures innovative skin care products at our Braeside site in Victoria.. These include well-known and trusted brands such as QV®, Aqium®, SENSENSE®, MOOV®, DermAid®, Egoderm®, Egozite®, Elucet®, Numit®, Pinetarsol®, Resolve®, Sebitar®, SolvEasy®, SOOV® and Zatamil®.

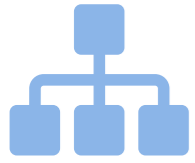
Within Australia, Ego employs more than 500 people across engineering, production, quality, people and performance, logistics, research and development, regulatory affairs, finance, ICT, legal, marketing and sales.

Outside Australia, Ego has nearly 200 people in the areas of marketing, sales and finance.

A Board oversees the strategic direction of Ego, and includes its Managing Director, Alan Oppenheim, and Scientific and Operations Director, Dr Jane Oppenheim, as well as independent non-executive directors.

The upstream supply chain of Ego consists of four main segments:

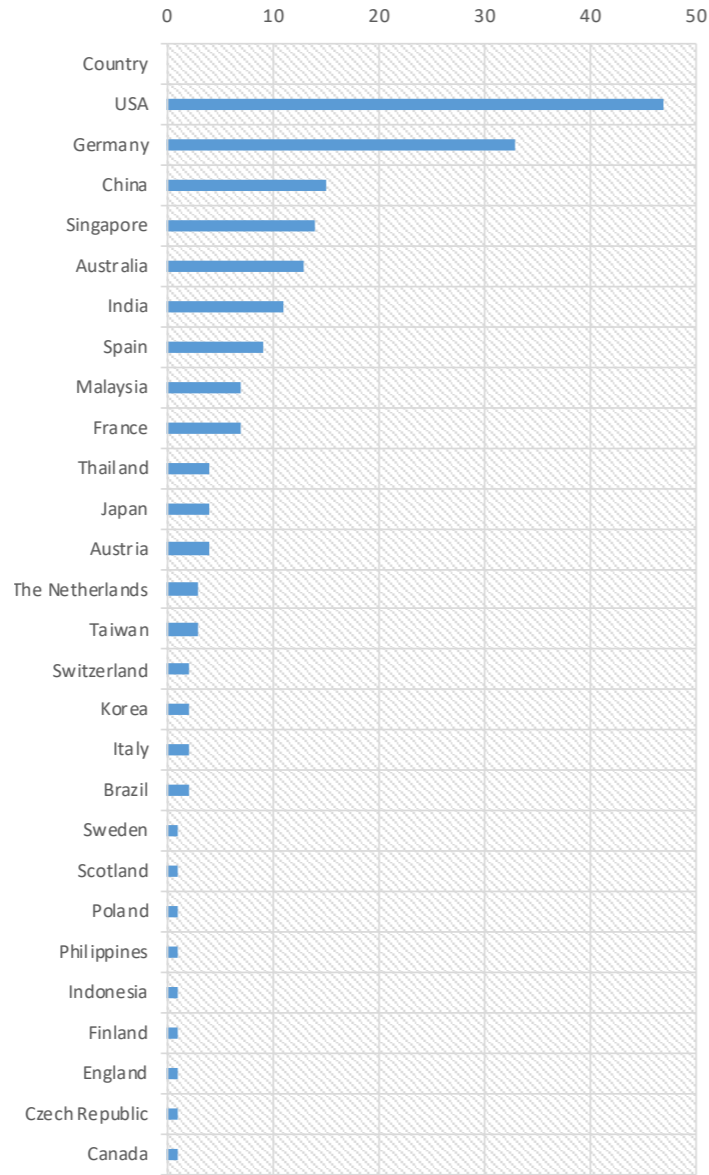




VITAL STATISTICS

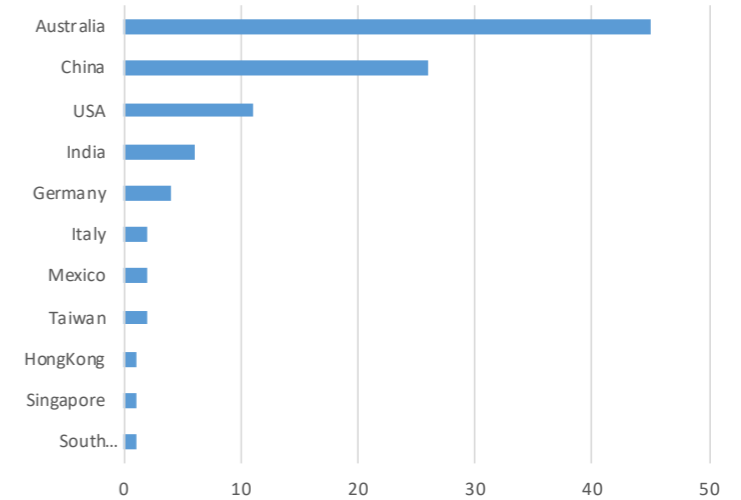
DISTRIBUTION OF RAW MATERIAL MANUFACTURERS

Country	No.	%
USA	47	24%
Germany	33	17%
China	15	8%
Singapore	14	7%
Australia	13	7%
India	11	6%
Spain	9	5%
Malaysia	7	4%
France	7	4%
Thailand	4	2%
Japan	4	2%
Austria	4	2%
The Netherlands	3	2%
Taiwan	3	2%
Switzerland	2	1%
Korea	2	1%
Italy	2	1%
Brazil	2	1%
Sweden	1	1%
Scotland	1	1%
Poland	1	1%
Philippines	1	1%
Indonesia	1	1%
Finland	1	1%
England	1	1%
Czech Republic	1	1%
Canada	1	1%
Belgium	1	1%
Total	192	100%



DISTRIBUTION OF PACKAGING MATERIAL MANUFACTURERS

Country	No.	%
South Africa	1	1.0
Singapore	1	1.0
HongKong	1	1.0
Taiwan	2	2.0
Mexico	2	2.0
Italy	2	2.0
Germany	4	4.0
India	6	5.9
USA	11	10.9
China	26	25.7
Australia	45	44.6
Total	101	100



EGO STAFF BY COUNTRY



BY THE NUMBERS



Raw Materials

230



Packaging Materials

1,008



Markets

22



Product Formulations

127



Finished Goods

410



IDENTIFICATION OF THE RISKS OF MODERN SLAVERY

IN OUR OPERATIONS AND SUPPLY CHAINS AND OUR POLICIES AND GOVERNANCE PRACTICES

In accordance with Ego's Values, Ego has zero tolerance for any form of Modern Slavery and slavery-like practices. We established the following governance process to provide the necessary Board oversight of the implementation and subsequent phases, as the identified approach and responses are embedded into Ego's broader compliance requirements.

At the outset of the modern slavery risk identification governance process, Ego revisited its Values to ensure that there was alignment with our activities including our supply chain activities.

Ego's and our Entities' Operations

Consistent with the Ego Values, we have developed a Business Partner Code of Conduct Policy which sets out the standards by which we operate. This policy applies to Ego and its entities. The key points of this policy are:

- Ego supports the UN Global Compact, the UN Universal Declaration of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.
- Ego does not employ children under the legal employment age in any country or local jurisdiction.
- Ego does not use any form of forced, bonded or involuntary labour. Workers retain control of their identification documents and do not pay any fee connected to obtaining employment throughout the hiring process and the employment period. Punishment and coercion are prohibited and all disciplinary policies and procedures are fair, clearly defined and openly communicated to workers.
- Ego complies with all applicable laws and industry standards regarding working hours, overtime,

wages and benefits. Ego pays workers in a timely manner. Deductions from wages as a disciplinary measure are not allowed unless legally permitted.

- Ego employees and contract workers are free to leave employment on reasonable notice.

From an Australian company perspective, Ego is subject to some of the strictest employment laws anywhere in the world and follows all applicable laws and awards.

The risk of Modern Slavery within Ego is rated as very low.

Ego Australia's Supply Chain

Ego's supply chain consists of hundreds of suppliers. In 2019, we audited our direct input suppliers (raw materials and packaging used in our products). In 2020, we focused on Australian suppliers of indirect goods and services. The results of these audits have been published in previous Modern Slavery Statements.

Ego's International Operations' and Entities' Supply Chains

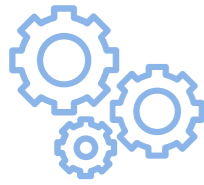
In 2021, our main due diligence activity was an audit of the suppliers to our international operations and entities. The results of this audit were published in the Modern Slavery Statement for 2021.

Ego's International Entities

As described in our 2021 Modern Slavery Statement, we have assessed the risk of Modern Slavery within Ego's international entities themselves via a desk audit.

Based on a combination of geographical and sector data, we assessed the likelihood of the supply chains of our international entities as low.





ACTIONS ADOPTED

TO ASSESS AND ADDRESS THOSE RISKS, INCLUDING DUE DILIGENCE AND REMEDIATION PROCESSES

In 2019, we developed and approved a specific overarching policy to ensure that all our underlying procedures and policies promoted ethical and legally compliant business conduct. This document – our Business Partner Code of Conduct Policy – sets out our commitment to prevent violations of human rights such as modern slavery in our business. It describes specific standards to which Ego and

its operating entities adhere. Importantly, Ego also expects our business partners, including our suppliers, to adhere to these standards.

To put this policy into effect with our direct input suppliers, we have incorporated the following clauses in our Ego Purchase Order Terms and Conditions and into our material purchasing and distribution contracts:

MODERN SLAVERY, ETHICAL BEHAVIOUR AND BRIBERY

Unless otherwise required or prohibited by law, the Supplier warrants that:

A it does not employ, engage or otherwise use any child labour in circumstances other than those permitted by law;

B it does not use forced labour in any form (prison, indentured, bonded or otherwise) and its employees are not required to lodge papers or deposits on starting work;

C it provides a safe and healthy workplace, presenting no immediate hazards to its employees, any housing provided by the Supplier to its employees is safe for habitation, and it provides access to clean water, food, and emergency healthcare to its employees in the event of accidents or incidents at the Supplier's workplace;

D it does not discriminate against any employees on any ground (including race, religion, disability or gender);

E it does not engage in or support the use of corporal punishment, mental, physical, sexual or verbal abuse and does not use cruel or abusive disciplinary practices in the workplace;

F it pays each employee at least the minimum wage, or a fair representation of the prevailing industry wage (whichever is the higher), and provides each employee with all legally mandated benefits;

G it complies with the laws on working hours and employment rights in the countries in which it operates; and

H it is respectful of its employees' right to join and form independent trade unions and freedom of association.

The Supplier shall ensure that it has ethical and human rights policies and an appropriate complaints procedure to deal with any breaches of such policies; and the Supplier permits Ego, the right upon reasonable notice (unless inspection is for cause, in which case no notice shall be necessary) to enter upon the Supplier's premises to monitor compliance by the Supplier of the warranties set out in this Clause and the Supplier shall, subject to compliance with law, furnish Ego with any relevant documents requested by Ego in relation thereto.



We have an ongoing process of documenting these same requirements into our formal contract agreements with other suppliers and business partners.

In addition, we periodically review our Business Partner Code of Conduct Policy to ensure its currency and appropriateness.

Ego has established several risk mitigation processes, including our Supplier questionnaire for on-boarding requirements.

All of these are subject to regular review to ensure their practicality and assessment of their effectiveness within the operations and supply chain.

Where a risk is identified, Ego will work with that supplier to review their practices and to seek to achieve changes that are satisfactory. If this is not likely to be achievable, then Ego would explore what alternatives there may be to achieve a successful resolution.



TRAINING AND CAPACITY BUILDING

For the reporting year just finished, we decided to focus on training and capacity building. Up to now, we have educated and informed our staff via:

- Training in our Business Partner Code of Conduct Policy
- Publishing content in our company staff newsletter, the EgoGram
- Seminars and strategy meetings, both locally and internationally
- In house training for onboarding new staff, including a module on Modern Slavery
- Attending webinars on Modern Slavery
- Participating in the consultation sessions on the first three years of the Modern Slavery Act

In 2022 – 2023, we decided to focus on a more formal and structured Modern Slavery training package. This training was targeted at key staff who interact with suppliers and who need to have a strong

understanding and awareness of Modern Slavery – this included board members and executives, senior managers as well as staff in supply, procurement, finance, sales, logistics and packaging / sustainability – both domestic and international. There were 77 participants who completed this training.

Apart from the direct interaction with suppliers via our audit program, we have other supporting mechanisms to facilitate the reporting of suspected instances of Modern Slavery, including our Grievance Procedure and Whistleblower Policy.

In addition to this, Ego is now participating in the UN Global Compact Network Australia, which has a Modern Slavery Community of Practice program.

We have actively followed the outcomes and recommendations of the Report of the statutory review of the Modern Slavery Act 2018 (Cth) – The first three years and we will evaluate and determine those further actions which are noted out of this report.



ASSESSMENT AND EFFECTIVENESS

Ego has a working party that oversees its management of Modern Slavery risk. The convenor is our Chairman and includes our Managing Director and Scientific and Operations Director. The working party operates closely with key team members as we navigate this landscape.

We are identifying further ways for auditing of our suppliers across a broader range of inputs to gain a more complete picture of Modern Slavery risk within our supply chain. We are also identifying further practical ways of periodically reassessing suppliers who have already engaged with us.



CONSULTATION WITH OUR ENTITIES

In 2019 and 2020, much of our work has focused on gaining a better understanding of present circumstances relating to Modern Slavery within Australia. In 2021, as previously mentioned, we reached out to the suppliers of our international entities. An important aspect of this process was a strong engagement with the key Ego personnel within those entities – the people who regularly interact and do business with their suppliers. This proved to be an effective means of not only getting the best level and quality of response from those

suppliers, but of involving our Ego personnel in the process, raising their awareness of Modern Slavery and ensuring their support.

The Business Partner Code of Conduct Policy training has been published to all country and regional managers within our international sales, operations and marketing teams.

In 2023, formal Modern Slavery training of key staff in our entities was undertaken.



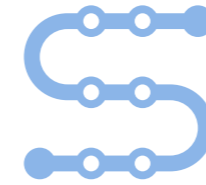
LOOKING AHEAD

Ego has identified as our key focus areas for the next 12 months:

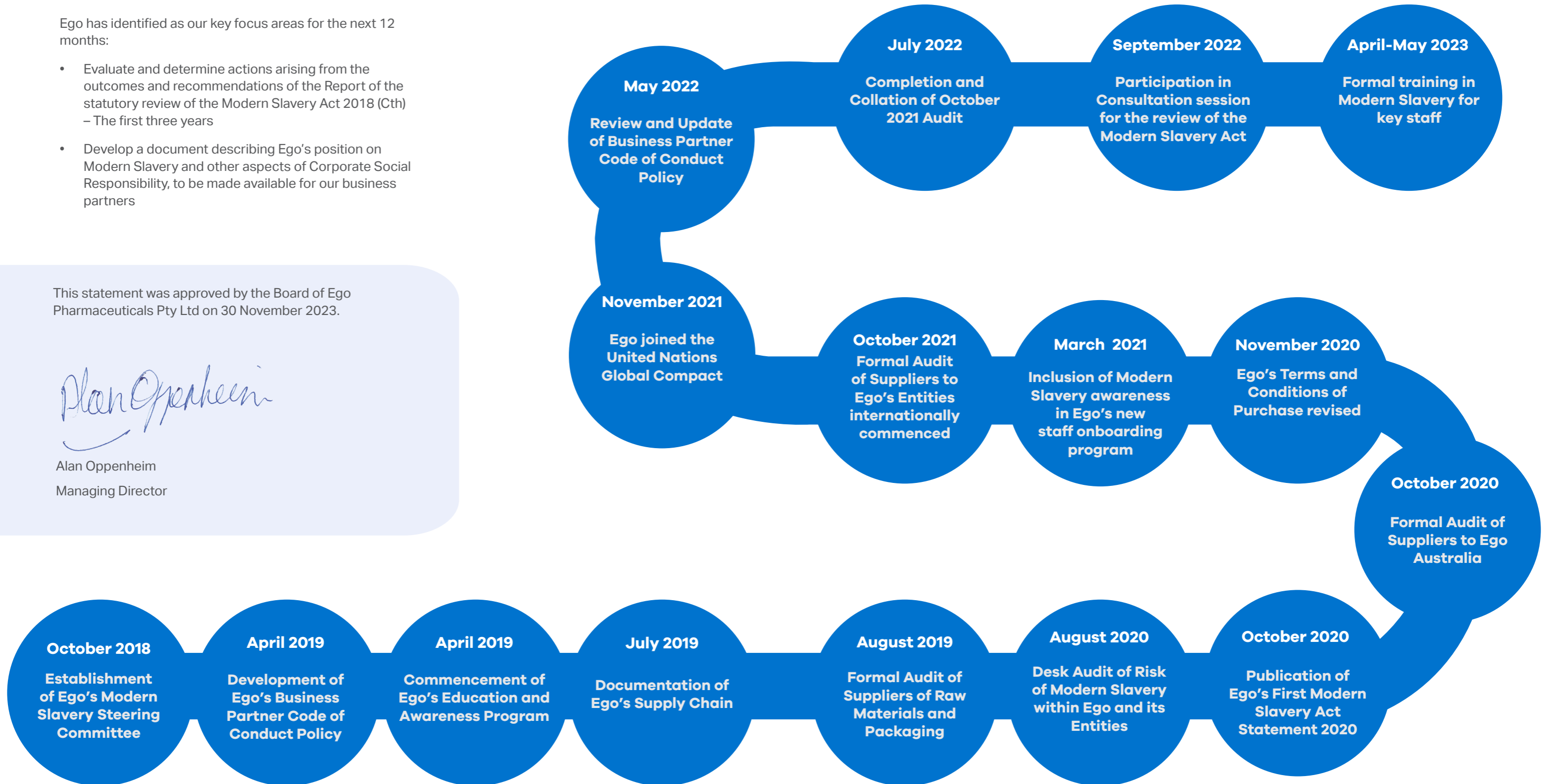
- Evaluate and determine actions arising from the outcomes and recommendations of the Report of the statutory review of the Modern Slavery Act 2018 (Cth) – The first three years
- Develop a document describing Ego's position on Modern Slavery and other aspects of Corporate Social Responsibility, to be made available for our business partners

This statement was approved by the Board of Ego Pharmaceuticals Pty Ltd on 30 November 2023.

Alan Oppenheim
Managing Director



TIME LINE OF EGO'S MAJOR MILESTONES IN ADDRESSING MODERN SLAVERY



egopharm.com

